

**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 September 30, 2025

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

(State or other jurisdiction of  
incorporation or organization)

7812 Palm Parkway Orlando FL  
(Address of principal executive offices)

45-2598330

(I.R.S. Employer  
Identification No.)

32836  
(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 October 31, 2025 was 34,613,991.

**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		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>REVENUES</b>				
Sale of vacation ownership products	\$ 358	\$ 387	\$ 1,083	\$ 1,048
Management and exchange	214	207	648	633
Rental	150	151	479	462
Financing	90	87	268	255
Cost reimbursements	451	473	1,231	1,242
<b>TOTAL REVENUES</b>	<b>1,263</b>	<b>1,305</b>	<b>3,709</b>	<b>3,640</b>
<b>EXPENSES</b>				
Cost of vacation ownership products	52	54	135	145
Marketing and sales	234	228	705	677
Management and exchange	118	123	356	358
Rental	129	113	377	331
Financing	38	37	111	106
General and administrative	53	61	175	178
Depreciation and amortization	38	36	114	109
Litigation charges	4	3	16	16
Modernization	53	—	97	—
Restructuring	—	1	2	4
Royalty fee	29	28	85	85
Impairment	31	—	31	2
Cost reimbursements	451	473	1,231	1,242
<b>TOTAL EXPENSES</b>	<b>1,230</b>	<b>1,157</b>	<b>3,435</b>	<b>3,253</b>
Gains and other income, net	11	9	48	2
Interest expense, net	(43)	(40)	(125)	(123)
Transaction and integration costs	—	—	—	(18)
Other	—	1	—	(1)
<b>INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS</b>	<b>1</b>	<b>118</b>	<b>197</b>	<b>247</b>
Provision for income taxes	(3)	(34)	(73)	(79)
<b>NET (LOSS) INCOME</b>	<b>(2)</b>	<b>84</b>	<b>124</b>	<b>168</b>
Net income attributable to noncontrolling interests	—	—	(1)	—
<b>NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ (2)</b>	<b>\$ 84</b>	<b>\$ 123</b>	<b>\$ 168</b>
<b>(LOSS) EARNINGS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>				
Basic	\$ (0.07)	\$ 2.38	\$ 3.52	\$ 4.74
Diluted	\$ (0.07)	\$ 2.12	\$ 3.27	\$ 4.31
<b>CASH DIVIDENDS DECLARED PER SHARE</b>	<b>\$ 0.79</b>	<b>\$ 0.76</b>	<b>\$ 2.37</b>	<b>\$ 2.28</b>

See Interim Condensed Notes to Consolidated Financial Statements

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

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30, 2025</u>	<u>September 30, 2024</u>	<u>September 30, 2025</u>	<u>September 30, 2024</u>
<b>NET (LOSS) INCOME</b>	\$ (2)	\$ 84	\$ 124	\$ 168
Foreign currency translation adjustments	1	(12)	(6)	(24)
Derivative instrument adjustment, net of tax	(1)	—	—	(3)
<b>OTHER COMPREHENSIVE LOSS, NET OF TAX</b>	<u>—</u>	<u>(12)</u>	<u>(6)</u>	<u>(27)</u>
Net income attributable to noncontrolling interests	—	—	(1)	—
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>	<u>—</u>	<u>—</u>	<u>(1)</u>	<u>—</u>
<b>COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<u>\$ (2)</u>	<u>\$ 72</u>	<u>\$ 117</u>	<u>\$ 141</u>

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 September 30, 2025	December 31, 2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ 474	\$ 197
Restricted cash (including \$88 and \$82 from VIEs, respectively)	259	331
Accounts and contracts receivable, net (including \$15 and \$16 from VIEs, respectively)	402	387
Vacation ownership notes receivable, net (including \$1,896 and \$1,917 from VIEs, respectively)	2,522	2,440
Inventory	727	735
Property and equipment, net	1,325	1,170
Goodwill	3,117	3,117
Intangibles, net	747	790
Other (including \$160 and \$131 from VIEs, respectively)	576	641
<b>TOTAL ASSETS</b>	<b>\$ 10,149</b>	<b>\$ 9,808</b>
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$ 250	\$ 343
Advance deposits	166	162
Accrued liabilities (including \$4 and \$4 from VIEs, respectively)	374	384
Deferred revenue	344	354
Payroll and benefits liability	203	220
Deferred compensation liability	217	195
Securitized debt, net (including \$2,132 and \$2,163 from VIEs, respectively)	2,107	2,136
Debt, net	3,533	3,089
Other	133	139
Deferred taxes	357	345
<b>TOTAL LIABILITIES</b>	<b>7,684</b>	<b>7,367</b>
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; 75,891,531 and 75,852,678 shares issued, respectively	1	1
Treasury stock — at cost; 41,277,540 and 40,974,753 shares, respectively	(2,403)	(2,378)
Additional paid-in capital	3,988	3,975
Accumulated other comprehensive loss	(14)	(8)
Retained earnings	893	852
<b>TOTAL MVW STOCKHOLDERS' EQUITY</b>	<b>2,465</b>	<b>2,442</b>
Noncontrolling interests	—	(1)
<b>TOTAL EQUITY</b>	<b>2,465</b>	<b>2,441</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 10,149</b>	<b>\$ 9,808</b>

*The abbreviation VIEs above means Variable Interest Entities.*

See Interim Condensed Notes to Financial Statements

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

	Nine Months Ended	
	September 30, 2025	September 30, 2024
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 124	\$ 168
Adjustments to reconcile net income to net cash, cash equivalents and restricted cash provided by operating activities:		
Depreciation and amortization of intangibles	114	109
Amortization of debt discount and issuance costs	18	20
Vacation ownership notes and contracts receivable reserve	165	223
Share-based compensation	28	24
Impairment charges	31	2
Foreign currency remeasurement (gain) loss	(20)	2
Deferred income taxes	15	79
Net change in assets and liabilities:		
Accounts and contracts receivable	(13)	32
Vacation ownership notes receivable originations	(766)	(738)
Vacation ownership notes receivable collections	519	470
Inventory	22	(51)
Other assets	27	(2)
Accounts payable, advance deposits and accrued liabilities	(72)	(84)
Deferred revenue	(12)	(32)
Payroll and benefit liabilities	(19)	(2)
Deferred compensation liability	3	6
Other liabilities	(6)	(123)
Purchase and development of property for future transfer to inventory	(134)	—
Other, net	(2)	2
Net cash, cash equivalents and restricted cash provided by operating activities	22	105
<b>INVESTING ACTIVITIES</b>		
Capital expenditures for property and equipment (excluding inventory)	(45)	(43)
Purchase of company owned life insurance	(14)	(13)
Purchase and development of property for future sale	—	(50)
Other, net	2	—
Net cash, cash equivalents and restricted cash used in investing activities	(57)	(106)

Continued

See Interim Condensed Notes to Consolidated Financial Statements

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

	<b>Nine Months Ended</b>	
	<b>September 30, 2025</b>	<b>September 30, 2024</b>
<b>FINANCING ACTIVITIES</b>		
Borrowings from securitization transactions	927	1,200
Repayment of debt related to securitization transactions	(958)	(1,045)
Proceeds from debt	1,740	1,675
Repayments of debt	(1,296)	(1,695)
Finance lease payment	(5)	(4)
Payment of debt and securitized debt issuance costs	(20)	(25)
Repurchase of common stock	(36)	(45)
Payment of dividends	(110)	(81)
Payment of withholding taxes on vesting of restricted stock units	(6)	(6)
Net cash, cash equivalents and restricted cash provided by (used in) financing activities	<u>236</u>	<u>(26)</u>
Effect of changes in exchange rates on cash, cash equivalents and restricted cash	4	—
Change in cash, cash equivalents and restricted cash	205	(27)
Cash, cash equivalents and restricted cash, beginning of period	528	574
Cash, cash equivalents and restricted cash, end of period	<u>\$ 733</u>	<u>\$ 547</u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Non-cash issuance of treasury stock for employee stock purchase plan	\$ 5	\$ 4
Non-cash transfer from inventory to property and equipment	8	13
Non-cash transfer from property and equipment to inventory	10	92
Non-cash transfer from other assets to property and equipment	59	—
Non-cash transfer from property and equipment to other assets	—	52
Right-of-use asset obtained in exchange for finance lease obligation	5	14
Dividends payable	\$ —	\$ 27
Interest paid, net of amounts capitalized	176	179
Income taxes paid, net of refunds	117	122

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	<b>BALANCE AT DECEMBER 31, 2024</b>	\$ 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	<b>BALANCE AT MARCH 31, 2025</b>	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	<b>BALANCE AT JUNE 30, 2025</b>	1	(2,404)	3,979	(14)	922	2,484	—	2,484
—	Net loss	—	—	—	—	(2)	(2)	—	(2)
—	Foreign currency translation adjustments	—	—	—	1	—	1	—	1
—	Derivative instrument adjustment	—	—	—	(1)	—	(1)	—	(1)
—	Share-based compensation plans	—	1	9	—	—	10	—	10
—	Dividends	—	—	—	—	(27)	(27)	—	(27)
75.9	<b>BALANCE AT SEPTEMBER 30, 2025</b>	\$ 1	\$ (2,403)	\$ 3,988	\$ (14)	\$ 893	\$ 2,465	\$ —	\$ 2,465

See Interim Condensed Notes to Consolidated Financial Statements

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

Common Stock Issued		Common Stock	Treasury Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total MVW Stockholders' Equity	Noncontrolling Interests	Total Equity
75.8	<b>BALANCE AT DECEMBER 31, 2023</b>	\$ 1	\$ (2,332)	\$ 3,955	\$ 16	\$ 742	\$ 2,382	\$ —	\$ 2,382
—	Net income (loss)	—	—	—	—	47	47	(1)	46
—	Foreign currency translation adjustments	—	—	—	1	—	1	—	1
—	Derivative instrument adjustment	—	—	—	(2)	—	(2)	—	(2)
—	Share-based compensation plans	—	5	(4)	—	—	1	—	1
—	Repurchase of common stock	—	(24)	—	—	—	(24)	—	(24)
—	Dividends	—	—	—	—	(26)	(26)	—	(26)
75.8	<b>BALANCE AT MARCH 31, 2024</b>	1	(2,351)	3,951	15	763	2,379	(1)	2,378
—	Net income	—	—	—	—	37	37	1	38
—	Foreign currency translation adjustments	—	—	—	(13)	—	(13)	—	(13)
—	Derivative instrument adjustment	—	—	—	(1)	—	(1)	—	(1)
—	Share-based compensation plans	—	1	8	—	—	9	—	9
—	Repurchase of common stock	—	(12)	—	—	—	(12)	—	(12)
—	Dividends	—	—	—	—	(27)	(27)	—	(27)
75.8	<b>BALANCE AT JUNE 30, 2024</b>	1	(2,362)	3,959	1	773	2,372	—	2,372
—	Net income	—	—	—	—	84	84	—	84
—	Foreign currency translation adjustments	—	—	—	(12)	—	(12)	—	(12)
—	Share-based compensation plans	—	1	10	—	—	11	—	11
—	Repurchase of common stock	—	(9)	—	—	—	(9)	—	(9)
—	Dividends	—	—	—	—	(27)	(27)	—	(27)
75.8	<b>BALANCE AT SEPTEMBER 30, 2024</b>	\$ 1	\$ (2,370)	\$ 3,969	\$ (11)	\$ 830	\$ 2,419	\$ —	\$ 2,419

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, 2024 (the “2024 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 2024 Annual Report.

