

























# Investor Presentation

October 2024



Conrad Tulum Riviera Maya

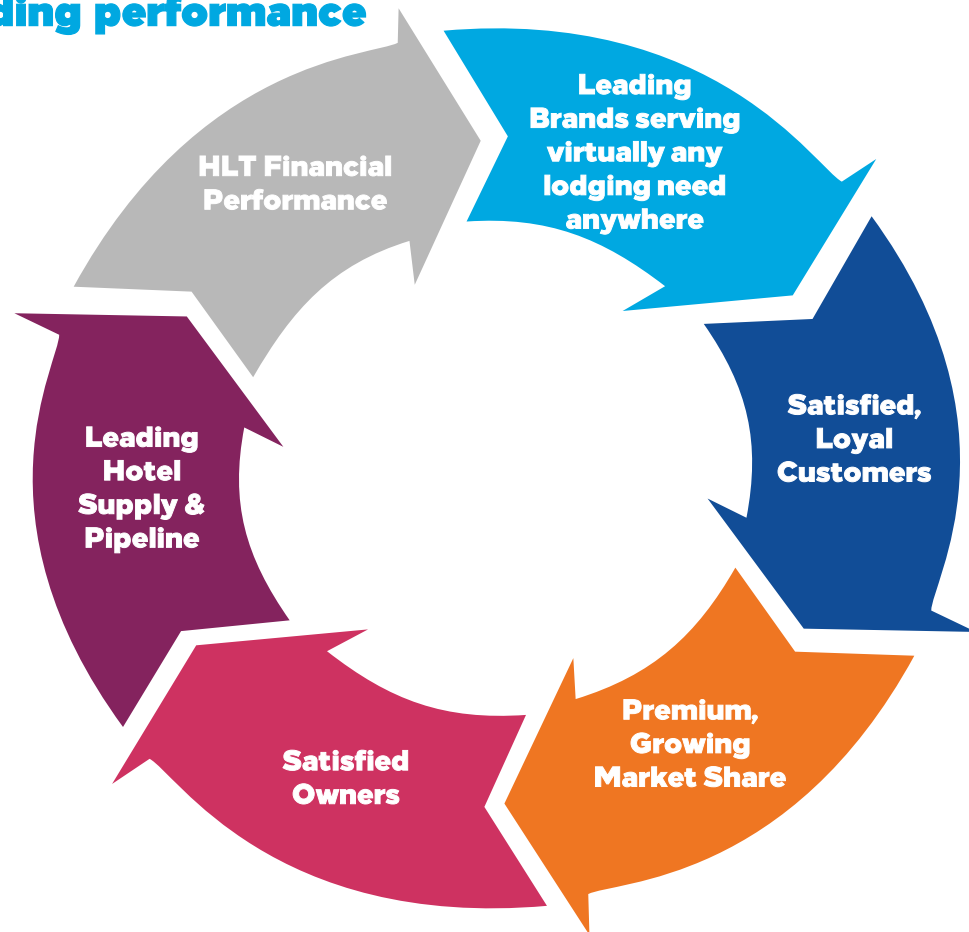


# HLT VALUE PROPOSITION



**Hilton's scale, global presence and leading brands at multiple price points drive a network effect delivering industry-leading performance**

- **Award-winning brands that serve guests for virtually any lodging need they have anywhere in the world**
- **Leads to satisfied customers, including 203 million Hilton Honors loyalty members**
- **Creates a network effect that drives a strong global RevPAR index premium of 15%<sup>(a)</sup>**
- **These premiums drive strong financial returns for the company and our hotel owners**
- **Satisfied owners continue to invest in growing Hilton's brands, driving leading organic net unit growth with de minimis use of capital**
- **We believe the reinforcing nature of these activities will allow Hilton to outperform the competition**



<sup>(a)</sup> Source: STR (nine months ended 9/30/2024). "RevPAR" or "Revenue per Available Room" represents hotel room revenue divided by room nights available to guests for a given period. "RevPAR index premium" reflects the average premium of global RevPAR relative to competitive properties in similar markets based on STR data for the nine months ended 9/30/2024.

