



# Fourth Quarter and Year End 2016 Supplemental Data

DECEMBER 31, 2016



Waldorf Astoria Orlando



Park Hotels & Resorts at NYSE



Hilton Hawaiian Village Waikiki Beach Resort

# About Park Hotels & Resorts Inc. and Safe Harbor Disclosure

## **About Park Hotels & Resorts Inc.**

Park (NYSE: PK) is a leading lodging real estate company with a diverse portfolio of market-leading hotels and resorts with significant underlying real estate value. Park's portfolio consists of 67 premium-branded hotels and resorts with over 35,000 rooms located in prime U.S. and international markets with high barriers to entry. Over 85% of Park's rooms are luxury and upper upscale and nearly 90% are located in the United States, including 14 of the top 25 markets as defined by Smith Travel Research ("STR"). Over 70% of Park's rooms are located in the central business districts of major cities and resort/conference destinations. Park is focused on driving premium long-term total returns by continuing to enhance the value of its existing properties and utilizing its scale to efficiently allocate capital to drive growth while maintaining a strong and flexible balance sheet. Visit [www.pkhotelesandresorts.com](http://www.pkhotelesandresorts.com) for more information.

## **Forward-Looking Statements**

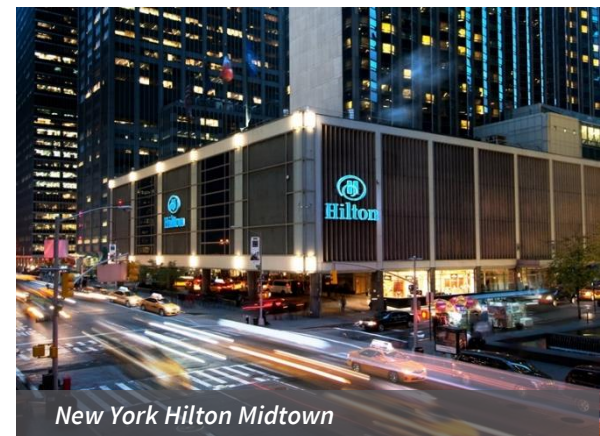
This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements related to Park's current expectations regarding the performance of its business, financial results, liquidity and capital resources, the effects of competition and the effects of future legislation or regulations and other non-historical statements. Forward-looking statements include all statements that are not historical facts and, in some cases, can be identified by the use of forward-looking terminology such as the words "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "approximately," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements in this presentation. Additional factors that could cause Park's results to differ materially from those described in the forward-looking statements can be found under the sections entitled "Forward-Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" (or similar captions) in Park's Information Statement on Form 10, filed with the SEC, as such factors may be updated from time to time in Park's periodic filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). Forward-looking statements speak only as of the date on which they are made, and, except as otherwise may be required by law. Park undertakes no obligation to update or revise publicly any guidance or other forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

## **Supplemental Financial Information**

Park refers to certain non-generally accepted accounting principles ("GAAP") financial measures in this presentation, including Funds from Operations ("FFO") calculated in accordance with the guidelines of the National Association of Real Estate Investment Trusts ("NAREIT"), Adjusted FFO, Earnings before interest expense, taxes and depreciation and amortization ("EBITDA"), Adjusted EBITDA, Hotel Adjusted EBITDA, Hotel Adjusted EBITDA margin, Net debt and Net debt to Adjusted EBITDA ratio. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income (loss) as a measure of its operating performance. Please see the schedules included in this presentation including the "Definitions" section for additional information and reconciliations of such non-GAAP financial measures.

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# Financial Statements



*Casa Marina, a Waldorf Astoria Resort*



*Hilton Chicago*



*Parc 55 San Francisco*

# Financial Statements

## Combined Consolidated Balance Sheets

(unaudited, in millions)

	December 31,	
	2016	2015
<b>ASSETS</b>		
Property and equipment, net	\$ 8,541	\$ 8,676
Investments in affiliates	81	104
Goodwill	604	617
Intangibles, net	44	52
Cash and cash equivalents	293	72
Restricted cash	57	72
Accounts receivable, net	130	122
Prepaid expenses	58	53
Other assets	26	19
<b>TOTAL ASSETS</b>	<b>\$ 9,834</b>	<b>\$ 9,787</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Debt	\$ 3,012	\$ 4,057
Accounts payable and accrued expenses	167	171
Due to hotel manager	91	110
Due to Hilton affiliates	210	52
Deferred income tax liabilities	2,437	2,502
Other liabilities	94	98
Total liabilities	6,011	6,990
<b>Equity</b>		
Net Parent investment	3,939	2,884
Accumulated other comprehensive loss	(67)	(63)
Total Parent equity	3,872	2,821
Noncontrolling interests	(49)	(24)
Total equity	3,823	2,797
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 9,834</b>	<b>\$ 9,787</b>

# Financial Statements

## Combined Consolidated Statements of Operations

(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Revenues</b>				
Rooms	\$ 434	\$ 443	\$ 1,795	\$ 1,783
Food and beverage	183	179	719	691
Other	53	53	213	214
Total revenues	670	675	2,727	2,688
<b>Operating expenses</b>				
Rooms	114	113	466	456
Food and beverage	128	125	503	487
Other departmental and support	168	163	668	650
Other property-level	46	45	181	180
Management fees	18	20	91	89
Impairment loss	—	—	15	—
Depreciation and amortization	80	75	300	287
Corporate and other	29	16	85	96
Total expenses	583	557	2,309	2,245
Gain on sale of assets, net	—	—	1	143
<b>Operating income</b>	87	118	419	586
Interest income	1	—	2	1
Interest expense	(40)	(47)	(181)	(186)
Equity in earnings from investments in affiliates	(13)	4	3	22
Gain on foreign currency transactions	3	—	3	—
Other loss gain, net	(18)	(1)	(25)	(6)
<b>Income before income taxes</b>	20	74	221	417
Income tax expense	(3)	(5)	(82)	(118)
<b>Net income</b>	17	69	139	299
<b>Net income attributable to noncontrolling interests</b>	—	(1)	(6)	(7)
<b>Net income attributable to Parent</b>	\$ 17	\$ 68	\$ 133	\$ 292

# Non-GAAP Financial Measures



*Juniper Cupertino, Curio Collection*



*Caribe Hilton*



*DoubleTree Washington DC – Crystal City*

# Non-GAAP Financial Measures

## EBITDA, Adjusted EBITDA and Pro-forma Adjusted EBITDA

(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Net income</b>	\$ 17	\$ 69	\$ 139	\$ 299
Interest income	(1)	—	(2)	(1)
Interest expense	40	47	181	186
Income tax expense	3	5	82	118
Depreciation and amortization expense	80	75	300	287
Interest expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates	5	6	24	25
<b>EBITDA</b>	<b>144</b>	<b>202</b>	<b>724</b>	<b>914</b>
Gain on sales of assets, net	—	—	(1)	(143)
Loss on foreign currency transactions	(3)	—	(3)	—
FF&E replacement reserve	1	—	3	2
Impairment loss	—	—	15	—
Impairment loss included in equity in earnings from investments in affiliates	17	—	17	—
Other loss, net	18	1	25	6
Other adjustment items	23	3	34	38
<b>Adjusted EBITDA</b>	<b>200</b>	<b>206</b>	<b>814</b>	<b>817</b>
Add: Adjusted EBITDA from hotels prior to owning	—	—	—	20
Less: Adjusted EBITDA from hotels disposed of	—	—	(1)	1
Less: Spin-off Adjustments <sup>(1)</sup>	(16)	(17)	(57)	(59)
<b>Pro-forma Adjusted EBITDA</b>	<b>\$ 184</b>	<b>\$ 189</b>	<b>\$ 756</b>	<b>\$ 779</b>

(1) Spin-off Adjustments include adjustments for incremental fees based on the terms of the post spin-off management agreements and estimated non-income taxes on certain REIT leases.

# Non-GAAP Financial Measures (cont'd)

## Pro-forma Hotel Adjusted EBITDA, Pro-forma Hotel Revenue and Pro-forma Hotel Adjusted EBITDA Margin

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Pro-forma Adjusted EBITDA</b>	\$ 184	\$ 189	\$ 756	\$ 779
All other <sup>(1)</sup>	3	9	38	46
Adjusted EBITDA from investments in affiliates	(10)	(11)	(44)	(47)
<b>Pro-forma Hotel Adjusted EBITDA</b>	<u>\$ 177</u>	<u>\$ 187</u>	<u>\$ 750</u>	<u>\$ 778</u>

<sup>(1)</sup> Includes revenue from Park's laundry business, corporate and other expenses not included in other adjustment items.

