UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission file number 001-35219

Marriott Vacations Worldwide Corporation

(Exact name of registrant as specified in its charter)

Delaware	**45-2598330**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
7812 Palm Parkway Orlando FL	**32836**
(Address of principal executive offices)	**(Zip Code)**

(407) 206-6000 (Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 Par Value	VAC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the issuer's common stock, par value $0.01 per share, as of July 30, 2026 was 34,395,320.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
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Throughout this report, we refer to Marriott Vacations Worldwide Corporation, together with its consolidated subsidiaries, as “Marriott Vacations Worldwide,” “MVW,” “we,” “us,” or the “Company.” We also refer to brands that we own, as well as those brands that we license, as our brands. All brand names, trademarks, trade names, and service marks cited in this report are the property of their respective owners, including those of other companies and organizations. Solely for convenience, trademarks, trade names, and service marks referred to in this report may appear without the ® or ™ symbols, however, such references are not intended to indicate in any way that MVW or the owner, as applicable, will not assert, to the fullest extent under applicable law, all rights to such trademarks, trade names, and service marks.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts, and unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
REVENUES				
Sale of vacation ownership products	$ 430	$ 370	$ 773	$ 725
Management and exchange	225	219	441	434
Rental	173	160	349	329
Financing	92	90	184	178
Cost reimbursements	400	407	830	780
TOTAL REVENUES	1,320	1,246	2,577	2,446
EXPENSES				
Cost of vacation ownership products	43	41	89	83
Marketing and sales	281	237	523	471
Management and exchange	121	121	241	238
Rental	140	125	280	248
Financing	42	37	83	73
Royalty fee	29	28	57	56
General and administrative	62	61	126	122
Depreciation and amortization	32	38	66	76
Litigation charges	(1)	5	1	12
Modernization	10	34	26	44
Restructuring	—	—	6	—
Impairment	—	—	—	2
Cost reimbursements	400	407	830	780
TOTAL EXPENSES	1,159	1,134	2,328	2,205
(Losses) gains and other (expense) income, net	(4)	24	(2)	37
Interest expense, net	(43)	(42)	(87)	(82)
Other	—	—	(1)	—
INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	114	94	159	196
Provision for income taxes	(37)	(25)	(60)	(70)
NET INCOME	77	69	99	126
Net income attributable to noncontrolling interests	—	—	—	(1)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 77	$ 69	$ 99	$ 125
EARNINGS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Basic	$ 2.21	$ 1.98	$ 2.86	$ 3.59
Diluted	$ 2.12	$ 1.77	$ 2.82	$ 3.23
CASH DIVIDENDS DECLARED PER SHARE	$ 0.80	$ 0.79	$ 1.60	$ 1.58

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions and unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2026	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
NET INCOME	$ 77	$ 69	$ 99	$ 126
Foreign currency translation adjustments	1	(6)	1	(7)
Reclassification of foreign currency translation adjustments realized upon disposition of an entity	—	—	(2)	—
Derivative instrument adjustment, net of tax	1	1	2	1
OTHER COMPREHENSIVE GAIN (LOSS), NET OF TAX	2	(5)	1	(6)
Net income attributable to noncontrolling interests	—	—	—	(1)
COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	—	—	(1)
COMPREHENSIVE INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 79	$ 64	$ 100	$ 119

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

	Unaudited June 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	$ 211	$ 406
Restricted cash (including $87 and $81 from VIEs, respectively)	302	327
Accounts and contracts receivable, net (including $17 and $15 from VIEs, respectively)	428	428
Vacation ownership notes receivable, net (including $2,082 and $1,900 from VIEs, respectively)	2,587	2,565
Inventory	673	692
Property and equipment, net	940	950
Goodwill	2,958	2,958
Intangibles, net	681	711
Other (including $188 and $168 from VIEs, respectively)	699	720
TOTAL ASSETS	$ 9,479	$ 9,757
LIABILITIES AND EQUITY		
Accounts payable	$ 227	$ 358
Advance deposits	166	163
Accrued liabilities (including $4 and $4 from VIEs, respectively)	372	376
Deferred revenue and other	416	371
Payroll and benefits liability	215	218
Deferred compensation liability	240	225
Securitized debt, net (including $2,381 and $2,173 from VIEs, respectively)	2,353	2,146
Debt, net	3,100	3,534
Other	119	142
Deferred taxes	214	231
TOTAL LIABILITIES	7,422	7,764
Contingencies and Commitments (Note 10)		
Preferred stock — $0.01 par value; 2,000,000 shares authorized; none issued or outstanding	—	—
Common stock — $0.01 par value; 100,000,000 shares authorized; 75,919,908 and 75,891,531 shares issued, respectively	1	1
Treasury stock — at cost; 41,525,622 and 41,767,498 shares, respectively	(2,413)	(2,427)
Additional paid-in capital	4,001	3,996
Accumulated other comprehensive loss	(10)	(11)
Retained earnings	478	434
TOTAL MVW STOCKHOLDERS' EQUITY	2,057	1,993
Noncontrolling interests	—	—
TOTAL EQUITY	2,057	1,993
TOTAL LIABILITIES AND EQUITY	$ 9,479	$ 9,757

The abbreviation VIEs above means Variable Interest Entities.

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions and unaudited)

	Six Months Ended	
	June 30, 2026	**June 30, 2025**
OPERATING ACTIVITIES		
Net income	$ 99	$ 126
Adjustments to reconcile net income to net cash, cash equivalents and restricted cash provided by (used in) operating activities:		
Depreciation and amortization of intangibles	66	76
Amortization of debt discount and issuance costs	11	12
Vacation ownership notes and contracts receivable reserve	122	108
Share-based compensation	22	19
Impairment	—	2
Foreign currency remeasurement loss (gain)	5	(21)
Deferred income taxes	(16)	(4)
Net change in assets and liabilities:		
Accounts and contracts receivable	(3)	8
Vacation ownership notes receivable originations	(512)	(488)
Vacation ownership notes receivable collections	371	341
Inventory	16	(1)
Other assets	(17)	(49)
Accounts payable, advance deposits and accrued liabilities	(102)	(108)
Deferred revenue and other	46	42
Payroll and benefit liabilities	(3)	(46)
Deferred compensation liability	(5)	(1)
Other liabilities	(20)	(7)
Purchase and development of property for future transfer to inventory	—	(49)
Other, net	(4)	—
Net cash, cash equivalents and restricted cash provided by (used in) operating activities	76	(40)
INVESTING ACTIVITIES		
Proceeds from disposition of entity	50	—
Capital expenditures for property and equipment (excluding inventory)	(22)	(34)
Purchase of company owned life insurance	—	(10)
Other dispositions, net	—	1
Net cash, cash equivalents and restricted cash provided by (used in) investing activities	28	(43)

Continued

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(In millions and unaudited)

	Six Months Ended	
	June 30, 2026	**June 30, 2025**
FINANCING ACTIVITIES		
Borrowings from securitization transactions	982	814
Repayment of debt related to securitization transactions	(774)	(761)
Proceeds from debt	1,410	805
Repayments of debt	(1,844)	(699)
Finance lease payment	(3)	(3)
Payment of debt and securitized debt issuance costs	(6)	(12)
Repurchase of common stock	—	(36)
Payment of dividends	(82)	(83)
Payment of withholding taxes on vesting of restricted stock units	(6)	(6)
Net cash, cash equivalents and restricted cash (used in) provided by financing activities	(323)	19
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	(1)	4
Change in cash, cash equivalents and restricted cash	(220)	(60)
Cash, cash equivalents and restricted cash, beginning of period	733	528
Cash, cash equivalents and restricted cash, end of period	$ 513	$ 468
SUPPLEMENTAL DISCLOSURES		
Non-cash issuance of treasury stock for employee stock purchase plan	$ 3	$ 4
Non-cash transfer from inventory to property and equipment	1	1
Non-cash transfer from property and equipment to inventory	—	1
Non-cash transfer from other assets to property and equipment	—	59
Interest paid, net of amounts capitalized	140	121
Income taxes paid, net of refunds	60	111

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions and unaudited)

Common Stock Issued		Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total MVW Stockholders' Equity	Noncontrolling Interests	Total Equity
75.9	**BALANCE AT DECEMBER 31, 2025**	$ 1	$ (2,427)	$ 3,996	$ (11)	$ 434	$ 1,993	$ —	$ 1,993
—	Net income	—	—	—	—	22	22	—	22
—	Reclassification of foreign currency translation adjustments realized upon disposition of entity	—	—	—	(2)	—	(2)	—	(2)
—	Derivative instrument adjustment	—	—	—	1	—	1	—	1
—	Share-based compensation plans	—	12	(7)	—	—	5	—	5
—	Dividends	—	—	—	—	(27)	(27)	—	(27)
75.9	**BALANCE AT MARCH 31, 2026**	1	(2,415)	3,989	(12)	429	1,992	—	1,992
—	Net income	—	—	—	—	77	77	—	77
—	Foreign currency translation adjustments	—	—	—	1	—	1	—	1
—	Derivative instrument adjustment	—	—	—	1	—	1	—	1
—	Share-based compensation plans	—	2	12	—	—	14	—	14
—	Dividends	—	—	—	—	(28)	(28)	—	(28)
75.9	**BALANCE AT JUNE 30, 2026**	$ 1	$ (2,413)	$ 4,001	$ (10)	$ 478	$ 2,057	$ —	$ 2,057

Common Stock Issued		Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total MVW Stockholders' Equity	Noncontrolling Interests	Total Equity
75.9	**BALANCE AT DECEMBER 31, 2024**	$ 1	$ (2,378)	$ 3,975	$ (8)	$ 852	$ 2,442	$ (1)	$ 2,441
—	Net income	—	—	—	—	56	56	1	57
—	Foreign currency translation adjustments	—	—	—	(1)	—	(1)	—	(1)
	Share-based compensation plans	—	8	(7)	—	—	1	—	1
—	Repurchase of common stock	—	(36)	—	—	—	(36)	—	(36)
—	Dividends	—	—	—	—	(27)	(27)	—	(27)
75.9	**BALANCE AT MARCH 31, 2025**	1	(2,406)	3,968	(9)	881	2,435	—	2,435
—	Net income	—	—	—	—	69	69	—	69
—	Foreign currency translation adjustments	—	—	—	(6)	—	(6)	—	(6)
—	Derivative instrument adjustment	—	—	—	1	—	1	—	1
—	Share-based compensation plans	—	2	11	—	—	13	—	13
—	Dividends	—	—	—	—	(28)	(28)	—	(28)
75.9	**BALANCE AT JUNE 30, 2025**	$ 1	$ (2,404)	$ 3,979	$ (14)	$ 922	$ 2,484	$ —	$ 2,484

See Interim Condensed Notes to Consolidated Financial Statements

MARRIOTT VACATIONS WORLDWIDE CORPORATION
INTERIM CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The Interim Consolidated Financial Statements present the results of operations, financial position and cash flows of Marriott Vacations Worldwide Corporation (referred to in this report as (i) "we," "us," "Marriott Vacations Worldwide," "MVW," or the "Company," which includes our consolidated subsidiaries except where the context of the reference is to a single corporate entity, or (ii) "MVWC," which shall refer only to Marriott Vacations Worldwide Corporation, without its consolidated subsidiaries). In order to make this report easier to read, we refer throughout to (i) our Interim Consolidated Financial Statements as our "Financial Statements," (ii) our Interim Consolidated Statements of Income as our "Income Statements," (iii) our Interim Consolidated Balance Sheets as our "Balance Sheets," and (iv) our Interim Consolidated Statements of Cash Flows as our "Cash Flows." In addition, references throughout to numbered "Footnotes" refer to the numbered notes in the Financial Statements, unless otherwise noted. Capitalized terms used and not specifically defined herein have the same meanings given those terms in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the "2025 Annual Report"). We also use certain other terms that are defined within these Financial Statements.

The Financial Statements presented herein and discussed below include 100% of the assets, liabilities, revenues, expenses, and cash flows of Marriott Vacations Worldwide, all entities in which Marriott Vacations Worldwide has a controlling voting interest ("subsidiaries"), and variable interest entities ("VIEs") for which Marriott Vacations Worldwide is the primary beneficiary in accordance with consolidation accounting guidance. References in these Financial Statements to net income or loss attributable to common stockholders and MVW stockholders' equity do not include noncontrolling interests, which represent the outside ownership of our consolidated non-wholly owned entities and are reported separately. Intercompany accounts and transactions between consolidated entities have been eliminated in consolidation.

These Financial Statements reflect our financial position, results of operations, and cash flows as prepared in conformity with United States Generally Accepted Accounting Principles ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates include, but are not limited to, revenue recognition, cost of vacation ownership products, inventory valuation, goodwill and intangibles valuation, vacation ownership notes receivable reserves, income taxes, and loss contingencies. The uncertainties and volatility in the broader macroeconomic environment, including inflation, the impact of changing trade policy, continuing high interest rates, mixed economic indicators, increased consumer debt, continuing global insecurity and political uncertainty, have made it more challenging to make these estimates. Actual results could differ from our estimates, and such differences may be material.

In our opinion, our Financial Statements reflect all normal and recurring adjustments necessary to present fairly our financial position, the results of our operations, and cash flows for the periods presented. Interim results may not be indicative of fiscal year performance because of, among other reasons, general macroeconomic conditions, including inflationary pressures and seasonal and short-term variations. These Financial Statements have not been audited. We have condensed or omitted certain information and footnote disclosures normally included in financial statements presented in accordance with GAAP. Although we believe our footnote disclosures are adequate to make the information presented not misleading, the Financial Statements in this report should be read in conjunction with the consolidated financial statements and notes thereto in our 2025 Annual Report.

We use "Legacy-ILG" to refer to the business and brands acquired in our 2018 acquisition of ILG, Inc. (the "ILG Acquisition"), and we use "Legacy-MVW" to refer to the business we conducted and our associated brands prior to the ILG Acquisition. "Legacy-Welk" refers to the business and brand acquired in our 2021 acquisition of Welk Hospitality Group, Inc. (the "Welk Acquisition"); all of the Welk Acquisition resorts were rebranded as Hyatt Vacation Club resorts in 2023. We use "Marriott Vacation Ownership" for our Marriott, Sheraton, and Westin branded businesses, and "Hyatt Vacation Ownership" for our Hyatt branded business.

Certain amounts from the prior fiscal year have been reclassified to conform to the current period presentation. Additionally, commencing in the first quarter of 2026, interest expense associated with our Warehouse Credit Facility is included as a component of Consumer financing interest expense within Financing expense. For the three and six months ended June 30, 2025, interest expense associated with our Warehouse Credit Facility is included as a component of Interest expense, net. Interest expense on our Warehouse Credit Facility was $2 million and $5 million for the three and six months ended June 30, 2026, respectively, and $3 million and $7 million for the three and six months ended June 30, 2025, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING STANDARDS

New Accounting Standards

Accounting Standards Update 2024-04 - "*Debt - Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*" ("ASU 2024-04")

In November 2024, the Financial Accounting Standards Board issued accounting standards update ("ASU") 2024-04, which requires an entity to account for certain early settlements of convertible debt instruments as an induced conversion if the inducement offer includes the issuance of all consideration (in form and amount) issuable under the conversion privileges provided in the terms of the existing convertible debt instrument. We adopted ASU 2024-04 on a prospective basis on January 1, 2026, with no impact to our financial statements or disclosures.

Accounting Standards Update 2025-05 - *"Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets"* ("ASU 2025-05")

In July 2025, the FASB issued ASU 2025-05, which introduces a practical expedient for estimating expected credit losses on current accounts receivable and contract assets. Under this expedient, entities may assume that conditions existing at the balance sheet date will persist for the remaining life of the asset, which simplifies the estimation process by eliminating the need to forecast future economic conditions for short-term assets. We adopted ASU 2025-05 and elected the practical expedient on a prospective basis on January 1, 2026, with no material impact to our financial statements or disclosures.

Accounting Standards Update 2025-11 - *"Interim Reporting (Topic 270): Narrow-Scope Improvements"* ("ASU 2025-11")

In December 2025, the FASB issued ASU 2025-11, which updates Accounting Standards Codification ("ASC") 270 to improve clarity and consistency, without fundamentally altering the nature or scope of interim reporting requirements. The guidance provides a comprehensive list of interim disclosures required by GAAP and incorporates a disclosure principle that requires disclosures at interim periods when an event or change that has a material effect on an entity has occurred since the last annual reporting period. The guidance is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. We adopted ASU 2025-11 on a prospective basis on January 1, 2026, with no impact to our financial statements or disclosures.

Future Adoption of Accounting Standards

Accounting Standards Update 2024-03 - *"Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses"* ("ASU 2024-03")

In November 2024, the FASB issued ASU 2024-03, which requires additional information about specific expense categories in the notes to financial statements for both interim and annual reporting periods. This update is effective for annual periods beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027, and may be adopted on a prospective or retrospective basis, with early adoption permitted. We are evaluating the impact that the adoption of this update, including the timing of implementation, will have on our disclosures.

Accounting Standards Update 2025-09 - *"Derivatives and Hedging (Topic 815): Hedge Accounting Improvements"* ("ASU 2025-09")

In November 2025, the FASB issued ASU 2025-09, which amends certain aspects of hedge accounting guidance under ASC 815. The amendments clarify the assessment of risk for cash flow hedges; provide guidance on hedges of forecasted interest payments on choose-your-rate debt; expand the application of hedge accounting to certain nonfinancial forecasted transactions; permit the use of net written options as hedging instruments; and address the accounting for dual hedges of foreign-currency-denominated debt. This update is effective for annual periods beginning after December 15, 2026, and interim periods within those annual reporting periods, with early adoption permitted. We are evaluating the impact that the adoption of this update, including the timing of implementation, will have on our financial statements and disclosures.

3. ACQUISITIONS AND DISPOSITIONS

Cancun, Mexico

During the first quarter of 2026, we disposed of an entity that owned and operated a Vacation Ownership segment hotel in Cancun, Mexico, for proceeds of $50 million, consistent with our strategy to monetize non-core assets. The net carrying value of the entity disposed of, as of the date of the disposition, was $50 million, the majority of which was comprised of property and equipment that was recorded in Other Assets on our balance sheet. As a result of this disposition, we recorded a gain of $2 million in (Losses) gains and other (expense) income, net on our Income Statements for the six months ended June 30, 2026, which related to the realization of cumulative foreign currency translation gains.

Khao Lak, Thailand

During the second quarter of 2025, we acquired 52 completed vacation ownership units located in Khao Lak, Thailand for $50 million and included them in Property and equipment, net. We paid $43 million in cash consideration for these units during the second quarter of 2025. Additionally, during the second quarter of 2025, we reclassified $7 million of deposits paid in 2024 in connection with the project from Other assets to Property and equipment, net.

4. REVENUE AND RECEIVABLES

Sources of Revenue by Segment

	Three Months Ended June 30, 2026			
($ in millions)	**Vacation Ownership**	**Exchange & Third-Party Management**	**Corporate and Other**	**Total**
Sale of vacation ownership products	$ 430	$ —	$ —	$ 430
Ancillary revenues	74	1	—	75
Management fee revenues	56	2	—	58
Exchange and other services revenues	36	39	17	92
Management and exchange	166	42	17	225
Rental	165	8	—	173
Cost reimbursements	407	4	(11)	400
Revenue from contracts with customers	1,168	54	6	1,228
Financing	92	—	—	92
Total Revenues	$ 1,260	$ 54	$ 6	$ 1,320

	Three Months Ended June 30, 2025			
($ in millions)	**Vacation Ownership**	**Exchange & Third-Party Management**	**Corporate and Other**	**Total**
Sale of vacation ownership products	$ 370	$ —	$ —	$ 370
Ancillary revenues	75	1	—	76
Management fee revenues	55	1	—	56
Exchange and other services revenues	35	39	13	87
Management and exchange	165	41	13	219
Rental	150	10	—	160
Cost reimbursements	413	2	(8)	407
Revenue from contracts with customers	1,098	53	5	1,156
Financing	90	—	—	90
Total Revenues	$ 1,188	$ 53	$ 5	$ 1,246

($ in millions)	Six Months Ended June 30, 2026 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Sale of vacation ownership products	$ 773	$ —	$ —	$ 773
Ancillary revenues	139	2	—	141
Management fee revenues	112	4	(1)	115
Exchange and other services revenues	71	80	34	185
Management and exchange	322	86	33	441
Rental	332	17	—	349
Cost reimbursements	842	8	(20)	830
Revenue from contracts with customers	2,269	111	13	2,393
Financing	184	—	—	184
Total Revenues	$ 2,453	$ 111	$ 13	$ 2,577

($ in millions)	Six Months Ended June 30, 2025 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Sale of vacation ownership products	$ 725	$ —	$ —	$ 725
Ancillary revenues	140	2	—	142
Management fee revenues	110	4	(1)	113
Exchange and other services revenues	70	81	28	179
Management and exchange	320	87	27	434
Rental	309	20	—	329
Cost reimbursements	791	4	(15)	780
Revenue from contracts with customers	2,145	111	12	2,268
Financing	178	—	—	178
Total Revenues	$ 2,323	$ 111	$ 12	$ 2,446

Timing of Revenue from Contracts with Customers by Segment

The following tables detail the timing of revenue from contracts with customers by segment for the time periods presented.

