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Marriott Vacations Worldwide Corp. (VAC)

Q1 2014 Earnings Call



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Christopher James Wallace Agnew

Analyst, MKM Partners LLC

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Steve T. Altebrando

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MANAGEMENT DISCUSSION SECTION

Operator: Ladies and gentlemen, thank you for standing by. Welcome to the Marriott Vacations Worldwide First Quarter 2014 Earnings Conference Call on the 29th of April, 2014. I will now hand the conference over to Jeff Hansen. Please go ahead, sir.

Jeff Hansen

Vice President-Investor Relations, Marriott Vacations Worldwide Corp.

Thank you, Kev. I'd like to welcome everyone to the Marriott Vacations Worldwide first quarter 2014 earnings conference call. I'm joined today by Steve Weisz, President and CEO; and John Geller, Executive Vice President and CFO. I do need to remind everyone that many of our comments today are not historical facts and are considered forward-looking statements under Federal Securities Laws.

These statements are subject to numerous risks and uncertainties, as described in our SEC filings, which could cause future results to differ materially from those expressed in or implied by our comments. Forward-looking statements in the press release that we issued this morning along with our comments on this call are effective only today, April 29, 2014 and will not be updated as actual events unfold.

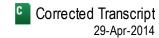
Throughout the call, we will make references to non-GAAP financial information. You can find a reconciliation of non-GAAP financial measures referred to in our remarks in the schedules attached to our press release, as well as the Investor Relations page on our website at ir.mvwc.com. I will now turn the call over to Steve Weisz, President and CEO of Marriott Vacations Worldwide.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.



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Thanks, Jeff. Good morning, everyone, and thank you for joining our first quarter earnings call. This morning, I'll discuss the results for the first quarter of 2014 and will then turn the call over to John to provide a more detailed view of our first quarter performance. We'll then open the call for your questions.

Before I begin, let me take just a moment and comment on an important milestone for our company, as April 17 marked our 30th anniversary. It's hard to believe that, 30 years ago, Marriott International purchased three properties on Hilton Head, becoming the first lodging branded timeshare company in the industry. Today, we stand on our own as a public company and industry leader with over 60 resorts, more than 400,000 owner families, and almost 10,000 associates across the globe. I'm proud of our 30-year history and excited for what the next 30 years will bring.

We have started 2014 as expected, ahead of 2013 in adjusted EBITDA, VPG and adjusted development marg in. Keep in mind, the first quarter was a tough comparison to last year due to the fact that our busy New Year's week fell into 2013, as a result of our financial reporting calendar. Additionally, the harsh winter impacted our North America segment, and our Asia Pacific segment results were affected by the political unrest in Thailand, which hindered sales in our Phuket sales gallery.

That being said, we are on track and confident in our full-year 2014 outlook. Total company contract sales were \$162 million, up \$6 million over the prior year. This was due to \$6 million in residential sales in San Francisco. VPG continues its upward trend, improving 6.5% to almost \$3,500, driven by higher pricing and improved closing efficiency. This rate of growth is impressive in itself, but even more so considering VPG last year grew 11% over the first quarter of 2012.

Our company adjusted development margin improved over 200 basis points to 19.8%. This was mainly from more efficient marketing and sales spending and higher VPG. As I've mentioned before, continued improvement in VPG and development margin allows us to invest in new buyer tours in a manner that controls cost, while driving future top line growth. Tour-flow in North America was down almost 5% from the first quarter of 2013, slightly behind expectations that we communicated last quarter. However, we are seeing signs that our recently implemented programs are starting to gain traction.

It's important to remember that tours generated today may not arrive at our sales galleries for another nine months to 12 months on average. To that end, our tour program development and expected production of new buyer tours is on track, and we expect to see those benefits begin to manifest themselves later this year. As I mentioned, our first quarter was impacted by the harsh winter in the U.S. However, we remain confident that our tour-flow will provide sequential improvement as we move through the year.

