MARRIOTT VACATIONS WORLDWIDE

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Marriott Vacations Worldwide Reports First Quarter 2024 Financial Results

ORLANDO, Fla. – May 6, 2024 – Marriott Vacations Worldwide Corporation (NYSE: VAC) (“MVW,” the “Company,” “we” or “our”) reported first quarter 2024 financial results.

First Quarter 2024 Highlights

- Consolidated Vacation Ownership contract sales were $428 million, a 1% decrease compared to the first quarter of 2023. Excluding Maui, contract sales increased 3% compared to the prior year.
- Net income attributable to common stockholders was $47 million compared to $87 million in the prior year, and fully diluted earnings per share was $1.22.
- Adjusted net income attributable to common stockholders was $71 million compared to $109 million in the prior year, and adjusted fully diluted earnings per share was $1.80.
- Adjusted EBITDA decreased 8% compared to the prior year to $187 million.
- The Company repurchased 280 thousand shares of its common stock for $24 million and paid two quarterly dividends totaling $54 million.
- The Company reaffirms its full-year contract sales and Adjusted EBITDA guidance.

“It was great to see so many of our owners and guests spending time with their families at our resorts during the first quarter making memories that will last a lifetime,” said John Geller, president and chief executive officer. “Reservations for the upcoming summer months are up over last year both domestically and internationally and travel demand for Maui is close to pre-wildfire levels, setting us up to grow contract sales 6 to 9% this year.”

In the tables below “*” denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

Vacation Ownership

	Three Months Ended		
(In millions, except volume per guest (“VPG”) and tours)	**March 31, 2024**	**March 31, 2023**	**Change**
Revenues excluding cost reimbursement	$ 730	$ 729	—%
Total consolidated contract sales	$ 428	$ 434	(1%)
VPG	$ 4,129	$ 4,358	(5%)
Tours	96,579	92,890	4%
Segment financial results attributable to common stockholders	$ 182	$ 205	(11%)
Segment Adjusted EBITDA*	$ 213	$ 229	(7%)
Segment Adjusted EBITDA margin*	29%	31%	(200 bpts)

Contract sales declined primarily due to the impact of the Maui wildfires. Excluding Maui, contract sales increased 3%. Segment Adjusted EBITDA declined as higher Management and exchange and Rental profit were more than offset by lower Development and Financing profit.

Exchange & Third-Party Management

(In millions, except total active Interval International members and average revenue per member)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change
Revenues excluding cost reimbursement	$ 63	$ 66	(6%)
Total active Interval International members (000's)[(1)]	1,566	1,568	—%
Average revenue per Interval International member	$ 41.74	$ 42.07	(1%)
Segment financial results attributable to common stockholders	$ 25	$ 28	(13%)
Segment Adjusted EBITDA*	$ 32	$ 37	(14%)
Segment Adjusted EBITDA margin*	51%	56%	(500 bpts)

[(1)] Includes members at the end of each period.

Revenues excluding cost reimbursements decreased year-over-year, driven primarily by lower exchange volumes and reduced management fees at Aqua-Aston. Segment Adjusted EBITDA declined year-over-year due to lower revenue.

Corporate and Other

General and administrative costs decreased $5 million in the first quarter of 2024 compared to the prior year.

Balance Sheet and Liquidity

The Company ended the quarter with $855 million in liquidity, including $237 million of cash and cash equivalents and $557 million of available capacity under its revolving corporate credit facility.

The Company had $3.1 billion of corporate debt and $2.2 billion of non-recourse debt related to its securitized notes receivable at the end of the first quarter.

During the quarter, the Company completed its first securitization of the year, raising $430 million at a blended interest rate of 5.48%, approximately 100 basis points below its November 2023 securitization.

In April, the Company refinanced its 2025 Term Loan, extending its maturity to 2031. The interest rate of the new term loan is SOFR plus 2.25%.

Full Year 2024 Outlook

The Company provides full year 2024 guidance as reflected in the chart below. The Financial schedules that follow reconcile the following full year 2024 expected GAAP results for the Company to the non-GAAP financial measures set forth below.