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Total Revenue</b>	\$ 670	\$ 675	\$ 2,727	\$ 2,688
Add: Revenue from hotels prior to owning	—	—	—	52
Less: Revenue from hotels disposed of	—	(2)	(9)	(30)
Less: Revenue from laundry facilities	(3)	(4)	(13)	(13)
<b>Pro-forma Hotel Revenue</b>	<u>\$ 667</u>	<u>\$ 669</u>	<u>\$ 2,705</u>	<u>\$ 2,697</u>

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
Pro-forma Hotel Revenue	\$ 667	\$ 669	\$ 2,705	\$ 2,697
Pro-forma Hotel Adjusted EBITDA	\$ 177	\$ 187	\$ 750	\$ 778
Pro-forma Hotel Adjusted EBITDA margin	26.5%	28.0%	27.7%	28.8%

# Non-GAAP Financial Measures (cont'd)

## NAREIT FFO Attributable to Parent, Adjusted FFO Attributable to Parent and Pro-forma Adjusted FFO Attributable to Parent

(unaudited, in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Net income attributable to Parent</b>	\$ 17	\$ 68	\$ 133	\$ 292
Depreciation and amortization expense	80	75	300	287
Impairment loss	—	—	15	—
Gain on sales of assets, net	—	—	(1)	(143)
Equity investment adjustments:				
Equity in earnings from investments in affiliates	13	(4)	(3)	(22)
Pro rata FFO of equity investments	9	9	38	40
<b>NAREIT FFO attributable to Parent</b>	<b>119</b>	<b>148</b>	<b>482</b>	<b>454</b>
Gain on foreign currency transactions	(3)	—	(3)	—
Acquisition costs	—	—	—	26
Loan related costs <sup>(1)</sup>	17	—	22	6
Transition costs <sup>(2)</sup>	15	1	26	3
<b>Adjusted FFO attributable to Parent</b>	<b>148</b>	<b>149</b>	<b>527</b>	<b>489</b>
Add: Adjusted FFO from hotels prior to owning	—	—	—	20
Less: Adjusted FFO from hotels disposed of	—	—	(1)	1
Less: Spin-off Adjustments <sup>(3)</sup>	(5)	6	62	96
<b>Pro-forma Adjusted FFO attributable to Parent</b>	<b>\$ 143</b>	<b>\$ 155</b>	<b>\$ 588</b>	<b>\$ 606</b>

(1) Represents costs incurred and accelerated amortization of deferred financing fees on extinguished debt.

(2) Includes the portion of general and administrative expenses allocated to Park representing costs incurred related to the spin-off and the establishment of Park as a separate company.

(3) Spin-off Adjustments include adjustments for Park's historical debt and related balances and interest expense to give the net effect to financing transactions that were completed prior to spin-off, incremental fees based on the terms of the post spin-off management agreements, adjustments to income tax expense based on Park's post spin-off REIT tax structure and estimated non-income taxes on certain REIT leases.

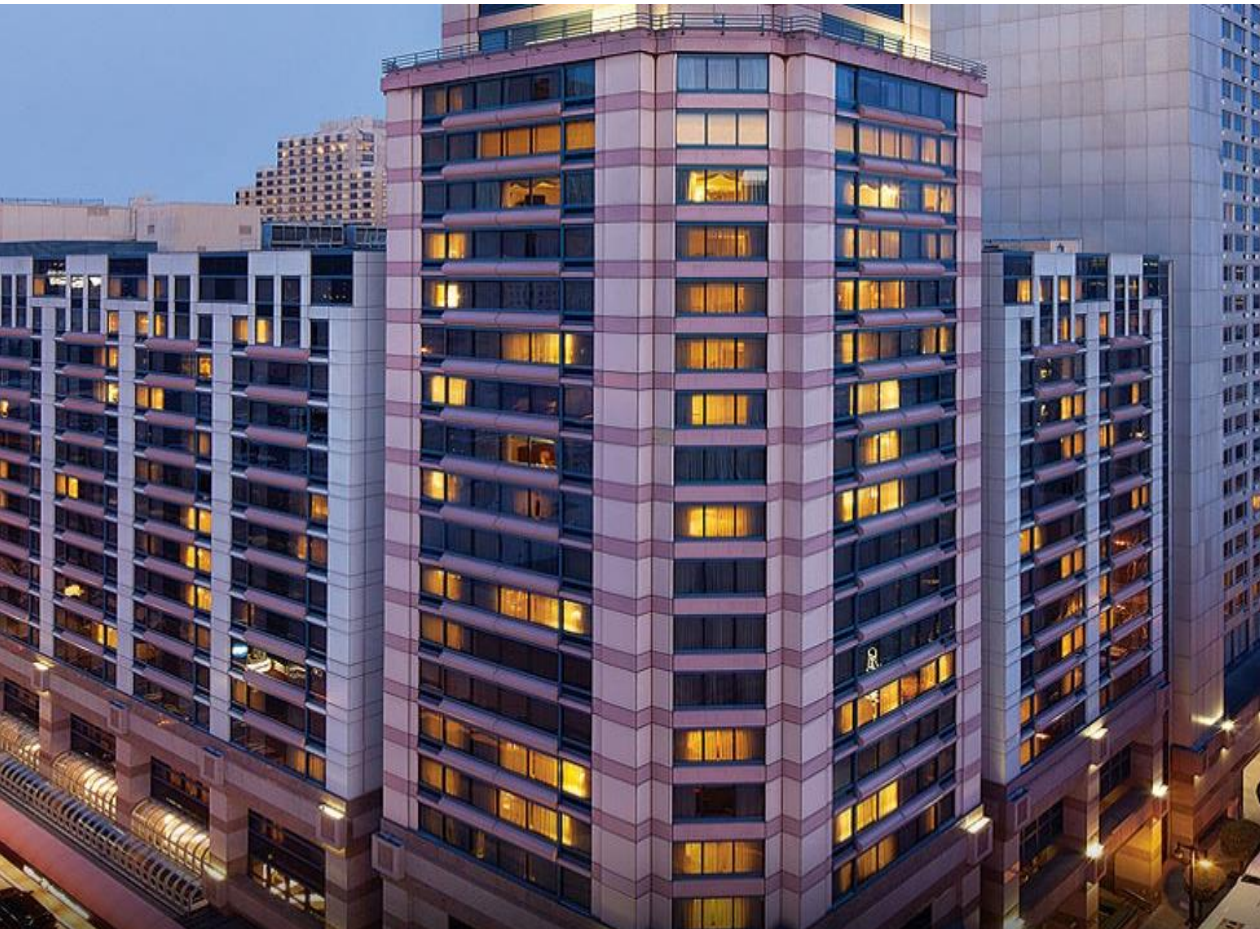
# Non-GAAP Financial Measures (cont'd)

## Net Debt and Net Debt to Pro-forma Adjusted EBITDA Ratio

(unaudited, in millions)

	Year Ended December 31,	
	2016	2015
Debt	\$ 3,012	\$ 4,057
Add: unamortized deferred financing costs	14	29
Long-term debt, including current maturities and excluding unamortized deferred financing costs	3,026	4,086
Add: Park's share of unconsolidated affiliates debt, excluding unamortized deferred financing costs	214	218
Less: cash and cash equivalents	(293)	(72)
Less: restricted cash and cash equivalents	(57)	(72)
<b>Debt, net</b>	<b>\$ 2,890</b>	<b>\$ 4,160</b>
Pro-forma Adjusted EBITDA	\$ 756	\$ 779
<b>Net debt to pro-forma Adjusted EBITDA ratio</b>	<b>3.8x</b>	<b>5.3x</b>

# Guidance



*Hilton San Francisco Union Square*



*Hilton Waikoloa Village*



*Hilton Chicago*

## 2017 Assumptions

(unaudited, in millions, except per share amounts)

Metric	Low	High
Comparable RevPAR Growth <sup>(1)(2)</sup>	0.0%	2.0%
Net income <sup>(3)</sup>	\$ 243	\$ 277
Net income attributable to stockholders <sup>(3)</sup>	\$ 237	\$ 271
Diluted earnings per share <sup>(3)</sup>	\$ 1.10	\$ 1.26
Adjusted EBITDA	\$ 725	\$ 765
Comparable Hotel Adjusted EBITDA margin change <sup>(2)</sup>	(100) bps	0 bps
Adjusted FFO attributable to stockholders per diluted share <sup>(3)</sup>	\$ 2.65	\$ 2.81
Corporate G&A <sup>(4)</sup>	\$ 45	\$ 45
Weighted average diluted shares outstanding	215	215

<sup>(1)</sup> Excludes unconsolidated joint ventures.

<sup>(2)</sup> Excludes Hilton Waikoloa Village and Embassy Suites Washington, D.C. Refer to slide 15 for further detail on Park's 2016 results excluding these properties.

<sup>(3)</sup> Excludes an expected income tax benefit of approximately \$2.3 billion in the first quarter of 2017 resulting from the derecognition of deferred tax liabilities upon Park's election to be taxed as a REIT.