Our rental business was flat to the first quarter of last year. But keep in mind that 2014 was impacted by more than just the weather. Our first quarter this year did not include the New Year's week, which was included in the first quarter of last year, negatively impacting this year's results by approximately \$2 million. Taking into account those impacts, we view flat rental results year-over-year as a solid outcome, and we expect rental results for the full year to improve over 2013.

Shifting to our resort management and other services business, results improved by \$2 million over last year to \$18 million. These results were driven by increased club dues and additional management fees, as well as improvements in our ancillary operations. In G&A, costs increased \$1 million over last year, primarily due to legal fees related to ongoing litigation and normal inflationary growth, partially offset by additional savings from our organization and separation related efforts.

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In our Asia Pacific segment, the continued political unrest stemming from recent elections in Thailand imp acted sales at our Phuket sales gallery. In addition, we are keeping a close eye on new regulations in Singapore that went into effect April 1, which are impacting our ability to take deposits on contract signing. We have already adjusted our processes to mitigate the anticipated impacts of the new legislation, and we'll evaluate any additional changes as appropriate. We remain focused on development opportunities in the region with onsite sales and will provide strong growth for us in the future.

Turning to our disposition efforts, as a reminder, during the first quarter, we completed the sale of a golf course and adjacent land in Orlando for an estimated total gain of \$2 million and net cash proceeds of \$22 million. And we continue to see strong interest in our remaining \$120 million to \$160 of excess land in inventory. For example, we've just signed a contract to sell the remaining land and associated golf courses at our Kauai Lagoon property for \$60 million. We typically would not disclose a contract at this stage, as the buyer has a six-month due diligence period.

However, we are required to do so due to the materiality of the contract. I want to emphasize, while signing a purchase and sale agreement is a positive development, anything can happen during this period, and this sale is by no means final. Regarding our capital allocation strategy, we have continued to repurchase shares throughout the year with over 730,000 shares of our common stock purchased in the first quarter and almost 1.5 million shares repurchased to-date, representing over 50% of our current Board authorization.

In total, we have returned over \$75 million to shareholders since late last October. 2014 has begun with a solid quarter that we expect to build upon throughout the remainder of the year. To that end, we are diligently working on our strategies to sourcing first-time buyers and adding new destinations. I'm optimistic in our outlook for our company, and I look forward to updating you in future forums.

With that, I'll turn the call over to John to provide a more detailed look at our first quarter results. John?

John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

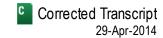
Thank you, Steve, and good morning, everyone. We delivered solid performance in the first quarter with adjusted EBITDA of \$40 million, up \$1 million over the first quarter of 2013, despite a tough comparison to last year. Our improvement was driven by our development margin, which was up \$4 million year-over-year.

Our rental business performed well despite some minor headwinds, and resort management and other services improved as expected. This was offset slightly by lower financing results and higher G&A costs. While we do not adjust EBITDA for the impact of revenue reportability, it did negatively impact performance in the quarter by \$3 million, which we expect to realize through the remainder of the year.

In North America, adjusted segment results were \$81 million, an improvement of \$4 million over the first quarter of last year. Development margin was the primary contributor to this improvement, growing \$5 million over the same quarter in 2013 to \$27 million. Adjusted development margin percentage improved 3.2 percentage points to 22%. This improvement was driven by marketing and sales cost, which improved 200 basis points over last year; product cost, which improved 40 basis points; and slightly lower sales reserve activity.

The improvement in marketing and sales cost reflected the lower cost associated with residential sales. Excluding the impact of residential sales, marketing and sales cost improved by 60 basis points, driven by stronger VPG, which benefited from almost one full point of higher closing efficiency. While one point of closing efficiency

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improvement has historically resulted in greater margin improvement, new tour production requires upfront spending.