(in millions, except per share amounts)	2024 Guidance		
Contract sales	$1,880	to	$1,930
Net income attributable to common stockholders	$265	to	$300
Earnings per share - diluted	$6.74	to	$7.57
Net cash, cash equivalents and restricted cash provided by operating activities	$235	to	$276
Adjusted EBITDA*	$760	to	$800
Adjusted earnings per share - diluted*	$7.45	to	$8.16
Adjusted free cash flow*	$400	to	$450

Non-GAAP Financial Information

Non-GAAP financial measures are reconciled and adjustments are shown and described in further detail in the Financial Schedules that follow. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use. In addition to the foregoing non-GAAP financial measures, we present certain key metrics as performance measures which are further described in our most recent Annual Report on Form 10-K, and which may be updated in our periodic filings with the U.S. Securities and Exchange Commission.

First Quarter 2024 Financial Results Conference Call

The Company will hold a conference call on May 7, 2024 at 8:30 a.m. ET to discuss these financial results and provide an update on business conditions. Participants may access the call by dialing (877) 407-8289 or (201) 689-8341 for international callers. A live webcast of the call will also be available in the Investor Relations section of the Company's website at ir.mvwc.com. An audio replay of the conference call will be available for 30 days on the Company’s website.

About Marriott Vacations Worldwide Corporation

Marriott Vacations Worldwide Corporation is a leading global vacation company that offers vacation ownership, exchange, rental and resort and property management, along with related businesses, products, and services. The Company has approximately 120 vacation ownership resorts and approximately 700,000 owner families in a diverse portfolio that includes some of the most iconic vacation ownership brands. The Company also operates an exchange network and membership programs comprised of more than 3,200 affiliated resorts in over 90 countries and territories, and provides management services to other resorts and lodging properties. As a leader and innovator in the vacation industry, the Company upholds the highest standards of excellence in serving its customers, investors and associates while maintaining exclusive, long-term relationships with Marriott International, Inc. and an affiliate of Hyatt Hotels Corporation for the development, sales and marketing of vacation ownership products and services. For more information, please visit www.marriottvacationsworldwide.com.

The Company routinely posts important information, including news releases, announcements and other statements about its business and results of operations, that may be deemed material to investors on the Investor Relations section of the Company’s website, www.marriottvacationsworldwide.com. The Company uses its website as a means of disclosing material, nonpublic information and for complying with the Company’s disclosure obligations under Regulation FD. Investors should monitor the Investor Relations section of the Company’s website in addition to following the Company’s press releases, filings with the SEC, public conference calls and webcasts.

Note on forward-looking statements

This press release and accompanying schedules contain “forward-looking statements” within the meaning of federal securities laws, including statements about expectations for full year 2024 outlook for contract sales, results of operations, and cash flows. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “might,” “should,” “could” or the negative of these terms or similar expressions. The Company cautions you that these statements are not guarantees of future performance and are subject to numerous and evolving risks and uncertainties that we may not be able to predict or assess, such as: a future health crisis and responses to a health crisis, including possible quarantines or other government imposed travel or health-related restrictions and the effects of a health crisis, including the short and longer-term impact on consumer confidence and demand for travel and the pace of recovery following a health crisis; variations in demand for vacation ownership and exchange products and services; worker absenteeism; price inflation; difficulties associated with implementing new or maintaining existing technology; changes in privacy laws; the impact of a future banking crisis; impacts from natural or man-made disasters and wildfires, including the Maui wildfires; global supply chain disruptions; volatility in the international and national economy and credit markets, including as a result of the ongoing conflicts between Russia and Ukraine, Israel and Gaza, and elsewhere in the world and related sanctions and other measures; our ability to attract and retain our global workforce; competitive conditions; the availability of capital to finance growth; the impact of changes in interest rates; the effects of steps we have taken and may continue to take to reduce operating costs; political or social strife; and other matters referred to under the heading “Risk Factors” in our most recent Annual Report on Form 10-K, and which may be updated in our future periodic filings with the U.S. Securities and Exchange Commission. All forward-looking statements in this press release are made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. There may be other risks and uncertainties that we cannot predict at this time or that we currently do not expect will have a material adverse effect on our financial position, results of operations or cash flows. Any such risks could cause our results to differ materially from those we express in forward-looking statements.