We refer to the business and brands that we acquired in the acquisition of ILG, LLC, formerly known as ILG, Inc. (“ILG”), in 2018 (the “ILG Acquisition”) as “Legacy-ILG.” We refer to the business we conducted prior to the ILG Acquisition and the associated brands as “Legacy-MVW.” We refer to the business and brand that we acquired in the acquisition of Welk Hospitality Group, Inc. (“Welk”) in 2021 (the “Welk Acquisition”) as “Legacy-Welk.” During 2023, we rebranded all Legacy-Welk resorts as Hyatt Vacation Club resorts. Additionally, we use the term “Marriott Vacation Ownership” to refer to our Marriott, Sheraton, and Westin branded businesses and the term “Hyatt Vacation Ownership” to refer to our Hyatt branded business.

We have reclassified certain prior year amounts to conform with our current year presentation, and during the third quarter of 2025, we reclassified \$1 million of certain prior year amounts related to ongoing litigation from General and administrative expense to Litigation charges in order to conform with our current year presentation.

## 2. SIGNIFICANT ACCOUNTING POLICIES AND RECENT ACCOUNTING STANDARDS

### *Future Adoption of Accounting Standards*

Accounting Standards Update 2023-09 – *“Income Taxes (Topic 740): Improvements to Income Tax Disclosures”* (“ASU 2023-09”)

In December 2023, the Financial Accounting Standards Board (“FASB”) issued accounting standards update (“ASU”) 2023-09, which is intended to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 primarily enhances and expands both the annual income tax rate reconciliation disclosure and the annual income taxes paid disclosure. This update is effective for fiscal years beginning after December 15, 2024 and may be adopted on a prospective or retrospective basis, with early adoption permitted. We expect to begin providing the enhanced disclosures required by this update in our Annual Report on Form 10-K for the year ending December 31, 2025.

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 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 FASB issued 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. This update is effective for annual periods beginning after December 15, 2025, and interim periods within those annual reporting periods, with early adoption permitted for all entities that have adopted the amendments in ASU 2020-06. We adopted ASU 2020-06 on January 1, 2022 using the modified retrospective method. We are evaluating the impact that the adoption of ASU 2024-04 will have on our financial statements and related disclosures and expect to adopt this update on January 1, 2026.

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. This update is effective for fiscal years beginning after December 15, 2025, and interim periods within those annual reporting periods, and is to be adopted on a prospective basis, with early adoption permitted. We are evaluating the impact that the adoption of ASU 2025-05 will have on our financial statements and related disclosures and expect to adopt this update on January 1, 2026.

## 3. ACQUISITIONS

### *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 it in Property and equipment, net. We paid \$43 million in cash consideration 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.

### *Waikiki, Hawaii*

During the third quarter of 2025, we acquired 48 completed vacation ownership units located at our Marriott Vacation Club, Waikiki property for \$82 million. The transaction was accounted for as an asset acquisition with \$80 million of the purchase price allocated to Property and Equipment, net, representing the portion of vacation ownership units purchased that are not registered and available for sale in their current form, and the remaining \$2 million was allocated to Inventory. See Footnote 15 “Variable Interest Entities” for additional information about this transaction, including our remaining commitment related to this property, and our activities relating to the VIE involved in this transaction.

During the third quarter of 2024, we acquired 38 completed vacation ownership units located at our Marriott Vacation Club, Waikiki property for \$65 million. The transaction was accounted for as an asset acquisition with all of the purchase price allocated to Inventory, as all of the vacation ownership units were registered and available for sale in their current form.

Additionally, during the first quarter of 2024, we acquired retail space located at our Marriott Vacation Club, Waikiki property for \$48 million. The transaction was accounted for as an asset acquisition and the acquired property is included in Property and equipment, net on our Balance Sheet as of September 30, 2025.

#### 4. REVENUE AND RECEIVABLES

##### *Sources of Revenue by Segment*

	<b>Three Months Ended September 30, 2025</b>			
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Sale of vacation ownership products	\$ 358	\$ —	\$ —	\$ 358
Ancillary revenues	69	1	—	70
Management fee revenues	56	2	(1)	57
Exchange and other services revenues	33	40	14	87
Management and exchange	158	43	13	214
Rental	142	8	—	150
Cost reimbursements	462	2	(13)	451
Revenue from contracts with customers	1,120	53	—	1,173
Financing	90	—	—	90
Total Revenues	<u>\$ 1,210</u>	<u>\$ 53</u>	<u>\$ —</u>	<u>\$ 1,263</u>

	<b>Three Months Ended September 30, 2024</b>			
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Sale of vacation ownership products	\$ 387	\$ —	\$ —	\$ 387
Ancillary revenues	66	1	—	67
Management fee revenues	52	3	(1)	54
Exchange and other services revenues	34	40	12	86
Management and exchange	152	44	11	207
Rental	140	11	—	151
Cost reimbursements	484	1	(12)	473
Revenue from contracts with customers	1,163	56	(1)	1,218
Financing	87	—	—	87
Total Revenues	<u>\$ 1,250</u>	<u>\$ 56</u>	<u>\$ (1)</u>	<u>\$ 1,305</u>

<b>Nine Months Ended September 30, 2025</b>				
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Sale of vacation ownership products	\$ 1,083	\$ —	\$ —	\$ 1,083
Ancillary revenues	209	3	—	212
Management fee revenues	166	6	(2)	170
Exchange and other services revenues	103	121	42	266
Management and exchange	478	130	40	648
Rental	451	28	—	479
Cost reimbursements	1,253	6	(28)	1,231
Revenue from contracts with customers	3,265	164	12	3,441
Financing	268	—	—	268
Total Revenues	<u>\$ 3,533</u>	<u>\$ 164</u>	<u>\$ 12</u>	<u>\$ 3,709</u>

<b>Nine Months Ended September 30, 2024</b>				
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Sale of vacation ownership products	\$ 1,048	\$ —	\$ —	\$ 1,048
Ancillary revenues	203	3	—	206
Management fee revenues	155	10	(3)	162
Exchange and other services revenues	99	128	38	265
Management and exchange	457	141	35	633
Rental	430	32	—	462
Cost reimbursements	1,268	6	(32)	1,242
Revenue from contracts with customers	3,203	179	3	3,385
Financing	255	—	—	255
Total Revenues	<u>\$ 3,458</u>	<u>\$ 179</u>	<u>\$ 3</u>	<u>\$ 3,640</u>

**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.

<b>Three Months Ended September 30, 2025</b>				
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Services transferred over time	\$ 691	\$ 20	\$ —	\$ 711
Goods or services transferred at a point in time	429	33	—	462
Revenue from contracts with customers	<u>\$ 1,120</u>	<u>\$ 53</u>	<u>\$ —</u>	<u>\$ 1,173</u>

<b>Three Months Ended September 30, 2024</b>				
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Services transferred over time	\$ 707	\$ 21	\$ (1)	\$ 727
Goods or services transferred at a point in time	456	35	—	491
Revenue from contracts with customers	<u>\$ 1,163</u>	<u>\$ 56</u>	<u>\$ (1)</u>	<u>\$ 1,218</u>

	<b>Nine Months Ended September 30, 2025</b>			
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Services transferred over time	\$ 1,959	\$ 62	\$ 12	\$ 2,033
Goods or services transferred at a point in time	1,306	102	—	1,408
Revenue from contracts with customers	<u>\$ 3,265</u>	<u>\$ 164</u>	<u>\$ 12</u>	<u>\$ 3,441</u>

	<b>Nine Months Ended September 30, 2024</b>			
<i>(\$ in millions)</i>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate and Other</b>	<b>Total</b>
Services transferred over time	\$ 1,940	\$ 67	\$ 3	\$ 2,010
Goods or services transferred at a point in time	1,263	112	—	1,375
Revenue from contracts with customers	<u>\$ 3,203</u>	<u>\$ 179</u>	<u>\$ 3</u>	<u>\$ 3,385</u>

***Sale of Vacation Ownership Products***

Revenues were reduced during the third quarter and first three quarters of 2025 by \$2 million and \$8 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 September 30, 2025 or December 31, 2024.

<i>(\$ in millions)</i>	<b>At September 30, 2025</b>	<b>At December 31, 2024</b>
<b>Receivables from Contracts with Customers</b>		
Accounts and contracts receivable, net	\$ 220	\$ 250
Vacation ownership notes receivable, net	2,522	2,440
	<u>\$ 2,742</u>	<u>\$ 2,690</u>
<b>Contract Liabilities</b>		
Advance deposits	\$ 166	\$ 162
Deferred revenue	344	354
	<u>\$ 510</u>	<u>\$ 516</u>

Revenue recognized during the third quarter and first three quarters of 2025 that was included in our contract liabilities balance at December 31, 2024 was \$70 million and \$271 million, respectively.