Despite this investment, we were successful in increasing margins while covering the cost associated with generating future tours. North America product cost, excluding the impact of our residential sales, improved 180 basis points over the last year, driven by lower cost of inventory from our repurchase program. Last quarter, we guided full-year 2014 total company product cost of between 31% to 32%. Based on current trends in our core timeshare business, we believe that we will finish the year toward the lower end of that range.

In our rental business, results in North America improved \$1 million over last year, driven by roughly two points of improvement in both transient occupancy and rate. We were facing a tough comparison though to start 2014 without the typical high-performing New Year's week, which was included as the 53rd week in the 2013 fiscal calendar. Despite this, total company results were flat to the priory ear quarter. In addition, we continue to better understand our owner usage behavior, allowing us to improve forecasted rental availability, and in turn, our overall rental results.

In our resort management and other services business, revenue net of expenses in North America improved \$2 million to \$18 million in the quarter. As we make progress in our dispositions, particularly at Kauai Lagoons, there could be meaningful upside to our ancillary operations in future years. Remember though, even with the signed purchase agreement, there is always risk in completing these transactions.

In our Asia Pacific segment, results were \$1 million, down from \$3 million in the first quarter of 2013. This was primarily driven by lower sales and rental results from the challenges Steve discussed earlier. As we grow this segment through new destinations with strong onsite sales, our Asia Pacific results will be more diversified and less affected by localized issues.

Turning to Europe, contract sales improved \$5 million to \$9 million in the quarter due to improved sales from our Middle East sales activities and our 47 Park Street property in London. Adjusted segment results were \$1 million, flat compared to the first quarter of last year due to the higher mix of London sales, which come with a higher product cost. Our strategy in this segment of selling out our remaining developer inventory remains on track.

Shifting to our financing business, revenue net of related expenses was down \$1 million compared to the first quarter of last year. In the quarter, our notes receivable balance declined faster than we originated new notes. However, financing propensity improved two points over the first quarter of last year to 42%. Since we've been enjoying historically high spreads in the ABS markets, we are continuously evaluating programs to improve our propensity.

Keep in mind, some of these programs could affect revenue reportability in the near term. However, they should not affect reportability for the full year. We also expect propensity to naturally improve as we begin seeing more first-time buyers later this year. As historically, first-time buyers have a higher tendency to finance their purchase.

Turning to the balance sheet and liquidity position, since the end of 2013, real estate inventory balances declined another \$20 million to \$844 million. The company's total debt outstanding decreased \$81 million from the end of 2013 to \$597 million, including \$593 million in non-recourse debt associated with the securitized notes.

In addition, \$40 million of mandatorily redeemable preferred stock of a subsidiary remained outstanding. At the end of the first quarter, cash and cash equivalents totaled \$159 million. We also had approximately \$145 million of notes receivable eligible for securitization and a \$197 million in available capacity under our revolving credit facility.



Shifting to our guidance, we are increasing the lower end of our guidance range for adjusted free cash flow by \$10 million, resulting in a new range of \$145 million to \$160 million. As a reminder, our adjusted free cash flow does not include proceeds from dispositions. We have also updated our earnings per share guidance to reflect share repurchase activity through April 28, and based on our first quarter company performance and our expectations for the remainder of the year, are reaffirming our remaining guidance.

Our first quarter improved over last year in all of our key metrics. VPG was up 6.5%, development margin improved over 200 basis points to 19.8% and EBITDA improved \$1 million to \$40 million. In addition, we continued our share repurchase program, and as oftoday, have repurchased over 4% of our outstanding shares.

Looking forward, we are encouraged by what we are seeing. Our new-buyer tours are gaining traction and consumer confidence has been trending upward. I am confident in our full-year guidance, and I look forward to reporting on our progress in future quarters. As always, we appreciate your interest in Marriott Vacations Worldwide.

And with that, we'll now open the call up for Q&A. Operator?

QUESTION AND ANSWER SECTION

Operator: Thank you, sir. [Operator Instructions] The first question comes from Robert Higginbotham from SunTrust. Please go ahead.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Good morning, Rob.