Financial Schedules Follow

MARRIOTT VACATIONS WORLDWIDE CORPORATION
FINANCIAL SCHEDULES
QUARTER 1, 2024

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MARRIOTT VACATIONS WORLDWIDE CORPORATION

SUMMARY FINANCIAL INFORMATION

(In millions, except per share amounts)
(Unaudited)

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change %
GAAP Measures			
Revenues	$ 1,195	$ 1,169	2%
Income before income taxes and noncontrolling interests	$ 81	$ 128	(37%)
Net income attributable to common stockholders	$ 47	$ 87	(46%)
Diluted shares	42.2	44.4	(5%)
Earnings per share - diluted	$ 1.22	$ 2.06	(41%)
Non-GAAP Measures*			
Adjusted EBITDA	$ 187	$ 203	(8%)
Adjusted pretax income	$ 102	$ 130	(21%)
Adjusted net income attributable to common stockholders	$ 71	$ 109	(34%)
Adjusted earnings per share - diluted	$ 1.80	$ 2.54	(29%)

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

ADJUSTED EBITDA BY SEGMENT

(In millions)
(Unaudited)

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change %
Vacation Ownership	$ 213	$ 229	(7%)
Exchange & Third-Party Management	32	37	(14%)
Segment Adjusted EBITDA*	245	266	(8%)
General and administrative	(63)	(68)	8%
Other	5	5	(13%)
Adjusted EBITDA*	$ 187	$ 203	(8%)

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

INTERIM CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31, 2024	**March 31, 2023**
REVENUES		
Sale of vacation ownership products	$ 352	$ 375
Management and exchange	211	200
Rental	158	151
Financing	83	78
Cost reimbursements	391	365
TOTAL REVENUES	1,195	1,169
EXPENSES		
Cost of vacation ownership products	53	58
Marketing and sales	223	210
Management and exchange	116	107
Rental	107	113
Financing	34	26
General and administrative	63	68
Depreciation and amortization	38	32
Litigation charges	3	3
Restructuring	2	—
Royalty fee	28	29
Impairment	—	4
Cost reimbursements	391	365
TOTAL EXPENSES	1,058	1,015
Gains and other income, net	—	21
Interest expense, net	(40)	(34)
Transaction and integration costs	(15)	(13)
Other	(1)	—
INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	81	128
Provision for income taxes	(35)	(41)
NET INCOME	46	87
Net loss attributable to noncontrolling interests	1	—
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 47	$ 87
EARNINGS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS		
Basic shares	35.5	37.4
Basic	$ 1.32	$ 2.32
Diluted shares	42.2	44.4
Diluted	$ 1.22	$ 2.06

MARRIOTT VACATIONS WORLDWIDE CORPORATION

REVENUES AND PROFIT BY SEGMENT
for the three months ended March 31, 2024
(In millions)
(Unaudited)

	Reportable Segment			
	Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
REVENUES				
Sales of vacation ownership products	$ 352	$ —	$ —	$ 352
Management and exchange[1]				
Ancillary revenues	65	1	—	66
Management fee revenues	52	5	(1)	56
Exchange and other services revenues	31	46	12	89
Management and exchange	148	52	11	211
Rental	147	11	—	158
Financing	83	—	—	83
Cost reimbursements[1]	400	2	(11)	391
TOTAL REVENUES	$ 1,130	$ 65	$ —	$ 1,195
PROFIT				
Development	$ 76	$ —	$ —	$ 76
Management and exchange[1]	77	21	(3)	95
Rental[1]	37	11	3	51
Financing	49	—	—	49
TOTAL PROFIT	239	32	—	271
OTHER				
General and administrative	—	—	(63)	(63)
Depreciation and amortization	(25)	(7)	(6)	(38)
Litigation charges	(3)	—	—	(3)
Restructuring	—	—	(2)	(2)
Royalty fee	(28)	—	—	(28)
Interest expense, net	—	—	(40)	(40)
Transaction and integration costs	—	—	(15)	(15)
Other	(1)	—	—	(1)
INCOME (LOSS) BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	182	25	(126)	81
Provision for income taxes	—	—	(35)	(35)
NET INCOME (LOSS)	182	25	(161)	46
Net loss attributable to noncontrolling interests[1]	—	—	1	1
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 182	$ 25	$ (160)	$ 47
SEGMENT MARGIN[2]	25%	39%		

[1] Amounts included in Corporate and other represent the impact of the consolidation of certain owners' associations under the relevant accounting guidance, and represent the portion attributable to individual or third-party vacation ownership interest owners.