- 1. INDUSTRY-LEADING PORTFOLIO OF BRANDS WITH A GLOBAL PRESENCE**
- 2. A SIMPLIFIED, FEE-BASED BUSINESS**
- 3. A HIGH-QUALITY PIPELINE GENERATING SUBSTANTIAL RETURNS ON MINIMAL CAPITAL INVESTMENT**

# 1. INDUSTRY-LEADING PORTFOLIO OF BRANDS

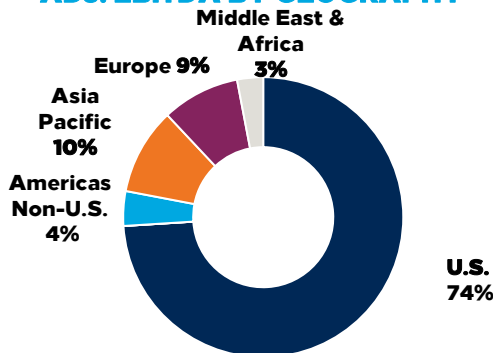


With ~8,300 properties & ~1,251,000 rooms in 138 countries and territories, Hilton is one of the world's largest and most diversified hotel companies

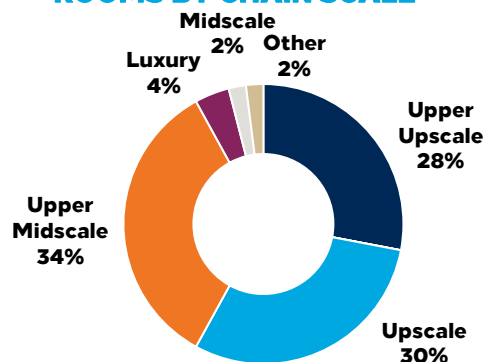
Industry-leading, clearly defined, global brands drive a 15% global RevPAR premium<sup>(a)</sup>



ADJ. EBITDA BY GEOGRAPHY <sup>(b)</sup>



ROOMS BY CHAIN SCALE <sup>(c)</sup>



(a) "RevPAR index premium" reflects the average premium of global RevPAR relative to competitive properties in similar markets based on STR data for the nine months ended 9/30/2024.

(b) For the last twelve months ("LTM") ended 9/30/2024. Adj. EBITDA is a non-GAAP financial measure. Please refer to the Appendix of this presentation for important information about non-GAAP financial measures and for the reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

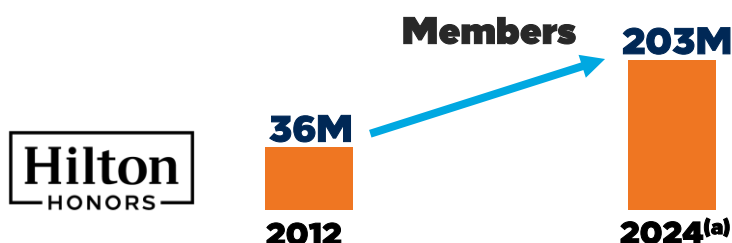
(c) Room count as of 9/30/2024. Other includes timeshare properties.

# 1. INDUSTRY-LEADING PORTFOLIO OF BRANDS

Hilton

Hilton Honors loyalty program enables a better, more personalized hotel stay, driving incremental value to the system

## HILTON HONORS IS OFFERING MORE VALUE TO MORE MEMBERS



Share of system  
Occupancy<sup>(b)</sup>

**~66%**

**~16% CAGR<sup>(c)</sup>**

**+250 bps YOY<sup>(d)</sup>**

## INNOVATIVE FEATURES & PARTNERSHIPS



### POINTS & MONEY 2.0

Can choose any combination of Points and money to pay for a stay, using an interactive “Slider.”