***Remaining Performance Obligations***

Our recorded contract liabilities represent the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of September 30, 2025. At September 30, 2025, approximately 85% 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:

<i>(\$ in millions)</i>	<u>At September 30, 2025</u>	<u>At December 31, 2024</u>
Receivables from contracts with customers, net	\$ 220	\$ 250
Interest receivable	20	20
Tax receivable	106	57
Indemnification assets	38	34
Employee tax credit receivable	5	10
Other	13	16
	<u>\$ 402</u>	<u>\$ 387</u>

## 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.

The effective tax rate for the three months ended September 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments in non-U.S. jurisdictions. These adjustments included a \$25 million increase related to changes in valuation allowances, partially offset by tax benefits from \$13 million of permanent differences arising from restructuring activities and \$6 million for other deferred tax adjustments.

The effective tax rate for the three months ended September 30, 2024 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments. These adjustments included an \$11 million decrease related to changes in valuation allowances on certain deferred tax assets in non-U.S. jurisdictions and a \$6 million decrease as a result of the expiration of statutes of limitation on certain unrecognized tax benefits, partially offset by an \$8 million increase related to the removal of the permanent reinvestment assertion for certain non-U.S. entities and a \$3 million increase for deferred non-U.S. withholding taxes.

Our effective tax rate was 37.0% and 32.1% for the nine months ended September 30, 2025 and September 30, 2024, respectively.

The effective tax rate for the nine months ended September 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments in non-U.S. jurisdictions. These adjustments included a \$25 million increase related to changes in valuation allowances, partially offset by tax benefits from \$13 million of permanent differences arising from restructuring activities and \$6 million related to prior year true-up adjustments.

The effective tax rate for the nine months ended September 30, 2024 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments. These adjustments included a \$27 million decrease as a result of the expiration of statutes of limitation on uncertain unrecognized tax benefits and an \$8 million net decrease related to changes in valuation allowances in non-U.S. jurisdictions. These decreases were partially offset by a \$28 million increase related to the removal of the permanent reinvestment assertion for certain non-U.S. entities and a \$3 million increase for deferred non-U.S. withholding taxes.

Our income tax returns remain subject to examination by the relevant tax authorities. Certain returns are currently under audit in various jurisdictions for tax years 2007 through 2022. The amount of the unrecognized tax benefits may change within the next twelve months as a result of audits or resolution of audit-related matters.

During the third quarter of 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law, making several provisions of the Tax Cuts and Jobs Act permanent. Under Accounting Standards Codification ("ASC") 740, "Income Taxes," the effects of changes in tax laws must be recognized in the period of enactment. We have evaluated the impact of OBBBA and do not anticipate that it will have a material impact on our financial statements.

## 6. VACATION OWNERSHIP NOTES RECEIVABLE

The following table shows the composition of our vacation ownership notes receivable balances, net of reserves.

(\$ in millions)	September 30, 2025			December 31, 2024		
	Originated	Acquired	Total	Originated	Acquired	Total
Securitized	\$ 1,832	\$ 64	\$ 1,896	\$ 1,824	\$ 93	\$ 1,917
Eligible for securitization <sup>(1)</sup>	144	1	145	92	2	94
Not eligible for securitization <sup>(1)</sup>	472	9	481	417	12	429
Non-securitized	616	10	626	509	14	523
<b>Total</b>	<b>\$ 2,448</b>	<b>\$ 74</b>	<b>\$ 2,522</b>	<b>\$ 2,333</b>	<b>\$ 107</b>	<b>\$ 2,440</b>

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

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		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Interest income - securitized vacation ownership notes receivable	\$ 74	\$ 72	\$ 221	\$ 215
Interest income - non-securitized vacation ownership notes receivable	14	11	39	31
<b>Total interest income associated with vacation ownership notes receivable</b>	<b>\$ 88</b>	<b>\$ 83</b>	<b>\$ 260</b>	<b>\$ 246</b>

### *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.

In the second quarter of 2024, we increased our sales reserve by \$70 million to reflect the then-current macroeconomic conditions, including the cumulative impact of inflation on consumers and the related impact on year-over-year increases in maintenance fees for 2023 and 2024, which we believed were driving continued elevated delinquencies and default rates, higher consumer debt levels, continued high interest rates, uncertainty around timing and frequency of interest rate adjustments, and continued mixed economic indicators. Beginning in the third quarter of 2024, we also increased our sales reserve rate to reflect higher expected cumulative losses on new originations, consistent with more recent trends. While our delinquency rates at September 30, 2025 have declined from those experienced in 2024, we do not expect to lower the sales reserve for new originations until we have sufficient, sustained evidence of continued improvement in delinquency and default rates.

### *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 727 and 725, at September 30, 2025 and December 31, 2024, respectively, based upon the FICO score of the borrower at the time of origination.

**Originated Vacation Ownership Notes Receivable**

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. The following table shows future principal payments, net of reserves, and interest rates for our originated vacation ownership notes receivable at September 30, 2025.

(\$ in millions)	Originated Vacation Ownership Notes Receivable		
	Non-Securitized	Securitized	Total
2025, remaining	\$ 24	\$ 35	\$ 59
2026	90	148	238
2027	72	156	228
2028	65	162	227
2029	55	165	220
Thereafter	310	1,166	1,476
Balance at September 30, 2025	<u>\$ 616</u>	<u>\$ 1,832</u>	<u>\$ 2,448</u>
Weighted average stated interest rate	11.9%	13.3%	12.9%
Range of stated interest rates	0.0% to 20.9%	0.0% to 20.9%	0.0% to 20.9%

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 three quarters of 2025.

(\$ in millions)	Originated Vacation Ownership Notes Receivable Reserve		
	Non-Securitized	Securitized	Total
Balance at December 31, 2024	\$ 252	\$ 275	\$ 527
Increase in vacation ownership notes receivable reserve	125	38	163
Securitized	(139)	139	—
Clean-up call	58	(58)	—
Write-offs	(166)	—	(166)
Defaulted vacation ownership notes receivable repurchase activity <sup>(1)</sup>	117	(117)	—
Balance at September 30, 2025	<u>\$ 247</u>	<u>\$ 277</u>	<u>\$ 524</u>

<sup>(1)</sup> 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.

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

(\$ in millions)	Originated Vacation Ownership Notes Receivable as of September 30, 2025				
	700 +	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	\$ 1,588	\$ 636	\$ 58	\$ 401	\$ 2,683
Hyatt Vacation Ownership	208	75	3	3	289
	<u>\$ 1,796</u>	<u>\$ 711</u>	<u>\$ 61</u>	<u>\$ 404</u>	<u>\$ 2,972</u>

(\$ in millions)	Originated Vacation Ownership Notes Receivable as of December 31, 2024				
	700 +	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	\$ 1,513	\$ 634	\$ 58	\$ 365	\$ 2,570
Hyatt Vacation Ownership	210	75	2	3	290
	<u>\$ 1,723</u>	<u>\$ 709</u>	<u>\$ 60</u>	<u>\$ 368</u>	<u>\$ 2,860</u>

The following tables detail the origination year of our originated vacation ownership notes receivable, before reserves, by brand and borrower FICO score at origination as of September 30, 2025, and gross write-offs by brand for the first three quarters of 2025.

Originated Vacation Ownership Notes Receivable - Marriott Vacation Ownership						
(\$ in millions)	2025	2024	2023	2022	2021 & Prior	Total
700 +	\$ 419	\$ 440	\$ 272	\$ 196	\$ 261	\$ 1,588
600 - 699	132	158	115	92	139	636
< 600	13	15	10	8	12	58
No Score	150	117	63	30	41	401
	<u>\$ 714</u>	<u>\$ 730</u>	<u>\$ 460</u>	<u>\$ 326</u>	<u>\$ 453</u>	<u>\$ 2,683</u>

Gross write-offs	\$ 4	\$ 29	\$ 44	\$ 27	\$ 35	\$ 139
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Originated Vacation Ownership Notes Receivable - Hyatt Vacation Ownership						
(\$ in millions)	2025	2024	2023	2022	2021 & Prior	Total
700 +	\$ 69	\$ 54	\$ 38	\$ 30	\$ 17	\$ 208
600 - 699	23	21	14	11	6	75
< 600	2	1	—	—	—	3
No Score	1	1	1	—	—	3
	<u>\$ 95</u>	<u>\$ 77</u>	<u>\$ 53</u>	<u>\$ 41</u>	<u>\$ 23</u>	<u>\$ 289</u>

Gross write-offs	\$ —	\$ 8	\$ 8	\$ 8	\$ 3	\$ 27
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**Acquired 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. The following table shows future contractual principal payments, net of a \$6 million reserve, and interest rates for our acquired vacation ownership notes receivable at September 30, 2025.

Acquired Vacation Ownership Notes Receivable			
(\$ in millions)	Non-Securitized	Securitized	Total
2025, remaining	\$ 3	\$ 5	\$ 8
2026	2	18	20
2027	2	14	16
2028	1	9	10
2029	1	6	7
Thereafter	1	12	13
Balance at September 30, 2025	<u>\$ 10</u>	<u>\$ 64</u>	<u>\$ 74</u>
Weighted average stated interest rate	13.7%	14.2%	14.1%
Range of stated interest rates	0.0% to 21.9%	0.0% to 21.9%	0.0% to 21.9%

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

Acquired Vacation Ownership Notes Receivable as of September 30, 2025					
(\$ in millions)	700+	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	\$ 21	\$ 15	\$ 2	\$ 3	\$ 41
Hyatt Vacation Ownership	24	15	—	—	39
	<u>\$ 45</u>	<u>\$ 30</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 80</u>

Acquired Vacation Ownership Notes Receivable as of December 31, 2024					
(\$ in millions)	700+	600 - 699	< 600	No Score	Total
Marriott Vacation Ownership	\$ 30	\$ 21	\$ 3	\$ 5	\$ 59
Hyatt Vacation Ownership	34	22	—	1	57
	<u>\$ 64</u>	<u>\$ 43</u>	<u>\$ 3</u>	<u>\$ 6</u>	<u>\$ 116</u>

**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 13.45% as of September 30, 2025 and 13.96% as of December 31, 2024. 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 September 30, 2025 and \$14 million as of December 31, 2024.

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.