[2] Segment margin represents the applicable segment's net income or loss attributable to common stockholders divided by the applicable segment's total revenues less cost reimbursement revenues.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

REVENUES AND PROFIT BY SEGMENT
for the three months ended March 31, 2023
(In millions)
(Unaudited)

	Reportable Segment			
	Vacation Ownership	**Exchange & Third-Party Management**	**Corporate and Other**	**Total**
REVENUES				
Sales of vacation ownership products	$ 375	$ —	$ —	$ 375
Management and exchange[1]				
Ancillary revenues	61	1	—	62
Management fee revenues	45	8	(1)	52
Exchange and other services revenues	29	47	10	86
Management and exchange	135	56	9	200
Rental	141	10	—	151
Financing	78	—	—	78
Cost reimbursements[1]	368	5	(8)	365
TOTAL REVENUES	$ 1,097	$ 71	$ 1	$ 1,169
PROFIT				
Development	$ 107	$ —	$ —	$ 107
Management and exchange[1]	71	26	(4)	93
Rental[1]	25	10	3	38
Financing	52	—	—	52
TOTAL PROFIT	255	36	(1)	290
OTHER				
General and administrative	—	—	(68)	(68)
Depreciation and amortization	(23)	(8)	(1)	(32)
Litigation charges	(3)	—	—	(3)
Royalty fee	(29)	—	—	(29)
Impairment	(4)	—	—	(4)
Gains and other income, net	9	—	12	21
Interest expense, net	—	—	(34)	(34)
Transaction and integration costs	—	—	(13)	(13)
INCOME (LOSS) BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	205	28	(105)	128
Provision for income taxes	—	—	(41)	(41)
NET INCOME (LOSS)	205	28	(146)	87
Net income attributable to noncontrolling interests[1]	—	—	—	—
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 205	$ 28	$ (146)	$ 87
SEGMENT MARGIN[2]	28%	42%		

[1] Amounts included in Corporate and other represent the impact of the consolidation of certain owners' associations under the relevant accounting guidance, and represent the portion attributable to individual or third-party vacation ownership interest owners.

[2] Segment margin represents the applicable segment's net income or loss attributable to common stockholders divided by the applicable segment's total revenues less cost reimbursement revenues.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

CONSOLIDATED CONTRACT SALES TO ADJUSTED DEVELOPMENT PROFIT

(In millions)
(Unaudited)

	Three Months Ended	
	March 31, 2024	**March 31, 2023**
Consolidated contract sales	$ 428	$ 434
Less resales contract sales	(12)	(11)
Consolidated contract sales, net of resales	416	423
Plus:		
Settlement revenue	8	8
Resales revenue	5	6
Revenue recognition adjustments:		
Reportability	(9)	—
Sales reserve	(46)	(38)
Other[(1)]	(22)	(24)
Sale of vacation ownership products	352	375
Less:		
Cost of vacation ownership products	(53)	(58)
Marketing and sales	(223)	(210)
Development Profit	76	107
Revenue recognition reportability adjustment	7	—
Purchase accounting adjustments	1	2
Adjusted development profit*	$ 84	$ 109
Development profit margin	*21.5%*	*28.5%*
*Adjusted development profit margin**	*23.3%*	*29.2%*

[(1)] Adjustment for sales incentives that will not be recognized as Sale of vacation ownership products revenue and other adjustments to Sale of vacation ownership products revenue.