### SHOP WITH POINTS

The first hotel loyalty program to enable members to use their Points on Amazon.com.



### POINTS POOLING

Can pool Points into a single account (for free), generating incremental reward stays and increasing engagement.



### RIDESHARING

When a member rides with Lyft, they earn Hilton Honors Points.

(a) As of 9/30/2024.  
(b) For the nine months ended 9/30/2024.  
(c) “CAGR” is defined as compound annual growth rate.  
(d) “YOY” is defined as year-over-year for the nine months ended 9/30/2024 compared to the nine months ended 9/30/2023.

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# 1. INDUSTRY-LEADING PORTFOLIO OF BRANDS



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**We are one of the most innovative hotel companies, leading in delivering personalized experiences for guests in every interaction they have with Hilton**

**Our Hilton Honors app is one example of how we offer end-to-end experiences for guests:**

- Our Digital Key and welcome experience empower guests to pick their room before arrival and bypass the front desk
- Digital Key Share allows more than one guest to access their room's Digital Key
- Connected Room enables guests to control entertainment options using their mobile device
- We partner with services like Netflix to allow guests to stream their favorite content
- Digital Check-Out gives guests the convenience of checking out of their room in the app
- Confirmed Connecting Rooms allows guests to easily book and instantly confirm at least two adjoining rooms through our website or app

# 1. INDUSTRY-LEADING PORTFOLIO OF BRANDS



**We are committed to sustainable travel and tourism**

**Our Travel with Purpose initiatives aim to drive positive social and environmental change across our operations, supply chain, and communities**

## TRAVEL WITH PURPOSE FRAMEWORK



### ENVIRONMENTAL

PAVING THE WAY TO NET ZERO

Watts  
Water  
Waste



### SOCIAL

CREATING AN ENGINE OF OPPORTUNITY

Careers  
Communities  
Conduct



### GOVERNANCE

ADVANCING AND MEASURING OUR GOALS

Public Affairs  
Partnerships  
Policies & Reporting

## LEADING THE WAY TO POSITIVELY CHANGE THE WORLD

Member of

**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA

For the seventh  
consecutive year



**100%**

Rating on the  
Corporate Equality  
Index for the tenth  
year in a row

The top global hotel  
brand listed on the  
**100 Best Corporate  
Citizens of 2023 List**  
by 3BL Media



## 2. A SIMPLIFIED, FEE-BASED BUSINESS



### Top-Line Driven

**~95%** Fees revenues drive  
~95% of Adj. EBITDA <sup>(a)(b)</sup>

**+/- 1%** of RevPAR growth is roughly  
**+/- 1%** of Adj. EBITDA growth <sup>(b)(c)</sup>

### Majority Franchise Fees

**~80%** of total fees driven  
by franchise and  
licensing fees <sup>(a)</sup>

**Increasing franchise fees as contracts  
roll over at higher published rates**

~5.0% in-place rate vs. 5.6% steady-state rate <sup>(d)</sup> ➔ ~\$150M annual  
Adj. EBITDA <sup>(b)(e)</sup>

### Meaningful Fee Growth on a Normalized Basis

**MANAGEMENT & FRANCHISE FEES <sup>(f)</sup>**  
**\$3,301M**

**\$814M**

**2009 <sup>(g)</sup>**

**2024 <sup>(a)</sup>**

**+10% CAGR**

### Capital Efficient Growth

**+7%** NUG <sup>(h)</sup>

**~\$325M <sup>(i)</sup> Total HLT investment  
in pipeline with ~50% of total pipeline  
rooms under construction <sup>(j)</sup> and average  
initial contract term of 15 to 20 years**