($ in millions)	Three Months Ended June 30, 2026 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Services transferred over time	$ 658	$ 22	$ 6	$ 686
Goods or services transferred at a point in time	510	32	—	542
Revenue from contracts with customers	$ 1,168	$ 54	$ 6	$ 1,228

($ in millions)	Three Months Ended June 30, 2025 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Services transferred over time	$ 649	$ 20	$ 5	$ 674
Goods or services transferred at a point in time	449	33	—	482
Revenue from contracts with customers	$ 1,098	$ 53	$ 5	$ 1,156

($ in millions)	Six Months Ended June 30, 2026 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Services transferred over time	$ 1,345	$ 44	$ 13	$ 1,402
Goods or services transferred at a point in time	924	67	—	991
Revenue from contracts with customers	$ 2,269	$ 111	$ 13	$ 2,393

($ in millions)	Six Months Ended June 30, 2025 Vacation Ownership	Exchange & Third-Party Management	Corporate and Other	Total
Services transferred over time	$ 1,268	$ 41	$ 12	$ 1,321
Goods or services transferred at a point in time	877	70	—	947
Revenue from contracts with customers	$ 2,145	$ 111	$ 12	$ 2,268

Sale of Vacation Ownership Products

Revenues were reduced during the second quarter and first half of 2026 by $7 million and $11 million, respectively, due to changes in our estimates of variable consideration for performance obligations that were satisfied in prior periods.

Receivables from Contracts with Customers, Contract Assets, & Contract Liabilities

The following table shows the composition of our receivables from contracts with customers and contract liabilities. We had no contract assets at either June 30, 2026 or December 31, 2025.

($ in millions)	At June 30, 2026	At December 31, 2025
Receivables from Contracts with Customers		
Accounts and contracts receivable, net	$ 290	$ 271
Vacation ownership notes receivable, net	2,587	2,565
	$ 2,877	$ 2,836
Contract Liabilities[(1)]		
Advance deposits	$ 166	$ 163
Deferred revenue and other	416	371
	$ 582	$ 534

(1) Includes $105 million and $99 million of other refundable deposits at June 30, 2026 and December 31, 2025, respectively.

Revenue recognized during the second quarter and first half of 2026 that was included in our contract liabilities balance at December 31, 2025 was $94 million and $214 million, respectively.

Remaining Performance Obligations

Our recorded contract liabilities (excluding other refundable deposits) represent the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of June 30, 2026. At June 30, 2026, approximately 90% of the recorded contract liabilities are expected to be recognized as revenue over the next two years.

Accounts and Contracts Receivable

Accounts and contracts receivable is composed of amounts due from customers, primarily owners' associations, resort developers, owners and members, credit card receivables, interest receivables, amounts due from taxing authorities, indemnification assets, and other miscellaneous receivables. The following table shows the composition of our accounts and contracts receivable balances:

($ in millions)	**At June 30, 2026**	**At December 31, 2025**
Receivables from contracts with customers, net	$ 290	$ 271
Interest receivable	20	20
Tax receivable	64	77
Indemnification assets	35	40
Employee tax credit receivable	1	4
Other	18	16
	$ 428	$ 428

5. INCOME TAXES

Our provision for income taxes is calculated using an estimated annual effective tax rate ("AETR"), which is based upon projected annual income or loss, including anticipated losses in certain jurisdictions, non-deductible expenses under applicable federal and local tax laws, statutory rates, and planned tax strategies across the jurisdictions in which we operate. Certain items that do not relate directly to ordinary income are excluded from the AETR and are recognized in the period in which they occur.

Our effective tax rate was 32.4% and 26.8% for the three months ended June 30, 2026 and June 30, 2025, respectively, and 37.5% and 35.5% for the six months ended June 30, 2026 and June 30, 2025, respectively.

The effective tax rate for the three months ended June 30, 2026 differed from the blended U.S. federal and state statutory tax rate primarily due to projected losses in certain foreign jurisdictions for which no tax benefit was recognized as a result of valuation allowances with respect to such foreign jurisdictions, as well as discrete tax benefits related to uncertain tax positions and the effective settlement of a domestic tax audit, partially offset by penalties accrued for foreign tax matters.

The effective tax rate for the three months ended June 30, 2025 was generally consistent with the blended U.S. federal and state statutory tax rate, with no significant variances.

The effective tax rate for the six months ended June 30, 2026 differed from the blended U.S. federal and state statutory tax rate primarily due to projected losses in certain foreign jurisdictions for which no tax benefit was recognized as a result of valuation allowances with respect to such foreign jurisdictions, as well as discrete tax benefits related to uncertain tax positions, partially offset by a $6 million cumulative adjustment related to a foreign tax provision and penalties accrued for foreign tax matters.

The effective tax rate for the six months ended June 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to the effect of losses incurred in certain non-U.S. jurisdictions for which no tax benefit was recognized. Additionally, permanent differences between the book and tax treatment contributed to the variance from the statutory rate.

Our income tax returns remain subject to examination by the relevant tax authorities in various jurisdictions for tax years 2007 through 2025. The amount of the unrecognized tax benefits may change within the next twelve months as a result of audits, settlements with tax authorities, or the expiration of statutes of limitations.

During the third quarter of 2025, the One Big Beautiful Bill Act (Public Law 119-21) was signed into law, making several provisions of the Tax Cuts and Jobs Act permanent. Under ASC 740, "*Income Taxes*," the effects of changes in tax laws are recognized in the period of enactment. The provisions effective during the first six months of 2026 did not have a material impact on our effective tax rate for the three months or six months ended June 30, 2026, but we continue to assess the potential impact of these legal changes, including provisions that become effective later in 2026, on our business and financial results.

6. VACATION OWNERSHIP NOTES RECEIVABLE

The following table shows the composition of our vacation ownership notes receivable balances, net of reserves. Originated vacation ownership notes receivable represent vacation ownership notes receivable originated by Legacy-ILG and Legacy-Welk subsequent to each respective acquisition date, and all Legacy-MVW vacation ownership notes receivable. Acquired vacation ownership notes receivable represent vacation ownership notes receivable acquired as part of the ILG Acquisition and the Welk Acquisition.

	June 30, 2026			December 31, 2025		
($ in millions)	**Originated**	**Acquired**	**Total**	**Originated**	**Acquired**	**Total**
Securitized	$ 2,039	$ 43	$ 2,082	$ 1,843	$ 57	$ 1,900
Eligible for securitization[1]	57	—	57	152	—	152
Not eligible for securitization[1]	442	6	448	508	5	513
Non-securitized	499	6	505	660	5	665
Total	$ 2,538	$ 49	$ 2,587	$ 2,503	$ 62	$ 2,565

(1) Refer to Footnote 7 “Financial Instruments” for discussion of eligibility of our vacation ownership notes receivable for securitization.

The following table shows future principal payments, net of reserves, and interest rates for our vacation ownership notes receivable at June 30, 2026.

($ in millions)	**Non-Securitized**	**Securitized**	**Total**
2026, remaining	$ 52	$ 88	$ 140
2027	82	178	260
2028	65	180	245
2029	54	183	237
2030	41	189	230
Thereafter	211	1,264	1,475
Balance at June 30, 2026	$ 505	$ 2,082	$ 2,587
Weighted average stated interest rate	11.5%	13.4%	13.0%
Range of stated interest rates	0.0% to 21.9%	0.0% to 21.9%	0.0% to 21.9%

Credit Quality Indicators - Vacation Ownership Notes Receivable

We use the origination of vacation ownership notes receivable and the FICO scores of the customer by brand as the primary credit quality indicators, as historical performance indicates that there is a relationship between the default behavior of borrowers by FICO score and the brand associated with the vacation ownership interest (“VOI”) they have acquired.

The weighted average FICO score within our consolidated vacation ownership notes receivable pool was 731 and 729, at June 30, 2026 and December 31, 2025, respectively, based upon the FICO score of the borrower at the time of origination.

The following tables show vacation ownership notes receivable, before reserves, by brand and borrower FICO score at origination.

($ in millions)	Vacation Ownership Notes Receivable as of June 30, 2026				
	700 +	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	$ 1,708	$ 639	$ 62	$ 414	$ 2,823
Hyatt Vacation Ownership	226	80	4	3	313
	$ 1,934	$ 719	$ 66	$ 417	$ 3,136

($ in millions)	Vacation Ownership Notes Receivable as of December 31, 2025				
	700 +	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	$ 1,645	$ 652	$ 61	$ 414	2,772
Hyatt Vacation Ownership	233	88	3	4	328
	$ 1,878	$ 740	$ 64	$ 418	$ 3,100

The following tables detail the origination year of our vacation ownership notes receivable, before reserves, by brand and borrower FICO score at origination as of June 30, 2026, and gross write-offs by brand for the first half of 2026.

($ in millions)	Vacation Ownership Notes Receivable - Marriott Vacation Ownership					
	2026	2025	2024	2023	2022 & Prior	Total
700 +	$ 327	$ 481	$ 329	$ 209	$ 362	$ 1,708
600 - 699	67	157	129	93	193	639
< 600	9	17	12	7	17	62
No Score	85	147	84	46	52	414
	$ 488	$ 802	$ 554	$ 355	$ 624	$ 2,823
Gross write-offs	$ 1	$ 18	$ 23	$ 13	$ 23	$ 78

($ in millions)	Vacation Ownership Notes Receivable - Hyatt Vacation Ownership					
	2026	2025	2024	2023	2022 & Prior	Total
700 +	$ 47	$ 61	$ 38	$ 28	$ 52	$ 226
600 - 699	10	24	14	10	22	80
< 600	1	2	—	—	1	4
No Score	—	1	1	1	—	3
	$ 58	$ 88	$ 53	$ 39	$ 75	$ 313
Gross write-offs	$ —	$ 7	$ 7	$ 4	$ 6	$ 24

We reflect interest income associated with vacation ownership notes receivable on our Income Statements in the Financing revenues caption. The following table summarizes interest income associated with vacation ownership notes receivable.

($ in millions)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Interest income - securitized vacation ownership notes receivable	$ 79	$ 73	$ 157	$ 147
Interest income - non-securitized vacation ownership notes receivable	10	13	22	25
Total interest income associated with vacation ownership notes receivable	$ 89	$ 86	$ 179	$ 172

Vacation Ownership Notes Receivable Reserve

The estimates of the variable consideration for originated vacation ownership notes receivable and the reserve for credit losses on the acquired vacation ownership notes receivable are based on default rates that are an output of our static pool analyses and estimates regarding future defaults.

For originated vacation ownership notes receivable, we record the difference between the vacation ownership note receivable and the variable consideration included in the transaction price for the sale of the related vacation ownership product as a reserve on our vacation ownership notes receivable. The following table summarizes the activity related to our originated vacation ownership notes receivable reserve during the first half of 2026.

	Originated Vacation Ownership Notes Receivable Reserve		
($ in millions)	**Non-Securitized**	**Securitized**	**Total**
Balance at December 31, 2025	$ 242	$ 285	$ 527
Increase in vacation ownership notes receivable reserve	87	28	115
Securitizations	(144)	144	—
Clean-up call	56	(56)	—
Write-offs	(99)	—	(99)
Defaulted vacation ownership notes receivable repurchase activity[(1)]	84	(84)	—
Balance at June 30, 2026	$ 226	$ 317	$ 543

(1) Reflects the change attributable to the transfer of the reserve from the securitized vacation ownership notes receivable reserve to the non-securitized vacation ownership notes receivable reserve when we voluntarily repurchased securitized vacation ownership notes receivable.

For our acquired vacation ownership notes receivable, the remaining reserve was $6 million as of June 30, 2026, and we recorded $3 million of write-offs for the six months ended June 30, 2026.

Vacation Ownership Notes Receivable on Non-Accrual Status

For both non-securitized and securitized vacation ownership notes receivable, we estimated the average remaining default rates of 13.05% as of June 30, 2026 and 13.51% as of December 31, 2025. A 0.5 percentage point increase in the estimated default rate would have resulted in an increase in the related vacation ownership notes receivable reserve of $15 million as of both June 30, 2026 and December 31, 2025.

The following table shows our recorded investment in non-accrual vacation ownership notes receivable, which are vacation ownership notes receivable that are 90 days or more past due.

	Vacation Ownership Notes Receivable		
($ in millions)	**Non-Securitized**	**Securitized**	**Total**
Investment in vacation ownership notes receivable on non-accrual status at June 30, 2026	$ 192	$ 19	$ 211
Investment in vacation ownership notes receivable on non-accrual status at December 31, 2025	$ 165	$ 20	$ 185

The following table shows the aging of the recorded investment in principal, before reserves, in vacation ownership notes receivable as of June 30, 2026 and December 31, 2025.

	As of June 30, 2026			As of December 31, 2025		
($ in millions)	**Non-Securitized**	**Securitized**	**Total**	**Non-Securitized**	**Securitized**	**Total**
31 – 90 days past due	$ 20	$ 68	$ 88	$ 27	$ 67	$ 94
91 – 120 days past due	7	16	23	12	17	29
Greater than 120 days past due	185	3	188	153	3	156
Total past due	212	87	299	192	87	279
Current	521	2,316	2,837	720	2,101	2,821
Total vacation ownership notes receivable	$ 733	$ 2,403	$ 3,136	$ 912	$ 2,188	$ 3,100

7. FINANCIAL INSTRUMENTS

The following table shows the carrying values and the estimated fair values of financial assets and liabilities that qualify as financial instruments, determined in accordance with the authoritative guidance for disclosures regarding the fair value of financial instruments. Considerable judgment is required in interpreting market data to develop estimates of fair value. The use of different market assumptions and/or estimation methodologies could have a material effect on the estimated fair value amounts. The table excludes Cash and cash equivalents, Restricted cash, Accounts and contracts receivable (excluding contracts receivable for financed VOI sales, net), deposits included in Other assets, Accounts payable, Advance deposits, Accrued liabilities, and derivative instruments, all of which had fair values approximating their carrying amounts due to the short maturities and liquidity of these instruments.

	At June 30, 2026		At December 31, 2025	
($ in millions)	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Vacation ownership notes receivable, net	$ 2,587	$ 2,679	$ 2,565	$ 2,645
Contracts receivable for financed VOI sales, net	121	121	95	95
Other assets	188	188	168	168
Total financial assets	$ 2,896	$ 2,988	$ 2,828	$ 2,908
Securitized debt, net	$ (2,353)	$ (2,387)	$ (2,146)	$ (2,196)
Term Loan, net	(776)	(785)	(780)	(788)
Revolving Corporate Credit Facility, net	(141)	(145)	—	—
2028 Notes, net	(349)	(347)	(348)	(346)
2029 Notes, net	(497)	(483)	(497)	(479)
2033 Notes, net	(568)	(572)	(567)	(553)
2026 Convertible Notes, net	—	—	(575)	(564)
2027 Convertible Notes, net	(571)	(568)	(569)	(548)
Total financial liabilities	$ (5,255)	$ (5,287)	$ (5,482)	$ (5,474)

Vacation Ownership Notes Receivable

	At June 30, 2026		At December 31, 2025	
($ in millions)	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Securitized	$ 2,082	$ 2,172	$ 1,900	$ 1,975
Eligible for securitization	57	59	152	157
Not eligible for securitization	448	448	513	513
Non-securitized	505	507	665	670
Total	$ 2,587	$ 2,679	$ 2,565	$ 2,645

We estimate the fair value of our vacation ownership notes receivable that have been securitized using a discounted cash flow model. We believe this is comparable to the model that an independent third party would use in the current market. Our model uses default rates, prepayment rates, coupon rates, and loan terms for our securitized vacation ownership notes receivable portfolio as key drivers of risk and relative value to determine the fair value of the underlying vacation ownership notes receivable. We concluded that this fair value measurement should be categorized within Level 3.

Due to factors that impact the general marketability of our vacation ownership notes receivable that have not been securitized, as well as current market conditions, we bifurcate our non-securitized vacation ownership notes receivable at each balance sheet date into those eligible and not eligible for securitization using criteria applicable to current securitization transactions in the asset-backed securities ("ABS") market. Generally, vacation ownership notes receivable are considered not eligible for securitization if any of the following attributes are present: (1) payments are greater than 30 days past due; (2) the first payment has not been received; or (3) the collateral is located in Asia or Europe. In some cases, eligibility may also be determined based on the credit score of the borrower, the remaining term of the loans and other similar factors that may reflect investor demand in a securitization transaction or the cost to effectively securitize the vacation ownership notes receivable.

The table above shows the bifurcation of our vacation ownership notes receivable that have not been securitized into those eligible and not eligible for securitization based upon the aforementioned eligibility criteria. We estimate the fair value of the portion of our vacation ownership notes receivable that have not been securitized that we believe will ultimately be securitized in the same manner as vacation ownership notes receivable that have been securitized. We value the remaining vacation ownership notes receivable that have not been securitized at their carrying value. We believe that the carrying value of these particular vacation ownership notes receivable approximates fair value because the stated, or otherwise imputed, interest rates of these loans are generally consistent with current market rates and the reserve for these vacation ownership notes receivable appropriately accounts for risks in default rates, prepayment rates, discount rates, and loan terms. We concluded that this fair value measurement should be categorized within Level 3.

Contracts Receivable for Financed VOI Sales

At the time at which we recognize revenue for our VOI sales, we temporarily record a contract receivable for financed VOI sales, until the time at which we originate a vacation ownership note receivable, which occurs at closing. We believe that the carrying value of the contracts receivable for financed VOI sales approximates fair value because the stated, or otherwise imputed, interest rates of these receivables are generally consistent with current market rates and the reserve for these contracts receivable for financed VOI sales appropriately accounts for risks in default rates. We concluded that this fair value measurement should be categorized within Level 3.

Other Assets

Other assets include $188 million and $168 million of company owned insurance policies (the "COLI policies") acquired on the lives of certain participants in the Marriott Vacations Worldwide Deferred Compensation Plan (the "Deferred Compensation Plan") at June 30, 2026 and December 31, 2025, respectively, that are held in a rabbi trust. The rabbi trust is considered a VIE, which we consolidate because we are the primary beneficiary as we direct the activities of the trust and are the beneficiary of the trust. The carrying value of the COLI policies is equal to their cash surrender value (Level 2 inputs).

Securitized Debt

We generate cash flow estimates by modeling all bond tranches for our active vacation ownership notes receivable securitization transactions, with consideration for the collateral specific to each tranche. The key drivers in our analysis include default rates, prepayment rates, bond interest rates, and other structural factors, which we use to estimate the projected cash flows. In order to estimate market credit spreads by rating, we obtain indicative credit spreads from investment banks that actively issue and facilitate the market for vacation ownership securities and determine an average credit spread by rating level of the different tranches. We then apply those estimated market spreads to swap rates in order to estimate an underlying discount rate for calculating the fair value of the active bonds payable. We concluded that this fair value measurement should be categorized within Level 3.

Term Loan

We estimate the fair value of our Term Loan (as defined in Footnote 12 "Debt") using quotes from securities dealers as of the last trading day for the quarter; however, this loan has only a limited trading history and volume, and as such, this fair value estimate is not necessarily indicative of the value at which the Term Loan could be retired or transferred. We concluded that this fair value measurement should be categorized within Level 3.

Revolving Corporate Credit Facility

We estimate that the gross carrying value of our Revolving Corporate Credit Facility (as defined in Footnote 12 "Debt") approximates fair value as the contractual interest rate is variable plus an applicable margin. We concluded that this fair value measurement should be categorized within Level 3.

Senior Notes

We estimate the fair value of our 2028 Notes, 2029 Notes, and 2033 Notes (each as defined in Footnote 12 "Debt") using quoted market prices as of the last trading day for the quarter; however, these notes have only a limited trading history and volume, and as such, this fair value estimate is not necessarily indicative of the value at which these notes could be retired or transferred. We concluded that this fair value measurement should be categorized within Level 2.

Convertible Notes

We estimate the fair value of our convertible notes using quoted market prices as of the last trading day for the quarter; however, these notes have only a limited trading history and volume, and as such, this fair value estimate is not necessarily indicative of the value at which the convertible notes could be retired or transferred. We concluded that this fair value measurement should be categorized within Level 2.

8. EARNINGS PER SHARE

Basic earnings per share attributable to common stockholders is calculated by dividing net income attributable to common stockholders by the weighted average number of shares of common stock outstanding during the reporting period. Diluted earnings per share attributable to common stockholders is calculated to give effect to all potentially dilutive common shares that were outstanding during the reporting period. The dilutive effect of outstanding equity-based compensation awards is reflected in diluted earnings per share applicable to common stockholders by application of the treasury stock method.

The tables below illustrate the reconciliation of the earnings or loss and number of shares used in our calculation of basic and diluted earnings or loss per share attributable to common stockholders.

	Three Months Ended		Six Months Ended	
(in millions, except per share amounts)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net income attributable to common stockholders	$ 77	$ 69	$ 99	$ 125
Shares for basic earnings per share	34.8	34.9	34.7	35.0
Basic earnings per share	$ 2.21	$ 1.98	$ 2.86	$ 3.59

	Three Months Ended		Six Months Ended	
(in millions, except per share amounts)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Net income attributable to common stockholders	$ 77	$ 69	$ 99	$ 125
Add back of interest expense related to convertible notes, net of tax	4	5	8	10
Numerator used to calculate diluted earnings per share	$ 81	$ 74	$ 107	$ 135
Shares for basic earnings per share	34.8	34.9	34.7	35.0
Effect of dilutive shares outstanding				
Restricted stock units	0.4	—	0.3	0.1
2026 Convertible Notes	—	3.7	—	3.7
2027 Convertible Notes	3.0	3.1	3.0	3.1
Shares for diluted earnings per share	38.2	41.7	38.0	41.9
Diluted earnings per share	$ 2.12	$ 1.77	$ 2.82	$ 3.23

The computations of diluted earnings per share attributable to common stockholders above exclude approximately 873,000 and 645,000 shares of common stock, the maximum number of shares issuable as of June 30, 2026 and June 30, 2025, respectively, upon the vesting of certain performance-based and market-based awards, because the performance or market conditions required to be met for the shares subject to such awards to vest were not achieved by the end of the reporting period.