<sup>(4)</sup> General and administrative expenses excludes \$12 million of non-cash share-based compensation expense and \$11 million of separation costs.

# Guidance (cont'd)

## EBITDA

(unaudited, in millions)

	Year Ending December 31, 2017	
	Low Case	High Case
<b>Net income<sup>(1)</sup></b>	\$ 243	\$ 277
Interest income	(1)	(1)
Interest expense	125	125
Income tax expense <sup>(1)</sup>	17	23
Depreciation and amortization expense	295	295
Interest expense, income tax and depreciation and amortization included in equity in earnings from investments in affiliates	22	22
<b>EBITDA</b>	<b>701</b>	<b>741</b>
FF&E replacement reserve	1	1
Share-based compensation expense	12	12
Other adjustment items <sup>(2)</sup>	11	11
<b>Adjusted EBITDA</b>	<b>\$ 725</b>	<b>\$ 765</b>

(1) Excludes an expected income tax benefit of approximately \$2.3 billion in the first quarter of 2017 resulting from the derecognition of deferred tax liabilities upon Park's election to be taxed as a REIT.

(2) Represents adjustments for separation costs.

# Guidance (cont'd)

## FFO

(unaudited, in millions except per share amounts)

	Year Ending December 31, 2017	
	Low Case	High Case
<b>Net income attributable to stockholders<sup>(1)</sup></b>	\$ 237	\$ 271
Depreciation and amortization expense	295	295
Equity investment adjustments:		
Equity in earnings from investments in affiliates	(23)	(23)
Pro rata FFO of equity investments	37	37
<b>NAREIT FFO attributable to stockholders<sup>(1)</sup></b>	<b>546</b>	<b>580</b>
Share-based compensation expense	12	12
Other adjustment items <sup>(2)</sup>	11	11
<b>Adjusted FFO attributable to stockholders<sup>(1)</sup></b>	<b>\$ 569</b>	<b>\$ 603</b>
<b>Adjusted FFO attributable to stockholders per diluted share<sup>(1)</sup></b>	<b>\$ 2.65</b>	<b>\$ 2.81</b>
<b>Weighted average diluted shares outstanding</b>	<b>215</b>	<b>215</b>

(1) Excludes an expected income tax benefit of approximately \$2.3 billion in the first quarter of 2017 resulting from the derecognition of deferred tax liabilities upon Park's election to be taxed as a REIT.

(2) Represents adjustments for separation costs.

# Guidance (cont'd)

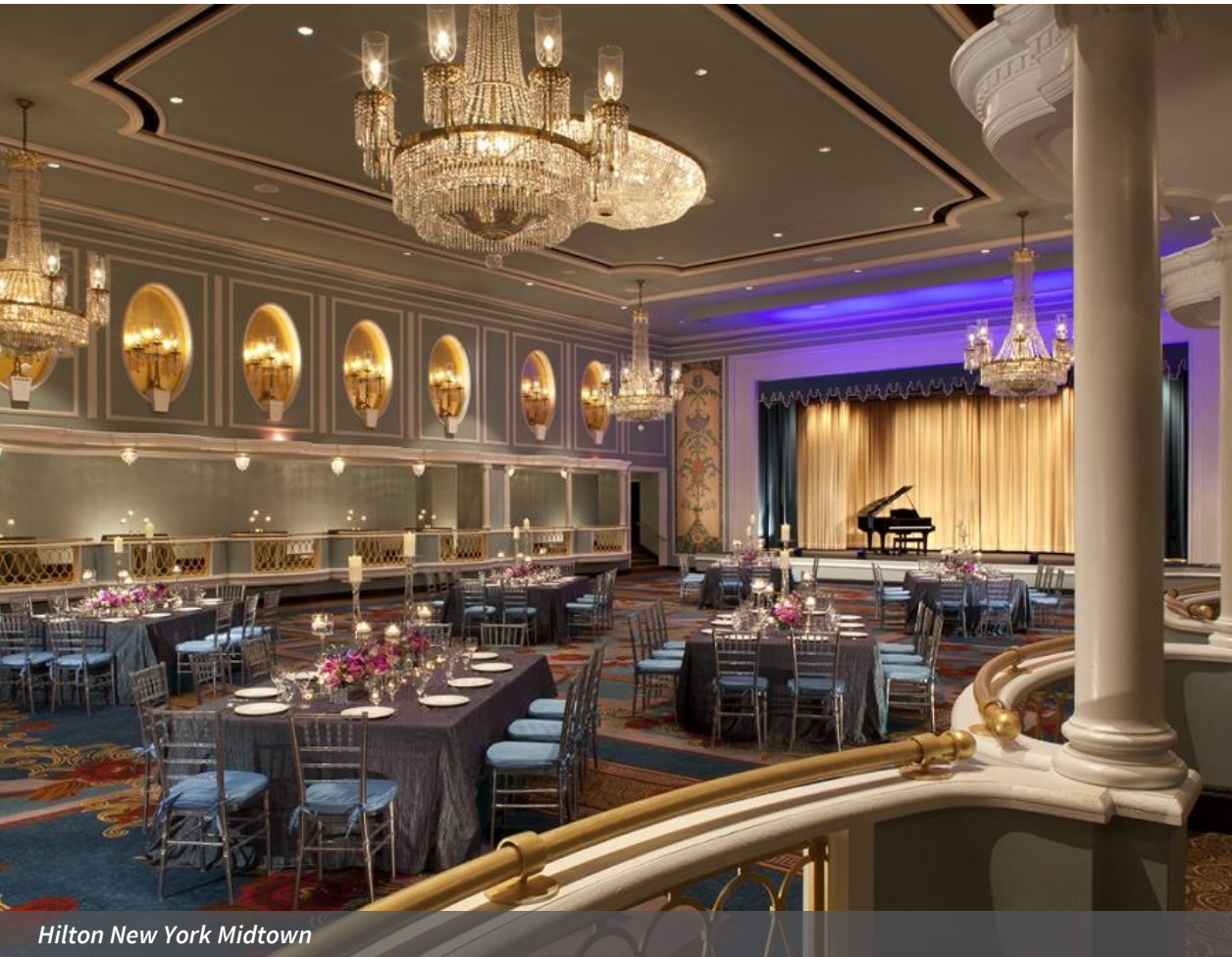
## Selected 2016 Operating Metrics for 2017 Comparable Hotels

	Year Ended December 31.
	2016
<i>(unaudited, dollars in millions, except Comparable RevPAR)</i>	
<b>Comparable RevPAR<sup>(1)</sup></b>	\$ 161.33
<b>Pro-forma Hotel Adjusted EBITDA</b>	\$ 750
Less:	
Hilton Waikoloa Village	(40)
Embassy Suites Washington, D.C.	(1)
<b>Pro-forma Comparable Hotel Adjusted EBITDA</b>	<u>\$ 709</u>
<b>Pro-forma Hotel Revenue</b>	\$ 2,705
Add:	
Reimbursements from Hilton Grand Vacations <sup>(2)</sup>	21
Less:	
Hilton Waikoloa Village	(147)
Embassy Suites Washington, D.C.	(12)
<b>Pro-forma Comparable Hotel Revenue</b>	<u>\$ 2,567</u>
<b>Pro-forma Comparable Hotel Adjusted EBITDA margin</b>	27.6%

<sup>(1)</sup> Due to the transfer of a significant number of rooms at the Hilton Waikoloa Village and Embassy Suites Washington, D.C. to Hilton Grand Vacations; the results from these properties will be excluded from Park's comparable results in 2017.

<sup>(2)</sup> Includes \$21M of allocated costs previously excluded from other hotel revenue for services provided to Hilton Grand Vacations ("HGV") at Hilton Hawaiian Village Beach Resort. In connection with the spin-off, Park entered into a cost sharing agreement with HGV.

