

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Please see attachment.

18 Can any resulting loss be recognized? ▶ Please see attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Please see attachment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *W. Steven Janderfer* Date ▶ January 10, 2017

Print your name ▶ W. STEVEN JANDERFER Title ▶ SR. VICE PRESIDENT

Paid Preparer Use Only

| | | | | |
|----------------------------|----------------------|------|---|------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶ | | | Firm's EIN ▶ | |
| Firm's address ▶ | | | Phone no. | |

Tax Basis Information Required Under Section 6045B of the Internal Revenue Code

PART II: ORGANIZATIONAL ACTION

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Distributions (as defined below) on the tax basis of HLT stock and the allocation of tax basis between the stock of Hilton Worldwide Holdings Inc. (“HLT”), Park Hotels & Resorts Inc. (“PK”) and Hilton Grand Vacations Inc. (“HGV”) following the Distributions. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. HLT does not provide tax advice to its stockholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisors when establishing their specific tax position. You are urged to consult your own tax advisor regarding the particular consequences of the Distributions to you, including the applicability and effect of all U.S. federal, state and local and foreign tax laws. We urge you to read the registration statements on Form 10 (including the information statements filed therewith) of PK (the “PK Form 10”) and of HGV (the “HGV Form 10”, and together with the PK Form 10, the “Forms 10”) filed with the Securities and Exchange Commission on November 23, 2016 and November 30, 2016, respectively, in connection with the Distributions, as amended. In particular, note the discussions on page 76 and 60 of the information statements contained in the PK Form 10 and HGV Form 10, respectively, under the heading “The Spin-Off—Material U.S. Federal Income Tax Consequences of the Spin-Off”. You may access the Forms 10 at www.sec.gov.

Item 14 – Description of organizational action

HLT distributed to its stockholders (the “Distributions”) on a pro rata basis all of the issued and outstanding shares of common stock of PK and HGV, effective on January 3, 2017. Each HLT stockholder received 0.2000 shares of PK common stock and 0.1000 shares of HGV common stock for each share of HLT common stock owned as of 5:00 p.m. New York City Time on December 15, 2016 (the “Record Date”). In the Distributions, any fractional shares of PK common stock or HGV common stock to which an HLT stockholder was otherwise entitled was aggregated and sold on the open market, with the resulting cash proceeds of the sale distributed to such HLT stockholders otherwise entitled to the fractional share of PK common stock or HGV common stock. Immediately thereafter, HLT implemented a 1-for-3 reverse stock split by issuing one new share of HLT common stock in exchange for every three shares of HLT common stock outstanding immediately before such reverse stock split (the “Reverse Stock Split”). In the Reverse Stock Split, any fractional shares of HLT common stock to which an HLT stockholder was otherwise entitled was aggregated and sold on the open market, with the resulting cash proceeds of the sale distributed to such HLT stockholders otherwise entitled to the fractional share of HLT common stock.

HLT common stock trades under the ticker symbol “HLT”. PK common stock trades under the ticker symbol “PK”. HGV common stock trades under the ticker symbol “HGV”.

Item 15 – Description of the quantitative effect of the organizational action on the basis of the security in the hands of the U.S. taxpayer as an adjustment per share or as a percentage of old stock basis

As a result of the Distributions, HLT stockholders are required to allocate the aggregate tax basis in their HLT common stock held immediately before the Distributions among such shares and the shares of PK common stock and HGV common stock to which such stockholders were entitled in the Distributions. A stockholder’s aggregate tax basis in its shares of HLT common stock held immediately prior to the Distributions should be allocated in proportion to the relative fair market value of the HLT common stock, PK common stock and HGV common stock. Stockholders that acquired HLT common stock at different times or different prices will need to calculate their tax basis in each block of stock and then allocate a portion of that tax basis to the HLT common stock, PK common stock and HGV common stock to which such stockholders were entitled.