In accordance with the applicable accounting guidance for calculating earnings per share, for the second quarter of 2026, we excluded from our calculation of diluted earnings per share 635,060 shares underlying stock appreciation rights ("SARs") that may settle in shares of common stock because the exercise prices of such SARs, which ranged from $93.73 to $173.88, were greater than the average market price of our common stock for the applicable period.

For the first half of 2026, we excluded from our calculation of diluted earnings per share 763,659 shares underlying SARs that may settle in shares of common stock because the exercise prices of such SARs, which ranged from $71.17 to $173.88, were greater than the average market price of our common stock for the applicable period.

For the second quarter and first half of 2025, we excluded from our calculation of diluted earnings per share 788,607 shares underlying SARs that may settle in shares of common stock because the exercise prices of such SARs, which ranged from $71.17 to $173.88, were greater than the average market price of our common stock for the applicable period.

9. INVENTORY

The following table shows the composition of our inventory balances:

($ in millions)	At June 30, 2026	At December 31, 2025
Real estate inventory[1]	$ 665	$ 684
Other	8	8
	$ 673	$ 692

[1] Represents completed inventory that is registered for sale as VOIs and vacation ownership inventory expected to be reacquired pursuant to estimated future defaults on originated vacation ownership notes receivable.

Product cost true-up activity relating to vacation ownership products increased carrying values of inventory by $17 million during the first half of 2026 and $28 million during the first half of 2025.

In addition to the above, at June 30, 2026 and December 31, 2025, we had $229 million and $224 million, respectively, of completed vacation ownership units which are classified as a component of Property and equipment, net until the time at which they are available and legally registered for sale as vacation ownership products.

We also had deposits on future purchases of inventory of $34 million at June 30, 2026, of which $25 million was included in Other assets and $9 million was included in Accounts and contracts receivable, net on our Balance Sheet, and $31 million at December 31, 2025, of which $26 million was included in Other assets and $5 million was included in Accounts and contracts receivable, net on our Balance Sheet.

10. CONTINGENCIES AND COMMITMENTS

Commitments and Letters of Credit

As of June 30, 2026, we had the following commitments outstanding:

- We have various agreements for cloud computing and outsourcing of development, maintenance and support related to information technology that we use in the normal course of business. We expect aggregate obligations under these contracts of $153 million, of which we expect $53 million, $45 million, $27 million, $11 million, $11 million and $6 million will be paid in the remainder of 2026, 2027, 2028, 2029, 2030, and thereafter, respectively.

- We have a commitment to purchase property and vacation ownership units located in Nashville, Tennessee, contingent upon completion of construction to agreed-upon standards within specified timeframes, for use in our Vacation Ownership segment. We expect to complete the acquisition of 168 vacation ownership units in 2027, and we expect to make payments when specific construction milestones are completed of $122 million in 2027.

- We have a remaining commitment of $37 million to purchase 60 vacation ownership units located in Khao Lak, Thailand, contingent upon completion of construction to agreed-upon standards within specified timeframes, for use in our Vacation Ownership segment. We expect to complete the acquisition of these vacation ownership units in 2027, and we expect to make remaining payments with respect to these units as follows: $4 million in 2027, and $33 million in 2028.

- In connection with our recent sale of an entity that owned and operated a hotel in Cancun, we entered into a commitment to purchase vacation ownership units located in Puerto Vallarta, Mexico, contingent upon completion of construction to agreed-upon standards within specified timeframes, for use in our Vacation Ownership segment. Presuming all construction milestones are achieved, we will acquire 64 vacation ownership units for $46 million in 2028. See Footnote 3 “Acquisitions and Dispositions” for further details on our sale of and entity that owned and operated a hotel in Cancun in the first quarter of 2026.

- We have a remaining commitment of $11 million to purchase 32 vacation ownership units located in Bali, Indonesia, contingent upon completion of construction to agreed-upon standards within specified timeframes, for use in our Vacation Ownership segment. Subsequent to the end of the second quarter of 2026, we completed the acquisition of these vacation ownership units and made the remaining payments of $11 million.

- We have a commitment to acquire real estate in Waikiki, Hawaii for use in our Vacation Ownership segment via our involvement with a VIE. Refer to Footnote 15 “Variable Interest Entities” for additional information and our activities relating to the VIE involved in this commitment.

As of June 30, 2026, we had $5 million of letters of credit outstanding under our Revolving Corporate Credit Facility (as defined in Footnote 12 “Debt”), of which $4 million were related to and in lieu of reserves required for certain of our outstanding securitization transactions. In addition, as of June 30, 2026, we had $34 million in letters of credit outstanding that were related to and in lieu of reserves required for certain other outstanding securitization transactions, which were not issued pursuant to, nor do they impact our borrowing capacity under, the Revolving Corporate Credit Facility.

Surety bonds issued as of June 30, 2026 totaled $140 million, the majority of which were requested by federal, state or local governments in connection with our operations.

Guarantees

We have a commitment to an owners’ association that we manage to pay for any shortfall between the actual expenses incurred by the owners’ association and the income received by the owners’ association, in lieu of our payment of maintenance fees for unsold inventory. The agreement will terminate on the earlier of: 1) sale of 95% of the total ownership interests in the owners’ association; or 2) written notification of termination by either party. At June 30, 2026, our expected commitment for the remainder of 2026 is $13 million, which will ultimately be recorded as a component of rental expense on our income statement.

Loss Contingencies

In the ordinary course of our business, various claims and lawsuits have been filed or are pending against us. A number of these lawsuits and claims may exist at any given time. We record and accrue for legal contingencies when we determine that it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. In making such determinations, we evaluate, among other things, the degree of probability of an unfavorable outcome and, when it is probable that a liability has been incurred, our ability to make a reasonable estimate of loss. We review these accruals each reporting period and make revisions based on changes in facts and circumstances.

We have accrued for certain pending claims and lawsuits, but the amount accrued is not material individually or in the aggregate. For matters not requiring accrual, we do not believe that the ultimate outcome of such matters, individually or in the aggregate, will materially harm our financial position, cash flows, or overall trends in results of operations based on information currently available. However, legal proceedings are inherently uncertain, and while we believe that our accruals, where required, are adequate and/or we have valid defenses to the claims asserted, unfavorable rulings could occur that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, or operating results.

11. SECURITIZED DEBT

The following table provides detail on our securitized debt, net of unamortized debt discount and issuance costs.

($ in millions)	**At June 30, 2026**	**At December 31, 2025**
Vacation ownership notes receivable securitizations, gross(1)	$ 2,216	$ 2,173
Unamortized debt discount and issuance costs	(27)	(27)
	2,189	2,146
Warehouse Credit Facility, gross(2)	165	—
Unamortized debt issuance costs(3)	(1)	—
	164	—
	$ 2,353	$ 2,146

(1) Interest rates as of June 30, 2026 range from 1.5% to 6.6%, with a weighted average interest rate of 4.8%.

(2) Effective interest rate as of June 30, 2026 was 4.8%.

(3) Excludes $2 million of unamortized debt issuance costs classified as a component of Other Assets on our Balance Sheet as of December 31, 2025, as no cash borrowings were outstanding under the Warehouse Credit Facility at that time.

All of our securitized debt is non-recourse. See Footnote 15 “Variable Interest Entities” for a discussion of the collateral for the non-recourse debt associated with our securitized debt.

The following table shows anticipated future principal payments for our securitized debt as of June 30, 2026.

($ in millions)	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility[1]	Total
Payment Year			
2026, remaining	$ 94	$ 3	$ 97
2027	189	7	196
2028	193	155	348
2029	193	—	193
2030	196	—	196
Thereafter	1,351	—	1,351
	$ 2,216	$ 165	$ 2,381

[1] Excludes future Warehouse Credit Facility renewals or refinancing through ABS transactions.

Vacation Ownership Notes Receivable Securitizations

Each of the securitized vacation ownership notes receivable transactions contains various triggers relating to the performance of the underlying vacation ownership notes receivable. If a pool of securitized vacation ownership notes receivable fails to perform within the pool's established parameters (default or delinquency thresholds vary by transaction), transaction provisions effectively redirect the monthly excess spread we would otherwise receive from that pool (attributable to the interests we retained) to accelerate the principal payments to investors (taking into account the subordination of the different tranches to the extent there are multiple tranches) until the performance trigger is cured. During the second quarter of 2026, and as of June 30, 2026, we had 12 securitized vacation ownership notes receivable pools outstanding, none of which were out of compliance with their respective established parameters.

As the contractual terms of the underlying securitized vacation ownership notes receivable determine the maturities of the non-recourse debt associated with them, actual maturities may occur earlier than shown above due to prepayments by the vacation ownership notes receivable obligors.

During the second quarter of 2026, we securitized a pool of $470 million of vacation ownership notes receivable. In connection with the securitization, $460 million in vacation ownership loan backed notes were issued by MVW 2026-1 LLC (the "2026-1 LLC") in a private placement. Three classes of vacation ownership loan backed notes were issued by the 2026-1 LLC: $277 million of Class A Notes, $97 million of Class B Notes, and $86 million of Class C Notes. The Class A Notes have an interest rate of 4.67%, the Class B Notes have an interest rate of 4.97%, and the Class C Notes have an interest rate of 5.36%, for an overall weighted average interest rate of 4.86%. Proceeds from the transaction, net of fees, were used to repay outstanding credit facility obligations and for other general corporate purposes.

Warehouse Credit Facility

Our warehouse credit facility (the "Warehouse Credit Facility"), allows for the securitization of vacation ownership notes receivable on a revolving non-recourse basis, has a borrowing capacity of $500 million and, prior to its July 15, 2026 amendment (the "Warehouse Amendment"), had a facility expiration date of June 11, 2027. The Warehouse Amendment extended the revolving period from June 11, 2027 to June 12, 2028 and made certain other non-material changes. The credit spread for the Warehouse Credit Facility is 110 basis points over the Secured Overnight Financing Rate ("SOFR").

12. DEBT

The following table provides detail on our debt balances, net of unamortized debt discount and issuance costs.

($ in millions)	At June 30, 2026	At December 31, 2025
Corporate Credit Facility		
Term Loan[1]	$ 784	$ 788
Unamortized debt discount and issuance costs	(8)	(8)
	776	780
Revolving Corporate Credit Facility[2]	145	—
Unamortized debt issuance costs[3]	(4)	—
	141	—
Senior Unsecured Notes		
2028 Notes	350	350
Unamortized debt discount and issuance costs	(1)	(2)
	349	348
2029 Notes	500	500
Unamortized debt discount and issuance costs	(3)	(3)
	497	497
2033 Notes	575	575
Unamortized debt discount and issuance costs	(7)	(8)
	568	567
Convertible Notes		
2026 Convertible Notes	—	575
Unamortized debt issuance costs	—	—
	—	575
2027 Convertible Notes	575	575
Unamortized debt issuance costs	(4)	(6)
	571	569
Finance Leases	198	198
	$ 3,100	$ 3,534

(1) The effective interest rate as of June 30, 2026 was 5.9%.

(2) The effective interest rate as of June 30, 2026 was 5.1%.

(3) Excludes $4 million of unamortized debt issuance costs classified as a component of Other Assets on our Balance Sheet as of December 31, 2025, as no cash borrowings were outstanding under the Revolving Corporate Credit Facility at that time.

The following table shows scheduled principal payments for our debt, excluding finance leases, as of June 30, 2026.

	Payments Year						
($ in millions)	Remaining 2026	2027	2028	2029	2030	Thereafter	Total
Term Loan	$ 4	$ 8	$ 8	$ 8	$ 8	$ 748	$ 784
Revolving Corporate Credit Facility	—	—	—	—	145	—	145
2028 Notes	—	—	350	—	—	—	350
2029 Notes	—	—	—	500	—	—	500
2033 Notes	—	—	—	—	—	575	575
2027 Convertible Notes	—	575	—	—	—	—	575
	$ 4	$ 583	$ 358	$ 508	$ 153	$ 1,323	$ 2,929

Corporate Credit Facility

Our corporate credit facility (the "Corporate Credit Facility") provides support for our business, including ongoing liquidity and letters of credit, and consists of an $800 million term loan facility (the "Term Loan") which is scheduled to mature on April 1, 2031, and a revolving credit facility with a borrowing capacity of $800 million (the "Revolving Corporate Credit Facility"), which includes a letter of credit sub-facility of $150 million, that terminates on March 24, 2030.

During the second quarter of 2025, we entered into a $300 million interest rate swap pursuant to which we pay interest at a fixed rate of 3.344% and receive interest at a floating rate (SOFR) through May 2027 to hedge a portion of our interest rate risk on the Term Loan. This interest rate swap has been designated and qualifies as a cash flow hedge of interest rate risk and is recorded in Other Assets on our Balance Sheet as of June 30, 2026 and in Other Liabilities on our Balance Sheet as of December 31, 2025. We characterize payments we make or receive in connection with this derivative instrument as interest expense and a reclassification of accumulated other comprehensive income or loss for presentation purposes.

Senior Notes

Our senior notes include:

- $350 million aggregate principal amount of 4.750% Senior Unsecured Notes due 2028 issued in the fourth quarter of 2019 with a maturity date of January 15, 2028 (the "2028 Notes").
- $500 million aggregate principal amount of 4.500% Senior Unsecured Notes due 2029 issued in the second quarter of 2021 with a maturity date of June 15, 2029 (the "2029 Notes").
- $575 million aggregate principal amount of 6.500% Senior Unsecured Notes due 2033 issued in the third quarter of 2025 with a maturity date of October 1, 2033 (the "2033 Notes").

Convertible Notes

2026 Convertible Notes Maturity

During 2021, we issued $575 million aggregate principal amount of convertible senior notes (the "2026 Convertible Notes") that bore interest at a rate of 0.00%. The 2026 Convertible Notes matured at par on January 15, 2026, at which time none of the 2026 Convertible Notes were converted and all were settled in cash, and the deferred financing costs were fully amortized. Amortization of debt issuance costs related to the 2026 Convertible Notes was less than $1 million during the first half of 2026, and $1 million and $2 million for the second quarter and first half of 2025, respectively.

2026 Convertible Note Hedges and Warrants

In connection with the offering of the 2026 Convertible Notes, we concurrently entered into the following privately-negotiated separate transactions: convertible note hedge transactions with respect to our common stock (the "2026 Convertible Note Hedges"), covering shares of our common stock, and warrant transactions (the "2026 Warrants"), whereby we sold to the counterparties to the 2026 Convertible Note Hedges warrants to acquire shares of our common stock.

The 2026 Convertible Note Hedges expired upon the maturity of the 2026 Convertible Notes on January 15, 2026, and none were exercised. The 2026 Warrants expired subsequent to the end of the second quarter of 2026, and none were exercised.

2027 Convertible Notes

During 2022, we issued $575 million aggregate principal amount of convertible senior notes (the "2027 Convertible Notes") that bear interest at a rate of 3.25%. The 2027 Convertible Notes mature on December 15, 2027, unless earlier repurchased or converted in accordance with their terms prior to that date.

The conversion rate of the 2027 Convertible Notes is subject to adjustment for certain events as described in the indenture governing the notes and was subject to adjustment as of June 30, 2026 to 5.3216 shares of common stock per $1,000 principal amount of 2027 Convertible Notes (equivalent to a conversion price of $187.91 per share of our common stock), as a result of the dividends we declared since issuance of the 2027 Convertible Notes that were greater than the quarterly dividend we paid when the 2027 Convertible notes were issued. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock, at our election. As of June 30, 2026, the effective interest rate was 3.88%.

The following table provides the components of interest expense related to the 2027 Convertible Notes.

	Three Months Ended		Six Months Ended	
($ in millions)	**June 30, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Contractual interest expense	$ 5	$ 5	$ 9	$ 9
Amortization of debt issuance costs	1	1	2	2
	$ 6	$ 6	$ 11	$ 11

2027 Convertible Note Hedges and Warrants

In connection with the offering of the 2027 Convertible Notes, we concurrently entered into the following privately-negotiated separate transactions: convertible note hedge transactions with respect to our common stock (the "2027 Convertible Note Hedges"), covering a total of 3.1 million shares of our common stock, and warrant transactions (the "2027 Warrants"), whereby we sold to the counterparties to the 2027 Convertible Note Hedges warrants to acquire 3.1 million shares of our common stock, in each case, as of June 30, 2026. The strike prices of the 2027 Convertible Note Hedges and the 2027 Warrants were subject to adjustment to $187.91 and $283.63, respectively, as of June 30, 2026, and no 2027 Convertible Note Hedges or 2027 Warrants have been exercised.

Security and Guarantees

Amounts borrowed under the Corporate Credit Facility, as well as obligations with respect to letters of credit issued pursuant to the Corporate Credit Facility, are secured by a perfected first priority security interest in substantially all of the assets of the borrowers under, and guarantors of, that facility (which include MVWC and certain of our direct and indirect, existing and future, domestic subsidiaries, excluding certain bankruptcy remote special purpose entities), subject to certain exceptions. In addition, the Corporate Credit Facility, the 2027 Convertible Notes, the 2028 Notes, the 2029 Notes, and the 2033 Notes are guaranteed by MVWC and certain of our direct and indirect, existing and future, domestic subsidiaries, excluding certain bankruptcy remote special purpose entities.

13. STOCKHOLDERS' EQUITY

Marriott Vacations Worldwide has 100,000,000 authorized shares of common stock, par value of $0.01 per share. At June 30, 2026, there were 75,919,908 shares of Marriott Vacations Worldwide common stock issued, of which 34,394,286 shares were outstanding and 41,525,622 shares were held as treasury stock. At December 31, 2025, there were 75,891,531 shares of Marriott Vacations Worldwide common stock issued, of which 34,124,033 shares were outstanding and 41,767,498 shares were held as treasury stock. Marriott Vacations Worldwide has 2,000,000 authorized shares of preferred stock, par value of $0.01 per share, none of which were issued or outstanding as of June 30, 2026 or December 31, 2025.

Share Repurchase Program

From time to time, with the approval of our Board of Directors, we may undertake programs to purchase shares of our common stock (each, a "Share Repurchase Program"). As of June 30, 2026, approximately $322 million remained available for share repurchases under the current Share Repurchase Program, which authorizes share repurchases through December 31, 2026.

Share repurchases may be made through open market purchases, privately negotiated transactions, block transactions, tender offers, or otherwise. The specific timing, amount and other terms of the repurchases will depend on market conditions, corporate and regulatory requirements, contractual restrictions, and other factors. In connection with the current Share Repurchase Program, we are authorized to adopt one or more plans pursuant to the provisions of Rule

10b5-1 under the Securities Exchange Act of 1934, as amended. The authorization for the current Share Repurchase Program may be suspended, terminated, increased or decreased by our Board of Directors at any time without prior notice. Acquired shares of our common stock are currently held as treasury shares and carried at cost in our Financial Statements.

The following table summarizes share repurchase activity under our Share Repurchase Program:

($ in millions, except per share amounts)	Number of Shares Repurchased	Cost Basis of Shares Repurchased	Average Price Paid per Share
As of December 31, 2025	26,795,163	$ 2,522	$ 94.12
For the first half of 2026	—	—	$ —
As of June 30, 2026	26,795,163	$ 2,522	$ 94.12

Dividends

We declared cash dividends to holders of our common stock during the first half of 2026 as follows. Any future dividend payments will be subject to the restrictions imposed under the agreements covering our debt and approval of our Board of Directors. There can be no assurance that we will pay dividends in the future.

Declaration Date	Stockholder Record Date	Distribution Date	Dividend per Share
February 19, 2026	March 4, 2026	March 18, 2026	$0.80
May 14, 2026	May 27, 2026	June 10, 2026	$0.80

14. SHARE-BASED COMPENSATION

During the second quarter of 2026, our stockholders approved the Second Amended and Restated Marriott Vacations Worldwide Corporation 2020 Equity Incentive Plan (the "MVW Equity Plan"), which increased the aggregate number of authorized shares of our common stock that may be issued pursuant to grants under the plan by 2.5 million shares. The MVW Equity Plan is maintained for the benefit of our officers, directors, and employees. Under the MVW Equity Plan, we are authorized to award: (1) restricted stock and restricted stock units ("RSUs") of our common stock, (2) stock appreciation rights ("SARs") relating to our common stock, and (3) stock options to purchase our common stock. As of June 30, 2026, approximately 3 million shares were available for grants under the MVW Equity Plan.