(\$ in millions)	Vacation Ownership Notes Receivable		
	Non-Securitized	Securitized	Total
Investment in vacation ownership notes receivable on non-accrual status at September 30, 2025	\$ 164	\$ 19	\$ 183
Investment in vacation ownership notes receivable on non-accrual status at December 31, 2024	\$ 171	\$ 24	\$ 195

The following table shows the aging of the recorded investment in principal, before reserves, in vacation ownership notes receivable as of September 30, 2025 and December 31, 2024.

(\$ in millions)	As of September 30, 2025			As of December 31, 2024		
	Non-Securitized	Securitized	Total	Non-Securitized	Securitized	Total
31 – 90 days past due	\$ 21	\$ 60	\$ 81	\$ 29	\$ 74	\$ 103
91 – 120 days past due	7	16	23	11	19	30
Greater than 120 days past due	157	3	160	160	5	165
Total past due	185	79	264	200	98	298
Current	690	2,098	2,788	579	2,099	2,678
Total vacation ownership notes receivable	\$ 875	\$ 2,177	\$ 3,052	\$ 779	\$ 2,197	\$ 2,976

## 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.

(\$ in millions)	At September 30, 2025		At December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Vacation ownership notes receivable, net	\$ 2,522	\$ 2,593	\$ 2,440	\$ 2,508
Contracts receivable for financed VOI sales, net	85	85	46	46
Other assets	160	160	131	131
Total financial assets	\$ 2,767	\$ 2,838	\$ 2,617	\$ 2,685
Securitized debt, net	\$ (2,107)	\$ (2,163)	\$ (2,136)	\$ (2,147)
Term Loan, net	(781)	(790)	(786)	(796)
Revolving Corporate Credit Facility, net	—	—	(122)	(125)
2028 Notes, net	(348)	(345)	(348)	(336)
2029 Notes, net	(497)	(482)	(496)	(467)
2033 Notes, net	(567)	(574)	—	—
2026 Convertible Notes, net	(574)	(567)	(572)	(546)
2027 Convertible Notes, net	(568)	(551)	(566)	(541)
Total financial liabilities	\$ (5,442)	\$ (5,472)	\$ (5,026)	\$ (4,958)

### Vacation Ownership Notes Receivable

(\$ in millions)	At September 30, 2025		At December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Securitized	\$ 1,896	\$ 1,962	\$ 1,917	\$ 1,981
Eligible for securitization	145	150	94	98
Not eligible for securitization	481	481	429	429
Non-securitized	626	631	523	527
Total	\$ 2,522	\$ 2,593	\$ 2,440	\$ 2,508

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, rather than using our pricing model. 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 \$160 million and \$131 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 September 30, 2025 and December 31, 2024, 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 or loss per share attributable to common stockholders is calculated by dividing net income or loss attributable to common stockholders by the weighted average number of shares of common stock outstanding during the reporting period. Diluted earnings or loss per share attributable to common stockholders is calculated to give effect to all potentially dilutive common shares that were outstanding during the reporting period, except in periods when there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. The dilutive effect of outstanding equity-based compensation awards is reflected in diluted earnings or loss 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		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<i>(in millions, except per share amounts)</i>				
Net (loss) income attributable to common stockholders	\$ (2)	\$ 84	\$ 123	\$ 168
Shares for basic (loss) earnings per share	34.9	35.3	35.0	35.4
Basic (loss) earnings per share	\$ (0.07)	\$ 2.38	\$ 3.52	\$ 4.74

	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024 <sup>(1)</sup>	September 30, 2025 <sup>(1)</sup>	September 30, 2024 <sup>(1)</sup>
<i>(in millions, except per share amounts)</i>				
Net (loss) income attributable to common stockholders	\$ (2)	\$ 84	\$ 123	\$ 168
Add back of interest expense related to convertible notes, net of tax <sup>(2)</sup>	—	5	14	14
Numerator used to calculate diluted (loss) earnings per share	\$ (2)	\$ 89	\$ 137	\$ 182
Shares for basic (loss) earnings per share	34.9	35.3	35.0	35.4
Effect of dilutive shares outstanding <sup>(3)</sup>				
Restricted stock units	—	0.1	0.2	0.1
2026 Convertible Notes	—	3.6	3.7	3.6
2027 Convertible Notes	—	3.1	3.0	3.0
Shares for diluted (loss) earnings per share	34.9	42.1	41.9	42.1
Diluted (loss) earnings per share	\$ (0.07)	\$ 2.12	\$ 3.27	\$ 4.31

<sup>(1)</sup> The computations of diluted earnings per share attributable to common stockholders above exclude approximately 645,000 and 393,000 shares of common stock, the maximum number of shares issuable as of September 30, 2025 and September 30, 2024, respectively, upon the vesting of certain performance-based awards, because the performance conditions required to be met for the shares subject to such awards to vest were not achieved by the end of the reporting period.

<sup>(2)</sup> For the third quarter of 2025, \$4 million of interest expense related to convertible notes, net of tax, was excluded from the above calculation of diluted net loss per share attributable to common stockholders as the effects would have been anti-dilutive.

<sup>(3)</sup> For the third quarter of 2025, the following potentially dilutive securities were excluded from the above calculation of diluted net loss per share attributable to common stockholders as the effects of including these securities would have been anti-dilutive.

	Three Months Ended September 30, 2025
<i>(in millions, except per share amounts)</i>	
Restricted stock units	0.3
2026 Convertible Notes	3.8
2027 Convertible Notes	3.0
	7.1

In accordance with the applicable accounting guidance for calculating earnings per share, for the first three quarters of 2025, we excluded from our calculation of diluted earnings per share 643,167 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 third quarter of 2024, we excluded from our calculation of diluted earnings per share 695,868 shares underlying SARs that may settle in shares of common stock because the exercise prices of such SARs, which ranged from \$77.42 to \$173.88, were greater than the average market price of our common stock for the applicable period.

For the first three quarters of 2024, we excluded from our calculation of diluted earnings per share 646,203 shares underlying 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.

## 9. INVENTORY

The following table shows the composition of our inventory balances:

<i>(\$ in millions)</i>	<b>At September 30, 2025</b>	<b>At December 31, 2024</b>
Real estate inventory <sup>(1)</sup>	\$ 717	\$ 725
Other	10	10
	<u>\$ 727</u>	<u>\$ 735</u>

<sup>(1)</sup> 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 \$35 million during the first three quarters of 2025 and \$28 million during the first three quarters of 2024.

In addition to the above, at September 30, 2025 and December 31, 2024, we had \$398 million and \$271 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.

During the third quarter of 2025, we recorded a non-cash impairment charge of \$31 million related to completed vacation ownership units and land, which were classified as a component of Property and equipment, net. We estimated the fair value less cost to sell using the market approach, based primarily on Level 3 inputs, including a non-binding offer from a third party.

We also had deposits on future purchases of inventory of \$35 million at September 30, 2025, of which \$30 million was included in Other assets and \$5 million was included in Accounts and contracts receivable, net on our Balance Sheet, and \$33 million at December 31, 2024, of which \$29 million was included in Other assets and \$4 million was included in Accounts and contracts receivable, net on our Balance Sheet.

## 10. CONTINGENCIES AND COMMITMENTS

### *Commitments and Letters of Credit*

As of September 30, 2025, 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 \$145 million, of which we expect \$48 million, \$49 million, \$25 million, \$10 million, \$5 million and \$8 million will be paid in the remainder of 2025, 2026, 2027, 2028, 2029, and thereafter, respectively.
- We have remaining commitments of \$28 million to purchase vacation ownership units located in Bali, Indonesia in two separate transactions, 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 32 vacation ownership units in 2027 pursuant to one of these commitments, and to make remaining payments with respect to these units when specific construction milestones are completed as follows: \$10 million in 2026 and \$1 million in 2027.
  - We expect to complete the acquisition of 26 vacation ownership units in 2027 pursuant to the other commitment, and to make remaining payments with respect to these units when specific construction milestones are completed as follows: \$2 million in 2025, \$14 million in 2026, and \$1 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 when specific construction milestones are completed as follows: \$35 million in 2026, and \$2 million in 2027.
- 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 commitment to acquire real estate in Waikiki, Hawaii for use in our Vacation Ownership segment via our involvement with a VIE. Refer to Footnote 3 “Acquisitions” for information about purchases that occurred during the first three quarters of 2025 and 2024 pursuant to this commitment and Footnote 15 “Variable Interest Entities” for additional information about this commitment and our activities relating to the VIE involved in this commitment.

As of September 30, 2025, we had \$14 million of letters of credit outstanding under our Revolving Corporate Credit Facility (as defined in Footnote 12 “Debt”), of which \$13 million were related to and in lieu of reserves required for certain of our outstanding securitization transactions. In addition, as of September 30, 2025, we had \$9 million in letters of credit outstanding that were related to and in lieu of reserves required for a certain other outstanding securitization transaction, which were not issued pursuant to, nor do they impact our borrowing capacity under, the Revolving Corporate Credit Facility.

Surety bonds issued as of September 30, 2025 totaled \$122 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 September 30, 2025, our expected commitment for the remainder of 2025 is \$6 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.

<i>(\$ in millions)</i>	At September 30, 2025	At December 31, 2024
Vacation ownership notes receivable securitizations, gross <sup>(1)</sup>	\$ 1,876	\$ 2,039
Unamortized debt discount and issuance costs	(23)	(25)
	<u>1,853</u>	<u>2,014</u>
Warehouse Credit Facility, gross <sup>(2)</sup>	256	124
Unamortized debt issuance costs	(2)	(2)
	<u>254</u>	<u>122</u>
	<u>\$ 2,107</u>	<u>\$ 2,136</u>

(1) Interest rates as of September 30, 2025 range from 1.5% to 6.6%, with a weighted average interest rate of 4.8%.

(2) Effective interest rate as of September 30, 2025 was 5.5%.

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 September 30, 2025.