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

ADJUSTED NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS AND ADJUSTED EARNINGS PER SHARE - DILUTED

(In millions, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31, 2024	March 31, 2023
Net income attributable to common stockholders	$ 47	$ 87
Provision for income taxes	35	41
Income before income taxes attributable to common stockholders	82	128
Certain items:		
ILG integration	—	9
Welk acquisition and integration	15	4
Transaction and integration costs	15	13
Early redemption of senior secured notes	—	10
Foreign currency translation	2	(2)
Insurance proceeds	—	(2)
Change in indemnification asset	(2)	(23)
Other	—	(4)
Gains and other income, net	—	(21)
Purchase accounting adjustments	1	2
Litigation charges	3	3
Restructuring charges	2	—
Impairment charges	—	4
Other	(1)	1
Adjusted pretax income*	102	130
Provision for income taxes	(31)	(21)
Adjusted net income attributable to common stockholders*	$ 71	$ 109
Diluted shares	42.2	44.4
Adjusted earnings per share - Diluted*	$ 1.80	$ 2.54

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

ADJUSTED EBITDA

(In millions)
(Unaudited)

	Three Months Ended	
	March 31, 2024	March 31, 2023
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 47	$ 87
Interest expense, net	40	34
Provision for income taxes	35	41
Depreciation and amortization	38	32
Share-based compensation	7	7
Certain items:		
ILG integration	—	9
Welk acquisition and integration	15	4
Transaction and integration costs	15	13
Early redemption of senior secured notes	—	10
Foreign currency translation	2	(2)
Insurance proceeds	—	(2)
Change in indemnification asset	(2)	(23)
Other	—	(4)
Gains and other income, net	—	(21)
Purchase accounting adjustments	1	2
Litigation charges	3	3
Restructuring charges	2	—
Impairment charges	—	4
Other	(1)	1
ADJUSTED EBITDA*	$ 187	$ 203
ADJUSTED EBITDA MARGIN*	23%	25%

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
(In millions)
(Unaudited)

VACATION OWNERSHIP SEGMENT ADJUSTED EBITDA

	Three Months Ended			
	March 31, 2024		March 31, 2023	
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$	182	$	205
Depreciation and amortization		25		23
Share-based compensation		2		1
Certain items:				
Insurance proceeds		—		(2)
Change in indemnification asset		—		(3)
Other		—		(4)
Gains and other income, net		—		(9)
Purchase accounting adjustments		1		2
Litigation charges		3		3
Impairment charges		—		4
SEGMENT ADJUSTED EBITDA*	$	213	$	229
SEGMENT ADJUSTED EBITDA MARGIN*		29%		31%

EXCHANGE & THIRD-PARTY MANAGEMENT SEGMENT ADJUSTED EBITDA

	Three Months Ended			
	March 31, 2024		March 31, 2023	
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$	25	$	28
Depreciation and amortization		7		8
Share-based compensation		—		1
SEGMENT ADJUSTED EBITDA*	$	32	$	37
SEGMENT ADJUSTED EBITDA MARGIN*		51%		56%

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

(In millions)
(Unaudited)

INTERIM BALANCE SHEET ITEMS

	March 31, 2024	December 31, 2023
Cash and cash equivalents	$ 237	$ 248
Vacation ownership notes receivable, net	$ 2,336	$ 2,343
Inventory	$ 637	$ 634
Property and equipment, net	$ 1,299	$ 1,260
Goodwill	$ 3,117	$ 3,117
Intangibles, net	$ 839	$ 854
Debt, net	$ 3,111	$ 3,049
Stockholders' equity	$ 2,379	$ 2,382

SUMMARY CASH FLOW

	Three Months Ended	
	March 31, 2024	March 31, 2023
Cash, cash equivalents, and restricted cash provided by (used in):		
Operating activities	$ 3	$ (50)
Investing activities	(69)	(37)
Financing activities	43	(194)
Effect of changes in exchange rates on cash, cash equivalents, and restricted cash	(1)	1
Net change in cash, cash equivalents, and restricted cash	$ (24)	$ (280)

MARRIOTT VACATIONS WORLDWIDE CORPORATION
(In millions, except per share amounts)