The following table details our share-based compensation expense related to award grants to our officers, directors, and employees:

	Three Months Ended		Six Months Ended	
($ in millions)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Service-based RSUs	$ 9	$ 10	$ 18	$ 16
Performance-based RSUs	1	2	1	2
Market-based RSUs	1	—	1	—
	11	12	20	18
SARs	1	—	2	1
	$ 12	$ 12	$ 22	$ 19

The following table details our deferred compensation costs related to unvested awards:

($ in millions)	At June 30, 2026	At December 31, 2025
Service-based RSUs	$ 42	$ 26
Performance-based RSUs	9	7
Market-based RSUs	7	—
	58	33
SARs	10	2
	$ 68	$ 35

Restricted Stock Units

We granted 610,856 service-based RSUs, which are subject to time-based vesting conditions, with a weighted average grant-date fair value of $61.82, to our employees and non-employee directors during the first half of 2026. During the first half of 2026, we also granted one-time performance-based RSUs (the "PSUs"), which are subject to performance-based vesting conditions, to certain executives. A maximum of 300,000 RSUs may be earned under the PSU awards granted during the first half of 2026. The PSUs vest over a three-year performance period beginning January 1, 2026 subject to continuous service, and are earned based on the achievement of the highest cumulative performance metric achieved during any four consecutive quarters relative to specified performance thresholds.

During the first quarter of 2026, we also granted one-time market-based RSUs ("MRSUs") to certain executives. A maximum of 300,000 shares can be earned under the MRSUs. The MRSUs vest over a 3.5 year performance period beginning January 1, 2026, subject to continuous service, and are earned based on the Company's stock price exceeding specified thresholds. The grant date fair value of $51.38 per share for the MRSUs was determined using a Monte Carlo simulation model, based on an expected volatility of 45.57%, a risk-free interest rate of 3.54% and a dividend yield of 4.56%. Compensation expense for the MRSUs is recognized straight line over the requisite service period.

The PSUs and MRSUs are required to be settled in shares, or cash if sufficient shares are not available under the MVW Equity Plan, and are classified as equity under ASC 718, *Compensation—Stock Compensation*.

Stock Appreciation Rights

We granted 474,423 SARs, with a weighted average grant-date fair value of $23.59 and a weighted average exercise price of $68.20, to members of management during the first half of 2026. We use the Black-Scholes model to estimate the fair value of the SARs granted. The expected stock price volatility was calculated based on the average of the historical and implied volatility of our stock price. The average expected term was calculated using the simplified method, as we have insufficient historical information to provide a basis for estimating average expected term. The risk-free interest rate was calculated based on U.S. Treasury zero-coupon issues with a remaining term equal to the expected life assumed at the date of grant. The dividend yield assumption listed below is based on the expectation of future payouts.

The following table outlines the assumptions used to estimate the fair value of grants during the first half of 2026:

Expected volatility	50.41% - 50.73%
Dividend yield	4.40% - 4.56%
Risk-free rate	3.73% - 3.95%
Expected term (in years)	6.00 - 6.25

15. VARIABLE INTEREST ENTITIES

Variable Interest Entities Related to Our Vacation Ownership Notes Receivable Securitizations

The following table shows consolidated assets, which are collateral for the obligations of the VIEs related to our vacation ownership notes receivable securitizations, and consolidated liabilities included on our Balance Sheet at June 30, 2026:

($ in millions)	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
Consolidated Assets			
Vacation ownership notes receivable, net of reserves	$ 1,922	$ 160	$ 2,082
Interest receivable	16	1	17
Restricted cash	80	7	87
Total	$ 2,018	$ 168	$ 2,186
Consolidated Liabilities			
Interest payable	$ 3	$ 1	$ 4
Securitized debt	2,216	165	2,381
Total	$ 2,219	$ 166	$ 2,385

The following table shows the interest income and expense recognized as a result of our involvement with these VIEs during the second quarter of 2026:

($ in millions)	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
Interest income	$ 76	$ 3	$ 79
Interest expense	$ 27	$ 2	$ 29
Debt issuance cost amortization	$ 3	$ —	$ 3

The following table shows the interest income and expense recognized as a result of our involvement with these VIEs during the first half of 2026:

($ in millions)	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
Interest income	$ 143	$ 14	$ 157
Interest expense	$ 52	$ 5	$ 57
Debt issuance cost amortization	$ 6	$ —	$ 6

The following table shows cash flows between us and the vacation ownership notes receivable securitization VIEs:

	Six Months Ended	
($ in millions)	June 30, 2026	June 30, 2025
Cash Inflows		
Net proceeds from vacation ownership notes receivable securitizations	$ 455	$ 445
Principal receipts	318	293
Interest receipts	142	135
Reserve release	1	105
Total	916	978
Cash Outflows		
Principal payments	(302)	(284)
Voluntary repurchases of defaulted vacation ownership notes receivable	(87)	(83)
Voluntary clean-up call	(28)	(64)
Interest payments	(52)	(47)
Funding of restricted cash	—	(103)
Total	(469)	(581)
Net Cash Flows	$ 447	$ 397

The following table shows cash flows between us and the Warehouse Credit Facility VIE:

	Six Months Ended	
($ in millions)	June 30, 2026	June 30, 2025
Cash Inflows		
Proceeds from vacation ownership notes receivable securitizations	$ 522	$ 364
Principal receipts	25	25
Interest receipts	11	14
Reserve release	2	11
Total	560	414
Cash Outflows		
Principal payments	(13)	(21)
Voluntary repurchases of defaulted vacation ownership notes receivable	—	(1)
Repayment of Warehouse Credit Facility	(344)	(308)
Interest payments	(4)	(6)
Funding of restricted cash	(3)	(12)
Total	(364)	(348)
Net Cash Flows	$ 196	$ 66

Under the terms of our vacation ownership notes receivable securitizations and Warehouse Credit Facility, we have the right to substitute loans for, or repurchase, defaulted loans at our option, subject to certain limitations. Our maximum exposure to potential loss relating to the special purpose entities that purchase, sell, and own these vacation ownership notes receivable is the overcollateralization amount (the difference between the loan collateral balance and the balance of the outstanding vacation ownership notes receivable), plus cash reserves and any residual interest in future cash flows from collateral.

Other Variable Interest Entities

We have a commitment to purchase completed vacation ownership units located in Waikiki, Hawaii for $41 million in 2026. The property is held by a VIE for which we are not the primary beneficiary. We do not control the decisions that most significantly impact the economic performance of the entity as we cannot prevent the variable interest entity from selling the property at a higher price. Accordingly, we have not consolidated the VIE. As of June 30, 2026, our Balance Sheet reflected $1 million in Accounts and contracts receivable, net, including a note receivable of less than $1 million, and $4 million in Property and equipment, net. We believe that our maximum exposure to loss as a result of our involvement with this VIE is approximately $5 million as of June 30, 2026.

16. BUSINESS SEGMENTS

We define our reportable segments based on the way in which the chief operating decision maker (“CODM”), currently our chief executive officer, manages the operations of the Company for purposes of allocating resources and assessing performance. We operate in two operating and reportable business segments: Vacation Ownership and Exchange & Third-Party Management. These segments are managed independently due to the differing nature of their products and services.

Our CODM evaluates the performance of our segments based primarily on the results of the segment without allocating corporate expenses or income taxes. We do not allocate corporate interest expense or indirect general and administrative expenses to our segments. We include interest income specific to segment activities within the appropriate segment. We allocate depreciation and amortization, other gains and losses, equity in earnings or losses from our joint ventures, and noncontrolling interest to each of our segments as appropriate. Corporate and other represents that portion of our results that are not allocable to our segments, including those relating to consolidated owners’ associations and modernization, as our CODM does not use this information to make operating segment resource allocations.

Our CODM uses Adjusted Earnings before Interest Expense, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) to evaluate the profitability of our operating segments, and the components of net income attributable to common stockholders excluded from Adjusted EBITDA are not separately evaluated. Our CODM reviews budget-to-actual and/or forecast-to-actual variances on a monthly basis using Adjusted EBITDA to make decisions about capital allocation and resource distribution to the segments. Adjusted EBITDA is defined as net income attributable to common stockholders, before interest expense (excluding consumer financing interest expense), income taxes, depreciation and amortization, excluding share-based compensation expense and amortization of cloud computing software implementation costs, and adjusted for certain items that affect the comparability of our operating performance. We do not report asset information by segment because that information is not used to evaluate performance or allocate resources between segments.

Our reconciliation of the aggregate amount of Adjusted EBITDA for our reportable segments to consolidated net income attributable to common stockholders is presented below.

Segment Revenues and Adjusted EBITDA

The table below presents the following for the periods presented: revenues, disaggregated by segment, reconciled to consolidated revenue; segment expenses, including significant expense categories and amounts that align with segment-level information regularly provided to our CODM; and segment Adjusted EBITDA reconciled to Net income attributable to common stockholders.

	Three Months Ended						Six Months Ended					
	June 30, 2026			June 30, 2025			June 30, 2026			June 30, 2025		
($ in millions)	**Vacation Ownership**	**Exchange & Third-Party Management**	**Total**	**Vacation Ownership**	**Exchange & Third-Party Management**	**Total**	**Vacation Ownership**	**Exchange & Third-Party Management**	**Total**	**Vacation Ownership**	**Exchange & Third-Party Management**	**Total**
Revenues from external customers	$ 1,260	$ 54	$1,314	$ 1,188	$ 53	$1,241	$ 2,453	$ 111	$2,564	$ 2,323	$ 111	$2,434
Reconciliation of revenues												
Corporate and other[1]			6			5			13			12
Total consolidated revenues			$1,320			$1,246			$2,577			$2,446
Cost of vacation ownership products	(43)	—		(41)	—		(89)	—		(83)	—	
Marketing and sales	(281)	—		(237)	—		(523)	—		(471)	—	
Management and exchange	(73)	(28)		(76)	(29)		(145)	(58)		(148)	(58)	
Rental	(143)	—		(129)	—		(286)	—		(255)	—	
Financing[2]	(42)	—		(37)	—		(83)	—		(73)	—	
Royalty fee	(29)	—		(28)	—		(57)	—		(56)	—	
Other segment items[3]	(403)	(4)		(409)	(1)		(836)	(7)		(785)	(2)	
Segment Adjusted EBITDA	246	22	268	231	23	254	434	46	480	452	51	503
Corporate and other[1]			(53)			(51)			(104)			(108)
Interest expense, net[2]			(43)			(42)			(87)			(82)
Depreciation and amortization			(32)			(38)			(66)			(76)
Share-based compensation expense			(12)			(12)			(22)			(19)
Amortization of cloud computing software implementation costs			(2)			(1)			(3)			(2)
Certain items			(12)			(16)			(39)			(21)
Provision for income taxes			(37)			(25)			(60)			(70)
Net income attributable to common stockholders			$ 77			$ 69			$ 99			$ 125

(1) Corporate and Other consists of results that are not allocable to our segments, including company-wide general and administrative expenses, and transaction and integration costs. In addition, Corporate and Other includes revenues and expenses from Consolidated Property Owners' Associations. Our CODM does not use this information for operating segment resource allocations.

(2) Commencing in the first quarter of 2026, interest expense associated with our Warehouse Credit Facility is included as a component of Consumer financing interest expense within Financing expense. For the three and six months ended June 30, 2025, interest expense associated with our Warehouse Credit Facility is included as a component of Interest expense, net. Interest expense on our Warehouse Credit Facility was $2 million and $5 million for the three and six months ended June 30, 2026, respectively, and $3 million and $7 million for the three and six months ended June 30, 2025, respectively.

(3) Other segment items include cost reimbursements, share-based compensation, amortization of cloud computing software implementation costs, and other.

17. MODERNIZATION

In November 2024, we announced the creation of a Strategic Business Operations office focused on accelerating our growth and driving operating efficiencies in all areas of our business while increasing organizational agility. The Strategic Business Operations office was created to modernize and optimize our processes and systems, including through advanced technology and automation; increase sales efficiency and inventory optimization; and capture significant savings from initiatives related to procurement and corporate overhead.

The following table shows the composition of our Modernization expense.

	Three Months Ended		Six Months Ended	
($ in millions)	**June 30, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Advisory services	$ (1)	$ 22	$ (1)	$ 31
Consulting (implementation)	5	7	14	7
Transition costs	2	1	5	1
Technology	4	2	8	2
Other	—	2	—	3
	$ 10	$ 34	$ 26	$ 44

The following table presents the activity for this accrual on our Balance Sheet related to our Modernization efforts.

($ in millions)	
Balance at December 31, 2025	$ 26
Modernization expenses	26
Cash payments	(27)
Balance at June 30, 2026	$ 25

During the third quarter of 2025, we entered into outsourced service arrangements and completed the transition of a portion of certain corporate overhead functions to outsourced service providers. The arrangements are for terms of five to six years, and are cancellable for convenience by us subject to a termination penalty. As of June 30, 2026, our aggregate expected obligation under these arrangements is $121 million, of which $21 million, $27 million, $26 million, $26 million, $18 million, and $3 million is expected to be paid in the remainder of 2026, 2027, 2028, 2029, 2030, and thereafter, respectively, and the total penalties for early termination are $27 million, if cancelled.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

We make forward-looking statements throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this Quarterly Report on Form 10-Q (this "Quarterly Report"), based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, among other things, the information concerning: our possible or assumed future results of operations, cash flows, financial condition, leverage, liquidity; future dividend payments; business strategies and management priorities for 2026, including efforts to improve profitability, accelerate growth, lower costs, monetize non-core assets and enhance Tour quality and VPG, expected trends in rental profit, marketing and sales expenses and cost of vacation ownership products as a percentage of revenue; the adequacy of capital to meet short-term and long-term liquidity requirements; our expectations regarding the costs and benefits of our modernization efforts; our plan to reduce our corporate debt, net of cash and equivalents, to Adjusted EBITDA ratio; our expectations regarding inventory spending; and the impact of inventory repurchases and timing of payments for inventory. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "might," "should," "could" or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. We caution you that these statements are not guarantees of future performance and are subject to numerous and evolving risks and uncertainties that we may not be able to predict or assess, such as: uncertainty in the current global macroeconomic environment created by rapid governmental policy and regulatory changes, including those affecting international trade or travel; future health crises and related governmental responses and their potential adverse effects; variations in demand for vacation ownership and exchange products and services; failure of vendors and other third parties to timely comply with their contractual obligations; worker absenteeism; our ability to attract and retain our global workforce; price inflation; difficulties associated with implementing new or maintaining existing technologies; the ability to integrate artificial intelligence ("AI") technologies successfully while managing and mitigating related operational, legal, intellectual property, data security and reputational risks; changes in privacy and other laws and regulations affecting our business; instability, disruptions, or distress in the banking system or financial institutions; impacts of severe weather events, climate conditions or natural or man-made disasters; delinquency and default rates in our financing business; global supply chain disruptions; volatility in the international and national economies and credit markets; the impacts of ongoing global conflicts and related sanctions or geopolitical measures; competitive conditions; the availability of capital to finance growth; the impact of changes in interest rates; the effects of steps we have taken and may continue to take to reduce operating costs and accelerate growth and profitability; political or social strife; and other matters referred to under the heading "Risk Factors" contained herein and also in our 2025 Annual Report, and which may be updated in our future periodic filings with the U.S. Securities and Exchange Commission (the "SEC").

All forward-looking statements in this Quarterly Report apply only as of the date of this Quarterly Report or as of the date they were made or as otherwise specified herein. We do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. You should not put undue reliance on any forward-looking statements in this Quarterly Report.

The risk factors discussed in "Risk Factors" in our 2025 Annual Report, and under Item 1A of Part II of this Quarterly Report could cause actual results to differ materially from those expressed or implied in forward-looking statements in this Quarterly Report. There may be other risks and uncertainties that we cannot predict at this time or that we currently do not expect will have a material adverse effect on our financial position, results of operations or cash flows. Any such risks could cause our results to differ materially from those we express in forward-looking statements.

Our Financial Statements (as defined below), which we discuss below, reflect our historical financial condition, results of operations and cash flows. The financial information discussed below and included in this Quarterly Report may not, however, necessarily reflect what our financial condition, results of operations or cash flows may be in the future.

In order to make this report easier to read, we refer to (i) our Interim Consolidated Financial Statements as our "Financial Statements," (ii) our Interim Consolidated Statements of Income as our "Income Statements," (iii) our Interim Consolidated Balance Sheets as our "Balance Sheets" and (iv) our Interim Consolidated Statements of Cash Flows as our "Cash Flows." References throughout to numbered "Footnotes" refer to the numbered Notes in the Interim Condensed Notes to Consolidated Financial Statements included in this Quarterly Report.

We routinely post important information, including news releases, announcements and other statements about our business and results of operations, that may be deemed material to investors on the Investor Relations section of our website, www.marriottvacationsworldwide.com. We use our website as a means of disclosing material, nonpublic information and for complying with our disclosure obligations under Regulation FD. Investors should monitor the Investor Relations section of our website in addition to following our press releases, filings with the SEC, public conference calls and webcasts. The information on our website is not part of, and is not incorporated by reference into, this Quarterly Report.

Business Overview

We are a leading global vacation company that offers vacation ownership, exchange, rental and resort and property management, along with related businesses, products and services. Our business operates in two reportable segments: Vacation Ownership and Exchange & Third-Party Management.

Our Vacation Ownership segment includes a diverse portfolio of resorts that includes some of the world's most iconic brands licensed under exclusive long-term relationships. We are the exclusive worldwide developer, marketer, seller and manager of vacation ownership and related products under the Marriott Vacation Club, Grand Residences by Marriott, Sheraton Vacation Club, Westin Vacation Club, and Hyatt Vacation Club brands. We are also the exclusive worldwide developer, marketer and seller of vacation ownership and related products under The Ritz-Carlton Club brand, and we have the non-exclusive right to develop, market and sell whole ownership residential products under The Ritz-Carlton Residences brand. We also have a license to use the St. Regis brand for specified fractional ownership products.

Our Vacation Ownership segment generates revenues from four primary sources: selling vacation ownership products; managing vacation ownership resorts, clubs and owners' associations; financing consumer purchases of vacation ownership products; and renting vacation ownership inventory.

Our Exchange & Third-Party Management segment includes an exchange network and membership programs, as well as the provision of management services to other resorts and lodging properties. Exchange & Third-Party Management revenue generally is fee-based and derived from membership, exchange and rental transactions, property and owners' association management, and other related products and services. We provide these services through our Interval International and Aqua-Aston businesses.

Corporate and other represents the portion of our results that are not allocable to our segments, including those relating to consolidated property owners' associations ("Consolidated Property Owners' Associations").

Performance Measures

Management uses the following key performance metrics to assess the Company's operational efficiency and market competitiveness, identify trends, develop financial projections, and support strategic decision-making. Management continuously monitors and analyzes these metrics to help ensure that the Company remains responsive to changing market conditions and aligned with our long-term growth objectives. The definitions and methodologies of certain of these metrics may differ from those used by other companies, and as a result, these metrics may not be directly comparable to similarly titled measures reported by other companies.

- *Contract sales* reflects the pace of sales in our business and excludes contract sales from the sale of vacation ownership products for non-consolidated joint ventures.
- *Volume per guest* ("VPG") is calculated as contract sales, excluding fractional sales, telesales, resales, and other sales that are not attributed to a sales tour (collectively, "*Tours*" as defined below) divided by the number of Tours conducted during the applicable period. We believe that VPG is a key driver of profitability as it reflects both the average contract price and the effectiveness of converting touring guests into purchasers.
- *Tours* is defined as the number of sales tours conducted during the applicable period, including virtual and offsite sales tours and excluding telesales.
- *Development profit margin* is calculated as Development profit divided by revenues from the sale of vacation ownership products. Development profit represents revenues from the sale of vacation ownership products, net of the cost of vacation ownership products and related marketing and sales costs. We believe that Development profit margin is a key indicator of the profitability of our development activities and the effectiveness of our associated marketing and sales efforts.
- *Total active members* represents the number of active members of the Interval Network as of the end of the applicable period. We consider this metric to be an important indicator of the size of the member base eligible to transact within the Interval Network.

- *Average revenue per member* is calculated by dividing membership fee revenue, transaction revenue, rental revenue, and other member revenue generated by the Interval Network by the monthly weighted average number of active members of the Interval Network during the applicable period. We believe this metric is a meaningful indicator of member engagement.
- *Segment financial results attributable to common stockholders* reflects revenues less expenses that are directly attributable to each respective reportable business segment (Vacation Ownership and Exchange & Third-Party Management). We believe this measure provides meaningful insight into the operating performance of our reportable business segments. See Footnote 16 "Business Segments" to our Financial Statements for further information about our reportable business segments.
- *Adjusted EBITDA margin* is calculated as Adjusted EBITDA divided by total revenues less cost reimbursements revenues.
- *Segment Adjusted EBITDA margin* is calculated as Segment Adjusted EBITDA divided by the respective segment's total revenues less cost reimbursements revenues.

NM = Not meaningful.

Management Priorities

During the second quarter of 2026, we continued to execute our previously described management priorities and made meaningful progress across our strategic, operational, and financial objectives. The following discussion provides an update on our progress.