## Fee-based model drives significant free cash flow in stabilized markets

<sup>(a)</sup> Based on LTM ended 9/30/2024. Adj EBITDA excludes corporate and other.  
<sup>(b)</sup> Adj EBITDA is a non-GAAP financial measure. Please refer to the Appendix of this presentation for important information about non-GAAP financial measures and for reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.  
<sup>(c)</sup> Historical relationship holds up in environments when RevPAR increases or decreases 30% or less. Adjusted EBITDA growth or contraction is greater than +/- 1% when RevPAR increases or decreases beyond 30%.  
<sup>(d)</sup> For the nine months ended 9/30/2024. In-place franchise rate is up ~100 bps since FY 2007 and is calculated as franchise fee revenue from comparable franchised hotels divided by room revenue of comparable franchised hotels. Steady-state rate is calculated as the weighted average of current franchise fee rates. Excludes strategic partner hotels.  
<sup>(e)</sup> Fee estimate represents the annualized value if all in-place contracts were adjusted to currently published rates for the brand of the related hotel.  
<sup>(f)</sup> Includes management, royalty and intellectual property fees charged to consolidated owned and leased hotels, which are eliminated upon consolidation. Excludes amortization of contract acquisition costs recorded as contra-revenue.  
<sup>(g)</sup> Does not include the effect of the revenue recognition standard adopted on January 1, 2018.  
<sup>(h)</sup> Reflects Net Unit Growth (NUG) of 7.8% for the LTM ended 9/30/2024 when compared to 9/30/2023. Full Year 2024 NUG guidance is 7.0-7.5%.  
<sup>(i)</sup> Reflects committed contract acquisition costs as of 9/30/2024.  
<sup>(j)</sup> Rooms under construction include rooms for hotels under construction or in the process of conversion to our system.

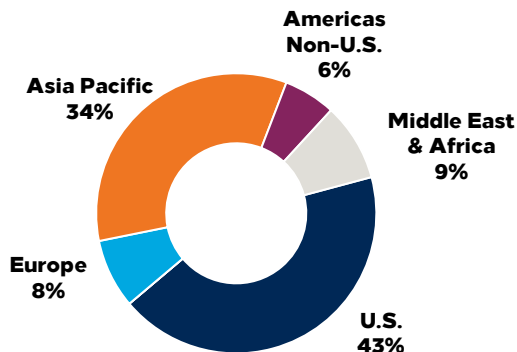


# 3. A HIGH-QUALITY PIPELINE GENERATING SUBSTANTIAL RETURNS ON MINIMAL CAPITAL INVESTMENT

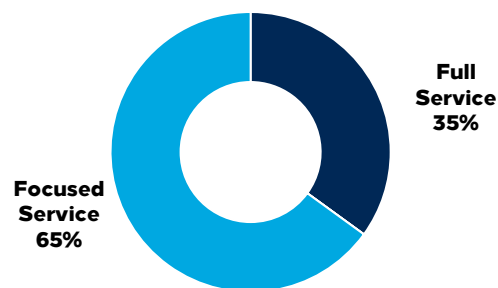


## DIVERSIFIED PIPELINE OF INDUSTRY-LEADING BRANDS

PIPELINE BY GEOGRAPHY<sup>(a)</sup>



PIPELINE BY SEGMENT<sup>(a)</sup>



**Resulting in: High-quality pipelines across all brand segments with minimal HLT capital investment**

Pipeline Rooms <sup>(a)</sup>	% Under Construction <sup>(a)</sup>	3 <sup>rd</sup> Party Investment	HLT Investment <sup>(b)</sup>	% Dry Deals <sup>(c)</sup>
<b>~492K</b>	<b>~50%</b>	<b>&gt;\$60B</b>	<b>~\$335M</b>	<b>~90%</b>



Note: Please refer to "Disclaimers" on slide 14 for important information with respect to Adj. EBITDA and illustrative value creation. These amounts do not represent projections of future results and may not be realized.

(a) Pipeline as of 9/30/2024. Rooms under construction include rooms for hotels under construction or in the process of conversion to our system.