Robert Higginbotham

Analyst, SunTrust Robinson Humphrey

Good morning, guys. So, a few questions on the contracted land sale. Could you help us with what the use of proceeds would be from that? Presumably, it would go towards your share repurchase program. I just want to get a sense of how it might change the cadence of that.

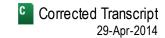
Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Well, I would tell you that the current share repurchase program — we have already anticipated that in our cash flow prognostications for between now and, call it, the end of the first quarter of 2015. If and when this sale comes to pass, we'll obviously try to understand the best use of those proceeds and how we might choose to do that.

Just to kind of reaffirm kind of our capital allocation strategy, we'll first look to use cash as a way of growing the business either through M&A, acquisitions of new properties, et cetera. In the absence of having any need for that cash, then we'll certainly look to ways to distribute that cash back to our shareholders. I suspect as this comes to pass, if it comes to pass, then we'll have that discussion with our Board and try to figure out where to go from there.

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Robert Higginbotham

Analyst, SunTrust Robinson Humphrey

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Okay. And on the impact that it will have to your resort management and other profitability, after the — if the sale, I should say, is complete, should we expect to still see the ancillary piece of that business segment still be negative or to be closer to breakeven or may be even marginally positive?

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

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I think the simple answer is today we do operate that ancillary business and those golf courses at a loss. So, obviously, if we complete this sale, that loss would go away. So, at the worst case, it'll be breakeven. I don't anticipate any reason to think that our ancillary profits from that location would go up, but it certainly would reduce the loss.

Robert Higginbotham

Analyst, SunTrust Robinson Humphrey



Got it. And one more question on the rental side of the business. You've pointed to the calendar shift of New Year's Eve negatively impacting rental. Could you help me better understand if that was a negative impact to the quarter on a rate or was it a negative impact to keys? I'm trying to get a sense of kind of where you are in your progression of more available keys out there.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.



Yeah. Specific to that, we – it's actually both rate and occupancy, as you might imagine. That week's a very popular week for people to travel to all sorts of destinations in our portfolio, whether it'd be into warm weather climes with beach locations, which generally has very high rates, or into the West within our ski locations. By not having that weekend there, that's what – we got hit on both sides. Again, this is kind of a one-time anomaly. We hit this every four years based on – four years or five years, I guess it is, based on our 2013 period reporting calendar – it is one thing that hit us this year.

Robert Higginbotham

Analyst, SunTrust Robinson Humphrey



So could you quantify at all what the impacts to keys and rate were?

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.



I don't know that I have that specific information. I can tell you our estimate is that it costs about \$2 million.

Robert Higginbotham

Analyst, SunTrust Robinson Humphrey



Okay, got it. Okay, I'll leave it at that. Thanks so much.

Stephen P. Weisz

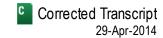
President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

F

Thank you.



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Operator: Thank you. The next question comes from Chris Agnew from MKM Partners. Please go ahead.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Hi. Chris.

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

Thanks very much. Good morning. First of all, on tour-flow, can you just give us some sense of the cadence through the year? I know you talked about – previously about tour-flow turning positive in the second half. Could we see it turn positive in the third quarter and just some of the background drivers there? Thank you.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Yeah. You may recall that when we talked before, we mentioned that starting mid-2013, we started to turn our attention towards more first-time buyers and tour generation in that area. And as I said in my remarks, it takes nine months to 12 months on average between the time you actually schedule the tour before that tour arrives. That's largely a function of the fact that many people have already completed their vacation plans for the latter half of 2013, the first part of 2014. So, I would expect, without any degree of precision here, that we'll start to see more first-time buyers start to show up late in the second quarter and then into the third and then hopefully accelerating even further into the fourth quarter.