# Portfolio and Operating Metrics



Hilton New York Midtown



Conrad Dublin



Hilton New Orleans Riverside

# Portfolio and Operating Metrics

## Hotel Portfolio

### Consolidated Domestic Portfolio

Hotel Name	Rooms	Market	Meeting Space	Ownership	Equity Ownership	Debt (in millions)
Hilton Hawaiian Village Beach Resort	2,860	Hawaii	96,244	Fee Simple	100%	\$1,275
Hilton New York Midtown	1,929	New York	150,000	Fee Simple	100%	—
Hilton San Francisco Union Square	1,919	Northern CA	135,708	Fee Simple	100%	\$725 <sup>(1)</sup>
Hilton New Orleans Riverside	1,622	New Orleans	151,161	Fee Simple	100%	—
Hilton Chicago	1,544	Chicago	190,288	Fee Simple	100%	—
Hilton Waikoloa Village	1,243	Hawaii	56,781	Fee Simple	100%	—
Parc 55 Hotel San Francisco	1,024	Northern CA	31,700	Fee Simple	100%	— <sup>(1)</sup>
Hilton Orlando Bonnet Creek	1,001	Florida	112,893	Fee Simple	100%	—
Hilton Chicago O'Hare Airport	860	Chicago	42,157	Leasehold	100%	—
DoubleTree Hotel Seattle Airport	850	Other U.S.	40,893	Leasehold	100%	—
Hilton Orlando Lake Buena Vista	814	Florida	75,332	Leasehold	100%	—
Caribe Hilton	747	Other U.S.	90,192	Fee Simple	100%	—
DoubleTree Hotel Crystal City	627	Washington, D.C.	18,155	Fee Simple	100%	—
Hilton Boston Logan Airport	599	Other U.S.	19,246	Leasehold	100%	—
Pointe Hilton Squaw Peak Resort	563	Other U.S.	21,089	Fee Simple	100%	—
Hilton Miami Airport	508	Florida	41,585	Fee Simple	100%	—
Hilton Atlanta Airport	507	Other U.S.	20,460	Fee Simple	100%	—
DoubleTree Hotel San Jose	505	Northern CA	48,015	Fee Simple	100%	—
Hilton Salt Lake City	499	Other U.S.	42,866	Leasehold	100%	—
Waldorf Astoria Bonnet Creek Orlando	498	Florida	33,780	Fee Simple	100%	—
DoubleTree Hotel Ontario Airport	482	Southern CA	36,727	Fee Simple	67%	\$30
Hilton McLean Tysons Corner	458	Washington, D.C.	28,279	Fee Simple	100%	—
Hilton Seattle Airport & Conference Center	396	Other U.S.	36,843	Leasehold	100%	—
DoubleTree Spokane – City Center	375	Other U.S.	21,308	Fee Simple	10%	\$12
Fess Parker's DoubleTree Resort Santa Barbara	360	Southern CA	40,639	Fee Simple	50%	\$165
Hilton Oakland Airport	360	Northern CA	15,494	Leasehold	100%	—
Hilton New Orleans Airport	317	New Orleans	21,180	Fee Simple	100%	—
Waldorf Astoria Casa Marina Resort Key West	311	Florida	11,368	Fee Simple	100%	—
Hilton Short Hills	304	New York	14,747	Fee Simple	100%	—
DoubleTree Hotel San Diego – Mission Valley	300	Southern CA	15,972	Leasehold	100%	—
Embassy Suites Parsippany	274	Other U.S.	7,718	Fee Simple	100%	—
Embassy Suites Kansas City – Plaza	266	Other U.S.	10,412	Leasehold	100%	—
Embassy Suites Austin – Downtown/Town Lake	259	Other U.S.	2,330	Leasehold	100%	—
DoubleTree Hotel Sonoma Wine Country	245	Northern CA	17,971	Leasehold	100%	—
Embassy Suites Atlanta – Perimeter Center	241	Other U.S.	4,732	Fee Simple	100%	—
Embassy Suites San Rafael – Marin County	235	Northern CA	10,269	Fee Simple	100%	—
Juniper Cupertino	224	Northern CA	5,131	Fee Simple	100%	—
Hilton Suites Chicago/Oak Brook	211	Chicago	30,685	Fee Simple	100%	—
Embassy Suites Kansas City – Overland Park	199	Other U.S.	1,636	Fee Simple	100%	—
Embassy Suites Washington, D.C.	197	Washington, D.C.	5,686	Fee Simple	100%	—
Embassy Suites Phoenix – Airport at 24th Street	182	Other U.S.	9,808	Leasehold	100%	—

<sup>(1)</sup> Single \$725 CMBS loan secured by Hilton San Francisco Union Square and Parc 55 Hotel San Francisco.

# Portfolio and Operating Metrics (cont'd)

## Hotel Portfolio

### Consolidated Domestic Portfolio cont'd

Hotel Name	Rooms	Market	Meeting Space	Ownership	Equity Ownership	Debt (in millions)
Hilton Garden Inn LAX/El Segundo	162	Southern CA	—	Fee Simple	100%	—
DoubleTree Hotel Durango	159	Other U.S.	5,488	Leasehold	100%	—
Waldorf Astoria Reach Resort Key West	150	Florida	4,801	Fee Simple	100%	—
Hampton Inn & Suites Memphis – Shady Grove	130	Other U.S.	1,468	Fee Simple	100%	—
Hilton Garden Inn Chicago/Oak Brook	128	Chicago	28,514	Fee Simple	100%	—
<b>Total Consolidated Domestic Portfolio</b>	<b>27,644</b>		<b>1,807,751</b>			<b>\$2,207</b>

### Consolidated International Portfolio

Hotel Name	Rooms	Market	Meeting Space	Ownership	Equity Ownership	Debt (in millions)
Hilton São Paulo Morumbi	503	International	15,252	Fee Simple	100%	—
Hilton Durban	327	International	9,112	Fee Simple	100%	—
Hilton Blackpool	278	International	19,395	Fee Simple	100%	—
Hilton Rotterdam	254	International	8,226	Fee Simple	100%	—
Hilton Belfast	198	International	11,512	Fee Simple	100%	—
Hilton London Islington	188	International	—	Leasehold	100%	—
Hilton Edinburgh Grosvenor	184	International	8,070	Fee Simple	100%	—
Hilton Coytumbridge	175	International	6,840	Fee Simple	100%	—
Hilton Bath City	173	International	3,198	Leasehold	100%	—
Hilton Nuremberg	152	International	10,956	Leasehold	100%	—
Hilton Milton Keynes	138	International	8,064	Fee Simple	100%	—
Hilton Sheffield	128	International	6,514	Leasehold	100%	—
<b>Total Consolidated International Portfolio</b>	<b>2,698</b>		<b>107,139</b>			<b>\$—</b>

<b>Total Consolidated Portfolio</b>	<b>30,342</b>		<b>1,914,890</b>			<b>\$2,207</b>
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### Unconsolidated Joint Venture Domestic Portfolio

Hotel Name	Rooms	Market	Meeting Space	Ownership	Equity Ownership	Pro-Rata Debt (in millions)
Hilton Orlando – Orange County Convention Ctr.	1,417	Florida	176,647	Fee Simple	20%	\$75
Hilton San Diego Bayfront	1,190	Southern CA	136,285	Leasehold	25%	\$56
Capital Hilton	550	Washington, D.C.	30,531	Fee Simple	25%	\$24
Hilton La Jolla Torrey Pines	394	Southern CA	50,347	Leasehold	25%	\$24
Embassy Suites Alexandria – Old Town	288	Washington, D.C.	6,234	Fee Simple	50%	\$26
Embassy Suites Secaucus – Meadowlands	261	Other U.S.	2,802	Leasehold	50%	—
DoubleTree Las Vegas Airport	190	Other U.S.	2,998	Fee Simple	50%	—
<b>Total Unconsolidated Joint Venture Domestic Portfolio</b>	<b>4,290</b>		<b>405,844</b>			<b>\$205</b>

### Unconsolidated Joint Venture International Portfolio

Hotel Name	Rooms	Market	Meeting Space	Ownership	Equity Ownership	Pro-Rata Debt (in millions)
Hilton Berlin	601	International	13,634	Fee Simple	40%	—
Conrad Dublin	192	International	12,653	Fee Simple	48%	\$9
<b>Total Unconsolidated Joint Venture International Portfolio</b>	<b>793</b>		<b>26,287</b>			<b>\$9</b>

<b>Total Unconsolidated Joint Venture Portfolio</b>	<b>5,083</b>		<b>432,131</b>			<b>\$214</b>
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<b>TOTAL PARK HOTELS &amp; RESORTS PORTFOLIO</b>	<b>35,425</b>		<b>2,347,021</b>			<b>\$2,421</b>
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# Portfolio and Operating Metrics (cont'd)