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of the HLT common stock, PK common stock and HGV common stock for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several possible methods for determining the fair market values of HLT common stock, PK common stock and HGV common stock. One possible approach to determining the fair market value of HLT common stock, PK common stock and HGV common stock is to utilize the New York Stock Exchange market closing prices for HLT common stock (\$58.00 per share), PK common stock (\$29.90 per share) and HGV common stock (\$25.85 per share) on January 4, 2017 (the first day PK common stock and HGV common stock traded regularly on the New York Stock Exchange) as an indication of the fair market value. Based on that approach and the assumptions and calculations set forth in Item 16 below, 69.29924% of a HLT stockholder’s aggregate tax basis in his or her shares of HLT common stock prior to the Distributions would be allocated to such stockholder’s shares of HLT common stock, 21.43497% would be allocated to such stockholder’s shares of PK common stock and 9.26579% would be allocated to such stockholder’s shares of HGV common stock. You are not bound by this approach and may, in consultation with your tax advisor, use another approach in determining fair market values for HLT common stock, PK common stock and HGV common stock. For example, other approaches include (i) using the average of the high and low trading prices for HLT common stock, PK common stock and HGV common stock as of the first day PK common stock and HGV common stock traded regularly on the New York Stock Exchange and (ii) using the market opening price of HLT common stock, PK common stock and HGV common stock as of the first day PK common stock and HGV common stock traded regularly on the New York Stock Exchange.

Item 16 – Description of the calculation of the change in basis and the data that supports the calculation

The following are examples of how the previously-described approach to basis allocation would be applied:

Example 1 Assumptions:

Shares of HLT common stock owned immediately before the Distributions: 3,000

HLT stockholder's aggregate tax basis (assumed to be \$25 per share) (A): \$75,000

Shares of PK common stock received in the Distributions (3,000 shares of HLT common stock multiplied by the distribution ratio of 0.2000): 600

Shares of HGV common stock received in the Distributions (3,000 shares of HLT common stock multiplied by the distribution ratio of 0.1000): 300

Example 1 Tax Basis Allocation:

| | # Shares Owned | Assumed Beginning Basis (A) | Price | FMV of Shares Owned Post Distributions | Percentage of Total FMV (B) | Allocated Tax Basis = (A) x (B) |
|------------------|----------------------|--------------------------------------|----------------------|---|--------------------------------------|--|
| HLT common stock | 1000 ¹ | \$75,000.00 | \$58.00 ² | \$58,000 ⁵ | 69.29924% ⁸ | \$51,974.43 |
| PK common stock | 600 | | \$29.90 ³ | \$17,940 ⁶ | 21.43497% ⁹ | \$16,076.23 |
| HGV common stock | 300 | | \$25.85 ⁴ | \$7,755 ⁷ | 9.26579% ¹⁰ | \$6,949.34 |
| Totals | | | | \$83,695 | 100% | \$75,000.00 |

¹ 3,000 shares of HLT common stock would have been exchanged for 1000 shares of HLT common stock in the Reverse Stock Split.

² Closing market price of HLT common stock on January 4, 2017.

³ Closing market price of PK common stock on January 4, 2017.

⁴ Closing market price of HGV common stock on January 4, 2017.

⁵ 3,000 x 0.3333 x \$58.00

⁶ 3,000 x 0.2000 x \$29.90

⁷ 3,000 x 0.1000 x \$25.85

⁸ \$58,000/(\$58,000 + \$17,940 + \$7,755)

⁹ \$17,940/(\$58,000 + \$17,940 + \$7,755)

¹⁰ \$7,755/(\$58,000 + \$17,940 + \$7,755)

Example 2 Assumptions:

Shares of HLT common stock owned immediately before the Distributions: 1,564

HLT stockholder's aggregate tax basis (assumed to be \$25 per share) (A): \$39,100

Shares of PK common stock received in the Distributions (1,564 shares of HLT common stock multiplied by the distribution ratio of 0.2000): 312.8

Shares of HGV common stock received in the Distributions (1,564 shares of HLT common stock multiplied by the distribution ratio of 0.1000): 156.4