(b) Reflects committed contract acquisition costs as of 9/30/2024.

(c) Reflects percentage of pipeline rooms requiring no contract acquisition costs as of 9/30/2024.

(d) Pipeline as of 9/30/2024. Illustrative Adj. EBITDA is determined by applying assumptions to existing rooms pipeline, increases of in-place rates and increases in RevPAR, as applicable, in each case based on information for the LTM ended 9/30/2024 period. Adj. EBITDA is a non-GAAP financial measure. Please refer to the Appendix of this presentation for important information about non-GAAP financial measures and for the reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

(e) Based on 135 times Illustrative Adjusted EBITDA. Figure is illustrative only and does not reflect the actual valuation or the view of Hilton with respect to proper valuation. The market may attribute a different valuation. Valuation is based on historical approximation.

### 3. A HIGH-QUALITY PIPELINE GENERATING SUBSTANTIAL RETURNS ON MINIMAL CAPITAL INVESTMENT

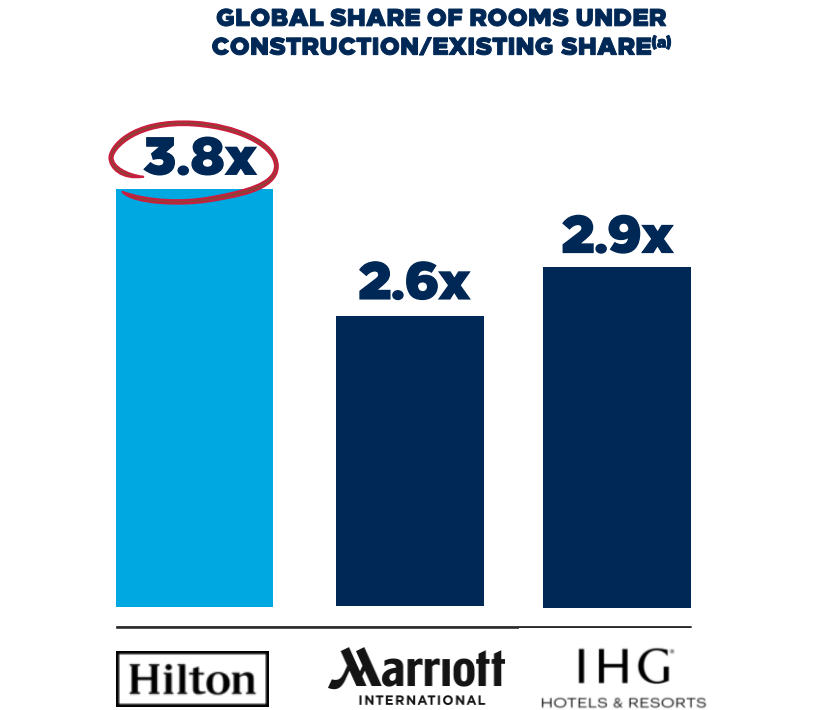


**Development focused on balanced global growth**  
**Brand portfolio drives high quality, high return, industry-leading organic growth enabled by demand patterns around the world**

#### A LEADING SHARE OF FUTURE DEVELOPMENT<sup>(a)</sup>

#### DEVELOPMENT MARKET SHARE IS 3x+ LARGER THAN CURRENT SHARE

	Existing Room Supply	Rooms Under Construction
	% of Total	% of Total
<b>United States</b>	<b>14%</b>	<b>22%</b>
<b>Americas ex. U.S.</b>	<b>4%</b>	<b>16%</b>
<b>Europe</b>	<b>2%</b>	<b>11%</b>
<b>Middle East &amp; Africa</b>	<b>3%</b>	<b>22%</b>
<b>Asia Pacific</b>	<b>2%</b>	<b>24%</b>
<b>Global System</b>	<b>5%</b>	<b>21%</b>



(a) Source: STR Global Census, October 2024 (adjusted to September 2024) and STR Global New Development Pipeline, September 2024. Represents Hilton's share of the total industry.