## Top 10 Assets: Fourth Quarter 2016 vs. Fourth Quarter 2015

		Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
		4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
<i>(unaudited)</i>										
<b>Top 10 Hotels</b>										
1	Hilton Hawaiian Village Beach Resort	\$243.96	\$249.06	(2.0)%	94.4%	94.3%	0.1% pts	\$230.27	\$234.96	(2.0)%
2	New York Hilton Midtown	343.17	348.43	(1.5)	92.7	95.3	(2.6)	318.02	331.99	(4.2)
3	Hilton San Francisco Union Square	237.00	247.13	(4.1)	83.6	86.4	(2.8)	198.17	213.56	(7.2)
4	Hilton Waikoloa Village	223.30	218.21	2.3	70.4	58.1	12.3	157.12	126.71	24.0
5	Hilton New Orleans Riverside	191.26	187.00	2.3	70.3	73.1	(2.8)	134.47	136.70	(1.6)
6	Hilton Chicago	221.20	212.87	3.9	68.6	68.5	0.1	151.65	145.87	4.0
7	Hilton Orlando Bonnet Creek	168.78	178.54	(5.5)	76.7	77.5	(0.8)	129.47	138.37	(6.4)
8	Parc 55 Hotel San Francisco	241.04	235.67	2.3	87.4	85.5	1.9	210.77	201.54	4.6
9	Waldorf Astoria Bonnet Creek Orlando	278.57	299.02	(6.8)	73.5	78.9	(5.4)	204.80	235.84	(13.2)
10	Waldorf Astoria Casa Marina Resort Key West	347.17	360.37	(3.7)	75.3	78.6	(3.3)	261.53	283.40	(7.7)
<b>Sub-total Top 10 Hotels</b>		<b>\$247.50</b>	<b>\$251.33</b>	<b>(1.5)%</b>	<b>81.9%</b>	<b>82.1%</b>	<b>(0.2)% pts</b>	<b>\$202.76</b>	<b>\$206.27</b>	<b>(1.7)%</b>
<b>Top 11-25 Hotels</b>		<b>\$169.75</b>	<b>\$168.17</b>	<b>0.9%</b>	<b>76.1%</b>	<b>77.5%</b>	<b>(1.4)% pts</b>	<b>\$129.20</b>	<b>\$130.26</b>	<b>(0.8)%</b>
<b>Sub-total Top 25 Hotels</b>		<b>\$200.06</b>	<b>\$221.31</b>	<b>(9.6)%</b>	<b>79.8%</b>	<b>80.3%</b>	<b>(0.5)% pts</b>	<b>\$175.55</b>	<b>\$177.81</b>	<b>(1.3)%</b>
<b>All Other Consolidated Hotels</b>		<b>\$140.13</b>	<b>\$137.08</b>	<b>2.2%</b>	<b>71.8%</b>	<b>72.5%</b>	<b>(0.7)% pts</b>	<b>\$100.58</b>	<b>\$99.43</b>	<b>1.2%</b>
<b>Total Consolidated Portfolio<sup>(1)</sup></b>		<b>\$200.00</b>	<b>\$200.09</b>	<b>(0.0)%</b>	<b>77.6%</b>	<b>78.2%</b>	<b>(0.6)% pts</b>	<b>\$155.20</b>	<b>\$156.52</b>	<b>(0.8)%</b>

(1) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## Top 10 Assets: Fourth Quarter 2016 vs. Fourth Quarter 2015

*(unaudited, dollars in millions)*

	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
	4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
<b>Top 10 Hotels</b>									
1 Hilton Hawaiian Village Beach Resort	\$34	\$35	(2.9)%	\$93	\$94	(1.1)%	36.6%	37.2%	(60) bps
2 New York Hilton Midtown	23	25	(8.0)	83	85	(2.4)	27.7%	29.4%	(170)
3 Hilton San Francisco Union Square	12	13	(7.7)	50	49	2.0	24.0%	26.5%	(250)
4 Hilton Waikoloa Village	10	6	66.7	36	28	28.6	27.8%	21.4%	640
5 Hilton New Orleans Riverside	13	14	(7.1)	36	36	-	36.1%	38.9%	(280)
6 Hilton Chicago	7	8	(12.5)	36	36	-	19.4%	22.2%	(280)
7 Hilton Orlando Bonnet Creek	9	9	-	27	26	3.8	33.3%	34.6%	(130)
8 Parc 55 Hotel San Francisco	7	7	-	23	23	-	30.4%	30.4%	-
9 Waldorf Astoria Bonnet Creek Orlando	4	6	(33.3)	16	18	(11.1)	25.0%	33.3%	(830)
10 Waldorf Astoria Casa Marina Resort Key West	4	5	(20.0)	11	12	(8.3)	36.4%	41.7%	(530)
<b>Sub-total Top 10 Hotels</b>	<b>\$123</b>	<b>\$128</b>	<b>(3.9)%</b>	<b>\$411</b>	<b>\$407</b>	<b>1.0%</b>	<b>29.9%</b>	<b>31.4%</b>	<b>(150) bps</b>
<b>Top 11-25 Hotels</b>	<b>\$34</b>	<b>\$39</b>	<b>(12.8)%</b>	<b>\$150</b>	<b>\$153</b>	<b>(2.0)%</b>	<b>22.7%</b>	<b>25.5%</b>	<b>(280) bps</b>
<b>Sub-total Top 25 Hotels</b>	<b>\$157</b>	<b>\$167</b>	<b>(6.0)%</b>	<b>\$561</b>	<b>\$560</b>	<b>0.2%</b>	<b>28.0%</b>	<b>29.8%</b>	<b>(180) bps</b>
<b>All Other Consolidated Hotels</b>	<b>\$20</b>	<b>\$20</b>	<b>0.0%</b>	<b>\$106</b>	<b>\$109</b>	<b>(2.8)%</b>	<b>18.9%</b>	<b>18.3%</b>	<b>60 bps</b>
<b>Total Consolidated Portfolio<sup>(1)</sup></b>	<b>\$177</b>	<b>\$187</b>	<b>(5.3)%</b>	<b>\$667</b>	<b>\$669</b>	<b>(0.3)%</b>	<b>26.5%</b>	<b>28.0%</b>	<b>(150) bps</b>

<sup>(1)</sup> Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## By Market and Property Type: Fourth Quarter 2016 vs. Fourth Quarter 2015

(unaudited)

	Properties	Rooms	Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
			4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
New York <sup>(1)</sup>	2	2,233	\$329.79	\$334.97	(1.5)%	90.2%	92.6%	(2.4)% pts	\$297.54	\$310.07	(4.0)%
Washington, D.C.	3	1,282	171.45	168.24	1.9	74.1	68.0	6.1	127.07	114.43	11.0
Florida	6	3,282	199.22	208.05	(4.2)	78.1	81.4	(3.3)	155.67	169.29	(8.0)
New Orleans	2	1,939	179.28	176.87	1.4	71.1	73.6	(2.5)	127.52	130.11	(2.0)
Chicago	4	2,743	189.65	183.43	3.4	71.9	72.7	(0.8)	136.41	133.28	2.4
Northern California	7	4,512	221.32	225.80	(2.0)	82.2	80.9	1.3	181.87	182.71	(0.5)
Southern California	4	1,304	157.30	149.73	5.1	78.9	79.5	(0.6)	124.07	119.10	4.2
Hawaii	2	4,103	238.91	242.56	(1.5)	87.1	83.4	3.7	208.13	202.20	2.9
Other	16	6,246	148.63	145.67	2.0	70.5	73.1	(2.6)	104.81	106.43	(1.5)
<b>Total Domestic</b>	<b>46</b>	<b>27,644</b>	<b>\$205.99</b>	<b>\$206.28</b>	<b>(0.1)%</b>	<b>78.1%</b>	<b>78.4%</b>	<b>(0.3)% pts</b>	<b>\$160.90</b>	<b>\$161.78</b>	<b>(0.5)%</b>
<b>Total International</b>	<b>12</b>	<b>2,698</b>	<b>\$133.58</b>	<b>\$133.94</b>	<b>(0.3)%</b>	<b>72.4%</b>	<b>76.1%</b>	<b>(3.7)% pts</b>	<b>\$96.70</b>	<b>\$101.98</b>	<b>(5.2)%</b>
<b>All Markets<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$200.00</b>	<b>\$200.09</b>	<b>(0.0)%</b>	<b>77.6%</b>	<b>78.2%</b>	<b>(0.6)% pts</b>	<b>\$155.20</b>	<b>\$156.52</b>	<b>(0.8)%</b>

(unaudited)

	Properties	Rooms	Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
			4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
Resort	11	8,237	\$218.67	\$222.06	(1.5)%	80.2%	80.0%	0.2% pts	\$175.34	\$177.54	(1.2)%
Urban	19	12,336	223.48	223.34	0.1	77.0	78.4	(1.4)	172.11	175.20	(1.8)
Airport	13	6,355	152.60	148.38	2.8	78.5	77.7	0.8	119.75	115.24	3.9
Suburban	15	3,414	155.75	152.94	1.8	72.0	74.3	(2.3)	112.06	113.60	(1.4)
<b>All Types<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$200.00</b>	<b>\$200.09</b>	<b>(0.0)%</b>	<b>77.6%</b>	<b>78.2%</b>	<b>(0.6)% pts</b>	<b>\$155.20</b>	<b>\$156.52</b>	<b>(0.8)%</b>

(1) Includes Hilton Short Hills.