2024 ADJUSTED NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS AND ADJUSTED EARNINGS PER SHARE - DILUTED OUTLOOK

	Fiscal Year 2024	
	Low	High
Net income attributable to common stockholders	$ 265	$ 300
Provision for income taxes	119	134
Income before income taxes attributable to common stockholders	384	434
Certain items[1]	33	28
Adjusted pretax income*	417	462
Provision for income taxes	(122)	(137)
Adjusted net income attributable to common stockholders*	$ 295	$ 325
Earnings per share - Diluted[2][3]	$ 6.74	$ 7.57
Adjusted earnings per share - Diluted[2][3]*	$ 7.45	$ 8.16
Diluted shares[2]	42.1	42.1

2024 ADJUSTED EBITDA OUTLOOK

	Fiscal Year 2024	
	Low	High
Net income attributable to common stockholders	$ 265	$ 300
Interest expense	163	158
Provision for income taxes	119	134
Depreciation and amortization	143	143
Share-based compensation	37	37
Certain items[1]	33	28
Adjusted EBITDA*	$ 760	$ 800

[1] Certain items adjustment includes $15 million to $20 million of anticipated transaction and integration costs and $13 million of litigation and other charges.

[2] Includes 6.8 million shares from the assumed conversion of our convertible notes.

[3] Includes an add back of $19 million of interest expense related to our convertible notes, net of tax for purposes of calculating net income in the diluted earnings per share calculation.

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

2024 ADJUSTED FREE CASH FLOW OUTLOOK

(In millions)

	Fiscal Year 2024	
	Low	**High**
Net cash, cash equivalents and restricted cash provided by operating activities	$ 235	$ 276
Capital expenditures for property and equipment (excluding inventory)	(65)	(85)
Borrowings from securitizations, net of repayments	105	120
Securitized debt issuance costs	(11)	(12)
Free cash flow*	264	299
Adjustments:		
Net change in borrowings available from the securitization of eligible vacation ownership notes receivable[1]	110	125
Certain items[2]	26	22
Change in restricted cash	—	4
Adjusted free cash flow*	$ 400	$ 450

[1] Represents the anticipated net change in borrowings available from the securitization of eligible vacation ownership notes receivable between the 2023 and 2024 year ends.

[2] Certain items adjustment consists primarily of the after-tax impact of anticipated transaction and integration costs.

* Denotes non-GAAP financial measures. Please see “Non-GAAP Financial Measures” for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

QUARTERLY OPERATING METRICS

(Contract sales in millions)

		Quarter Ended				
	Year	March 31	June 30	September 30	December 31	Full Year
Vacation Ownership						
Consolidated contract sales						
	2024	$ 428				
	2023	$ 434	$ 453	$ 438	$ 447	$ 1,772
	2022	$ 394	$ 506	$ 483	$ 454	$ 1,837
VPG						
	2024	$ 4,129				
	2023	$ 4,358	$ 3,968	$ 4,055	$ 4,002	$ 4,088
	2022	$ 4,706	$ 4,613	$ 4,353	$ 4,088	$ 4,421
Tours						
	2024	96,579				
	2023	92,890	106,746	100,609	105,580	405,825
	2022	78,505	102,857	104,000	105,231	390,593
Exchange & Third-Party Management						
Total active Interval International members (000's)[1]						
	2024	1,566				
	2023	1,568	1,566	1,571	1,564	1,564
	2022	1,606	1,596	1,591	1,566	1,566
Average revenue per Interval International member						
	2024	$ 41.74				
	2023	$ 42.07	$ 39.30	$ 39.15	$ 36.16	$ 156.65
	2022	$ 44.33	$ 38.79	$ 38.91	$ 35.60	$ 157.97

[1] Includes members at the end of each period.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

NON-GAAP FINANCIAL MEASURES

In our press release and schedules, and on the related conference call, we report certain financial measures that are not prescribed by GAAP. We discuss our reasons for reporting these non-GAAP financial measures below, and the financial schedules included herein reconcile the most directly comparable GAAP financial measure to each non-GAAP financial measure that we report (identified by an asterisk ("*") on the preceding pages). Although we evaluate and present these non-GAAP financial measures for the reasons described below, please be aware that these non-GAAP financial measures have limitations and should not be considered in isolation or as a substitute for revenues, net income or loss attributable to common stockholders, earnings or loss per share or any other comparable operating measure prescribed by GAAP. In addition, other companies in our industry may calculate these non-GAAP financial measures differently than we do or may not calculate them at all, limiting their usefulness as comparative measures.