Our management priorities for 2026 are as follows:

- ***Improve profitability and cash flow*** *by driving higher free cash flow conversion through disciplined execution, optimizing working capital, managing capital spending, and improving Adjusted EBITDA performance.*
    - We improved net income and Adjusted EBITDA in the second quarter of 2026 as compared to the second quarter of 2025 and improved operating cash flow for the first half of 2026, shifting to cash provided by operating activities in 2026 from cash used in operating activities during the comparable period in 2025.
- ***Strengthen leadership and talent*** *through onboarding new leadership with the external expertise to drive improvement in consistency and long-term growth execution. Retain key existing leadership and talent throughout the organization to facilitate continuity and retention of historical business knowledge.*
    - During the first half of 2026, we enhanced key leadership talent and capabilities and made targeted investments in our workforce. We believe these actions have strengthened our leadership bench, enhanced critical commercial capabilities across the organization, and supported the execution of our strategic and operational objectives. We will regularly evaluate our talent needs and organizational structure to help maintain the capabilities we believe are necessary to support long-term growth and value creation.
- ***Accelerate near-term, sustainable revenue growth*** *by increasing contract sales through strengthened marketing and sales leadership, hiring proven frontline sales talent and critically improving our daily management discipline throughout our business. Current initiatives focus on expanding and diversifying marketing opportunities by improving lead generation, increasing marketing efficiency and enhancing our products and services.*
    - We have continued to onboard top-performing sales and marketing professionals while investing in innovation and industry-leading tools that we believe help our teams to operate more effectively and support long-term value creation.
    - In the second quarter of 2026, we enhanced our Owner Benefit Levels, including by introducing new ownership tiers, providing exclusive access to deeper discounts for certain reservation types and additional onsite benefits when visiting the Marriott Vacation Clubs. We plan to continue to focus on creating more personalized, engaging and experience-driven vacations for our owners to elevate the owner experience.
    - In the second quarter of 2026, we launched "Inner Circle," a new owner-exclusive experiences platform offering access to private concerts, sporting events, culinary experiences and on-site events to owners of Marriott Vacation Club, Westin Vacation Club and Sheraton Vacation Club. Early owner participation and engagement levels have been favorable among those who have attended these events, providing evidence that these initiatives are resonating with our owner base.

- We expect the enhanced owner experience, new owner benefits and Inner Circle platforms to increase owner engagement and retention which we anticipate will generate increased referrals of potential new customers to support contract sales growth and higher VPG. We expect the financial benefits of these actions to grow in the second half of 2026 and continue into 2027 as we build a Tour pipeline that reflects these changes. We expect that marketing and sales expenses to decline as a percentage of Development revenue during the second half of 2026.
- As a result of these actions, Contract sales increased 22% and VPG increased 23% during the second quarter of 2026 over the comparable period in 2025 despite a 1% decline in Tours.

- ***Lower cost base*** *by emphasizing operating discipline to improve cash flow through execution and cost management.*
  - We intend to continue to advance this priority through focused expense control, operational efficiencies, and disciplined management of working capital and capital expenditures. We believe these efforts contributed to a significant improvement in operating cash flow, which transitioned from cash used in operating activities during the comparable 2025 period to cash provided by operating activities in 2026.
- ***Protect and grow recurring, high margin revenue streams by maintaining*** *stable performance in our financing and management and exchange businesses to promote earnings durability and cash flow generation.*
  - Our financing, management and exchange businesses continue to be high-margin, recurring revenue streams which contribute to earnings and cash flow generation, reinforcing the resilience of our business model and supporting our objective of delivering consistent financial performance across varying market conditions.
- ***Disciplined capital allocation*** *to fund high return growth initiatives while prioritizing liquidity and balance sheet flexibility.*
  - We seek to balance investment in growth with maintaining liquidity and balance sheet flexibility. We are prioritizing initiatives that we believe have the greatest potential to drive long-term returns while maintaining the financial flexibility necessary to support our strategic objectives and navigate macroeconomic uncertainty.
  - In July 2026, we amended certain agreements associated with our Warehouse Credit Facility to extend the revolving period from the second quarter of 2027 to the second quarter of 2028. The extension strengthens our liquidity profile and financial flexibility, while providing continued access to a key source of funding to support our strategic and operational objectives.
- ***Monetize non-core assets*** *to generate proceeds and support our deleveraging and reinvestment priorities.*
  - While we continue to evaluate opportunities to monetize non-core assets as part of our capital allocation framework, recent increases in contract sales volume and improved sales trends have increased our inventory requirements to support anticipated future sales. As a result, we now expect to retain certain assets for operational use that we previously identified for potential disposition, reducing our near term estimated proceeds from non-core asset monetization but supporting future revenue generation and long-term value creation.
  - Following the decision to retain certain assets for operational use, we now expect that we will generate approximately $200 million of gross cash proceeds from the disposition of non-core assets in 2026 and 2027. We realized proceeds of $50 million in the first quarter of 2026 from the disposition of an entity that owned and operated a hotel in Cancun, Mexico and we expect to realize an additional $50 million of gross proceeds from dispositions during the remainder of 2026.
- ***Optimize geographic mix*** *by scaling back our operations in lower return areas to improve capital efficiency overall and future margins.*
  - As part of our previously announced Asia Pacific strategy, we reduced Tours to certain customers in select markets, aligned regional staffing levels with anticipated demand, and deferred the purchase of a future phase of our Khao Lak, Thailand resort development.
  - During the second quarter of 2026, we decided to close our sales gallery in Dubai, United Arab Emirates. This decision reflected the anticipated impact of heightened geopolitical uncertainty in the region on anticipated operating performance and our commitment to deploying capital in a manner that supports long-term value creation.

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Consolidated Results

($ in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
REVENUES				
Sale of vacation ownership products	$ 430	$ 370	$ 773	$ 725
Management and exchange	225	219	441	434
Rental	173	160	349	329
Financing	92	90	184	178
Cost reimbursements	400	407	830	780
TOTAL REVENUES	1,320	1,246	2,577	2,446
EXPENSES				
Cost of vacation ownership products	43	41	89	83
Marketing and sales	281	237	523	471
Management and exchange	121	121	241	238
Rental	140	125	280	248
Financing	42	37	83	73
Royalty fee	29	28	57	56
General and administrative	62	61	126	122
Depreciation and amortization	32	38	66	76
Litigation charges	(1)	5	1	12
Modernization†	10	34	26	44
Restructuring†	—	—	6	—
Impairment†	—	—	—	2
Cost reimbursements	400	407	830	780
TOTAL EXPENSES	1,159	1,134	2,328	2,205
(Losses) gains and other (expense) income, net	(4)	24	(2)	37
Interest expense, net	(43)	(42)	(87)	(82)
Other	—	—	(1)	—
INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	114	94	159	196
Provision for income taxes	(37)	(25)	(60)	(70)
NET INCOME	77	69	99	126
Net income attributable to noncontrolling interests	—	—	—	(1)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 77	$ 69	$ 99	$ 125

† Prior year amounts have been reclassified to conform with our current year presentation.

Operating Statistics

(Contract sales $ in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Three Months Change		Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Six Months Change	
Vacation Ownership								
Contract sales	$ 545	$ 445	$ 100	22%	$ 956	$ 865	$ 91	10%
VPG	$ 4,477	$ 3,631	$ 846	23%	$ 4,266	$ 3,791	$ 475	13%
Tours	112,721	114,402	(1,681)	(1%)	207,971	212,400	(4,429)	(2%)
Exchange & Third-Party Management								
Total active members at end of period (000's)	1,475	1,507	(32)	(2%)	1,475	1,507	(32)	(2%)
Average revenue per member	$ 36.83	$ 37.40	$(0.57)	(2%)	$ 76.04	$ 77.40	$(1.36)	(2%)

Revenues

($ in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Change		Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Change	
Vacation Ownership	$ 1,260	$ 1,188	$ 72	6%	$ 2,453	$ 2,323	$ 130	6%
Exchange & Third-Party Management	54	53	1	2%	111	111	—	NM
Total Segment Revenues	1,314	1,241	73	6%	2,564	2,434	130	5%
Consolidated Property Owners' Associations	6	5	1	NM	13	12	1	NM
Total Revenues	$ 1,320	$ 1,246	$ 74	6%	$ 2,577	$ 2,446	$ 131	5%

Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA

EBITDA, a financial measure that is not prescribed by GAAP, is defined as earnings, or net income or loss attributable to common stockholders, before interest expense, net (excluding consumer financing interest expense), income taxes, depreciation and amortization. Adjusted EBITDA reflects additional adjustments for certain items, and excludes share-based compensation expense and amortization of cloud computing software implementation costs. Share-based compensation expense is excluded to address considerable variability among companies in recording compensation expense because companies use share-based payment awards differently, both in the type and quantity of awards granted. Amortization of cloud computing software implementation costs, which are not included in depreciation and amortization expense, are excluded from Adjusted EBITDA for comparability purposes to address the considerable variability among companies in the utilization of productive assets.

For purposes of our EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin calculations, we do not adjust for consumer financing interest expense because we consider it to be an operating expense of our business. We consider Adjusted EBITDA to be an indicator of operating performance, which we use to measure our ability to service debt, fund capital expenditures, expand our business, and return cash to stockholders. We consider Adjusted EBITDA margin to be an indicator of our operating profitability.

We also use Adjusted EBITDA and Adjusted EBITDA margin, as do analysts, lenders, investors, and others, because these measures exclude certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be dependent on a company's capital structure, debt levels and credit ratings. Accordingly, the impact of interest expense on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provisions for income taxes can vary considerably among companies. Adjusted EBITDA and Adjusted EBITDA margin also exclude depreciation and amortization, as well as amortization of cloud computing software implementation costs, because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating or amortizing productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

We believe Adjusted EBITDA and Adjusted EBITDA margin are useful as indicators of operating performance and profitability, respectively, because they allow for period-over-period comparisons of our ongoing core operations before the impact of the excluded items. Adjusted EBITDA and Adjusted EBITDA margin also facilitate comparisons by us, analysts, investors, and others of results from our ongoing core operations before the impact of these items with results from other companies.

EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin have limitations and should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. In addition, other companies in our industry may calculate EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin differently than we do or may not calculate them at all, limiting their usefulness as comparative measures.

Commencing in the first quarter of 2026, interest expense associated with our Warehouse Credit Facility is included as a component of Consumer financing interest expense within Financing expense. For the three and six months ended June 30, 2025, interest expense associated with our Warehouse Credit Facility is included as a component of Interest expense, net. Interest expense on our Warehouse Credit Facility was $2 million and $5 million for the three and six months ended June 30, 2026, respectively, and $3 million and $7 million for the three and six months ended June 30, 2025, respectively.

The table below shows our EBITDA and Adjusted EBITDA calculation and reconciles these measures with net income attributable to common stockholders, which is the most directly comparable GAAP financial measure.

	Three Months Ended				Six Months Ended			
($ in millions)	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
Net income attributable to common stockholders	$ 77	$ 69	$ 8	11%	$ 99	$ 125	$ (26)	(21%)
Interest expense, net	43	42	1	3%	87	82	5	6%
Provision for income taxes	37	25	12	46%	60	70	(10)	(14%)
Depreciation and amortization	32	38	(6)	(15%)	66	76	(10)	(13%)
EBITDA	189	174	15	8%	312	353	(41)	(12%)
Share-based compensation expense	12	12	—	NM	22	19	3	15%
Amortization of cloud computing software implementation costs	2	1	1	29%	3	2	1	30%
Certain items	12	16	(4)	NM	39	21	18	NM
Adjusted EBITDA	$ 215	$ 203	$ 12	6%	$ 376	$ 395	$ (19)	(5%)
Adjusted EBITDA Margin	23.4%	24.3%	(0.9 pts)		21.5%	23.7%	(2.2 pts)	

The table below details the components of Certain items for the periods presented.

	Three Months Ended		Six Months Ended	
($ in millions)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Loss (gain) on disposition of hotel, land, and other	$ 1	$ —	$ (2)	$ —
Foreign currency	2	(18)	5	(21)
Insurance proceeds	—	(1)	—	(8)
Change in indemnification asset	2	(3)	5	(3)
Change in estimates relating to pre-acquisition contingencies	—	—	(4)	(2)
Other	(1)	(2)	(2)	(3)
Losses (gains) and other expense (income), net	4	(24)	2	(37)
Litigation charges	(1)	5	1	12
Modernization†	10	34	26	44
Restructuring†	—	—	6	—
Impairment†	—	—	—	2
Other	(1)	1	4	—
Total Certain items	$ 12	$ 16	$ 39	$ 21

† Prior year amounts have been reclassified to conform with our current year presentation.

Segment Adjusted EBITDA

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Change		Six Months Ended June 30, 2026	June 30, 2025	Change	
Vacation Ownership	$ 246	$ 231	$ 15	7%	$ 434	$ 452	$ (18)	(4%)
Exchange & Third-Party Management	22	23	(1)	(7%)	46	51	(5)	(11%)
Segment Adjusted EBITDA	268	254	14	5%	480	503	(23)	(5%)
General and administrative	(62)	(61)	(1)	(3%)	(126)	(122)	(4)	(4%)
Share-based compensation expense	10	9	1	(1%)	17	14	3	21%
Other[1]	(1)	1	(2)	NM	5	—	5	NM
Adjusted EBITDA	$ 215	$ 203	$ 12	6%	$ 376	$ 395	$ (19)	(5%)

(1) Includes $5 million of severance expense relating to changes in executive leadership that was recorded as General and administrative expense in the six months ended June 30, 2026.

The following tables present segment financial results attributable to common stockholders reconciled to segment Adjusted EBITDA.

Vacation Ownership

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Change		Six Months Ended June 30, 2026	June 30, 2025	Change	
Segment financial results	$ 219	$ 197	$ 22	12%	$ 386	$ 395	$ (9)	(2%)
Depreciation and amortization	22	28	(6)	(19%)	46	54	(8)	(14%)
Share-based compensation expense	2	3	(1)	(3%)	4	4	—	1%
Amortization of cloud computing software implementation costs	2	1	1	47%	3	2	1	47%
Certain items	1	2	(1)	NM	(5)	(3)	(2)	NM
Segment Adjusted EBITDA	$ 246	$ 231	$ 15	7%	$ 434	$ 452	$ (18)	(4%)
Segment Adjusted EBITDA Margin	28.9%	29.8%	(0.9 pts)		27.0%	29.5%	(2.5 pts)	

The table below details the components of Certain items for Vacation Ownership segment financial results.

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Six Months Ended June 30, 2026	June 30, 2025
Loss (gain) on disposition of hotel, land, and other	$ 1	$ —	$ (2)	$ —
Insurance proceeds	—	—	—	(7)
Change in estimates relating to pre-acquisition contingencies	—	—	(4)	(2)
Other	—	(1)	—	(1)
Losses (gains) and other expense (income), net	1	(1)	(6)	(10)
Litigation charges	—	3	1	7
Total Certain items	$ 1	$ 2	$ (5)	$ (3)

Exchange & Third-Party Management

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Change		Six Months Ended June 30, 2026	June 30, 2025	Change	
Segment financial results	$ 17	$ 16	$ 1	2%	$ 36	$ 34	$ 2	3%
Depreciation and amortization	5	7	(2)	(27%)	10	14	(4)	(30%)
Share-based compensation expense	—	—	—	(1%)	1	1	—	2%
Certain items	—	—	—	NM	(1)	2	(3)	NM
Segment Adjusted EBITDA	$ 22	$ 23	$ (1)	(7%)	$ 46	$ 51	$ (5)	(11%)
Segment Adjusted EBITDA Margin	43.3%	45.9%	(2.6 pts)		44.1%	47.5%	(3.4 pts)	

The table below details the components of Certain items for Exchange and Third-Party Management segment financial results.

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Six Months Ended June 30, 2026	June 30, 2025
Gains and other income, net	$ —	$ —	(1)	—
Impairment†	—	—	—	2
Total Certain items	$ —	$ —	$ (1)	$ 2

† Prior year amounts have been reclassified to conform with our current year presentation.

Business Segments

Our business is grouped into two reportable business segments: Vacation Ownership and Exchange & Third-Party Management. See Footnote 16 “Business Segments” to our Financial Statements for further information.

Vacation Ownership

($ in millions)	Three Months Ended June 30, 2026	June 30, 2025	Six Months Ended June 30, 2026	June 30, 2025
REVENUES				
Sale of vacation ownership products	$ 430	$ 370	$ 773	$ 725
Resort management and other services	166	165	322	320
Rental	165	150	332	309
Financing	92	90	184	178
Cost reimbursements	407	413	842	791
TOTAL REVENUES	1,260	1,188	2,453	2,323
EXPENSES				
Cost of vacation ownership products	43	41	89	83
Marketing and sales	281	237	523	471
Resort management and other services	73	76	145	148
Rental	143	129	286	255
Financing	42	37	83	73
Royalty fee	29	28	57	56
Depreciation and amortization	22	28	46	54
Litigation charges	—	3	1	7
Cost reimbursements	407	413	842	791
TOTAL EXPENSES	1,040	992	2,072	1,938
(Losses) gains and other (expense) income, net	(1)	1	6	10
Other	—	—	(1)	—
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 219	$ 197	$ 386	$ 395

Sale of Vacation Ownership Products

($ in millions)	Three Months Ended June 30, 2026	% of Contract Sales, Net of Resales	Three Months Ended June 30, 2025	% of Contract Sales, Net of Resales	Change		Six Months Ended June 30, 2026	% of Contract Sales, Net of Resales	Six Months Ended June 30, 2025	% of Contract Sales, Net of Resales	Change	
Contract sales	$ 545		$ 445		$ 100	22%	$ 956		$ 865		$ 91	10%
Less: Resales contract sales	(10)		(7)		(3)		(16)		(16)		—	
Contract sales, net of resales	535		438		97	22%	940		849		91	11%
Plus:												
Settlement revenue	12	2%	11	2%	1		22	2%	20	2%	2	
Resales revenue	4	1%	5	1%	(1)		6	1%	9	1%	(3)	
Revenue recognition adjustments:												
Reportability	(20)	(4%)	2	1%	(22)		(22)	(2%)	7	1%	(29)	
Sales reserve	(72)	(13%)	(58)	(13%)	(14)		(122)	(13%)	(108)	(13%)	(14)	
Other[1]	(29)	(5%)	(28)	(6%)	(1)		(51)	(5%)	(52)	(6%)	1	
Sale of vacation ownership products	$ 430	80%	$ 370	85%	$ 60	16%	$ 773	82%	$ 725	85%	$ 48	7%
VPG	$ 4,477		$ 3,631		$ 846	23%	$ 4,266		$ 3,791		$ 475	13%
Tours	112,721		114,402		(1,681)	(1%)	207,971		212,400		(4,429)	(2%)
Expected financing propensity as a % of contract sales	66%		64%		2 pts		62%		61%		1 pts	
Average FICO Score [2]	756		742				754		741			

(1) Adjustment for sales incentives that will not be recognized as Sale of vacation ownership products revenue and other adjustments to Sale of vacation ownership products revenue.

(2) For customers who we expect to finance a vacation ownership purchase and for whom a credit score was available, generally U.S. and Canadian residents.

Second Quarter

The increase in Sale of vacation ownership products for the second quarter of 2026 was driven by higher contract sales, partially offset by lower revenue reportability.

- Owner contract sales increased 41% reflecting a 33% increase in VPG and a 7% increase in owner Tours. These results reflect changes in our second quarter sales strategy to focus on existing owners upon the launch of our recent owner engagement initiatives and greater incremental purchase activity by existing owners.
- First time buyer contract sales decreased 16% driven by lower VPG and Tours. We continue to believe there is a significant long-term opportunity to expand our first time buyer base through targeted marketing, enhanced lead generation efforts, and continued refinement of our sales and customer acquisition strategies.

The overall decline in Tours was largely attributable to change in strategy for our Asia-Pacific business as well as our strategy to improve Tour quality for first time buyers. Excluding Asia-Pacific, Tours increased 3% year-over-year. VPG increased 23% year-over-year on a consolidated basis and, excluding Asia-Pacific, VPG increased nearly 22% year over year.

We expect the higher contract sales and VPG to continue throughout the remainder of the year, partially offset by an increase in our Sales reserve attributed to higher average transaction size and propensity.

First Half

The increase in Sale of vacation ownership products for the first half of 2026 was driven by higher contract sales, partially offset by lower revenue reportability.

- Owner contract sales increased 22% reflecting a 19% increase in VPG and higher Tours.
- First time buyer contract sales decreased 14% reflecting lower Tours and a lower VPG.

The decline in Tours was largely attributable to the change in strategy for our Asia-Pacific business as well as our strategy to improve Tour quality for first time buyers. Excluding Asia-Pacific, Tours increased 1% year-over-year. VPG increased 13% year-over-year on a consolidated basis and, excluding Asia-Pacific, increased nearly 12% year over year.

Development Profit

	Three Months Ended						Six Months Ended					
($ in millions)	June 30, 2026	% of Revenue	June 30, 2025	% of Revenue	Change		June 30, 2026	% of Revenue	June 30, 2025	% of Revenue	Change	
Sale of vacation ownership products	$ 430		$ 370		$ 60	16%	$ 773		$ 725		$ 48	7%
Cost of vacation ownership products	(43)	10%	(41)	11%	(2)	(2%)	(89)	11%	(83)	12%	(6)	(6%)
Marketing and sales	(281)	66%	(237)	64%	(44)	(19%)	(523)	68%	(471)	65%	(52)	(11%)
Development profit	$ 106		$ 92		$ 14	16%	$ 161		$ 171		$ (10)	(5%)
Development profit margin	24.6%		24.7%		(0.1 pts)		20.8%		23.5%		(2.7 pts)	

Second Quarter and First Half

The change in Development profit was due to the following:

- higher Sale of vacation ownership products (discussed above);
- a decline in Cost of vacation ownership products as a percentage of revenue due to the sale of lower average cost inventory (including resulting from the impairments in inventory from the fourth quarter of 2025), partially offset by lower favorable product cost true up activity; and
- higher Marketing and sales costs due to higher salaries, commissions and incentive compensation, marketing costs and severance associated with restructuring our marketing and sales leadership changes.