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

Thank you. And then if I could shift to North American development margin, a couple of questions stemming from that. First of all, did I hear right from all the numbers provided that the residential sales impacted the North American development margin that you report of 22% by about 150 basis points? Related to that, when do you anticipate completing the residential sales? And then the final subject around just thinking about the development margin in general, last year, you had a steady sequential improvement through the year. What, if any, seasonal variation should we just keep in mind this year with respect to the progression of the development margin? Thanks a lot.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Okay. Chris, I'll answer one part. This is Steve. We have four ownership residential units in San Francisco remaining to be sold. We would hope that they will be completed between now and the end of the year. Now, I'm going to turn it to John to answer the more pesky questions or the detail.

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

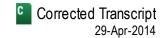
Yeah.

John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

On the development margin, the impact of residential sales, the total margin was really not impacted. So the margin on the residential sales in total was similar to what we saw on timeshare. What we're talking about, Chris,

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was the impact was different. Those residential sales have a lower marketing and sales cost in terms of the marketing and the commission piece of that. So those bring down your marketing and sales cost. However, they have a higher product cost. Net-net, you're still getting back to that, call it, 22% margin for the business line.

But we wanted to highlight that. From a marketing and sales perspective, you are getting an unfair pick-up in terms of how we look at the marketing and sales margin. In terms of your last question, from a seasonality, I don't think you'll see much in that regard. I think what could impact reported development margin, as I mentioned in my remarks, is, as we run different financing programs, you could have reportability that would impact the reported margins. However, as you're aware, we do provide an adjusted developing margin to take out the impact of reportability. Short of that, there shouldn't be too much from a seasonality.

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

Thanks. And just a follow-up to that, normally the reportability evens itself out through the end of the year. But given the impact of may be new owner sales accelerating later through the year, do you think that will still happen or could there be some lag over into next year?

John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

Well, I think as we said, new owner sales or first-time buyer sales, they tend to have a higher financing propensity as — typically a much higher average contract price for our business, and as a result, they rely on financing a little bit more. So, that will help the general trends of financing propensity. In terms of the reportability, unless we're running some specific program to try and increase our propensity, that's what would impact the timing from revenue reportability. But to your point, for the full year, the programs we run will come back by the end of the year. So it won't have a full-year impact on our reported development margin.

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

Great, thanks. And then final small point, can you explain the change in disclosure around consumer financing interest expense, and who or what drove that change, because it confused me a little in terms of it didn't appear to be material at all? Thanks.

John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

Chris, could you explain a little what you said, the disclosure?

Christopher James Wallace Agnew

Analyst, MKM Partners LLC

You had a – there was a note around adjusted EBITDA that you – in your press release talking about consumer financing interest expense?

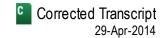
John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

Yeah. It's just that we break it out now and show it up in operating results as a separate line item. It's just a classification. It ultimately gets us to an EBITDA definition, which is after consumer financing. Previously, we used the terminology adjusted EBITDA to get to that EBITDA after consumer financing interest expense. Now, we're including it in the definition of our EBITDA.

Marriott Vacations Worldwide Corp. (VAC) Corrected Transcript Q1 2014 Earnings Call 29-Apr-2014 Christopher James Wallace Agnew Analyst, MKM Partners LLC Excellent. But is there a particular reason why you're changing this? Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp. No, just to simplify it from a nomenclature in terms of how we talk about EBITDA. Christopher James Wallace Agnew Analyst, MKM Partners LLC Okay, that makes sense. John E. Geller Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp. Christopher James Wallace Agnew Analyst, MKM Partners LLC Thanks. **Operator:** Thank you. The next question comes from Steven Kent from Goldman Sachs. Please go ahead. Stephen P. Weisz President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp. Good morning, Steve. Steven E. Kent Analyst, Goldman Sachs & Co. Good morning, good morning. So, two questions, one on just pace of buybacks. Should we expect a steady \$35 million to \$40 million per quarter? Are you more opportunistic? What factors are going to influence that over the next couple of quarters? And then on VPG, how good are you or how can you model that or can you forecast that at a steady pace? Or is there more volatility there than maybe I expect as you try and balance that quarter-toquarter? John E. Geller Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp. Sure, I'll take the buyback question here. I think you've seen since we started the program, which is a little over six months ago, we've been in the market consistently buying it back, and that's our expectation going forward. That said, I'd say from a strategy perspective, to the extent we see a dip in the stock price, as you might expect, we're more aggressive in buying shares back on certain days. But we like the price of the stock, we think it's a bargain, and we're going to continue to buy it back going forward here. Stephen P. Weisz President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