Certain Items Excluded from Non-GAAP Financial Measures

We evaluate non-GAAP financial measures, including those identified by an asterisk ("*") on the preceding pages, that exclude certain items as further described in the financial schedules included herein, and believe these measures provide useful information to investors because these non-GAAP financial measures allow for period-over-period comparisons of our on-going core operations before the impact of these items. These non-GAAP financial measures also facilitate the comparison of results from our on-going core operations before these items with results from other companies.

Adjusted Development Profit and Adjusted Development Profit Margin

We evaluate Adjusted development profit (Adjusted sale of vacation ownership products, net of expenses) and Adjusted development profit margin as indicators of operating performance. Adjusted development profit margin is calculated by dividing Adjusted development profit by revenues from the Sale of vacation ownership products. Adjusted development profit and Adjusted development profit margin adjust Sale of vacation ownership products revenues for the impact of revenue reportability, include corresponding adjustments to Cost of vacation ownership products associated with the change in revenues from the Sale of vacation ownership products, and may include adjustments for certain items as necessary. We evaluate Adjusted development profit and Adjusted development profit margin and believe they provide useful information to investors because they allow for period-over-period comparisons of our on-going core operations before the impact of revenue reportability and certain items to our Development profit and Development profit margin.

Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA

EBITDA, a financial measure that is not prescribed by GAAP, is defined as earnings, or net income or loss attributable to common stockholders, before interest expense, net (excluding consumer financing interest expense associated with term securitization transactions), income taxes, depreciation and amortization. Adjusted EBITDA reflects additional adjustments for certain items and excludes share-based compensation expense to address considerable variability among companies in recording compensation expense because companies use share-based payment awards differently, both in the type and quantity of awards granted. For purposes of our EBITDA and Adjusted EBITDA calculations, we do not adjust for consumer financing interest expense associated with term securitization transactions because we consider it to be an operating expense of our business. We consider Adjusted EBITDA to be an indicator of operating performance, which we use to measure our ability to service debt, fund capital expenditures, expand our business, and return cash to stockholders. We also use Adjusted EBITDA, as do analysts, lenders, investors and others, because this measure excludes certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be dependent on a company's capital structure, debt levels and credit ratings. Accordingly, the impact of interest expense on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provisions for income taxes can vary considerably among companies. EBITDA and Adjusted

EBITDA also exclude depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We believe Adjusted EBITDA is useful as an indicator of operating performance because it allows for period-over-period comparisons of our on-going core operations before the impact of the excluded items. Adjusted EBITDA also facilitates comparison by us, analysts, investors, and others, of results from our on-going core operations before the impact of these items with results from other companies.

Adjusted EBITDA Margin and Segment Adjusted EBITDA Margin

We evaluate Adjusted EBITDA margin and Segment Adjusted EBITDA margin as indicators of operating performance. Adjusted EBITDA margin represents Adjusted EBITDA divided by the Company's total revenues less cost reimbursement revenues. Segment Adjusted EBITDA margin represents Segment Adjusted EBITDA divided by the applicable segment's total revenues less cost reimbursement revenues. We evaluate Adjusted EBITDA margin and Segment Adjusted EBITDA margin and believe it provides useful information to investors because it allows for period-over-period comparisons of our on-going core operations.

Free Cash Flow and Adjusted Free Cash Flow

We evaluate Free Cash Flow and Adjusted Free Cash Flow as liquidity measures that provide useful information to management and investors about the amount of cash provided by operating activities after capital expenditures for property and equipment and the borrowing and repayment activity related to our term securitizations, which cash can be used for, among other purposes, strategic opportunities, including acquisitions and strengthening the balance sheet. Adjusted Free Cash Flow, which reflects additional adjustments to Free Cash Flow for the impact of transaction and integration charges, impact of borrowings available from the securitization of eligible vacation ownership notes receivable, and changes in restricted cash, allows for period-over-period comparisons of the cash generated by our business before the impact of these items. Analysis of Free Cash Flow and Adjusted Free Cash Flow also facilitates management's comparison of our results with our competitors' results.