Example 2 Tax Basis Allocation:

| | # Shares Owned | Assumed Beginning Basis (A) | Price | FMV of Shares Owned Post Distributions | Percentage of Total FMV (B) | Allocated Tax Basis = (A) x (B) |
|------------------|-----------------------|--------------------------------------|----------------------|---|--------------------------------------|--|
| HLT common stock | 521.3333 ¹ | \$39,100.00 | \$58.00 ² | \$30,237.33 ⁵ | 69.29924% ⁸ | \$27,096.00 |
| PK common stock | 312.8 | | \$29.90 ³ | \$9,352.72 ⁶ | 21.43497% ⁹ | \$8,381.07 |
| HGV common stock | 156.4 | | \$25.85 ⁴ | \$4,042.94 ⁷ | 9.26579% ¹⁰ | \$3,622.92 |
| Totals | | | | \$43,632.99 | 100% | \$39,100.00* |

¹ 1,564 shares of HLT common stock would have been exchanged for 521.3333 shares of HLT common stock in the Reverse Stock Split.

² Closing market price of HLT common stock on January 4, 2017.

³ Closing market price of PK common stock on January 4, 2017.

⁴ Closing market price of HGV common stock on January 4, 2017.

⁵ 1,564 x 0.3333 x \$58.00

⁶ 1,564 x 0.2000 x \$29.90

⁷ 1,564 x 0.1000 x \$25.85

⁸ $\$30,237.33 / (\$30,237.33 + \$9,352.72 + \$4,042.94)$

⁹ $\$9,352.72 / (\$30,237.33 + \$9,352.72 + \$4,042.94)$

¹⁰ $\$4,042.94 / (\$30,237.33 + \$9,352.72 + \$4,042.94)$

* Error due to rounding.

The allocation set forth above is among all the shares of HLT common stock, PK common stock and HGV common stock to which an HLT stockholder is entitled, including fractional shares thereof. Because fractional shares of HLT common stock, PK common stock and HGV common stock were aggregated and sold on the open market, the tax basis allocated to whole shares is reduced to reflect the sale.

| | # Shares Owned (incl. fractional) | Allocated Tax Basis (incl. fractional) (A) | Per-Share Allocated Tax Basis | Number of Fractional Shares | Tax Basis Allocated to Fractional Shares (B) | Allocated Tax Basis (excl. fractional) = (A) - (B) |
|------------------|---|--|-------------------------------------|-----------------------------------|--|---|
| HLT common stock | 521.3333 | \$27,096.00 | \$51.97 ¹ | 0.3333 | \$17.32 ⁴ | \$27,078.68 |
| PK common stock | 312.8 | \$8,381.07 | \$26.79 ² | 0.8 | \$21.43 ⁵ | \$8,359.64 |
| HGV common stock | 156.4 | \$3,622.92 | \$23.16 ³ | 0.4 | \$9.27 ⁶ | \$3,613.66* |
| Totals | | \$39,100.00* | | | \$48.03* | \$39,051.97* |

¹ $\$27,096.00 / 521.3333$

² $\$8,381.07 / 312.8$

³ $\$3,622.92 / 156.4$

⁴ $\$51.97 * 0.3333$

⁵ $\$26.79 * 0.8$

⁶ $\$23.16 * 0.4$

* Error due to rounding.

Item 17/18 – List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based and ability of any resulting loss to be recognized

HLT stockholders will not recognize income, gain or loss for U.S. federal income tax purposes on the receipt of PK common stock or HGV common stock pursuant to the Distributions pursuant to Section 355(a)(1) of the Code, except in respect of cash received in lieu of fractional shares. The tax basis calculations resulting from the Distributions are governed by Sections 358(a) and (b) of the Code.

Item 19 – Provide any other information necessary to implement the adjustment

Because HLT underwent two organizational actions affecting basis of securities (i.e., the Distributions and the Reverse Stock Split), HLT has published two Forms 8937 in connection with these organizational actions. For additional information on the effect of the Reverse Stock Split on the tax basis of HLT common stock, please see the Form 8937 (and the attachment thereto) with respect to the Reverse Stock Split posted on HLT' s website at <http://www.ir.hiltonworldwide.com>.

Please note that some brokerage houses might not use the information provided in this document, and the information is only provided as an example of one potential method. There are various ways brokerage houses may calculate the cost basis allocation. Please contact your individual brokerage house to determine which calculation they may have used and contact your tax advisor for additional information and clarification.

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