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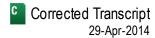
And then on VPG, Steve, there is some seasonality in VPG. So think of it this way, first quarter in particular when either high-demand destinations in the sun or ski, it typically takes a higher number of points to be able to vacation during that time period. Often times, people, when they're visiting one of our sales galleries, they'll make a decision to buy, because they want to come back at that time. And as a result, you have a higher contract average number of points sold, so your VPG gets a little higher.

In the summertime, we have a similar effect in some of our several locations; less so in some of the shoulder seasons. And then we – so we have that kind of as a given. Then, we have to factor in what we try to do at all times, which is share best practices across our sales force about new ways of presenting the product to potential owners and increase our – efficiency of our sales force. So there is some variability that is a little more difficult to forecast. But the seasonality piece is a little easier for us to understand.

Steven E. Kent Analyst, Goldman Sachs & Co. Okay, thank you.	Q
Stephen P. Weisz President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp. Thank you.	A
Operator: Thankyou. The next question comes from Steve Altebrando from	n Sidoti & Company. Please go ahead.
Steve T. Altebrando Analyst, Sidoti & Co. LLC Hi, good morning.	Q
Stephen P. Weisz President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp. Good morning.	A
Steve T. Altebrando Analyst, Sidoti & Co. LLC Hi, good morning. Can you provide a breakdown of pricing versus volume	e for VOI sales?
John E. Geller Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.	A
Sure. Our average price was up in the quarter about 5% give or take, and we about a point improvement. Those were the two key metrics there.	e talked about closing efficiency was
Steve T. Altebrando Analyst, Sidoti & Co. LLC	Q
Okay. And then could you remind me that the tax basis on the remainde	r of the excess real estate and how

significant or how much of that excess real estate is generating an operating loss for you?

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John E. Geller

Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

Yeah. In terms of the second part of the question, we've talked about - there's probably, especially with the real estate that has a golf course component like we have at Kauai and one of our other locations, and then you take all the other carrying costs, you probably have \$8 million to \$10 million of embedded losses currently in our P&L related to that excess land. So as we talked about, as you sell through some of this, Kauai for example where you have a golf course and you have some ancillary losses associated with that, that's potential upside.

Steve T. Altebrando Analyst, Sidoti & Co. LLC

Okay.

John E. Geller Chief Financial Officer & Executive Vice President, Marriott Vacations Worldwide Corp.

In terms of the tax basis, I think in most cases, our tax basis is probably close to book basis on these assets. So not much of a differential there.

Steve T. Altebrando Analyst, Sidoti & Co. LLC Okay. That's helpful. Thank you.

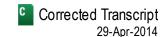
Operator: Thank you. There appear to be no further questions. Please continue.

Stephen P. Weisz

President, Chief Executive Officer & Director, Marriott Vacations Worldwide Corp.

Okay. Well, if I can leave you with anything from our call today, it is that our first quarter performance was solid and was certainly in line with our expectation. We look forward to reporting our continued progress throughout the year. Thank you again for your participation in our call today and your continued interest in Marriott Vacations Worldwide. And finally, to everyone on the call and your families, enjoy your next vacation. Thank you.

Operator: Thank you. This concludes the Marriott Vacations Worldwide first quarter 2014 earnings conference call. Thank you for participating. You may now disconnect.



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