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 Source: Company filings.

# 3. A HIGH-QUALITY PIPELINE GENERATING SUBSTANTIAL RETURNS ON MINIMAL CAPITAL INVESTMENT

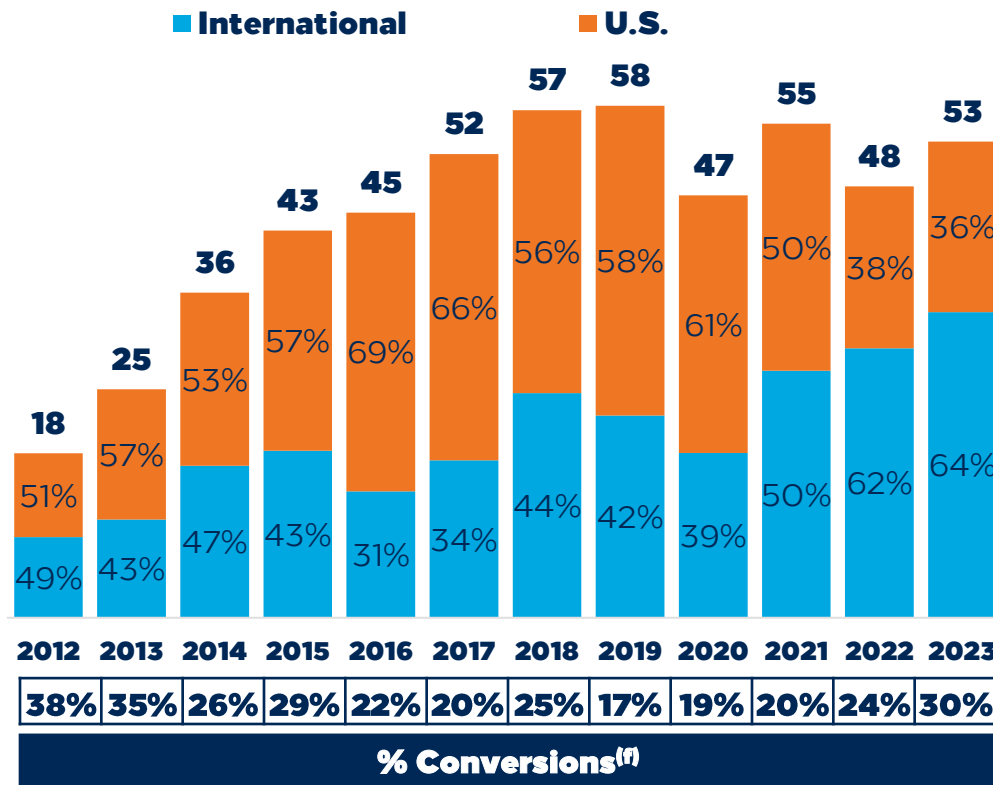


Industry-leading growth with solid sight lines into future development

## GLOBAL SYSTEM ROOM GROWTH 2007-2023<sup>(a)</sup>

<b>Hilton</b>	<b>138%</b>
<b>HYATT</b> <sup>(b)</sup>	<b>108%</b>
<b>Marriott INTERNATIONAL</b> <sup>(c)</sup>	<b>97%</b>
<b>IHG HOTELS &amp; RESORTS</b>	<b>68%</b>
<b>WYNDHAM HOTELS &amp; RESORTS</b> <sup>(d)</sup>	<b>59%</b>
<b>CHOICE</b> <sup>(e)</sup>	<b>23%</b>

## HLT NET UNIT GROWTH (000s of rooms)



(a) Note: "2007" metrics are as of 6/30/07, except for H which is as of 12/31/07. "2023" metrics are as of 12/31/2023.  
 (b) Room count reflects H's acquisition of Two Roads Hospitality and Apple Leisure Group in both periods.  
 (c) Reflects MAR acquisition of HOT and City Express in both periods.  
 (d) Excludes timeshare properties due to lack of 2007 data availability for WYN. Room count reflects Vienna House acquisition in both periods.  
 (e) Room count reflects CHH's acquisition of Radisson Hotels Americas in both periods.  
 (f) As a % of gross room openings.