Cost of vacation ownership products as a percentage of revenue is expected to increase during the remainder of 2026, although will ultimately be determined through pricing increases, upgrade volume, repurchase activity and change in mix of inventory being sold. In addition, we expect to further leverage our fixed Marketing and sales expenses as we continue to invest in initiatives that support sales growth, reflecting our expectation that the growth in contract sales achieved during the second quarter of 2026 will continue through year-end resulting in an increase in Development profit margin.

Resort Management and Other Services Revenues, Expenses and Profit

($ in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Change		Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Change	
Management fee revenues	$ 56	$ 55	$ 1	1%	$ 112	$ 110	$ 2	1%
Ancillary revenues	74	75	(1)	(2%)	139	140	(1)	(1%)
Other management and exchange revenues	36	35	1	5%	71	70	1	3%
Resort management and other services revenues	166	165	1	1%	322	320	2	1%
Resort management and other services expenses	(73)	(76)	3	3%	(145)	(148)	3	2%
Resort management and other services profit	$ 93	$ 89	$ 4	4%	$ 177	$ 172	$ 5	3%
Resort management and other services profit margin	56.0%	54.1%	1.9 pts		55.0%	53.9%	1.1 pts	
Resort occupancy [1]	89.8%	89.5%	0.3 pts		90.1%	89.9%	0.2 pts	

(1) Resort occupancy represents all transient, preview, and owner keys divided by total keys available, net of keys out of service.

Rental Revenues, Expenses and Profit

($ in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Change		Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Change	
Rental revenues	$ 165	$ 150	$ 15	9%	$ 332	$ 309	$ 23	7%
Rental expenses	(143)	(129)	(14)	(11%)	(286)	(255)	(31)	(12%)
Rental profit	$ 22	$ 21	$ 1	NM	$ 46	$ 54	$ (8)	(16%)
Rental profit margin	13.7%	15.0%	(1.3 pts)		13.9%	17.8%	(3.9 pts)	
Transient keys rented[1]	603,918	587,670	16,248	3%	1,182,192	1,157,140	25,052	2%
Average transient rate	$ 259	$ 255	$ 4	2%	$ 272	$ 269	$ 3	1%
Rental occupancy[2]	74.9%	73.8%	1.1 pts		74.9%	74.1%	0.8 pts	

(1) Transient keys rented exclude plus points and preview stays.

(2) Rental occupancy represents transient and preview keys divided by keys available to rent, which is total available keys excluding owner usage.

Second Quarter

Rental profit increased due to a $9 million increase in transient rental revenues, including plus points, partially offset by $6 million of higher unsold maintenance fees associated with developer-owned inventory and $3 million of higher marketing, variable and other costs.

Rental revenues and Rental expenses are both $5 million higher due to a reduction in costs in excess of rental revenues for developer-owned inventory which is registered and held for sale. which is reclassified to Rental revenues (net presentation).

We continue to expect a decline in rental profit in 2026 due to higher inventory and related unsold maintenance fees.

First Half

Rental profit declined due to $13 million of higher unsold maintenance fees associated with developer-owned inventory and $8 million of higher marketing, variable and other costs, partially offset by a $12 million increase in transient rental revenues, including plus points.

Rental revenues and Rental expenses are both $11 million higher due to a reduction in costs in excess of rental revenues for developer-owned inventory which is registered and held for sale, which is reclassified to Rental revenues (net presentation).

Financing Revenues, Expenses and Profit

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
Financing revenues	$ 92	$ 90	$ 2	3%	184	178	6	4%
Financing expenses	(10)	(10)	—	NM	(20)	(21)	1	4%
Consumer financing interest expense	(32)	(27)	(5)	(20%)	(63)	(52)	(11)	(21%)
Financing profit	$ 50	$ 53	$ (3)	(5%)	$ 101	$ 105	$ (4)	(3%)
Financing profit margin	54.3%	58.8%	(4.5 pts)		55.0%	59.0%	(4.0 pts)	

Second Quarter and First Half

- Financing revenues reflect higher interest income as a result of a higher average notes receivable balance.
- Commencing in the first quarter of 2026, interest expense associated with our Warehouse Credit Facility is included as a component of Consumer financing interest expense within Financing expense. For the three and six months ended June 30, 2025, interest expense associated with our Warehouse Credit Facility is included as a component of Interest expense, net. Interest expense on our Warehouse Credit Facility was $2 million and $5 million for the three and six months ended June 30, 2026, respectively, and $3 million and $7 million for the three and six months ended June 30, 2025, respectively.
- In addition, consumer financing interest expense increased by $2 million and $4 million in the second quarter and first half of 2026, respectively, due to a higher average securitized debt balance.

(Losses) Gains and Other (Expense) Income

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
(Losses) gains and other (expense) income, net	$ (1)	$ 1	$ (2)	NM	$ 6	$ 10	$ (4)	NM

First Half

During the first half of 2026, we benefited from a $2 million gain on the disposition of an entity that owned and operated a hotel in Cancun, Mexico, and a $4 million reduction in certain pre-acquisition contingencies associated with the ILG Acquisition.

During the first half of 2025, we benefited from $7 million of proceeds from service interruption insurance relating to the Maui wildfires, a $2 million reduction in certain pre-acquisition contingencies associated with the ILG Acquisition, and $1 million of other gains.

Exchange & Third-Party Management

($ in millions)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
REVENUES				
Management and exchange	$ 42	$ 41	$ 86	$ 87
Rental	8	10	17	20
Cost reimbursements	4	2	8	4
TOTAL REVENUES	54	53	111	111
EXPENSES				
Management and exchange	28	29	58	58
Depreciation and amortization	5	7	10	14
Impairment†	—	—	—	2
Cost reimbursements	4	2	8	4
TOTAL EXPENSES	37	38	76	78
Gains and other income, net	—	—	1	—
Other	—	1	—	1
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 17	$ 16	$ 36	$ 34

† Prior year amounts have been reclassified to conform with our current year presentation.

Corporate and Other

Corporate and Other consists of results that are not allocable to our segments, including company-wide general and administrative costs, corporate interest expense, transaction and integration costs, and income taxes. In addition, Corporate and Other includes the revenues and expenses from Consolidated Property Owners' Associations.

	Three Months Ended		Six Months Ended	
($ in millions)	**June 30, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
REVENUES				
Resort management and other services	$ 17	$ 13	$ 33	$ 27
Cost reimbursements	(11)	(8)	(20)	(15)
TOTAL REVENUES	6	5	13	12
EXPENSES				
Resort management and other services	20	16	38	32
Rental	(3)	(4)	(6)	(7)
General and administrative	62	61	126	122
Depreciation and amortization	5	3	10	8
Litigation charges	(1)	2	—	5
Modernization†	10	34	26	44
Restructuring†	—	—	6	—
Cost reimbursements	(11)	(8)	(20)	(15)
TOTAL EXPENSES	82	104	180	189
(Losses) gains and other (expense) income, net	(3)	23	(9)	27
Interest expense, net	(43)	(42)	(87)	(82)
Other	—	(1)	—	(1)
FINANCIAL RESULTS BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	(122)	(119)	(263)	(233)
Provision for income taxes	(37)	(25)	(60)	(70)
Net income attributable to noncontrolling interests	—	—	—	(1)
FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ (159)	$ (144)	$ (323)	$ (304)

† Prior year amounts have been reclassified to conform with our current year presentation.

Modernization

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
Modernization	$ 10	$ 34	$ (24)	(71%)	$ 26	$ 44	$ (18)	(42%)

Second Quarter and First Half

In November 2024, we announced the creation of a Strategic Business Operations office focused on accelerating our growth and driving operating efficiencies in all areas of our business while increasing organizational agility. The Strategic Business Operations office was created to modernize and optimize our processes and systems, including through advanced technology and automation; increase sales efficiency and inventory optimization; and capture significant savings from initiatives related to procurement and corporate overhead.

The following table shows the composition of our modernization expenses during the second quarter and first half of 2026 and 2025, respectively:

($ in millions)	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Advisory services	$ (1)	$ 22	$ (1)	$ 31
Consulting (implementation)	5	7	14	7
Transition costs	2	1	5	1
Technology	4	2	8	2
Other	—	2	—	3
	$ 10	$ 34	$ 26	$ 44

We expect to incur less than $60 million of non-recurring expenses in the remainder of 2026 primarily related to technology, as we wind down consulting spend and expect no further advisory services costs.

(Losses) Gains and Other (Expense) Income

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
(Losses) gains and other (expense) income, net	$ (3)	$ 23	$ (26)	NM	$ (9)	$ 27	$ (36)	NM

Second Quarter

In the second quarter of 2026, we recorded $2 million of foreign currency losses and a $2 million reduction in the receivable from Marriott International for indemnified tax matters, partially offset by $1 million of other gains.

In the second quarter of 2025, we recorded $18 million of foreign currency gains, $3 million of tax related adjustments to the receivable from Marriott International for indemnified tax matters, $1 million of insurance proceeds and $1 million of other gains.

First Half

In the first half of 2026, we recorded $5 million of foreign currency losses and a $5 million reduction in the receivable from Marriott International for indemnified tax matters, partially offset by $1 million of other gains.

In the first half of 2025, we recorded $21 million of foreign currency gains, $3 million of tax related adjustments to the receivable from Marriott International for indemnified tax matters, $2 million of other gains, and $1 million of insurance proceeds.

Interest Expense

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
Interest expense, net	$ (43)	$ (42)	$ (1)	(3%)	$ (87)	$ (82)	$ (5)	(6%)

Second Quarter and First Half

The increase in Interest expense, net is primarily attributed to interest on our 6.500% Senior Unsecured Notes due 2033 issued in the third quarter of 2025 (the proceeds of which were used to repay our $575 million 0.000% 2026 Convertible Notes) for the second quarter and first half of 2026. This increase was partially offset by the change in presentation of interest on our Warehouse Credit Facility and by lower interest on our Corporate Credit Facility and 2026 Convertible Notes, which were repaid during the first half of 2026.

Commencing in the first quarter of 2026, interest expense associated with our Warehouse Credit Facility is included as a component of Consumer financing interest expense within Financing expense. For the three and six months ended June 30, 2025, interest expense associated with our Warehouse Credit Facility is included as a component of Interest expense, net. Interest expense on our Warehouse Credit Facility was $2 million and $5 million for the three and six months ended June 30, 2026, respectively, and $3 million and $7 million for the three and six months ended June 30, 2025, respectively.

Income Tax

($ in millions)	Three Months Ended				Six Months Ended			
	June 30, 2026	June 30, 2025	Change		June 30, 2026	June 30, 2025	Change	
Provision for income taxes	$ (37)	$ (25)	$ (12)	(46%)	$ (60)	$ (70)	$ 10	14%

Second Quarter

Our effective tax rate was 32.4% and 26.8% for the three months ended June 30, 2026 and June 30, 2025, respectively.

The effective tax rate for the three months ended June 30, 2026 differed from the blended U.S. federal and state statutory tax rate primarily due to projected losses in certain foreign jurisdictions for which no tax benefit was recognized as a result of valuation allowances with respect to such foreign jurisdictions, as well as discrete tax benefits related to uncertain tax positions and the effective settlement of a domestic tax audit, partially offset by penalties accrued for foreign tax matters.

The effective tax rate for the three months ended June 30, 2025 was generally consistent with the blended U.S. federal and state statutory tax rate, with no significant variances.

First Half

Our effective tax rate was 37.5% and 35.5% for the six months ended June 30, 2026 and June 30, 2025, respectively.

The effective tax rate for the six months ended June 30, 2026 differed from the blended U.S. federal and state statutory tax rate primarily due to projected losses in certain foreign jurisdictions for which no tax benefit was recognized as a result of valuation allowances with respect to such foreign jurisdictions, as well as discrete tax benefits related to uncertain tax positions, partially offset by a $6 million cumulative adjustment related to a foreign tax provision and penalties accrued for foreign tax matters.

The effective tax rate for the six months ended June 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to the effect of losses incurred in certain non-U.S. jurisdictions for which no tax benefit was recognized. Additionally, permanent differences between the book and tax treatment contributed to the variance from the statutory rate.

Consolidated Property Owners' Associations

The following table illustrates the impact of certain Consolidated Property Owners' Associations under the relevant accounting guidance.

	Three Months Ended		Six Months Ended	
($ in millions)	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
REVENUES				
Resort management and other services	$ 17	$ 13	$ 33	$ 27
Cost reimbursements	(11)	(8)	(20)	(15)
TOTAL REVENUES	6	5	13	12
EXPENSES				
Resort management and other services	20	16	38	32
Rental	(3)	(4)	(6)	(7)
Cost reimbursements	(11)	(8)	(20)	(15)
TOTAL EXPENSES	6	4	12	10
FINANCIAL RESULTS BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	—	1	1	2
Provision for income taxes	—	(1)	(1)	(1)
Net income attributable to noncontrolling interests	—	—	—	(1)
FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ —	$ —	$ —	$ —

Liquidity and Capital Resources

Typically, our capital needs are supported by cash on hand, cash generated from operations, our ability to access funds under the Warehouse Credit Facility and the Revolving Corporate Credit Facility, our ability to raise capital through securitizations in the ABS market, and, to the extent necessary, our ability to issue new debt and refinance existing debt. We believe these sources of capital will be adequate to meet our short-term and long-term liquidity requirements, finance our long-term growth plans, satisfy debt service requirements, fulfill other cash requirements, and return capital to stockholders. We continuously monitor the capital markets to evaluate the effect that changes in market conditions may have on our ability to fund our liquidity needs.

At June 30, 2026, our gross corporate debt, net of cash and equivalents, to Adjusted EBITDA ratio was 4.0, which we believe is a manageable leverage level, and we remain focused on reducing this ratio over time.

During the first quarter of 2026, we used the proceeds from the 2033 Notes to repay our 2026 Convertible Notes upon maturity. We have no material principal payment obligations for the remainder of 2026. See Footnote 12 "Debt" to our Financial Statements for further information related to maturities of our debt.

Sources of Liquidity

Cash from Operations

Our primary sources of funds from operations are (1) cash sales and down payments on financed sales, (2) cash from our financing operations, including principal and interest payments received on outstanding vacation ownership notes receivable, (3) cash from fee-based membership, exchange and rental transactions, and (4) cash generated from our rental and resort management and other services operations.

Vacation Ownership Notes Receivable Securitizations

We periodically securitize, without recourse through bankruptcy remote special purpose entities, the majority of the notes receivable originated in connection with the sale of vacation ownership products to institutional investors in the ABS term securitization market. These vacation ownership notes receivable securitizations provide liquidity for general corporate purposes. In a vacation ownership notes receivable term securitization, several classes of debt securities issued by a special purpose entity are collateralized by a single pool of transferred vacation ownership notes receivable. In connection with each vacation ownership notes receivable securitization, we may retain all or a portion of the securities that are issued.

Typically, we receive cash at inception of the term securitization transaction for the amount of notes issued less fees and monies held in reserve and we receive cash during the life of the transaction in amounts reflecting the excess spread of interest received on the related vacation ownership notes receivable less the interest payable on the ABS securities, less administrative fees and amounts from related vacation ownership notes receivable that default. Loan defaults under securitizations offset a portion of the excess spread we receive, on a monthly basis.

Each of the securitized vacation ownership notes receivable transactions contains various triggers relating to the performance of the underlying vacation ownership notes receivable. If a pool of securitized vacation ownership notes receivable fails to perform within the pool's parameters (default or delinquency thresholds vary by transaction), transaction provisions effectively redirect the monthly excess spread of interest accruing on the related vacation ownership notes receivable less the interest accruing on the ABS securities and fees we would otherwise receive from that pool (attributable to the interests we retained) to accelerate the principal payments to investors (taking into account the subordination of the different tranches to the extent there are multiple tranches) until the performance trigger is cured. At the recent level of defaults, there is no impact to cash whether we repurchase defaulted vacation ownership notes receivable from a securitization VIE and pursue foreclosure or foreclose on behalf of a securitization VIE. During the second quarter of 2026, and as of June 30, 2026, we had 12 term securitization transactions outstanding, none of which were out of compliance with their respective required parameters. Since 2000, we have issued approximately $11.2 billion of debt securities in securitization transactions in the term ABS market, excluding amounts securitized through warehouse credit facilities or private bank transactions.

On an ongoing basis, we have the ability to use our Warehouse Credit Facility to securitize, on a revolving non-recourse basis, eligible consumer loans derived from certain vacation ownership sales. Those loans may later be transferred to term securitization transactions in the ABS market, which typically occur twice a year. At June 30, 2026, we had $165 million of borrowings outstanding on our Warehouse Credit Facility. See Footnote 11 "Securitized Debt" to our Financial Statements for further information.

As of June 30, 2026, $67 million of gross vacation ownership notes receivable were eligible for securitization.

Revolving Corporate Credit Facility

Our Revolving Corporate Credit Facility, which expires on March 24, 2030, provides for up to $800 million of aggregate borrowings for general corporate needs, including working capital, capital expenditures, letters of credit, and acquisitions. At June 30, 2026, $145 million of borrowings and $5 million of letters of credit were outstanding under our Revolving Corporate Credit Facility. See Footnote 12 "Debt" to our Financial Statements for further information.

Disposition of Non-core Assets

We expect that we will generate approximately $200 million of gross cash proceeds from the disposition of non-core assets in 2026 and 2027. We realized proceeds of $50 million in the first quarter of 2026 from the disposition of an entity that owned and operated a hotel in Cancun, Mexico and we expect to realize an additional $50 million of gross proceeds from dispositions during the remainder of 2026.

Uses of Cash

We minimize our working capital needs through cash management, strict credit-granting policies, and disciplined collection efforts. Our working capital needs fluctuate throughout the year given the timing of annual maintenance fees on unsold inventory we pay to owners' associations and certain annual compensation-related outflows. In addition, our cash from operations varies due to the timing of repayment by owners of vacation ownership notes receivable, timing and amount of voluntary repurchases of defaulted vacation ownership notes receivable, the closing or recording of sales contracts for vacation ownership products, financing propensity, and cash outlays for inventory acquisitions and development.

Seasonality

Our cash flow from operations fluctuates during the year due to the timing of certain receipts and contractual and compensation-related payments. Significant changes in cash flow can result from the timing of our collection of maintenance fees, club dues, and other customer payments, which typically occurs in either the fourth quarter or the first quarter of each year. Generally, cash outflows related to our payment of maintenance fees associated with unsold inventory occurs in the fourth quarter for our points-based products, and in the first quarter for our weeks-based products. In addition, during the first quarter of each year, we generally have variable compensation-related cash outflows associated with payment of annual bonuses and, subject to the continued issuance of quarterly dividends, the payment of two quarterly cash dividends declared in December and February.

Operations

In addition to net income and adjustments for non-cash items, the following are key drivers of our cash flow from operating activities:

Inventory Spending Less than (In Excess of) Cost of Sales

	Six Months Ended	
($ in millions)	**June 30, 2026**	**June 30, 2025**
Inventory spending	$ (49)	$ (60)
Purchase and development of property for future transfer to inventory	—	(49)
Inventory costs	65	59
Inventory spending less than (in excess of) cost of sales	$ 16	$ (50)

We plan to restrict our new inventory spending to capital efficient arrangements where our cash outlay coincides with the start of sales, as well as low-cost reacquired inventory. Through our existing VOI repurchase program, we proactively acquire previously sold VOIs from owners' associations and individual owners at lower costs than would be required to develop new inventory. Among other reasons for repurchasing inventory, we expect these repurchases will help stabilize the future cost of our vacation ownership products.

Vacation Ownership Notes Receivable Collections Less Than Originations

	Six Months Ended	
($ in millions)	**June 30, 2026**	**June 30, 2025**
Vacation ownership notes receivable collections — non-securitized	$ 93	$ 80
Vacation ownership notes receivable collections — securitized	278	261
Vacation ownership notes receivable originations	(512)	(488)
Vacation ownership notes receivable collections less than originations	$ (141)	$ (147)

Vacation ownership notes receivable collections were less than originations in the first halves of 2026 and 2025 due to the growth of our vacation ownership notes receivable portfolio.

Repurchase of Common Stock

The following table summarizes share repurchase activity under our Share Repurchase Program:

($ in millions, except per share amounts)	**Number of Shares Repurchased**	**Cost Basis of Shares Repurchased**	**Average Price Paid per Share**
As of December 31, 2025	26,795,163	$ 2,522	$ 94.12
For the first half of 2026	—	—	$ —
As of June 30, 2026	26,795,163	$ 2,522	$ 94.12

See Footnote 13 “Stockholders' Equity” to our Financial Statements for further information related to our current share repurchase program.