<i>(\$ in millions)</i>	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility <sup>(1)</sup>	Total
<b>Payment Year</b>			
2025, remaining	\$ 43	\$ 3	\$ 46
2026	169	14	183
2027	173	15	188
2028	174	224	398
2029	171	—	171
Thereafter	1,146	—	1,146
	<u>\$ 1,876</u>	<u>\$ 256</u>	<u>\$ 2,132</u>

(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 third quarter of 2025, and as of September 30, 2025, we had 11 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 2025, we securitized a pool of \$459 million of vacation ownership notes receivable. In connection with the securitization, \$450 million in vacation ownership loan backed notes were issued by MVW 2025-1 LLC (the “2025-1 LLC”) in a private placement. Three classes of vacation ownership loan backed notes were issued by the 2025-1 LLC: \$277 million of Class A Notes, \$93 million of Class B Notes, and \$80 million of Class C Notes. The Class A Notes have an interest rate of 4.97%, the Class B Notes have an interest rate of 5.21%, and the Class C Notes have an interest rate of 5.75%, for an overall weighted average interest rate of 5.16%. Proceeds from the transaction, net of fees, were used to repay the outstanding obligations on our warehouse credit facility (as defined below) and for other general corporate purposes.

### Warehouse Credit Facility

Our warehouse credit facility (the “Warehouse Credit Facility”), which has a borrowing capacity of \$500 million, allows for the securitization of vacation ownership notes receivable on a revolving non-recourse basis. During the second quarter of 2025, we amended certain agreements associated with our Warehouse Credit Facility (the “Warehouse Amendment”). The Warehouse Amendment extended the revolving period of the Warehouse Credit Facility from June 11, 2026 to June 11, 2027, and changed the credit spread from 115 basis points over the Secured Overnight Financing Rate (“SOFR”) to 110 basis points over SOFR. The Warehouse Amendment made no other material changes to the Warehouse Credit Facility.

## 12. DEBT

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

<i>(\$ in millions)</i>	<b>At September 30, 2025</b>	<b>At December 31, 2024</b>
<b>Corporate Credit Facility</b>		
Term Loan <sup>(1)</sup>	\$ 790	\$ 796
Unamortized debt discount and issuance costs	(9)	(10)
	<u>781</u>	<u>786</u>
Revolving Corporate Credit Facility <sup>(2)</sup>	—	125
Unamortized debt issuance costs	—	(3)
	<u>—</u>	<u>122</u>
<b>Senior Unsecured Notes</b>		
2028 Notes	350	350
Unamortized debt discount and issuance costs	(2)	(2)
	<u>348</u>	<u>348</u>
2029 Notes	500	500
Unamortized debt discount and issuance costs	(3)	(4)
	<u>497</u>	<u>496</u>
2033 Notes	575	—
Unamortized debt discount and issuance costs	(8)	—
	<u>567</u>	<u>—</u>
<b>Convertible Notes</b>		
2026 Convertible Notes	575	575
Unamortized debt issuance costs	(1)	(3)
	<u>574</u>	<u>572</u>
2027 Convertible Notes	575	575
Unamortized debt issuance costs	(7)	(9)
	<u>568</u>	<u>566</u>
Finance Leases	198	199
	<u>\$ 3,533</u>	<u>\$ 3,089</u>

<sup>(1)</sup> The effective interest rate as of September 30, 2025 was 6.4%.

<sup>(2)</sup> Excludes \$5 million of unamortized debt issuance costs classified as a component of Other Assets on our Balance Sheet as of September 30, 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 September 30, 2025.

(\$ in millions)	Payments Year						
	Remaining 2025	2026	2027	2028	2029	Thereafter	Total
Term Loan	\$ 2	\$ 8	\$ 8	\$ 8	\$ 8	\$ 756	\$ 790
2028 Notes	—	—	—	350	—	—	350
2029 Notes	—	—	—	—	500	—	500
2033 Notes	—	—	—	—	—	575	575
2026 Convertible Notes	—	575	—	—	—	—	575
2027 Convertible Notes	—	—	575	—	—	—	575
	<u>\$ 2</u>	<u>\$ 583</u>	<u>\$ 583</u>	<u>\$ 358</u>	<u>\$ 508</u>	<u>\$ 1,331</u>	<u>\$ 3,365</u>

#### 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 a term loan facility (the “Term Loan”), and a revolving credit facility (the “Revolving Corporate Credit Facility”), which includes a letter of credit sub-facility.

During the first quarter of 2025, we entered into an amendment to the Corporate Credit Facility (the “Amendment”), which, among other things: increased the borrowing capacity on our Revolving Corporate Credit Facility from \$750 million to \$800 million; extended the termination date from March 31, 2027 to March 24, 2030; and reduced certain fees and interest costs. The Amendment also increased the letter of credit sub-facility of the Revolving Corporate Credit Facility from \$75 million to \$150 million.

Additionally, the Amendment provided for a new \$450 million senior secured delayed-draw term loan facility (the “Delayed-Draw Term Loan”) scheduled to mature on December 31, 2027, which was subsequently terminated in the third quarter of 2025 in connection with the issuance of the 2033 Notes (as defined and discussed below). We did not draw on the Delayed-Draw Term Loan at any time.

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 Sheets as of September 30, 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.

The following table reflects the activity in accumulated other comprehensive income or loss related to our derivative instruments during the first three quarters of 2025 and 2024. There were no reclassifications to the Income Statement for any of the periods presented below.

(\$ in millions)	2025	2024
Derivative instrument adjustment balance, January 1	\$ —	\$ 3
Other comprehensive loss before reclassifications	—	(2)
Derivative instrument adjustment balance, March 31	—	1
Other comprehensive gain (loss) before reclassifications	1	(1)
Derivative instrument adjustment balance, June 30	1	—
Other comprehensive loss before reclassifications	(1)	—
Derivative instrument adjustment balance, September 30	<u>\$ —</u>	<u>\$ —</u>

### **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”).

### **Issuance of Senior Unsecured Notes**

The 2033 Notes were issued under an indenture dated September 18, 2025 with The Bank of New York Mellon Trust Company, N.A., as trustee. We received net proceeds of \$567 million from the offering, after deducting the underwriting fees and transaction expenses. We intend to use these net proceeds to repay our 2026 Convertible Notes (as defined below). We will pay interest on the 2033 Notes on April 1 and October 1 of each year, commencing on April 1, 2026. We may redeem some or all of the 2033 Notes prior to maturity under the terms provided in the indenture.

### **Convertible Notes**

#### **2026 Convertible Notes**

During 2021, we issued \$575 million aggregate principal amount of convertible senior notes (the “2026 Convertible Notes”) that bear interest at a rate of 0.00%. The 2026 Convertible Notes mature on January 15, 2026, unless earlier repurchased or converted in accordance with their terms prior to that date.

The conversion rate of the 2026 Convertible Notes is subject to adjustment for certain events as described in the indenture governing the notes and was subject to adjustment as of September 30, 2025 to 6.5958 shares of common stock per \$1,000 principal amount of 2026 Convertible Notes (equivalent to a conversion price of \$151.61 per share of our common stock), as a result of the dividends we declared since issuance of the 2026 Convertible Notes that were greater than the quarterly dividend we paid when the 2026 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 September 30, 2025, the effective interest rate was 0.55%. Amortization of debt issuance costs related to the 2026 Convertible Notes was less than \$1 million during each of the third quarters of 2025 and 2024, and \$2 million during the first three quarters of 2025 and 2024.

#### **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 a total of 3.8 million 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 3.8 million shares of our common stock, in each case, as of September 30, 2025. The strike prices of the 2026 Convertible Note Hedges and the 2026 Warrants were subject to adjustment to \$151.61 and \$189.51, respectively, as of September 30, 2025, and no 2026 Convertible Note Hedges or 2026 Warrants have been 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 September 30, 2025 to 5.3026 shares of common stock per \$1,000 principal amount of 2027 Convertible Notes (equivalent to a conversion price of \$188.59 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 September 30, 2025, the effective interest rate was 3.88%.

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

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Contractual interest expense	\$ 5	\$ 5	\$ 14	\$ 14
Amortization of debt issuance costs	—	—	2	2
	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 16</u>	<u>\$ 16</u>

### 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 3.0 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 3.0 million shares of our common stock, in each case, as of September 30, 2025. The strike prices of the 2027 Convertible Note Hedges and the 2027 Warrants were subject to adjustment to \$188.59 and \$284.65, respectively, as of September 30, 2025, 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 2026 Convertible Notes, 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 September 30, 2025, there were 75,891,531 shares of Marriott Vacations Worldwide common stock issued, of which 34,613,991 shares were outstanding and 41,277,540 shares were held as treasury stock. At December 31, 2024, there were 75,852,678 shares of Marriott Vacations Worldwide common stock issued, of which 34,877,925 shares were outstanding and 40,974,753 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 September 30, 2025 or December 31, 2024.

### 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 September 30, 2025, approximately \$347 million remained available for share repurchases under the current Share Repurchase Program, which authorizes share repurchases through December 31, 2025.

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, 2024	25,790,550	\$ 2,461	\$ 95.40
For the first three quarters of 2025	496,484	36	73.09
As of September 30, 2025	<u>26,287,034</u>	<u>\$ 2,497</u>	<u>\$ 94.98</u>

**Dividends**

We declared cash dividends to holders of our common stock during the first three quarters of 2025 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 20, 2025	March 5, 2025	March 19, 2025	\$0.79
May 12, 2025	May 23, 2025	June 6, 2025	\$0.79
September 3, 2025	September 17, 2025	October 1, 2025	\$0.79

Payment of dividends within Financing activities on our Cash Flows for the nine months ended September 30, 2025, includes \$27 million related to the dividend distributed to holders of our common stock (as of the record date) on October 1, 2025, as the payment was funded on September 30, 2025.

**14. SHARE-BASED COMPENSATION**

We maintain the Marriott Vacations Worldwide Corporation 2020 Equity Incentive Plan (the “MVW Equity Plan”) 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. A total of approximately 3 million shares were authorized for issuance pursuant to grants under the MVW Equity Plan. As of September 30, 2025, approximately 1 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:

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Service-based RSUs	\$ 7	\$ 7	\$ 23	\$ 23
Performance-based RSUs	1	—	3	(1)
	8	7	26	22
SARs	1	1	2	2
	\$ 9	\$ 8	\$ 28	\$ 24

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

(\$ in millions)	At September 30, 2025	At December 31, 2024
Service-based RSUs	\$ 32	\$ 24
Performance-based RSUs	11	5
	43	29
SARs	2	1
	\$ 45	\$ 30

**Restricted Stock Units**

We granted 530,192 service-based RSUs, which are subject to time-based vesting conditions, with a weighted average grant-date fair value of \$64.39, to our employees and non-employee directors during the first three quarters of 2025. During the first three quarters of 2025, we also granted performance-based RSUs, which are subject to performance-based vesting conditions, to members of management. A maximum of 423,863 RSUs may be earned under the performance-based RSU awards granted during the first three quarters of 2025.

