



HISTORICAL REVENUE AND ADJUSTED EBITDA BY SEGMENT

	2019				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net revenues					
Hotel Franchising	\$ 269	\$ 331	\$ 379	\$ 300	\$ 1,279
Hotel Management	197	201	180	190	768
Total Reportable Segments	466	532	559	490	2,047
Corporate and Other	2	1	1	2	6
Total Company	\$ 468	\$ 533	\$ 560	\$ 492	\$ 2,053
Adjusted EBITDA					
Hotel Franchising	\$ 113	\$ 162	\$ 195	\$ 151	\$ 622
Hotel Management	16	16	13	21	66
Total Reportable Segments	129	178	208	172	688
Corporate and Other	(18)	(19)	(18)	(19)	(75)
Total Company	\$ 111	\$ 159	\$ 190	\$ 153	\$ 613
2018					
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net revenues					
Hotel Franchising	\$ 203	\$ 289	\$ 348	\$ 295	\$ 1,135
Hotel Management	99	146	252	229	726
Total Reportable Segments	302	435	600	524	1,861
Corporate and Other	—	—	4	3	7
Total Company	\$ 302	\$ 435	\$ 604	\$ 527	\$ 1,868
Adjusted EBITDA					
Hotel Franchising	\$ 86	\$ 129	\$ 178	\$ 122	\$ 515
Hotel Management	16	8	5	18	47
Total Reportable Segments	102	137	183	140	562
Corporate and Other	(10)	(12)	(17)	(15)	(55)
Total Company	\$ 92	\$ 125	\$ 166	\$ 125	\$ 507

NOTE: Amounts may not add across due to rounding.

Financial information includes non-GAAP measures, which include or exclude certain items. These non-GAAP measures differ from reported GAAP results and are intended to illustrate what management believes are relevant period-over-period comparisons and are helpful to investors as an additional tool for further understanding and assessing the Company's ongoing operating performance. The Company uses these measures internally to assess its operating performance, both absolutely and in comparison to other companies, and to make day to day operating decisions, including in the evaluation of selected compensation decisions. Exclusion of items in the Company's non-GAAP presentation should not be considered an inference that these items are unusual, infrequent or non-recurring.

Definitions

Adjusted EBITDA: Represents net income excluding interest expense, depreciation and amortization, impairment charges, restructuring and related charges, contract termination costs, transaction-related items (acquisition-, disposition-, or separation-related), foreign currency impacts of highly inflationary countries, stock-based compensation expense and income taxes. Adjusted EBITDA is a financial measure that is not recognized under U.S. GAAP and should not be considered as an alternative to net income or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, our definition of adjusted EBITDA may not be comparable to similarly titled measures of other companies. Please see Table 5 of our fourth quarter and full-year 2019 earnings release for non-GAAP reconciliations.