Payment of Dividends to Common Stockholders

We distributed cash dividends to holders of our common stock during the first half of 2026 as follows:

Declaration Date	Stockholder Record Date	Distribution Date	Dividend per Share
December 12, 2025	December 24, 2025	January 7, 2026	$0.80
February 19, 2026	March 4, 2026	March 18, 2026	$0.80
May 14, 2026	May 27, 2026	June 10, 2026	$0.80

We currently expect to pay quarterly dividends in the future, but any future dividend payments will be subject to the approval of our Board of Directors, which will depend on our financial condition, results of operations and capital requirements at the time, as well as applicable law, regulatory constraints, industry practice, and other business considerations that our Board of Directors considers relevant. In addition, our Corporate Credit Facility and the indentures governing our senior notes contain restrictions on our ability to pay dividends, and the terms of agreements governing debt that we may incur in the future may also limit or prohibit the payment of dividends. The payment of certain cash dividends may also result in an adjustment to the conversion rate of our convertible notes in a manner adverse to us. Accordingly, there can be no assurance that we will pay dividends in the future at any particular rate or at all.

Material Cash Requirements

The following table summarizes our future material cash requirements from known contractual or other obligations as of June 30, 2026:

		Payments Due by Period					
($ in millions)	Total	Remainder of 2026	2027	2028	2029	2030	Thereafter
Debt[1]	$ 3,561	$ 77	$ 728	$ 468	$ 604	$ 237	$ 1,447
Securitized debt[1][2]	3,060	156	303	294	282	275	1,750
Purchase obligations[3]	578	138	210	141	39	31	19
Operating lease obligations[4]	71	11	16	12	10	7	15
Finance lease obligations[4]	516	9	18	15	13	13	448
Other long-term obligations	18	14	2	2	—	—	—
	$ 7,804	$ 405	$ 1,277	$ 932	$ 948	$ 563	$ 3,679

(1) Includes principal as well as interest payments and excludes unamortized debt discount and issuance costs.

(2) Payments based on estimated timing of cash flow associated with securitized notes receivable.

(3) Arrangements are considered purchase obligations if a contract specifies all significant terms, including fixed or minimum quantities to be purchased, a pricing structure, and approximate timing of the transaction. Amounts reflected herein represent expected funding requirements under such contracts and primarily relate to future purchases of property and vacation ownership units, outsourced services, and arrangements related to information technology, including cloud computing. Amounts reflected on the consolidated balance sheet as accounts payable and accrued liabilities are excluded from the table above.

(4) Includes interest.

In the normal course of our resort management business, we enter into purchase commitments on behalf of owners' associations to manage the daily operating needs of our resorts. Since we are reimbursed for these commitments from the cash flows of the owners' associations, these obligations generally have minimal impact on our net income and cash flow. These purchase commitments are excluded from the table above.

Supplemental Guarantor Information

The 2028 Notes are guaranteed by MVWC, Marriott Ownership Resorts, Inc. ("MORI"), and certain other subsidiaries whose voting securities are wholly owned directly or indirectly by MORI (such subsidiaries collectively, the "Senior Notes Guarantors"). These guarantees are full and unconditional and joint and several. The guarantees of the Senior Notes Guarantors are subject to release in limited circumstances only upon the occurrence of certain customary conditions.

The following tables present consolidating financial information as of June 30, 2026 and December 31, 2025, and for the six months ended June 30, 2026 for MVWC and MORI on a stand-alone basis (collectively, the "Issuers"), the Senior Notes Guarantors, the combined non-guarantor subsidiaries of MVWC, and MVW on a consolidated basis.

Condensed Consolidating Statement of Income

	Six Months Ended June 30, 2026					
	Issuers					
($ in millions)	MVWC	MORI	Senior Notes Guarantors	Non-Guarantor Subsidiaries	Total Eliminations	MVW Consolidated
Revenues	$ —	$ 602	$ 1,402	$ 595	$ (22)	$ 2,577
Expenses	(35)	(615)	(1,370)	(420)	22	(2,418)
Benefit from (provision for) income taxes	11	7	(2)	(76)	—	(60)
Equity in net income of subsidiaries	123	243	—	—	(366)	—
Net income	99	237	30	99	(366)	99
Net income attributable to noncontrolling interests	—	—	—	—	—	—
Net income attributable to common stockholders	$ 99	$ 237	$ 30	$ 99	$ (366)	$ 99

Condensed Consolidating Balance Sheet

	As of June 30, 2026						As of December 31, 2025					
	Issuers		Senior Notes Guarantors	Non-Guarantor Subsidiaries	Total Eliminations	MVW Consolidated	Issuers		Senior Notes Guarantors	Non-Guarantor Subsidiaries	Total Eliminations	MVW Consolidated
($ in millions)	**MVWC**	**MORI**					**MVWC**	**MORI**				
Cash and cash equivalents	$ —	$ 26	$ 55	$ 130	$ —	$ 211	$ 135	$ 70	$ 69	$ 132	$ —	$ 406
Restricted cash	—	29	118	155	—	302	—	21	145	161	—	327
Accounts and contracts receivable, net	30	140	160	89	9	428	21	135	166	117	(11)	428
Vacation ownership notes receivable, net	—	176	117	2,294	—	2,587	—	251	192	2,122	—	2,565
Inventory	—	317	227	129	—	673	—	324	231	137	—	692
Property and equipment, net	—	252	585	103	—	940	—	252	593	105	—	950
Goodwill	—	—	2,958	—	—	2,958	—	—	2,958	—	—	2,958
Intangibles, net	—	—	654	27	—	681	—	—	683	28	—	711
Investments in subsidiaries	2,426	3,443	—	—	(5,869)	—	2,894	3,592	—	—	(6,486)	—
Other	198	162	321	166	(148)	699	180	155	323	191	(129)	720
Total assets	$ 2,654	$ 4,545	$ 5,195	$ 3,093	$ (6,008)	$ 9,479	$ 3,230	$ 4,800	$ 5,360	$ 2,993	$ (6,626)	$ 9,757
Accounts payable	$ 25	$ 48	$ 83	$ 71	$ —	$ 227	$ 91	$ 45	$ 144	$ 79	$ (1)	$ 358
Advance deposits	—	71	77	18	—	166	—	72	73	18	—	163
Accrued liabilities	—	119	133	109	11	372	1	130	123	124	(2)	376
Deferred revenue and other	—	17	188	229	(18)	416	—	11	157	212	(9)	371
Payroll and benefits liability	1	113	74	27	—	215	1	109	74	34	—	218
Deferred compensation liability	—	146	91	3	—	240	—	165	55	5	—	225
Securitized debt, net	—	—	—	2,381	(28)	2,353	—	—	—	2,173	(27)	2,146
Debt, net	571	2,350	179	—	—	3,100	1,144	2,210	179	1	—	3,534
Other	—	3	90	26	—	119	—	5	113	24	—	142
Deferred taxes	—	114	185	20	(105)	214	—	105	209	18	(101)	231
MVW stockholders' equity	2,057	1,564	4,095	209	(5,868)	2,057	1,993	1,948	4,233	305	(6,486)	1,993
Total liabilities and equity	$ 2,654	$ 4,545	$ 5,195	$ 3,093	$ (6,008)	$ 9,479	$ 3,230	$ 4,800	$ 5,360	$ 2,993	$ (6,626)	$ 9,757

Recent Accounting Pronouncements

See Footnote 2 "Significant Accounting Policies and Recent Accounting Standards" to our Financial Statements for a discussion of recently issued accounting pronouncements, including information about new accounting standards and the future adoption of such standards.

Critical Accounting Policies and Estimates

Our preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect reported amounts and related disclosures. We have discussed those policies and estimates that we believe are critical and require the use of complex judgment in their application in our 2025 Annual Report. Since the date of our 2025 Annual Report, there have been no material changes to our critical accounting policies or the methodologies or assumptions we apply under them.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risk has not changed materially from that disclosed in Part I, Item 7A of the 2025 Annual Report, other than as set forth below.

We manage the interest rate risk on our corporate debt through the use of a combination of fixed-rate debt and interest rate swaps that fix a portion of our variable-rate debt. At June 30, 2026, after considering the impact of our interest rate swap agreement and excluding finance leases, the interest rate applicable to 79% (approximately $2.3 billion) of our total corporate debt was effectively fixed and the interest rate applicable to the remaining 21% (approximately $629 million) was variable. Assuming we had no outstanding balance on our Revolving Corporate Credit Facility, a 100 basis point increase in the underlying benchmark rate on our variable-rate debt at June 30, 2026 would result in an increase of approximately $5 million in annual cash interest due to the impact of our hedging arrangements discussed in Footnote 12 "Debt" to our Financial Statements. Assuming we had no outstanding hedging arrangements and no outstanding balance on our Revolving Corporate Credit Facility, a 100 basis point increase in the underlying benchmark rate on our variable-rate debt at June 30, 2026 would result in an annual increase in cash interest of approximately $8 million.

The following table presents the scheduled maturities and the total fair value as of June 30, 2026 for our financial instruments that are impacted by market risks:

		Maturities by Period							
($ in millions)	Average Interest Rate	Remainder of 2026	2027	2028	2029	2030	Thereafter	Total Carrying Value	Total Fair Value
Assets – Maturities represent expected principal receipts; fair values represent assets									
Vacation ownership notes receivable — non-securitized	11.5%	$ 52	$ 82	$ 65	$ 54	$ 41	$ 211	$ 505	$ 507
Vacation ownership notes receivable — securitized	13.4%	$ 88	$ 178	$ 180	$ 183	$ 189	$ 1,264	$ 2,082	$ 2,172
Contracts receivable for financed VOI sales, net	12.9%	$ 3	$ 6	$ 6	$ 7	$ 8	$ 91	$ 121	$ 121
Liabilities – Maturities represent expected principal payments; fair values represent liabilities									
Securitized Debt	4.8%	$ (97)	$ (196)	$ (348)	$ (193)	$ (196)	$ (1,351)	$ (2,381)	$ (2,387)
Term Loan	5.9%	$ (4)	$ (8)	$ (8)	$ (8)	$ (8)	$ (748)	$ (784)	$ (785)
Revolving Corporate Credit Facility	5.1%	$ —	$ —	$ —	$ —	$ (145)	$ —	$ (145)	$ (145)
Senior Notes									
2028 Notes	4.8%	$ —	$ —	$ (350)	$ —	$ —	$ —	$ (350)	$ (347)
2029 Notes	4.5%	$ —	$ —	$ —	$ (500)	$ —	$ —	$ (500)	$ (483)
2033 Notes	6.5%	$ —	$ —	$ —	$ —	$ —	$ (575)	$ (575)	$ (572)
2027 Convertible Notes	3.3%	$ —	$ (575)	$ —	$ —	$ —	$ —	$ (575)	$ (568)

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, we evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), and management necessarily applied its judgment in assessing the costs and benefits of such controls and procedures, which by their nature, can provide only reasonable assurance about management's control objectives. Our disclosure controls and procedures have been designed to provide reasonable assurance of achieving the desired control objectives. However, the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and we cannot assure you that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Based upon the foregoing evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2026, our disclosure controls and procedures were effective and operating to provide reasonable assurance that we record, process, summarize and report the information we are required to disclose in the reports that we file or submit under the Exchange Act within the time periods specified in the rules and forms of the SEC, and to provide reasonable assurance that we accumulate and communicate such information to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions about required disclosure.

Changes in Internal Control Over Financial Reporting

We made no changes in our internal control over financial reporting during the period covered by this Quarterly Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings

Currently, and from time to time, we are subject to claims in legal proceedings arising in the normal course of business. See "Loss Contingencies" in Footnote 10 "Contingencies and Commitments" to our Financial Statements. While management presently believes that the ultimate outcome of these proceedings, individually and in the aggregate, will not materially harm our financial position, cash flows, or overall trends in results of operations, legal proceedings are inherently uncertain, and unfavorable rulings could, individually or in the aggregate, have a material adverse effect on our business, financial condition, or operating results.

Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in Item 1A of Part I of our 2025 Annual Report, except to the extent factual information disclosed elsewhere in this Quarterly Report relates to such risk factors, which is incorporated herein by reference.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share[(2)]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[(1)]	Maximum Dollar Amount of Shares That May Yet Be Purchased Under the Plans or Programs[(1)(2)]
April 1, 2026 – April 30, 2026	—	$ —	—	$ 322,120,557
May 1, 2026 – May 31, 2026	—	$ —	—	$ 322,120,557
June 1, 2026 – June 30, 2026	—	$ —	—	$ 322,120,557
Total	—	$ —	—	$ 322,120,557

(1) On May 11, 2023, we announced that our Board of Directors increased the then-remaining authorization under our share repurchase program (which was first announced on September 13, 2021) to authorize purchases of up to $600 million of our common stock and extended the term of our share repurchase program to December 31, 2024. On December 19, 2024, we announced that our Board of Directors extended the term of our share repurchase program to December 31, 2025. On December 12, 2025, we announced that our Board of Directors extended the term of our share repurchase program to December 31, 2026.

(2) All dollar amounts presented exclude the nondeductible 1% excise tax on the net value of certain stock repurchases that was imposed by the Inflation Reduction Act of 2022.

Item 5. Other Information

(c) Trading Plans

During the quarter ended June 30, 2026, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits

All documents referenced below are being filed as a part of this Quarterly Report, unless otherwise noted.

Exhibit Number	Description	Filed Herewith	Incorporation By Reference From		
			Form	Exhibit	Date Filed
3.1	Second Restated Certificate of Incorporation of Marriott Vacations Worldwide Corporation		8-K	3.2	5/15/2023
3.2	Restated Bylaws of Marriott Vacations Worldwide Corporation (effective May 12, 2023)		10-Q	3.3	8/4/2023
4.1	Form of certificate representing shares of common stock, par value $0.01 per share, of Marriott Vacations Worldwide Corporation		10	4.1	10/14/2011
4.2	Indenture, dated as of October 1, 2019, by and among Marriott Ownership Resorts, Inc., Marriott Vacations Worldwide Corporation, as guarantor, the other guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee		8-K	4.1	10/1/2019
4.3	Form of 4.750% Senior Notes due 2028 (included as Exhibit A to Exhibit 4.2 above)		8-K	4.2	10/1/2019
4.4	Registration Rights Agreement, dated as of October 1, 2019, by and among Marriott Ownership Resorts, Inc., Marriott Vacations Worldwide Corporation, as guarantor, the other guarantors party thereto and J.P. Morgan Securities LLC		8-K	4.3	10/1/2019
4.5	Indenture, dated as of February 2, 2021, by and among Marriott Vacations Worldwide Corporation, Marriott Ownership Resorts, Inc. and the other guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee		8-K	4.1	2/3/2021
4.6	Form of 0.00% Convertible Senior Note due 2026 (included as Exhibit A to Exhibit 4.5 above)		8-K	4.1	2/3/2021
4.7	Indenture, dated as of June 21, 2021, by and among Marriott Ownership Resorts, Inc., Marriott Vacations Worldwide Corporation, as guarantor, the other guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee		8-K	4.1	6/22/2021
4.8	Form of 4.500% Senior Notes due 2029 (included at Exhibit A to Exhibit 4.7 above)		8-K	4.2	6/22/2021
4.9	Indenture, dated as of December 8, 2022, by and among Marriott Vacations Worldwide Corporation, as issuer, Marriott Ownership Resorts, Inc. and the other guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as trustee		8-K	4.1	12/8/2022
4.10	Form of 3.25% Convertible Senior Notes due 2027 (included as Exhibit A to Exhibit 4.9 above)		8-K	4.2	12/8/2022
4.11	Description of Registered Securities		10-K	4.16	3/2/2020
4.12	Indenture, dated as of September 18, 2025, by and among Marriott Ownership Resorts, Inc., Marriott Vacations Worldwide Corporation, as guarantor, the other guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee		8-K	4.1	9/19/2025
4.13	Form of 6.500% Senior Notes due 2033 (included at Exhibit A to Exhibit 4.12 above)		8-K	4.2	9/19/2025
10.1	Chief Executive Officer Employment Agreement*		8-K	10.1	2/17/2026
10.2	President and Chief Operating Officer Employment Agreement*		8-K	10.2	2/17/2026

Exhibit Number	Description	Filed Herewith	Incorporation By Reference From		
			Form	Exhibit	Date Filed
10.3	James H Hunter IV Separation Agreement and General Release of Claims*		8-K	10.1	3/6/2026
10.4	Form of Restricted Stock Unit Agreement for Matthew E. Avril and Michael A. Flaskey*		10-Q	10.4	5/5/2026
10.5	Form of Stock Appreciation Right Agreement for Matthew E. Avril and Michael A. Flaskey*		10-Q	10.5	5/5/2026
10.6	Form of Restricted Stock Unit Award Agreement - Immediate Vesting*		10-Q	10.6	5/5/2026
10.7	Form of Performance Stock Unit Agreement for Matthew E. Avril and Michael A. Flaskey*		10-Q	10.7	5/5/2026
10.8	Second Amended and Restated Marriott Vacations Worldwide Corporation 2020 Equity Incentive Plan*		8-K	10.1	5/18/2026
10.9	Lori Gustafson Separation Agreement and General Release of Claims*		8-K	10.1	7/21/2026
10.10	Marriott Vacations Worldwide Corporation Change in Control Severance Plan As Amended and Restated Effective May 14, 2026*	X			
22.1	List of the Issuer and its Guarantor Subsidiaries		10-K	22.1	3/2/2026
31.1	Certification by Chief Executive Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934	X			
31.2	Certification by Chief Financial Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934	X			
32.1	Certification by Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002		Furnished		
32.2	Certification by Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002		Furnished		
101	The following financial statements from our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL: (i) Interim Consolidated Statements of Income, (ii) Interim Consolidated Statements of Comprehensive Income, (iii) Interim Consolidated Balance Sheets, (iv) Interim Consolidated Statements of Cash Flows, (v) Interim Consolidated Statements of Stockholders' Equity, and (vi) Notes to Interim Consolidated Financial Statements				
104	The cover page from our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL and contained in Exhibit 101				

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

Date: August 6, 2026

/s/ Matthew E. Avril

Matthew E. Avril
Chief Executive Officer

/s/ Jason P. Marino

Jason P. Marino
Executive Vice President and Chief Financial Officer

MARRIOTT VACATIONS WORLDWIDE CORPORATION
CHANGE IN CONTROL SEVERANCE PLAN

Originally Effective January 27, 2012

As Amended and Restated Effective May 14, 2026

THIS MARRIOTT VACATIONS WORLDWIDE CORPORATION CHANGE IN CONTROL SEVERANCE PLAN, adopted by Marriott Vacations Worldwide Corporation, a Delaware corporation, is hereby established to provide for the payment of severance benefits to certain of its key Executives in the event of certain terminations of employment following a Change in Control (as defined herein). The primary purposes of the Plan are to (i) motivate executives to drive business success independent of the possible occurrence of a Change in Control and reduce distractions associated with a potential Change in Control, and (ii) maximize stockholder value by retaining key Executives through the closing of a Change in Control.

Section 1. Definitions. Unless the context clearly indicates otherwise, when used in this Plan:

(a) "Affiliate" means, with respect to any entity, any other corporation, organization, association, partnership, sole proprietorship or other type of entity, whether incorporated or unincorporated, directly or indirectly controlling or controlled by or under direct or indirect common control with such entity.

(b) "Base Salary" means Executive's annual rate of base salary in effect on the date of Executive's Termination of Employment (or, if higher, on the date of the Change in Control), determined in each case prior to (i) reduction for any employee-elected salary reduction contributions made to an Employer-sponsored non-qualified deferred compensation plan or an Employer-sponsored plan pursuant to Section 401(k) or 125 of the Code, and excluding bonuses, overtime, allowances, commissions, deferred compensation payments and any other extraordinary remuneration, and (ii) any reduction that is a basis for Executive's termination for Good Reason.

(c) "Beneficial Owner" has the meaning ascribed to such term in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

(d) "Board" means the board of directors of the Company.

(e) "Cause" means (i) Executive's conviction of a felony; (ii) an act by Executive which constitutes willful or gross misconduct and which is demonstrably and materially injurious to the Company; or (iii) continued substantial willful violations by Executive of Executive's employment duties after there has been delivered to Executive a written demand for performance from the Company which specifically sets forth the factual basis for the Company's belief that Executive has not substantially performed his or her duties.

(f) "Change in Control" means, and shall be deemed to have occurred if:

(1) Any Person directly or indirectly becomes the Beneficial Owner of more than thirty percent (30%) of the Company's then outstanding voting securities (measured on the basis of voting power), provided that the Person (i) has not acquired such voting securities directly from the Company, (ii) is not the Company or any of its Subsidiaries, (iii) is not a trustee or other fiduciary holding voting securities under an employee benefit plan of the Company or any of its Subsidiaries, (iv) is not an underwriter temporarily holding the voting securities in connection with an offering thereof, and (v) is not a corporation that, immediately following such transaction, is owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Company stock immediately prior to such transaction; or

(2) The Company merges or consolidates with any other corporation, other than a merger or consolidation resulting in the voting securities of the Company outstanding immediately prior to such merger or consolidation representing fifty percent (50%) or more of the combined voting power of the voting securities of the Company, the other corporation (if such corporation is the surviving corporation) or the parent of the Company or other corporation, in each case outstanding immediately after such merger or consolidation; or

(3) Continuing Directors cease to represent a majority of the Board, where "Continuing Directors" shall mean the directors of the Board immediately after the date this Plan is adopted, and any other director whose appointment, election or nomination for election by the stockholders is approved by at least a majority of the Continuing Directors at such time; or

(4) The stockholders of the Company approve a plan of complete liquidation of the Company or the Company sells or disposes of all or substantially all of its assets.

(g) "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(h) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a specific provision of the Code includes any successor provision thereto, and the regulations promulgated thereunder.