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 Source: Company filings.



# Appendix

Hilton

# FLEXIBLE CAPITAL STRUCTURE



## CAPITAL STRUCTURE OVERVIEW<sup>(a)</sup>

**Net debt<sup>(b)</sup>**  
**\$9.6B**

**Net leverage<sup>(c)</sup>**  
**2.8x**

**WACD<sup>(d)</sup>**  
**4.8%**

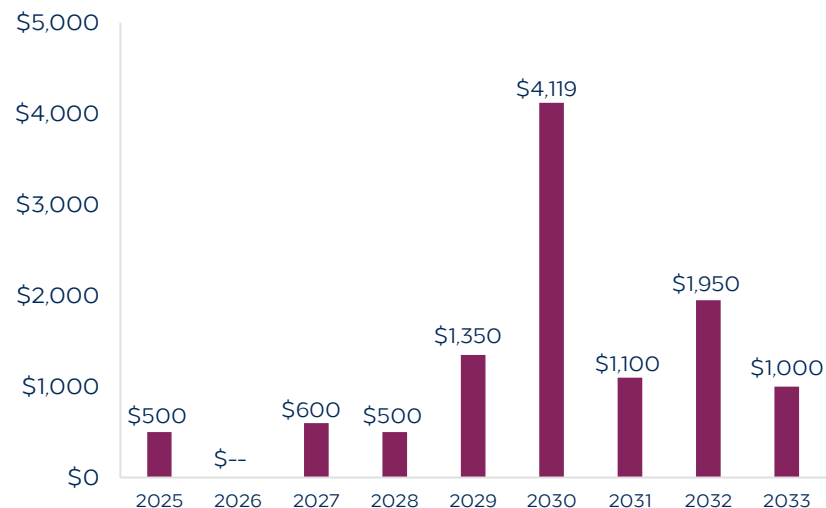
## DEBT BREAKDOWN / SCHEDULED AMORTIZATION AND MATURITIES<sup>(a)(f)</sup>

**% fixed<sup>(e)</sup>**  
**86%**

**% unsecured**  
**72%**

**% freely  
prepayable**  
**33%**

(\$ in millions) **Weighted average term: 5.8 years**



(a) As of 9/30/2024.

(b) Net debt is a non-GAAP financial measure. Please refer to the following slides in the Appendix of this presentation for important information about non-GAAP financial measures and for the reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

(c) As of 9/30/2024. Net leverage, also referred to herein as "net debt to Adj. EBITDA ratio," is calculated as the ratio of net debt to LTM Adj. EBITDA. Net leverage is a non-GAAP financial measure. Please refer to the following slides in the Appendix of this presentation for important information about non-GAAP financial measures and for the reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

(d) As of 9/30/2024. Calculated as annual interest expense of outstanding debt divided by outstanding principal.

(e) Includes the effect of Hilton's interest rate swap.

(f) Excludes all finance lease liabilities and other debt of our consolidated variable interest entities.

# RECONCILIATIONS

(\$ in millions)