(2) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## By Market and Property Type: Fourth Quarter 2016 vs. Fourth Quarter 2015

(unaudited, dollars in millions)

	Properties	Rooms	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
			4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
New York <sup>(1)</sup>	2	2,233	\$24	\$26	(7.7)%	\$91	\$93	(2.2)%	26.4%	28.0%	(160) bps
Washington, D.C.	3	1,282	5	5	-	23	22	4.5	21.7%	22.7%	(100)
Florida	6	3,282	25	30	(16.7)	82	87	(5.7)	30.5%	34.5%	(400)
New Orleans	2	1,939	14	15	(6.7)	40	40	-	35.0%	37.5%	(250)
Chicago	4	2,743	11	13	(15.4)	56	56	-	19.6%	23.2%	(360)
Northern California	7	4,512	25	25	-	101	99	2.0	24.8%	25.3%	(50)
Southern California	4	1,304	7	7	-	23	23	-	30.4%	30.4%	-
Hawaii	2	4,103	44	41	7.3	129	122	5.7	34.1%	33.6%	50
Other	16	6,246	14	16	(12.5)	86	88	(2.3)	16.3%	18.2%	(190)
<b>Total Domestic</b>	<b>46</b>	<b>27,644</b>	<b>\$169</b>	<b>\$178</b>	<b>(5.1)%</b>	<b>\$631</b>	<b>\$630</b>	<b>0.2%</b>	<b>26.8%</b>	<b>28.3%</b>	<b>(150) bps</b>
<b>Total International</b>	<b>12</b>	<b>2,698</b>	<b>\$8</b>	<b>\$9</b>	<b>(11.1)%</b>	<b>\$36</b>	<b>\$39</b>	<b>(7.7)%</b>	<b>22.2%</b>	<b>23.1%</b>	<b>(90) bps</b>
<b>All Markets<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$177</b>	<b>\$187</b>	<b>(5.3)%</b>	<b>\$667</b>	<b>\$669</b>	<b>(0.3)%</b>	<b>26.5%</b>	<b>28.0%</b>	<b>(150) bps</b>

(unaudited, dollars in millions)

	Properties	Rooms	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
			4Q16	4Q15	Change	4Q16	4Q15	Change	4Q16	4Q15	Change
Resort	11	8,237	\$71	\$73	(2.7)%	\$224	\$222	0.9%	31.7%	32.9%	(120) bps
Urban	19	12,336	73	81	(9.9)	290	295	(1.7)	25.2%	27.5%	(230)
Airport	13	6,355	22	22	-	101	99	2.0	21.8%	22.2%	(40)
Suburban	15	3,414	11	11	-	52	53	(1.9)	21.2%	20.8%	40
<b>All Types<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$177</b>	<b>\$187</b>	<b>(5.3)%</b>	<b>\$667</b>	<b>\$669</b>	<b>(0.3)%</b>	<b>26.5%</b>	<b>28.0%</b>	<b>(150) bps</b>

(1) Includes Hilton Short Hills.

(2) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## Top Ten Assets: Full Year 2016 vs. Full Year 2015

<i>(unaudited)</i>		Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
		2016	2015	Change	2016	2015	Change	2016	2015	Change
<b>Top 10 Hotels</b>										
1	Hilton Hawaiian Village Beach Resort	\$248.81	\$240.62	3.4%	94.6%	94.4%	0.2% pts	\$235.47	\$227.20	3.6%
2	New York Hilton Midtown	296.13	305.41	(3.0)	89.1	90.8	(1.7)	263.72	277.17	(4.9)
3	Hilton San Francisco Union Square	257.82	252.67	2.0	87.5	86.4	1.1	225.47	218.18	3.3
4	Hilton Waikoloa Village	225.23	213.19	5.6	72.6	67.1	5.5	163.52	143.01	14.3
5	Hilton New Orleans Riverside	188.68	179.20	5.3	74.3	77.5	(3.2)	140.14	138.85	0.9
6	Hilton Chicago	206.06	206.36	(0.1)	70.5	75.9	(5.4)	145.24	156.61	(7.3)
7	Hilton Orlando Bonnet Creek	174.06	173.09	0.6	77.2	80.4	(3.2)	134.31	139.17	(3.5)
8	Parc 55 Hotel San Francisco	253.91	240.64	5.5	88.8	90.5	(1.7)	225.57	217.67	3.6
9	Waldorf Astoria Bonnet Creek Orlando	268.58	270.80	(0.8)	77.6	78.7	(1.1)	208.53	213.07	(2.1)
10	Waldorf Astoria Casa Marina Resort Key West	373.32	365.31	2.2	81.1	86.9	(5.8)	302.58	317.56	(4.7)
<b>Sub-total Top 10 Hotels</b>		<b>\$243.83</b>	<b>\$239.31</b>	<b>1.9%</b>	<b>83.3%</b>	<b>84.3%</b>	<b>(1.0)% pts</b>	<b>\$203.08</b>	<b>\$201.80</b>	<b>0.6%</b>
<b>Top 11-25 Hotels</b>		<b>\$175.21</b>	<b>\$171.70</b>	<b>2.0%</b>	<b>80.6%</b>	<b>81.9%</b>	<b>(1.3)% pts</b>	<b>\$141.19</b>	<b>\$140.68</b>	<b>0.4%</b>
<b>Sub-total Top 25 Hotels</b>		<b>\$218.98</b>	<b>\$214.43</b>	<b>2.1%</b>	<b>82.3%</b>	<b>83.4%</b>	<b>(1.1)% pts</b>	<b>\$180.19</b>	<b>\$178.90</b>	<b>0.7%</b>
<b>All Other Consolidated Hotels</b>		<b>\$144.63</b>	<b>\$142.16</b>	<b>1.7%</b>	<b>75.6%</b>	<b>77.6%</b>	<b>(2.0)% pts</b>	<b>\$109.82</b>	<b>\$110.34</b>	<b>(0.5)%</b>
<b>Total Consolidated Portfolio<sup>(1)</sup></b>		<b>\$200.02</b>	<b>\$195.82</b>	<b>2.1%</b>	<b>80.6%</b>	<b>81.9%</b>	<b>(1.3)% pts</b>	<b>\$161.15</b>	<b>\$160.28</b>	<b>0.5%</b>

(1) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## Top Ten Assets: Full Year 2016 vs. Full Year 2015

(unaudited, dollars in millions)

	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
	2016	2015	Change	2016	2015	Change	2016	2015	Change
<b>Top 10 Hotels</b>									
1 Hilton Hawaiian Village Beach Resort	\$140	\$137	2.2%	\$376	\$367	2.5%	37.2%	37.3%	(10) bps
2 New York Hilton Midtown	50	57	(12.3)	273	278	(1.8)	18.3%	20.5%	(220)
3 Hilton San Francisco Union Square	64	60	6.7	218	208	4.8	29.4%	28.8%	60
4 Hilton Waikoloa Village	40	30	33.3	147	124	18.5	27.2%	24.2%	300
5 Hilton New Orleans Riverside	54	52	3.8	146	141	3.5	37.0%	36.9%	10
6 Hilton Chicago	30	38	(21.1)	139	149	(6.7)	21.6%	25.5%	(390)
7 Hilton Orlando Bonnet Creek	39	39	-	115	112	2.7	33.9%	34.8%	(90)
8 Parc 55 Hotel San Francisco	30	31	(3.2)	97	95	2.1	30.9%	32.6%	(170)
9 Waldorf Astoria Bonnet Creek Orlando	18	20	(10.0)	69	70	(1.4)	26.1%	28.6%	(250)
10 Waldorf Astoria Casa Marina Resort Key West	20	24	(16.7)	50	52	(3.8)	40.0%	46.2%	(620)
<b>Sub-total Top 10 Hotels</b>	<b>\$485</b>	<b>\$488</b>	<b>(0.6)%</b>	<b>\$1,630</b>	<b>\$1,596</b>	<b>2.1%</b>	<b>29.8%</b>	<b>30.6%</b>	<b>(80) bps</b>
<b>Top 11-25 Hotels</b>	<b>\$166</b>	<b>\$182</b>	<b>(8.8)%</b>	<b>\$633</b>	<b>\$647</b>	<b>(2.2)%</b>	<b>26.2%</b>	<b>28.1%</b>	<b>(190) bps</b>
<b>Sub-total Top 25 Hotels</b>	<b>\$651</b>	<b>\$670</b>	<b>(2.8)%</b>	<b>\$2,263</b>	<b>\$2,243</b>	<b>0.9%</b>	<b>28.8%</b>	<b>29.9%</b>	<b>(110) bps</b>
<b>All Other Consolidated Hotels</b>	<b>\$99</b>	<b>\$108</b>	<b>(8.3)%</b>	<b>\$442</b>	<b>\$454</b>	<b>(2.6)%</b>	<b>22.4%</b>	<b>23.8%</b>	<b>(140) bps</b>
<b>Total Consolidated Portfolio<sup>(1)</sup></b>	<b>\$750</b>	<b>\$778</b>	<b>(3.6)%</b>	<b>\$2,705</b>	<b>\$2,697</b>	<b>0.3%</b>	<b>27.7%</b>	<b>28.8%</b>	<b>(110) bps</b>