(i) "Committee" means the committee designated pursuant to Section 6 to administer this Plan.

(j) "Company" means Marriott Vacations Worldwide Corporation, a Delaware corporation and, after a Change in Control, any successor or successors thereto.

(k) "Employer" means the Company, each of its direct and indirect wholly-owned subsidiaries, and any other Affiliate of the Company that adopts this Plan with the consent of the Board.

(l) "Exchange Act" means the Securities Exchange Act of 1934, as amended. Any reference to a specific provision of the Exchange Act includes any successor provision thereto, and the regulations promulgated thereunder.

(m) "Executive" means an individual who (i) is employed by the Employer in a position specified on Exhibit A as of the day before the day a Change in Control occurs, (ii) has been designated by the Committee to participate in the Plan, and (iii) has executed a Participation Agreement.

(n) "Good Reason" means any of the following actions upon or after a Change in Control, without Executive's express prior written approval, other than due to Executive's Total Disability or death: (i) a substantial change in Executive's status, title, position or responsibilities from Executive's status, title, position or responsibilities as in effect immediately prior to the Change in Control, other than in connection with the Termination of Executive's employment for Cause; (ii) a material reduction in Executive's Base Salary or any failure to pay Executive any compensation or benefits to which Executive is entitled within five days of the date due; (iii) a material reduction in Executive's annual cash bonus opportunity or the grant date value of equity-type incentive opportunity; (iv) a change in the Executive's principal place of employment that increases the Executive's one-way commute by more than 50 miles compared to the Executive's principal place of employment immediately prior to the Change in Control, except for reasonably required travel on the business of the Company or an Affiliate which is not materially greater than such travel requirements in effect immediately prior thereto; (v) the failure by the Employer to continue in effect employee benefits for Executive no less favorable in the aggregate as in effect immediately prior to the Change in Control; or (vi) the failure of the Company to obtain an agreement from any successors and assigns to assume and agree to perform the obligations created under this Plan. With respect to (i) through (vi) above, Good Reason shall not be deemed to have occurred unless Executive shall have notified the Employer in writing of his or her intent to resign for Good Reason within sixty (60) days following the Executive's knowledge of the first occurrence of the event constituting Good Reason and the Employer shall not have cured the grounds for Good Reason within thirty (30) days following the provision of such notice.

(o) "Participation Agreement" means a written agreement between the Company and an Executive providing for Executive's participation in this Plan.

(p) "Person" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

(q) "Plan" means this Marriott Vacations Worldwide Corporation Change in Control Severance Plan as in effect from time to time.

(r) "Release" means a waiver and release, in a form to be prepared by the Company substantially in the form attached hereto as Exhibit B, but as amended from time to time, to be signed by an Executive.

(s) "Subsidiary" means any corporation, partnership, joint venture, trust or other entity in which the Company has a controlling interest as defined in Treasury Regulation Section 1.414(c)-2(b)(2), except that the threshold interest shall be "more than fifty percent (50%)" instead of "at least eighty percent (80%)."

(t) "Target Bonus" means the greater of (i) Executive's annual cash target bonus in effect immediately prior to the date a Change in Control occurs, or (ii) Executive's annual cash target bonus in effect as of the date his or her employment Terminates, in either case assuming full attainment of companywide milestones at target levels.

(u) "Terminate" or "Termination of Employment" means Executive's "separation from service" from the Company, as determined pursuant to Section 409A of the Code.

(v) "Total Disability" means that the Executive is, by reason of any medical determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of six (6) months under an accident and health plan sponsored by the Employer or an Affiliate thereof.

Section 2. Payments Upon Termination.

(a) Accrued Benefits. Upon any Termination occurring on or within two years following a Change in Control, Executive shall receive (i) any unpaid Base Salary through the date of such Executive's Termination, (ii) unless the Termination is for Cause, any bonus unpaid as of the date of such Executive's Termination for any previously completed fiscal year of the Company, and (iii) unless the Termination is for Cause, a pro rata bonus for the fiscal year of the Company in which such Executive's Termination occurs, determined by multiplying the Executive's Target Bonus for such fiscal year by a fraction, the numerator of which is the number of days from the beginning of such fiscal year to the date of the Termination, and the denominator of which is 365. In addition, Executive shall be entitled to prompt reimbursement of any unreimbursed expenses properly incurred by such Executive in accordance with Company policies prior to the date of such Executive's Termination. Executive shall also receive such other compensation (including any stock options or other equity-related payments) and benefits, if any, to which such Executive may be entitled from time to time pursuant to the terms and conditions of the employee compensation, incentive, equity, benefit or fringe benefit plans, policies, or programs of the Company, other than any Company severance policy.

(b) Severance Benefits. If (i) Executive's employment with his or her Employer (x) is involuntarily Terminated by the Employer within two years following a Change in Control, other than due to Cause, Total Disability or death, or (y) is Terminated by Executive for Good Reason within two years following a Change in Control, and (ii) Executive executes a Release at the time and in the manner prescribed by the Company (but in no event later than forty-five (45) days following Executive's

Termination of Employment), and does not revoke such Release, Executive shall be entitled to the following:

(1) Cash Severance Pay. Executive shall receive a lump sum cash payment equal to two (2) times (three (3) times for the Chief Executive Officer or the President of the Company as of the date the Change in Control occurs) the sum of Executive's (i) Base Salary and (ii) Target Bonus.

(2) Payment for Value of Benefits Continuation. Executive shall receive a lump sum cash payment equal to the product of (i) the aggregate monthly premiums (both employee and Employer portions) for the Employer-provided medical, dental, and life insurance coverages that Executive was enrolled in prior to the date of the Change in Control or prior to the date of Executive's Termination, whichever amount is greater, and (ii) twenty-four (thirty-six for the Chief Executive Officer of the Company as of the date the Change in Control occurs).

Section 3. Form and Time of Payment; Non-Duplication of Benefits.

(a) Form and Time of Payment. The accrued benefits payable to an Executive by his or her Employer under Section 2(a) shall be paid to such Executive in a single lump sum less applicable withholdings no later than 15 business days after Executive's date of Termination. Subject to Section 13, the cash payments payable to an Executive by his or her Employer under Section 2(b) shall be paid no later than (i) 15 business days after Executive's date of Termination or (ii) the expiration of the revocation period, if applicable, under the Release, which Release must be executed within 45 days following the date of Termination, whichever is later.

(b) Non-Duplication of Benefits. The severance benefits provided pursuant to Section 2(b) hereof are in lieu of, and not in addition to, any severance benefits payable to the Executive under any other plan, program, or arrangement of the Company, the Employer, or any of their Affiliates. However, such benefits shall not be deemed to be in lieu of any equity-related vesting or payments and payments under any tax-qualified or nonqualified retirement plan, or any other type of benefit not specifically provided for in Section 2(b).

Section 4. Tax Withholding. The Employer shall withhold from any amount payable to an Executive pursuant to this Plan, and shall remit to the appropriate governmental authority, any income, employment or other tax the Employer is required by applicable law to so withhold from and remit on behalf of such Executive.

Section 5. Section 280G.

(a) In the event the Employer reasonably determines, based upon the advice of one or more registered public accounting, legal valuation or similar firm(s) (as selected by the Employer the cost of which shall be borne by the Employer) that any consideration, compensation or benefits to be paid to Executive under this Plan, singularly or together with any consideration, compensation or benefits to be paid to Executive under any other plan, arrangement or agreement in connection with a Change in Control (collectively, the "Total Payments"), would be subject to the tax imposed by Code Section 4999 (the "Excise Tax"), then the Total Payments shall be delivered either (i) in full or (ii) in an amount such that the value of the aggregate Total Payments that Executive is entitled to receive shall be one dollar ($1.00) less than the maximum amount that the Executive may receive without being subject to the Excise Tax whichever of (i) or (ii) results in the receipt by Executive of the greatest benefit on an after-tax basis (taking into account applicable federal, state and local income taxes and the Excise Tax).

(b) If the determination made pursuant to clause (a) of this Section 5 results in the Total Payments being delivered in an amount equal to the reduced amount described in clause (ii) of Section 5(a), the amounts payable or benefits to be provided to Executive shall be reduced so as to give effect to clause (ii) of Section 5(a). In applying this principle, the reduction shall be made by applying the following principles, in order: (i) the payment or benefit with the higher ratio of the value of such payment or benefit for purposes of Section 280G of the Code to present economic value (determined using reasonable actuarial assumptions) shall be reduced or eliminated before a payment or benefit with a lower ratio; (ii) the payment or benefit with the later possible payment date shall be reduced or eliminated before a payment or benefit with an earlier payment date; and (iii) cash payments shall be reduced prior to non-cash benefits; provided that if the foregoing order of reduction or elimination would violate Section 409A of the Code, then the reduction shall be made pro rata among the payments or benefits included in the Total Payments (on the basis of the relative present value of such payments or benefits).

(c) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Employer which should not have been made under clause (a) of this Section 5 ("Overpayment") or that additional payments which are not made by the Employer pursuant to clause (a) of this Section 5 should have been made ("Underpayment"). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be repaid by Executive to the Employer together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code. In the event that there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Plan, any such Underpayment shall be promptly paid by the Employer to or for the benefit of Executive, together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code.

Section 6. Plan Administration. This Plan shall be administered by the Compensation Policy Committee of the Board. The Committee shall have the authority to interpret and implement the provisions of this Plan and to determine eligibility for benefits under the Plan, provided that any such action shall be taken in good faith. The Committee shall perform all of the duties and exercise all of the powers and discretion that the Committee deems necessary or appropriate for the proper administration of this Plan. Every interpretation, choice, determination or other exercise by the Committee in good faith of any power or discretion given either expressly or by implication to it shall be conclusive and binding upon all parties having or claiming to have an interest under this Plan or otherwise directly or indirectly affected by such action, without restriction, however, upon the right of the Committee to reconsider or redetermine such action. The Committee may adopt such rules and regulations for the administration of this Plan as are consistent with the terms hereof, and shall keep adequate records of its proceedings and acts. The Committee may employ such agents, accountants and legal counsel (who may be agents, accountants and legal counsel for an Employer) as may be appropriate for the administration of the Plan. All reasonable administration expenses incurred by the Committee in connection with the administration of the Plan shall be paid by the Employer.

Section 7. Claims Procedure. If any person (hereinafter called the "Claimant") feels he or she is being denied a benefit to which he or she is entitled under this Plan, such Claimant may file a written claim for said benefit with the Chair of the Committee. Within 60 days of the receipt of such claim the Committee shall determine and notify the Claimant as to whether he or she is entitled to such benefit. Such notification shall be in writing and, if denying the claim for benefit, shall set forth the specific reason or reasons for the denial, make specific reference to the pertinent Plan provisions, and advise the Claimant that he or she may, within 60 days of the receipt of such notice, request in writing to appear before the Committee or its designated representative for a hearing to review such denial. Any such hearing shall be scheduled at the mutual convenience of the Committee or its designated representative and the Claimant, and at such hearing the Claimant and/or his or her duly authorized representative may examine any relevant documents and present evidence and arguments to support the granting of the benefit being claimed. The final decision of the Committee with respect to the claim being reviewed shall be made within 60 days following the hearing thereon, and the Committee shall in writing notify the Claimant of its final decision, again specifying the reasons therefor and the pertinent Plan provisions upon which such decision is based and all other information required by ERISA. The final decision of the Committee, if made in good faith, shall be conclusive and binding upon all parties having or claiming to have an interest in the matter being reviewed. A Claimant who substantially prevails on a claim brought pursuant to this Section 7 shall be entitled to reasonable attorney's fees and expenses reasonably incurred in presenting the claim.

Section 8. Clawback; Recoupment. Notwithstanding anything in this Plan or any agreement entered into in connection herewith to the contrary, any severance benefits or other amounts paid or payable to an Executive pursuant to this Plan shall be subject to recovery, forfeiture or recoupment to the extent required by the Company's NYSE Clawback Policy, the Company's Other Conduct Clawback Policy, or any successor or replacement policies thereto, as each may be amended from time to time, including as adopted to comply with applicable law, regulation or stock exchange listing standards. To the extent required pursuant to any such policy, the Executive shall be required to promptly repay or forfeit such amounts to the Company.

Section 9. Plan Amendment and Termination. The Company shall have the right and power at any time and from time to time to amend this Plan, in whole or in part, by written document executed by its duly authorized representative and at any time to terminate this Plan; provided, however, that no such amendment or termination shall be permitted after a definitive agreement that would effect a Change in Control has been entered into by the Company (or, if there is no such agreement, after the Change in Control occurs), other than amendments that do not adversely affect the rights of the Executives under the Plan. The Plan shall automatically terminate (other than with respect to benefits owed to Executives who previously experienced a Termination) two years and one day after the occurrence of the first Change in Control following the adoption of this Plan.

Section 10. Nature of Plan and Rights. This Plan is an unfunded employee welfare benefit plan and no provision of this Plan shall be deemed or construed to create a trust fund of any kind or to grant a property interest of any kind to any Executive or former Executive. Any payment which becomes due under this Plan to an Executive shall be made by his or her Employer out of its general assets, and the right of any Executive to receive a payment hereunder from his or her Employer shall be no greater than the right of any unsecured general creditor of such Employer.

Section 11. Entire Agreement; No Employment Contract.

(a) This Plan constitutes the entire agreement between the parties and, except as expressly provided herein, supersedes the provisions of all other prior agreements expressly concerning the effect of a Termination of Employment in connection with or following a Change in Control on the relationship between the Company and its Affiliates and Executive (but, not, for the avoidance of doubt, any equity-related plan or agreement or any tax-qualified or nonqualified retirement plan).

(b) This Plan does not constitute an employment contract and, except as expressly provided herein, this Plan shall not interfere in any way with the right of the Company to reduce Executive’s compensation or other benefits or terminate Executive’s employment, with or without Cause.

Section 12. Notices. Notices and all other communications provided for in this Plan shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, or by overnight carrier to the parties at the addresses set forth below (or such other addresses as specified by the parties by like notice):

If to the Company or the Committee:

Marriott Vacations Worldwide Corporation
7812 Palm Parkway
Orlando, Florida 32836
Attn: Human Resources Department

With a copy to:

Marriott Vacations Worldwide Corporation
7812 Palm Parkway
Orlando, Florida 32836
Attn: Law Department

If to Executive, at Executive's most recent home address on file in the Company's employment records.

Section 13. Section 409A. The payments and benefits hereunder are intended to be excluded from coverage under Section 409A of the Code as "short-term deferrals" or pursuant to another exception under Section 409A of the Code, and the Plan shall be interpreted accordingly. Notwithstanding the foregoing, if the Company reasonably determines that some or all of the payments and benefits provided by Section 2(b) are not exempt from Section 409A of the Code, and if the Executive is a "specified employee" within the meaning of Section 409A of the Code at the time of the Executive's Termination, then to the extent necessary to comply with Section 409A of the Code, such payments or benefits will not be paid or provided until the first day of the seventh month following the month of the Executive's Termination (or if earlier, promptly following the Executive's death).

Section 14. Spendthrift Provision. No right or interest of an Executive under this Plan may be assigned, transferred or alienated, in whole or in part, either directly or by operation of law, and no such right or interest shall be liable for or subject to any debt, obligation or liability of such Executive.

Section 15. Applicable Law. Except to the extent preempted by federal law, this Plan shall be governed and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws.

Acknowledgment of Plan Participant

By signing below, I acknowledge that I have read, understand, and agree to abide by, and be bound by, all of the terms and conditions contained herein.

____

Printed Name of Plan Participant

____

Signature of Plan Participant

____

Date of Signature of Plan Participant

EXHIBIT A

POSITIONS COVERED BY THE PLAN

Members of the Company’s Executive Leadership Team
Senior Vice President, Chief Accounting Officer and Corporate Controller

EXHIBIT B

SAMPLE WAIVER AND RELEASE

For and in consideration of the payments and other benefits due to ______________(“Executive”) pursuant to the Marriott Vacations Worldwide Corporation Change in Control Severance Plan (the “Plan”), and for other good and valuable consideration, Executive hereby agrees, for Executive, Executive’s spouse and child or children (if any), Executive’s heirs, beneficiaries, devisees, executors, administrators, attorneys, personal representatives, successors and assigns, to forever waive and release all known and unknown claims and causes of action, arising on or before the date of Executive's execution of this Waiver and Release, against Marriott Vacations Worldwide Corporation (the “Company”) or any of its divisions, affiliates, subsidiaries, parents, branches, predecessors, successors, assigns, and with respect to such entities, their officers, directors, trustees, employees, agents, stockholders, administrators, general or limited partners, representatives, attorneys, insurers and fiduciaries, past, present and future (the “Released Parties”), including, but not limited to, all such claims and causes of action which in any way pertain to Executive’s employment with and/or termination of employment from the Company, all allegations of employment discrimination, harassment, retaliation, and whistleblower retaliation, and/or all other occurrences whatsoever, including but not limited to the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e et. seq., the Fair Labor Standards Act, as amended, 29 U.S.C. Section 201 et seq., the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Reconstruction Era Civil Rights Act, as amended, 42 U.S.C. Section 1981 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Family and Medical Leave Act of 1993, 29 U.S.C. Section 2601 et seq., the Employee Retirement Income Security Act, 29 U.S.C. 1001 et seq., the Genetic Information Non-Discrimination Act, 42 U.S.C. Section 2000ff et seq., the False Claims Act, 31 U.S.C Section 3729 et seq.; and any and all state or local laws regarding employment discrimination, harassment, retaliation, and whistleblower retaliation and/or federal, state or local laws and common laws of any type or description regarding employment, including but not limited to any claims arising from or derivative of Executive’s employment with the Company and its Affiliates, as well as any and all such claims under state contract, tort, or common law.

Executive also hereby agrees to comply with all reasonable requests from the Company or the Released Parties for assistance and/or information in connection with any matters relating to the duties and responsibilities of Executive's employment, including without limitation, consulting with any employees in connection with the transition of ongoing matters; consulting with attorneys of the Company or any Released Parties; appearing as a witness in connection with any dispute, controversy, action, or proceeding of any kind; and making himself/herself available to attorneys of the Company or any Released Parties in advance of witness appearances for purposes of preparation upon the request of the Company or the Released Parties and with reasonable advance notification without the need for a subpoena. In connection with any of Executive’s cooperation efforts, Executive shall be entitled to receive reimbursement of actual and proven lost wages and reasonable travel and other out-of-pocket expenses, provided that those expenses are submitted pursuant to and are in conformance with the Company's then-applicable policy relating to expense reimbursement

Executive has read this Waiver and Release carefully, acknowledges that Executive has been given at least forty-five (45) days to consider all of its terms and has been advised to consult with an attorney and any other advisors of Executive's choice prior to executing this Waiver and Release, and Executive fully understands that by signing below Executive is voluntarily giving up any right which Executive may have to sue or bring any other claims against the Released Parties, including any rights and claims under the Age Discrimination in Employment Act. Executive also understands that Executive has a period of seven (7) days after signing this Waiver and Release within which to revoke his or her agreement, and that neither the Company nor any other person is obligated to make any payments or provide any other benefits to Executive pursuant to the Plan until eight (8) days have passed since Executive's signing of this Waiver and Release without Executive's signature having been revoked other than any accrued obligations or other benefits payable pursuant to the terms of the Company's normal payroll practices or employee benefit plans. Finally, Executive has not been forced or pressured in any manner whatsoever to sign this Waiver and Release, and Executive agrees to all of its terms voluntarily.

Notwithstanding anything else herein to the contrary, this Waiver and Release shall not affect: (i) the Company's obligations under any compensation or employee benefit plan, program or arrangement (including, without limitation, obligations to Executive under any stock option, stock award or agreements or obligations under any pension, deferred compensation or retention plan) provided by the Affiliated Entities where Executive's compensation or benefits are intended to continue or Executive is to be provided with compensation or benefits, in accordance with the express written terms of such plan, program or arrangement, beyond the date of Executive's termination; or (ii) rights to indemnification or liability insurance coverage Executive may have under the by-laws of the Company or applicable law.

In addition, excluded from this Waiver and Release are any claims which by law cannot be waived, including but not limited to the right to file a charge with or participate in an investigation by the Equal Employment Opportunity Commission ("EEOC"). Executive does, however, hereby waive all rights to recover any money, benefits or reinstatement should the EEOC or any other agency or individual pursue any claims on Executive's behalf.

This Waiver and Release is final and binding and may not be changed or modified except in a writing signed by both parties.

______________________	______________________
Date	Executive
______________________	______________________
Date	CEO Marriott Vacations Worldwide Corporation

Exhibit 31.1

Certification by Chief Executive Officer
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Matthew E. Avril, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Marriott Vacations Worldwide Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2026

/s/ Matthew E. Avril

Matthew E. Avril
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification by Chief Financial Officer
Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934

I, Jason P. Marino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Marriott Vacations Worldwide Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2026

/s/ Jason P. Marino

Jason P. Marino
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification by Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Matthew E. Avril, Chief Executive Officer of Marriott Vacations Worldwide Corporation (the “Company”) certify that:

1. the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2026 (the “Quarterly Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2026

/s/ Matthew E. Avril

Matthew E. Avril
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certification by Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Jason P. Marino, Executive Vice President and Chief Financial Officer of Marriott Vacations Worldwide Corporation (the “Company”) certify that:

1. the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2026 (the “Quarterly Report”), fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2026

/s/ Jason P. Marino

Jason P. Marino
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)