

TRAVEL AND HOSPITALITY

## Marriott sees profit increase, 6,000th property added after Starwood acquisition

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Starwood's The Luxury Collection is now controlled by Marriott International. Image: Hotel Imperial Vienna

By STAFF REPORTS

Hospitality group Marriott International reported a net income of \$244 million, a 21 percent increase from the year-ago, for the fourth quarter of 2016 ended Dec. 31.

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As for adjusted net income, Marriott's fourth quarter totaled \$334 million for an increase of 15 percent when compared to the prior year's combined results. The hotel conglomerate's EBITDA totaled \$756 million for the quarter, an 11 percent jump from the year-ago quarter.

### Rooms on rooms

Marriott's successful financial quarter was bolstered by the Sept. 23 completion of its acquisition of Starwood Hotels & Resorts Worldwide for approximately \$12.2 billion, a deal that formed the world's largest hotel conglomerate.

Now that Starwood brands are under the Marriott umbrella, the latter hotelier counts The St. Regis, The Luxury Collection, W Hotels and others within its stable ([see story](#)).

For financial 2016, Marriott reported a net income of \$780 million. The 9 percent decrease, from 2015's net income to \$859 million, is a due to costs involved in the Starwood acquisition.

During the 12-month period, Marriott, with the Starwood acquisition, added more than 68,000 rooms. The nearly 70,000 rooms included about 11,000 rooms converted from competitor brands and approximately 31,000 rooms in international markets.



*Lobby of Marriott-owned St. Regis San Francisco*

Marriott's development pipeline has another 420,000 rooms, including nearly 34,000 rooms that have already been approved, but are not under contract as of press time.

"We added 11 leading brands to our portfolio as a result of the acquisition and welcomed the 6,000th hotel to our system," said Arne M. Sorenson, president and CEO of Marriott International, in a statement.

"Looking ahead, we've never been more optimistic about our long-term prospects. Our expected new rooms growth for 2017 remains healthy, customers love our hotels and loyalty programs, and owners and franchisees prefer our portfolio of brands more than ever," he said.

"Around the globe, Marriott brands represent nearly one in four hotels under construction, and one in three hotels under construction in North America."

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