(1) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## By Market and Property Type: Full Year 2016 vs. Full Year 2015

(unaudited)

	Properties	Rooms	Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
			2016	2015	Change	2016	2015	Change	2016	2015	Change
New York <sup>(1)</sup>	2	2,233	\$288.54	\$296.45	(2.7)%	86.9%	88.4%	(1.5)% pts	\$250.73	\$262.03	(4.3)%
Washington, D.C.	3	1,282	169.61	171.53	(1.1)	75.5	77.7	(2.2)	128.08	133.26	(3.9)
Florida	6	3,282	203.50	202.08	0.7	80.5	83.9	(3.4)	163.81	169.51	(3.4)
New Orleans	2	1,939	178.18	170.35	4.6	74.7	78.0	(3.3)	133.10	132.79	0.2
Chicago	4	2,743	181.86	181.71	0.1	74.6	78.7	(4.1)	135.75	143.00	(5.1)
Northern California	7	4,512	234.93	226.39	3.8	85.5	85.7	(0.2)	200.79	194.02	3.5
Southern California	4	1,304	167.75	164.09	2.2	85.5	84.7	0.8	143.43	138.91	3.3
Hawaii	2	4,103	242.92	234.15	3.7	88.0	86.1	1.9	213.68	201.72	5.9
Other	16	6,246	156.06	152.53	2.3	77.5	78.9	(1.4)	120.87	120.42	0.4
<b>Total Domestic</b>	<b>46</b>	<b>27,644</b>	<b>\$205.50</b>	<b>\$201.02</b>	<b>2.2%</b>	<b>81.3%</b>	<b>82.5%</b>	<b>(1.2)% pts</b>	<b>\$166.99</b>	<b>\$165.93</b>	<b>0.6%</b>
<b>Total International</b>	<b>12</b>	<b>2,698</b>	<b>\$137.81</b>	<b>\$136.16</b>	<b>1.2%</b>	<b>73.4%</b>	<b>74.7%</b>	<b>(1.3)% pts</b>	<b>\$101.22</b>	<b>\$101.71</b>	<b>(0.5)%</b>
<b>All Markets<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$200.02</b>	<b>\$195.82</b>	<b>2.1%</b>	<b>80.6%</b>	<b>81.9%</b>	<b>(1.3)% pts</b>	<b>\$161.15</b>	<b>\$160.28</b>	<b>0.5%</b>

(unaudited)

	Properties	Rooms	Pro-forma ADR			Pro-forma Occupancy			Pro-forma RevPAR		
			2016	2015	Change	2016	2015	Change	2016	2015	Change
Resort	11	8,237	\$224.58	\$218.10	3.0%	82.6%	83.3%	(0.7)% pts	\$185.50	\$181.77	2.1%
Urban	19	12,336	216.58	213.54	1.4	79.0	81.1	(2.1)	171.06	173.22	(1.3)
Airport	13	6,355	157.04	152.46	3.0	83.2	83.9	(0.7)	130.67	127.97	2.1
Suburban	15	3,414	161.40	156.68	3.0	76.5	77.1	(0.6)	123.46	120.78	2.2
<b>All Types<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$200.02</b>	<b>\$195.82</b>	<b>2.1%</b>	<b>80.6%</b>	<b>81.9%</b>	<b>(1.3)% pts</b>	<b>\$161.15</b>	<b>\$160.28</b>	<b>0.5%</b>

(1) Includes Hilton Short Hills.

(2) Excludes unconsolidated joint ventures.

# Portfolio and Operating Metrics (cont'd)

## By Market and Property Type: Full Year 2016 vs. Full Year 2015

(unaudited, dollars in millions)

	Properties	Rooms	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
			2016	2015	Change	2016	2015	Change	2016	2015	Change
New York <sup>(1)</sup>	2	2,233	\$56	\$64	(12.5)%	\$305	\$310	(1.6)%	18.4%	20.6%	(220) bps
Washington, D.C.	3	1,282	18	23	(21.7)	88	95	(7.4)	20.5%	24.2%	(370)
Florida	6	3,282	114	122	(6.6)	351	352	(0.3)	32.5%	34.7%	(220)
New Orleans	2	1,939	59	58	1.7	162	157	3.2	36.4%	36.9%	(50)
Chicago	4	2,743	50	60	(16.7)	220	232	(5.2)	22.7%	25.9%	(320)
Northern California	7	4,512	124	120	3.3	433	419	3.3	28.6%	28.6%	-
Southern California	4	1,304	34	35	(2.9)	101	98	3.1	33.7%	35.7%	(200)
Hawaii	2	4,103	180	167	7.8	524	491	6.7	34.4%	34.0%	40
Other	16	6,246	83	91	(8.8)	378	388	(2.6)	22.0%	23.5%	(150)
<b>Total Domestic</b>	<b>46</b>	<b>27,644</b>	<b>\$718</b>	<b>\$740</b>	<b>(3.0)%</b>	<b>\$2,562</b>	<b>\$2,542</b>	<b>0.8%</b>	<b>28.0%</b>	<b>29.1%</b>	<b>(110) bps</b>
<b>Total International</b>	<b>12</b>	<b>2,698</b>	<b>\$32</b>	<b>\$38</b>	<b>(15.8)%</b>	<b>\$143</b>	<b>\$155</b>	<b>(7.7)%</b>	<b>22.4%</b>	<b>24.5%</b>	<b>(210) bps</b>
<b>All Markets<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$750</b>	<b>\$778</b>	<b>(3.6)%</b>	<b>\$2,705</b>	<b>\$2,697</b>	<b>0.3%</b>	<b>27.7%</b>	<b>28.8%</b>	<b>(110) bps</b>

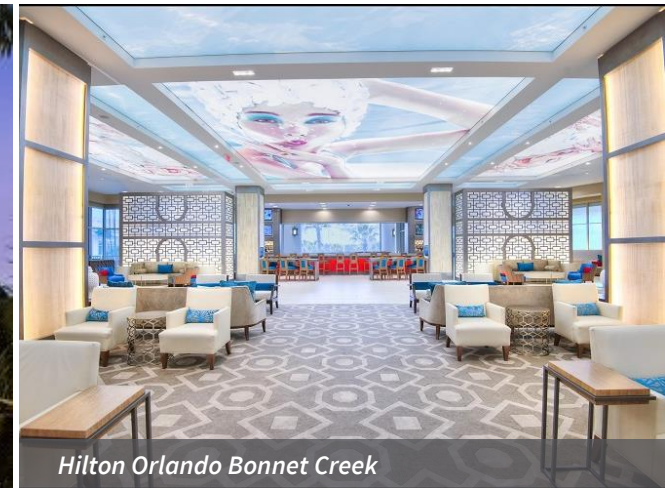
(unaudited, dollars in millions)

	Properties	Rooms	Pro-forma Hotel Adjusted EBITDA			Pro-forma Hotel Revenue			Pro-forma Hotel Adjusted EBITDA Margin		
			2016	2015	Change	2016	2015	Change	2016	2015	Change
Resort	11	8,237	\$310	\$305	1.6%	\$941	\$908	3.6%	32.9%	33.6%	(70) bps
Urban	19	12,336	284	313	(9.3)	1,123	1,153	(2.6)	25.3%	27.1%	(180)
Airport	13	6,355	106	110	(3.6)	426	424	0.5	24.9%	25.9%	(100)
Suburban	15	3,414	50	50	-	215	212	1.4	23.3%	23.6%	(30)
<b>All Types<sup>(2)</sup></b>	<b>58</b>	<b>30,342</b>	<b>\$750</b>	<b>\$778</b>	<b>(3.6)%</b>	<b>\$2,705</b>	<b>\$2,697</b>	<b>0.3%</b>	<b>27.7%</b>	<b>28.8%</b>	<b>(110) bps</b>

(1) Includes Hilton Short Hills.

(2) Excludes unconsolidated joint ventures.

# Debt Summary



# Debt Summary

## Fixed and Variable Rate Debt

(unaudited, dollars in millions)

Debt	Collateral	Interest Rate	Maturity Date	As of December 31, 2016
<b>Fixed Rate Debt</b>				
Unsecured notes	Unsecured	7.50%	December 2017	\$ 55
Mortgage loan	DoubleTree Spokane – City Center	3.55%	October 2020	12
Commercial mortgage-backed securities loan	Hilton San Francisco Union Square, Parc 55 Hotel San Francisco	4.11%	November 2023	725
Commercial mortgage-backed securities loan	Hilton Hawaiian Village	4.20%	November 2026	1,275
Mortgage loan	Fess Parker's DoubleTree Resort Santa Barbara	4.17%	December 2026	165
Capital lease obligations		7.00%	2019 - 2097	14
<b>Total Fixed Rate Debt</b>				2,246
<b>Variable Rate Debt</b>				
Revolving credit facility <sup>(1)</sup>	Unsecured	L + 1.50%	December 2020	—
Term loan	Unsecured	L + 1.45%	December 2021	750
Mortgage loan	DoubleTree Hotel Ontario Airport	L + 2.25%	May 2022	30
<b>Total Variable Rate Debt</b>				780
Less: unamortized deferred financing costs and discount				(14)
<b>Total Debt</b>				<u>\$ 3,012</u>

<sup>(1)</sup> \$1 billion revolving credit facility. Borrowings were not permitted until the consummation of the spin-off, effective January 2017.