**Stock Appreciation Rights**

We granted 145,440 SARs, with a weighted average grant-date fair value of \$23.17 and a weighted average exercise price of \$71.17, to members of management during the first three quarters of 2025. 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 three quarters of 2025:

Expected volatility	45.79%
Dividend yield	4.35%
Risk-free rate	4.03%
Expected term (in years)	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 September 30, 2025:

<i>(\$ in millions)</i>	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
<b>Consolidated Assets</b>			
Vacation ownership notes receivable, net of reserves	\$ 1,640	\$ 256	\$ 1,896
Interest receivable	13	2	15
Restricted cash	77	11	88
Total	\$ 1,730	\$ 269	\$ 1,999
<b>Consolidated Liabilities</b>			
Interest payable	\$ 3	\$ 1	\$ 4
Securitized debt	1,876	256	2,132
Total	\$ 1,879	\$ 257	\$ 2,136

The following table shows the interest income and expense recognized as a result of our involvement with these VIEs during the third quarter of 2025:

<i>(\$ in millions)</i>	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
Interest income	\$ 65	\$ 9	\$ 74
Interest expense	\$ 24	\$ 3	\$ 27
Debt issuance cost amortization	\$ 2	\$ 1	\$ 3

The following table shows the interest income and expense recognized as a result of our involvement with these VIEs during the first three quarters of 2025:

<i>(\$ in millions)</i>	Vacation Ownership Notes Receivable Securitizations	Warehouse Credit Facility	Total
Interest income	\$ 197	\$ 24	\$ 221
Interest expense	\$ 70	\$ 10	\$ 80
Debt issuance cost amortization	\$ 8	\$ 1	\$ 9
Administrative expenses	\$ 1	\$ —	\$ 1

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

<i>(\$ in millions)</i>	Nine Months Ended	
	September 30, 2025	September 30, 2024
<b>Cash Inflows</b>		
Net proceeds from vacation ownership notes receivable securitizations	\$ 445	\$ 865
Principal receipts	440	418
Interest receipts	200	196
Reserve release	105	130
Total	1,190	1,609
<b>Cash Outflows</b>		
Principal payments	(427)	(418)
Voluntary repurchases of defaulted vacation ownership notes receivable	(122)	(123)
Voluntary clean-up call	(64)	(29)
Interest payments	(71)	(70)
Funding of restricted cash	(103)	(243)
Total	(787)	(883)
<b>Net Cash Flows</b>	<b>\$ 403</b>	<b>\$ 726</b>

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

<i>(\$ in millions)</i>	Nine Months Ended	
	September 30, 2025	September 30, 2024
<b>Cash Inflows</b>		
Proceeds from vacation ownership notes receivable securitizations	\$ 477	\$ 325
Principal receipts	43	22
Interest receipts	23	13
Reserve release	13	7
Total	556	367
<b>Cash Outflows</b>		
Principal payments	(35)	(17)
Voluntary repurchases of defaulted vacation ownership notes receivable	(2)	(3)
Repayment of Warehouse Credit Facility	(308)	(455)
Interest payments	(9)	(7)
Funding of restricted cash	(13)	(7)
Total	(367)	(489)
<b>Net Cash Flows</b>	<b>\$ 189</b>	<b>\$ (122)</b>

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 September 30, 2025, our Balance Sheet reflected \$1 million in Accounts and contracts receivable, net, including a note receivable of less than \$1 million, and \$3 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 \$7 million as of September 30, 2025. Refer to Footnote 3 “Acquisitions” for information about purchases pursuant to this commitment that occurred during the first three quarters of 2025 and 2024.

## 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.

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, 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 or loss 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 or loss attributable to common stockholders, before interest expense (excluding consumer financing interest expense associated with term securitization transactions), 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.

During the first quarter of 2025, we began excluding Amortization of cloud computing software implementation costs, which are not included in Depreciation and amortization, from Adjusted EBITDA for comparability purposes, to address the considerable variability among companies in the utilization of productive assets, and have reclassified prior year amounts to conform with our current year presentation.

Additionally, during the third quarter of 2025, we reclassified \$1 million of certain prior year amounts related to ongoing litigation from General and administrative expense to Litigation charges in order to conform with our current year presentation.

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

(\$ in millions)	Three Months Ended						Nine Months Ended					
	September 30, 2025			September 30, 2024			September 30, 2025			September 30, 2024		
	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	\$ 1,210	\$ 53	\$ 1,263	\$ 1,250	\$ 56	\$ 1,306	\$ 3,533	\$ 164	\$ 3,697	\$ 3,458	\$ 179	\$ 3,637
Reconciliation of revenues												
Corporate and other <sup>(1)</sup>			—			(1)			12			3
Total consolidated revenues			<u>\$ 1,263</u>			<u>\$ 1,305</u>			<u>\$ 3,709</u>			<u>\$ 3,640</u>
Cost of vacation ownership products	\$ (52)	\$ —		\$ (54)	\$ —		\$ (135)	\$ —		\$ (145)	\$ —	
Marketing and sales	(234)	—		(228)	—		(705)	—		(677)	—	
Management and exchange	(72)	(30)		(72)	(33)		(220)	(88)		(216)	(95)	
Rental	(132)	—		(120)	—		(387)	—		(343)	—	
Financing	(38)	—		(37)	—		(111)	—		(106)	—	
Royalty fee	(29)	—		(28)	—		(85)	—		(85)	—	
Other segment items <sup>(2)(3)</sup>	(458)	(2)		(479)	—		(1,243)	(4)		(1,260)	(4)	
Segment Adjusted EBITDA <sup>(3)</sup>	195	21	216	232	23	255	647	72	719	626	80	706
Corporate and other <sup>(1)(3)</sup>			(46)			(55)			(154)			(161)
Interest expense, net			(43)			(40)			(125)			(123)
Depreciation and amortization			(38)			(36)			(114)			(109)
Share-based compensation expense			(9)			(8)			(28)			(24)
Amortization of cloud computing software implementation costs <sup>(3)</sup>			(2)			(1)			(4)			(2)
Certain items <sup>(3)</sup>			(77)			3			(98)			(40)
Provision for income taxes			(3)			(34)			(73)			(79)
Net income attributable to common stockholders			<u>\$ (2)</u>			<u>\$ 84</u>			<u>\$ 123</u>			<u>\$ 168</u>

<sup>(1)</sup> 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.

<sup>(2)</sup> Other segment items include cost reimbursements, share-based compensation, amortization of cloud computing software implementation costs, and other.

<sup>(3)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

**Assets**

<i>(\$ in millions)</i>	<b>At September 30, 2025</b>	<b>At December 31, 2024</b>
Vacation Ownership	\$ 8,443	\$ 8,296
Exchange & Third-Party Management	755	777
Total segment assets	9,198	9,073
Corporate and other	951	735
	<u>\$ 10,149</u>	<u>\$ 9,808</u>

**17. MODERNIZATION**

In November 2024, we announced the creation of a Strategic Business Operations (“SBO”) office focused on accelerating our growth and driving operating efficiencies in all areas of our business while increasing organizational agility. We are working 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, by segment, for the three and nine months ended September 30, 2025.

<i>(\$ in millions)</i>	<b>Three Months Ended September 30, 2025</b>				<b>Nine Months Ended September 30, 2025</b>			
	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate &amp; Other</b>	<b>Total</b>	<b>Vacation Ownership</b>	<b>Exchange &amp; Third-Party Management</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
Advisory services	\$ —	\$ —	\$ 32	\$ 32	\$ —	\$ —	\$ 70	\$ 70
Transition costs <sup>(1)</sup>	—	—	11	11	—	—	11	11
Technology and other	1	1	7	9	2	1	9	12
Severance	—	—	1	1	—	—	4	4
	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 51</u>	<u>\$ 53</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 94</u>	<u>\$ 97</u>

<sup>(1)</sup> Includes implementation costs associated with corporate overhead outsourcing efforts.

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

<i>(\$ in millions)</i>	<b>SBO Initiatives</b>
Balance at December 31, 2024	\$ 1
Modernization charges	97
Cash payments	(61)
Balance at September 30, 2025	<u>\$ 37</u>

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 subject to a termination penalty. Our aggregate expected obligation under these arrangements is \$151 million, of which \$10 million, \$42 million, \$27 million, \$26 million, \$26 million, and \$20 million is expected to be paid in the remainder of 2025, 2026, 2027, 2028, 2029, and thereafter, respectively. As of September 30, 2025, the total penalties for early termination are \$9 million.

## **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 and growth opportunities, revenues, financial condition, leverage, liquidity, returns on investments, margins and related financing, development and rental profits; dividend payments; business strategies; financing plans and the adequacy of capital to meet short-term and long-term liquidity requirements; use of proceeds from senior notes due 2033; our competitive position; our plans to pursue growth opportunities; our expectations regarding average consumer financing interest rates and our financing profit margin; our expectations regarding the objectives, costs and benefits of our Strategic Business Operations office including revenue growth, operational efficiencies and savings, and benefits for our owners; our ability to reduce our corporate debt, net of cash and equivalents, to Adjusted EBITDA ratio; our expectations regarding inventory spending, the impact of inventory repurchases and timing of payments for inventory; taxes; our ability to securitize consumer loans; and expectations related to sales reserves, delinquencies and default rates relating to vacation ownership notes receivable. 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; a future health crisis and responses to a health crisis, including possible quarantines or other government imposed travel or health-related restrictions and the effects of a health crisis, including the short and longer-term impact on consumer confidence and demand for travel and the pace of recovery following a health crisis; 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; price inflation; difficulties associated with implementing new or maintaining existing technologies; the ability to use artificial intelligence (“AI”) technologies successfully and potential business, compliance, or reputational risks associated with the use of AI technologies; changes in privacy laws; the impact of a future banking crisis; impacts from natural or man-made disasters and wildfires, including the Maui and Los Angeles area wildfires; delinquency and default rates; global supply chain disruptions; volatility in the international and national economy and credit markets, including as a result of the ongoing conflicts between Russia and Ukraine, Israel and Hamas, and elsewhere in the world and related sanctions and other measures; our ability to attract and retain our global workforce; 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 2024 Annual Report and Quarterly Report for the quarter ended June 30, 2025, 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 2024 Annual Report, our Quarterly Report for the quarter ended June 30, 2025, 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](http://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 most of its 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 that portion of our results that are not allocable to our segments, including those relating to consolidated property owners’ associations (“Consolidated Property Owners’ Associations”).