	<u>LTM Ended September 30, 2024</u>	<u>Year Ended December 31, 2023</u>
Net income	\$ 1,184	\$ 1,151
Interest expense	536	464
Income tax expense	537	541
Depreciation and amortization expenses	140	147
<b>EBITDA</b>	<b>2,397</b>	<b>2,303</b>
Gain on sales of assets, net	(5)	-
Loss on foreign currency transactions	8	16
Loss on investments in unconsolidated affiliate <sup>(a)</sup>	-	92
Loss on debt guarantees <sup>(b)</sup>	50	-
FF&E replacement reserves	61	63
Share-based compensation expense	176	169
Impairment losses <sup>(c)</sup>	38	38
Amortization of contract acquisition costs	48	43
Net other expenses from managed and franchised properties	563	337
Other adjustments <sup>(d)</sup>	38	28
<b>Adjusted EBITDA</b>	<b>\$ 3,374</b>	<b>\$ 3,089</b>
	<u><u>As of September 30, 2024</u></u>	<u><u>As of December 31, 2023</u></u>
Long-term debt, including current maturities	\$ 11,164	\$ 9,196
Add: unamortized deferred financing costs and discounts	90	71
Long-term debt, including current maturities and excluding the deduction for unamortized deferred financing costs and discounts	11,254	9,267
Less: cash and cash equivalents	(1,580)	(800)
Less: restricted cash and cash equivalents	(75)	(75)
<b>Net debt</b>	<b>\$ 9,599</b>	<b>\$ 8,392</b>
Long-term debt to net income ratio	<u>9.4</u>	<u>8.0</u>
Net debt to Adjusted EBITDA ratio	<u>2.8</u>	<u>2.7</u>

(a) Amount includes losses recognized related to equity and debt financing that we had previously provided to an unconsolidated affiliate with underlying investments in certain hotels that we manage or franchise.

(b) Amount includes losses on debt guarantees for certain hotels that we manage, which were recognized in other non-operating income (loss), net.

(c) Amounts for the year ended December 31, 2023 are related to certain hotel properties under operating leases and are for the impairment of a lease intangible asset, operating lease ROU assets and property and equipment.

(d) Amounts for the nine months ended September 30, 2024 and the year ended December 31, 2023 include expenses resulting from the amendments of our senior secured term loan facility (the "Term Loans") in June 2024 and November 2023, respectively. Amount for the nine months ended September 30, 2024 also includes transaction costs incurred for acquisitions and restructuring costs related to one of our leased properties. Amounts for all periods include net losses (gains) related to certain of our investments in unconsolidated affiliates, other than the loss included separately in "loss on investments in unconsolidated affiliate," severance and other items.

# DISCLAIMERS

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, future financial results, liquidity and capital resources and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "forecasts," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties including, among others, risks inherent to the hospitality industry; macroeconomic factors beyond our control, such as inflation, changes in interest rates, challenges due to labor shortages or disputes and supply chain disruptions; the loss of key senior management personnel; competition for hotel guests and management and franchise contracts; risks related to doing business with third-party hotel owners; performance of our information technology systems; growth of reservation channels outside of our system; risks of doing business outside of the U.S.; risks associated with conflicts in Eastern Europe and the Middle East and other geopolitical events; and our indebtedness. We believe these factors include, but are not limited to, those described under "Part I—Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

This presentation includes certain financial measures, including earnings before interest expense, taxes, depreciation and amortization ("EBITDA"), or Adjusted EBITDA ("Adj. EBITDA"), Net Debt and Net Debt to Adj. EBITDA ratio (or "net leverage"), that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP financial measures should be considered only as supplemental to, and not as a substitute for or superior to, financial measures prepared in accordance with GAAP. Please refer to the footnotes of this presentation and a reconciliation within this Appendix of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Slides in this presentation include certain Adj. EBITDA amounts that are used only for illustrative purposes to present illustrative Adj. EBITDA amounts by applying assumptions to existing rooms pipeline, increases of in-place rates and increases in RevPAR, as applicable, in each case based on information as of 9/30/2024, for the nine months ended 9/30/2024 or for the LTM ended 9/30/2024. These amounts do not represent projections of future results and may not be realized. Value information on such slides that is derived from such illustrative Adj. EBITDA amounts is indicative only, based upon a number of assumptions, and does not reflect actual valuation. Please review carefully the detailed footnotes in this presentation.

We Are **HILTON**  
We Are **HOSPITALITY**