# Definitions



# Definitions

## **EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA Margin**

Earnings before interest expense, taxes and depreciation and amortization (“EBITDA”), presented herein, reflects net income (loss), excluding interest expense, a provision for income taxes and depreciation and amortization. The Company considers EBITDA to be a useful measure for investors in evaluating and facilitating comparisons of its operating performance between periods and between REITs by removing the impact of the Company’s capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from its operating results.

Adjusted EBITDA, presented herein, is calculated as EBITDA, as previously defined, further adjusted to exclude gains, losses and expenses in connection with: (i) asset dispositions for both consolidated and unconsolidated investments; (ii) foreign currency transactions; (iii) debt restructurings/retirements; (iv) non-cash impairment losses; (v) furniture, fixtures and equipment (“FF&E”) replacement reserves required by certain lease agreements; (vi) reorganization costs; (vii) share-based and certain other compensation expenses; (viii) severance, relocation and other expenses; and (ix) other items.

Hotel Adjusted EBITDA measures property-level results before debt service, depreciation and corporate expenses of the Company’s consolidated properties, including both comparable and non-comparable hotels but excluding properties owned by unconsolidated affiliates, and is a key measure of the Company’s profitability. The Company presents Hotel Adjusted EBITDA to help the Company and its investors evaluate the ongoing operating performance of the Company’s consolidated properties.

Hotel Adjusted EBITDA margin, is calculated as Hotel Adjusted EBITDA as a percentage of Total Hotel Revenue.

EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin are not recognized terms under United States (“U.S.”) GAAP and should not be considered as alternatives to net income (loss) or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, the Company’s definitions of EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin may not be comparable to similarly titled measures of other companies.

The Company believes that EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin provide useful information to investors about the Company and its financial condition and results of operations for the following reasons: (i) EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin are among the measures used by the Company’s management team to evaluate its operating performance and make day-to-day operating decisions; and (ii) EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in the industry.

EBITDA, Adjusted EBITDA, Hotel Adjusted EBITDA and Hotel Adjusted EBITDA margin have limitations as analytical tools and should not be considered either in isolation or as a substitute for net income (loss) or other methods of analyzing results as reported under U.S. GAAP.

# Definitions (cont'd)

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## **NAREIT FFO attributable to Parent, or stockholders, and Adjusted FFO attributable to Parent, or stockholders**

NAREIT FFO attributable to Parent, or stockholders, presented herein, is calculated as net income (loss) attributable to Parent, or stockholders, (calculated in accordance with U.S. GAAP), excluding gains (losses) from sales of real estate, the cumulative effect of changes in accounting principles, real estate-related depreciation, amortization and impairments and adjustments for unconsolidated joint ventures. Adjustments for unconsolidated joint ventures are calculated to reflect the Company's pro rata share of the FFO of those entities on the same basis. The Company calculates NAREIT FFO attributable to Parent, or stockholders, for a given operating period in accordance with the guidelines of the National Association of Real Estate Investment Trusts ("NAREIT"). As noted by NAREIT in its April 2002 "White Paper on Funds From Operations," since real estate values historically have risen or fallen with market conditions, many industry investors have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. For these reasons, NAREIT adopted the FFO metric in order to promote an industry-wide measure of REIT operating performance.

Adjusted FFO attributable to Parent, or stockholders, presented herein, is NAREIT FFO attributable to Parent, or stockholders, as previously defined, further adjusted to exclude: (i) foreign currency (gains) losses; (ii) acquisition costs; (iii) litigation gains and losses; and (iv) other items. In certain circumstances, the Company may also adjust NAREIT FFO attributable to parent, or stockholders, attributable for additional gains or losses that the Company's management believes are not representative of its current operating performance.

NAREIT FFO attributable to Parent, or stockholders, and Adjusted FFO attributable to Parent, or stockholders, are not recognized terms under U.S. GAAP and should not be considered as alternatives to net income (loss) or other measures of financial performance or liquidity derived in accordance with U.S. GAAP. In addition, the Company's definitions of NAREIT FFO attributable to Parent, or stockholders, and Adjusted FFO attributable to Parent, or stockholders, may not be comparable to similarly titled measures of other companies.

The Company believes that NAREIT FFO attributable to Parent, or stockholders, and Adjusted FFO attributable to Parent, or stockholders, provide useful information to investors about the Company and its financial condition and results of operations for the following reasons: (i) these measures are among the measures used by the Company's management team to evaluate its operating performance and make day-to-day operating decisions; and (ii) these measures are frequently used by securities analysts, investors and other interested parties as a common performance measure to compare results or estimate valuations across companies in the industry.

NAREIT FFO attributable to Parent, or stockholders, and Adjusted FFO attributable to Parent, or stockholders, have limitations as analytical tools and should not be considered either in isolation or as a substitute for net income (loss), cash flow or other methods of analyzing results as reported under U.S. GAAP.

# Definitions (cont'd)

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## **Net Debt**

Net debt, presented herein, is a non-GAAP financial measure that the Company uses to evaluate its financial leverage. Net debt is calculated as (i) long-term debt, including current maturities and excluding unamortized deferred financing costs; and (ii) the Company's share of investments in affiliate debt, excluding unamortized deferred financing costs; reduced by (a) cash and cash equivalents; and (b) restricted cash and cash equivalents.

The Company believes Net debt provides useful information about its indebtedness to investors as it is frequently used by securities analysts, investors and other interested parties to compare the indebtedness of companies. Net debt should not be considered as a substitute to debt presented in accordance with U.S. GAAP. Net debt may not be comparable to a similarly titled measure of other companies.

## **Net Debt to Adjusted EBITDA Ratio**

Net debt to Adjusted EBITDA ratio, presented herein, is a non-GAAP financial measure and is included as it is frequently used by securities analysts, investors and other interested parties to compare the financial condition of companies. Net debt to Adjusted EBITDA ratio should not be considered as an alternative to measures of financial condition derived in accordance with U.S. GAAP and it may not be comparable to a similarly titled measure of other companies.

## **Comparable Hotels**

The Company presents certain data for its properties on a comparable hotel basis as supplemental information for investors. The Company defines its comparable hotels as those hotels that: (i) were active and operating in the Company's portfolio since January 1st of the previous year; and (ii) have not sustained substantial property damage, business interruption, undergone large-scale capital projects or for which comparable results are not available. The Company presents comparable hotel results to help the Company and its investors evaluate the ongoing operating performance of its comparable hotels.

# Definitions (cont'd)

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## **Occupancy**

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a property or group of properties. Occupancy measures the utilization of the Company's properties available capacity. Management uses occupancy to gauge demand at a specific property or group of properties in a given period. Occupancy levels also help management determine achievable Average Daily Rate ("ADR") levels as demand for hotel rooms increases or decreases.

## **Average Daily Rate**

ADR represents rooms revenue divided by total number of room nights sold in a given period. ADR measures average room price attained by a property and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a property or group of properties. ADR is a commonly used performance measure in the hotel industry, and management uses ADR to assess pricing levels that the Company is able to generate by type of customer, as changes in rates have a different effect on overall revenues and incremental profitability than changes in occupancy, as described above.

## **Revenue per Available Room**

Revenue per Available Room ("RevPAR") represents rooms revenue divided by total number of room nights available to guests for a given period. Management considers RevPAR to be a meaningful indicator of the Company's performance as it provides a metric correlated to two primary and key drivers of operations at a property or group of properties: occupancy and ADR. RevPAR is also a useful indicator in measuring performance over comparable periods for comparable hotels.

References to RevPAR and ADR are presented on a currency neutral basis (all periods use the same exchange rates), unless otherwise noted.

## **Pro-forma**

Certain financial measures and other information have been adjusted for the Company's historical debt and related balances and interest expense to give the net effect to financing transactions that were completed prior to spin-off, incremental fees based on the terms of the post spin-off management agreements, adjustments to income tax expense based on the Company's post spin-off REIT tax structure, the removal of costs incurred related to the spin-off and the establishment of Park as a separate public company and the estimated excise taxes on certain REIT leases. Further adjustments have been made to reflect the effects of hotels disposed of or acquired during the periods presented. When presenting such information, the amounts are identified as "Pro-forma."

# Analyst Coverage

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