### **Strategic Business Operations**

In the fourth quarter of 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. We are working 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. We believe that we can drive \$150 million to \$200 million of annualized benefits from these initiatives by the end of 2026, with approximately half of these benefits coming from cost savings and efficiencies and the balance from accelerating revenue growth. We also expect to realize additional savings that will benefit our owners’ maintenance fees. We expect to incur non-recurring cash costs related to these modernization initiatives of approximately \$100 million in each of 2025 and 2026.

In the third quarter of 2025, we reorganized a portion of our corporate overhead in our human resources and finance and accounting functions and transitioned work to third-party providers, which we expect will result in annual cost savings of approximately \$20 million which will be reflected in multiple expense lines on our income statements.

### **2026 Outlook**

We expect our cost of vacation ownership products in 2026 will increase due to a change in the mix of inventory sold in North America and Asia Pacific. In addition, we expect higher costs associated with increased developer-owned inventory partially offset by higher rental revenues.

## Performance Measures

We measure operating performance using the key metrics described below:

- *Contract sales from the sale of vacation ownership products* is considered to be an important operating measure because it reflects the pace of sales in our business.
  - Total contract sales include contract sales from the sale of vacation ownership products, including non-consolidated joint ventures.
  - Consolidated contract sales exclude contract sales from the sale of vacation ownership products for non-consolidated joint ventures.
- *Volume per guest* (“VPG”) is calculated by dividing consolidated vacation ownership contract sales, excluding fractional sales, telesales, resales, and other sales that are not attributed to a sales tour (referred to as *Tours*, see below), by the number of tours in a given period. We believe that VPG is valuable in evaluating the effectiveness of the sales process as it combines the impact of average contract price with the number of touring guests who make a purchase.
- *Tours* is the number of sales tours performed during the applicable period, and generally includes virtual and offsite sales tours, and excludes telesales. We believe that *Tours* is a valuable metric because it represents the volume of touring guests.
- *Development profit margin* is calculated by dividing Development profit by revenues from the sale of vacation ownership products. We refer to revenues from the sale of vacation ownership products less the cost of vacation ownership products and marketing and sales costs as Development profit. We believe that Development profit margin is an important measure of the profitability of our development and subsequent marketing and sales of VOIs.
- *Total active members* is the number of Interval Network active members at the end of the applicable period. We consider active members to be an important metric because it represents the population of owners eligible to book transactions using the Interval Network.
- *Average revenue per member* is calculated by dividing membership fee revenue, transaction revenue, rental revenue, and other member revenue for the Interval Network by the monthly weighted average number of Interval Network active members during the applicable period. We believe this metric is valuable in measuring the overall engagement of our Interval Network active members.
- *Segment financial results attributable to common stockholders* represents revenues less expenses directly attributable to each applicable reportable business segment (Vacation Ownership and Exchange & Third-Party Management). We consider this measure to be important in evaluating the 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* represents Adjusted EBITDA divided by the Company’s total revenues less cost reimbursements revenues.
- *Segment Adjusted EBITDA margin* represents Segment Adjusted EBITDA divided by the applicable segment’s total revenues less cost reimbursements revenues.

NM = Not meaningful.

**Consolidated Results**

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>REVENUES</b>				
Sale of vacation ownership products	\$ 358	\$ 387	\$ 1,083	\$ 1,048
Management and exchange	214	207	648	633
Rental	150	151	479	462
Financing	90	87	268	255
Cost reimbursements	451	473	1,231	1,242
<b>TOTAL REVENUES</b>	<b>1,263</b>	<b>1,305</b>	<b>3,709</b>	<b>3,640</b>
<b>EXPENSES</b>				
Cost of vacation ownership products	52	54	135	145
Marketing and sales	234	228	705	677
Management and exchange	118	123	356	358
Rental	129	113	377	331
Financing	38	37	111	106
General and administrative	53	61	175	178
Depreciation and amortization	38	36	114	109
Litigation charges	4	3	16	16
Modernization	53	—	97	—
Restructuring	—	1	2	4
Royalty fee	29	28	85	85
Impairment	31	—	31	2
Cost reimbursements	451	473	1,231	1,242
<b>TOTAL EXPENSES</b>	<b>1,230</b>	<b>1,157</b>	<b>3,435</b>	<b>3,253</b>
Gains and other income, net	11	9	48	2
Interest expense, net	(43)	(40)	(125)	(123)
Transaction and integration costs	—	—	—	(18)
Other	—	1	—	(1)
<b>INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS</b>	<b>1</b>	<b>118</b>	<b>197</b>	<b>247</b>
Provision for income taxes	(3)	(34)	(73)	(79)
<b>NET (LOSS) INCOME</b>	<b>(2)</b>	<b>84</b>	<b>124</b>	<b>168</b>
Net income attributable to noncontrolling interests	—	—	(1)	—
<b>NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ (2)</b>	<b>\$ 84</b>	<b>\$ 123</b>	<b>\$ 168</b>

**Operating Statistics**

(Contract sales \$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
<b>Vacation Ownership</b>								
Total contract sales	\$ 442	\$ 463	\$ (21)	(4%)	\$ 1,316	\$ 1,348	\$ (32)	(2%)
Consolidated contract sales	\$ 439	\$ 459	\$ (20)	(4%)	\$ 1,304	\$ 1,336	\$ (32)	(2%)
Joint venture contract sales	\$ 3	\$ 4	\$ (1)	5%	\$ 12	\$ 12	\$ —	6%
VPG	\$ 3,700	\$ 3,888	\$ (188)	(5%)	\$ 3,760	\$ 3,910	\$ (150)	(4%)
Tours	109,609	110,557	(948)	(1%)	322,009	318,888	3,121	1%
<b>Exchange &amp; Third-Party Management</b>								
Total active members at end of period (000's)	1,499	1,545	(46)	(3%)	1,499	1,545	(46)	(3%)
Average revenue per member	\$ 37.91	\$ 38.93	\$ (1.02)	(3%)	\$ 115.27	\$ 118.98	\$ (3.71)	(3%)

**Revenues**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Vacation Ownership	\$ 1,210	\$ 1,250	\$ (40)	(3%)	\$ 3,533	3,458	\$ 75	2%
Exchange & Third-Party Management	53	56	(3)	(6%)	164	179	(15)	(8%)
Total Segment Revenues	1,263	1,306	(43)	(3%)	3,697	3,637	60	2%
Consolidated Property Owners' Associations	—	(1)	1	NM	12	3	9	NM
Total Revenues	\$ 1,263	\$ 1,305	\$ (42)	(3%)	\$ 3,709	\$ 3,640	\$ 69	2%

**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 attributable to common stockholders, before interest expense, net (excluding consumer financing interest expense associated with term securitization transactions), 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. During the first quarter of 2025, we began excluding Amortization of cloud computing software implementation costs, which are not included in depreciation and amortization, from Adjusted EBITDA for comparability purposes to address the considerable variability among companies in the utilization of productive assets, and have reclassified prior year amounts to conform with our current year presentation.

For purposes of our EBITDA, Adjusted EBITDA, and Adjusted EBITDA margin calculations, we do not adjust for consumer financing interest expense associated with term securitization transactions 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. EBITDA, 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.

Additionally, during the third quarter of 2025, we reclassified \$1 million of certain prior year amounts related to ongoing litigation from General and administrative expense to Litigation charges in order to conform with our current year presentation.

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

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Net (loss) income attributable to common stockholders	\$ (2)	\$ 84	\$ (86)	(103%)	\$ 123	\$ 168	\$ (45)	(27%)
Interest expense, net	43	40	3	6%	125	123	2	1%
Provision for income taxes	3	34	(31)	NM	73	79	(6)	(8%)
Depreciation and amortization	38	36	2	5%	114	109	5	4%
<b>EBITDA</b>	<b>82</b>	<b>194</b>	<b>(112)</b>	<b>(58%)</b>	<b>435</b>	<b>479</b>	<b>(44)</b>	<b>(9%)</b>
Share-based compensation expense	9	8	1	8%	28	24	4	19%
Amortization of cloud computing software implementation costs <sup>(1)(2)</sup>	2	1	1	NM	4	2	2	NM
Certain items <sup>(1)</sup>	77	(3)	80	NM	98	40	58	NM
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 170</b>	<b>\$ 200</b>	<b>\$ (30)</b>	<b>(15%)</b>	<b>\$ 565</b>	<b>\$ 545</b>	<b>\$ 20</b>	<b>4%</b>
<b>Adjusted EBITDA Margin<sup>(1)</sup></b>	<b>20.9%</b>	<b>24.1%</b>	<b>(3.2 pts)</b>		<b>22.8%</b>	<b>22.7%</b>	<b>0.1 pts</b>	

<sup>(1)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

<sup>(2)</sup> During the first quarter of 2025, we began excluding Amortization of cloud computing software implementation costs, which are not included in Depreciation and amortization, from Adjusted EBITDA, and have reclassified prior year amounts to conform with our current year presentation.

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

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Gain on disposition of hotel, land, and other	\$ —	\$ (1)	\$ —	\$ (2)
Foreign currency translation	(2)	(6)	(23)	—
Insurance proceeds	(8)	—	(16)	—
Change in indemnification asset	(1)	2	(4)	4
Change in estimates relating to pre-acquisition contingencies	—	(4)	(2)	(4)
Other	—	—	(3)	—
Gains and other income, net	(11)	(9)	(48)	(2)
Transaction and integration costs	—	—	—	18
Purchase accounting adjustments	—	—	—	1
Litigation charges <sup>(1)</sup>	4	3	16	16
Modernization	53	—	97	—
Restructuring	—	1	2	4
Impairment	31	—	31	2
Other	—	2	—	1
<b>Total Certain items<sup>(1)</sup></b>	<b>\$ 77</b>	<b>\$ (3)</b>	<b>\$ 98</b>	<b>\$ 40</b>

<sup>(1)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

During the second quarter of 2024, we discontinued classifying costs associated with the continued integration of Welk in Transaction and integration costs. Welk integration costs incurred after this period are reflected in the operating results of each of our segments and/or General and administrative expenses.

**Segment Adjusted EBITDA**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Vacation Ownership <sup>(1)</sup>	\$ 195	\$ 232	\$ (37)	(16%)	\$ 647	\$ 626	\$ 21	4%
Exchange & Third-Party Management	21	23	(2)	(8%)	72	80	(8)	(10%)
<b>Segment adjusted EBITDA<sup>(1)</sup></b>	<b>216</b>	<b>255</b>	<b>(39)</b>	<b>(15%)</b>	<b>719</b>	<b>706</b>	<b>13</b>	<b>2%</b>
General and administrative <sup>(1)</sup>	(53)	(61)	8	12%	(175)	(178)	3	1%
Other	7	6	1	NM	21	17	4	NM
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 170</b>	<b>\$ 200</b>	<b>\$ (30)</b>	<b>(15%)</b>	<b>\$ 565</b>	<b>\$ 545</b>	<b>\$ 20</b>	<b>4%</b>

<sup>(1)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

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

**Vacation Ownership**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Segment financial results	\$ 138	\$ 205	\$ (67)	(33%)	\$ 532	\$ 531	\$ 1	—%
Depreciation and amortization	26	25	1	4%	80	75	5	7%
Share-based compensation expense	3	2	1	9%	7	6	1	10%
Amortization of cloud computing software implementation costs <sup>(1)</sup>	1	1	—	NM	3	2	1	NM
Certain items	27	(1)	28	NM	25	12	13	NM
Segment adjusted EBITDA <sup>(1)</sup>	\$ 195	\$ 232	\$ (37)	(16%)	\$ 647	\$ 626	\$ 21	4%
Segment Adjusted EBITDA Margin <sup>(1)</sup>	26.1%	30.2%	(4.1 pts)		28.4%	28.6%	(0.2 pts)	

<sup>(1)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

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

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Gain on disposition of hotel, land, and other	\$ —	\$ —	\$ —	\$ (1)
Insurance proceeds	(8)	—	(15)	—
Change in estimates relating to pre-acquisition contingencies	—	(4)	(2)	(4)
Other	—	—	(1)	—
Gains and other income, net	(8)	(4)	(18)	(5)
Purchase accounting adjustments	—	—	—	1
Litigation charges	3	2	10	15
Modernization	1	—	2	—
Restructuring	—	1	—	1
Impairment	31	—	31	—
<b>Total Certain items</b>	<b>\$ 27</b>	<b>\$ (1)</b>	<b>\$ 25</b>	<b>\$ 12</b>

**Exchange & Third-Party Management**

<i>(\$ in millions)</i>	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
Segment financial results	\$ 15	\$ 15	\$ — (3%)	\$ 49	\$ 55	\$ (6) (12%)
Depreciation and amortization	6	7	(1) (13%)	20	21	(1) (7%)
Share-based compensation expense	—	1	(1) 18%	1	2	(1) 11%
Certain items	—	—	— NM	2	2	— NM
Segment adjusted EBITDA	\$ 21	\$ 23	\$ (2) (8%)	\$ 72	\$ 80	\$ (8) (10%)
Segment Adjusted EBITDA Margin <sup>(1)</sup>	42.3%	43.3%	(1.0 pts)	45.8%	46.6%	(0.8 pts)

<sup>(1)</sup> Prior year amounts have been reclassified to conform with our current year presentation.

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

<i>(\$ in millions)</i>	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Gains and other income, net	(1)	(1)	(1)	(1)
Modernization	1	—	1	—
Restructuring	—	1	2	1
Impairment	—	—	—	2
Total Certain items	\$ —	\$ —	\$ 2	\$ 2

**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**

<i>(\$ in millions)</i>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30, 2025</b>	<b>September 30, 2024</b>	<b>September 30, 2025</b>	<b>September 30, 2024</b>
<b>REVENUES</b>				
Sale of vacation ownership products	\$ 358	\$ 387	\$ 1,083	\$ 1,048
Resort management and other services	158	152	478	457
Rental	142	140	451	430
Financing	90	87	268	255
Cost reimbursements	462	484	1,253	1,268
<b>TOTAL REVENUES</b>	<b>1,210</b>	<b>1,250</b>	<b>3,533</b>	<b>3,458</b>
<b>EXPENSES</b>				
Cost of vacation ownership products	52	54	135	145
Marketing and sales	234	228	705	677
Resort management and other services	72	72	220	216
Rental	132	120	387	343
Financing	38	37	111	106
Depreciation and amortization	26	25	80	75
Litigation charges	3	2	10	15
Modernization	1	—	2	—
Restructuring	—	1	—	1
Royalty fee	29	28	85	85
Impairment	31	—	31	—
Cost reimbursements	462	484	1,253	1,268
<b>TOTAL EXPENSES</b>	<b>1,080</b>	<b>1,051</b>	<b>3,019</b>	<b>2,931</b>
Gains and other income, net	8	4	18	5
Other	—	2	—	(1)
<b>SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ 138</b>	<b>\$ 205</b>	<b>\$ 532</b>	<b>\$ 531</b>

**Sale of Vacation Ownership Products**

Third Quarter and First Three Quarters

(\$ in millions)	Three Months Ended					Nine Months Ended				
	September 30, 2025	% of Consolidated Contract Sales, Net of Resales	September 30, 2024	% of Consolidated Contract Sales, Net of Resales	Change	September 30, 2025	% of Consolidated Contract Sales, Net of Resales	September 30, 2024	% of Consolidated Contract Sales, Net of Resales	Change
Consolidated contract sales	\$ 439		\$ 459		\$ (20) (4%)	\$ 1,304		\$ 1,336		\$ (32) (2%)
Joint venture contract sales	3		4		(1)	12		12		—
Total contract sales	442		463		(21) (4%)	1,316		1,348		(32) (2%)
Less: Resales contract sales	(7)		(8)		1	(23)		(29)		6
Less: Joint venture contract sales	(3)		(4)		1	(12)		(12)		—
Consolidated contract sales, net of resales	432		451		(19) (4%)	1,281		1,307		(26) (2%)
Plus:										
Settlement revenue	10	2%	9	2%	1	30	2%	27	2%	3
Resales revenue	4	1%	5	1%	(1)	13	1%	16	1%	(3)
Revenue recognition adjustments:										
Reportability	(5)	(1%)	4	1%	(9)	2	—%	(4)	—%	6
Sales reserve	(57)	(13%)	(54)	(12%)	(3)	(165)	(13%)	(222)	(17%)	57
Other <sup>(1)</sup>	(26)	(6%)	(28)	(6%)	2	(78)	(6%)	(76)	(6%)	(2)
Sale of vacation ownership products	\$ 358	83%	\$ 387	86%	\$ (29) (8%)	\$ 1,083	85%	\$ 1,048	80%	\$ 35 3%
VPG	\$ 3,700		\$ 3,888		\$(188) (5%)	\$ 3,760		\$ 3,910		\$(150) (4%)
Tours	109,609		110,557		(948) (1%)	322,009		318,888		3,121 1%
Financing propensity	60.4%		59.5%		0.9 pts	57.0%		56.0%		1.0 pts
Average FICO Score <sup>(2)</sup>	733		733			738		736		

<sup>(1)</sup> 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.

<sup>(2)</sup> For customers who financed a vacation ownership purchase and for whom a credit score was available, generally U.S. and Canadian residents.

*Third Quarter*

The decrease in Sale of vacation ownership products for the third quarter of 2025 is attributed to lower contract sales, lower revenue reportability and an increase in the sales reserve due to higher financing propensity compared to the prior year comparable period.

Contract sales decreased during the third quarter of 2025 due to a 5% decrease in VPG and a 1% decrease in tours.

- First time buyer contract sales decreased 2% on lower VPG and tours.
- Owner contract sales declined 5% on lower VPG and flat tours.

*First Three Quarters*

The increase in Sale of vacation ownership products for the first three quarters of 2025 was primarily due to a decrease in our sales reserve reflecting last year's \$70 million sales reserve adjustment (the "additional sales reserve") recorded in the second quarter of 2024, partially offset by higher financing propensity and defaults in Asia Pacific in the first three quarters of 2025. In addition, contract sales decreased during the first three quarters of 2025 due to a 4% decrease in VPG and a 1% increase in tours, partially offset by higher revenue reportability in the first three quarters of 2024.

- First time buyer contract sales increased 3% on higher tours.
- Owner contract sales declined 5% on lower VPG and tours.

Excluding the impact of the additional sales reserve recorded in the second quarter of 2024, our sales reserve as a percent of contract sales in the first three quarters of 2025 is 120 basis points higher than the prior year comparable period. While our delinquency rates at September 30, 2025 have declined from those experienced in 2024, we do not expect to lower the sales reserve for new originations until we have sufficient, sustained evidence of continued improvement in delinquency and default rates.

**Development Profit**

*Third Quarter*

(\$ in millions)	Three Months Ended				
	September 30, 2025	% of Revenue	September 30, 2024	% of Revenue	Change
Sale of vacation ownership products	\$ 358		\$ 387		\$ (29) (8%)
Cost of vacation ownership products	(52)	14%	(54)	14%	2 5%
Marketing and sales	(234)	65%	(228)	59%	(6) (3%)
Development profit	\$ 72		\$ 105		\$ (33) (32%)
Development profit margin	20.2%		27.2%		(7.0 pts)

The change in Development profit was due to the following:

- lower Sale of vacation ownership products (discussed above);
- lower Cost of vacation ownership products; and
- higher Marketing and sales costs due to higher preview and marketing costs, including costs to generate future package tours.

*First Three Quarters*

(\$ in millions)	Nine Months Ended				
	September 30, 2025	% of Revenue	September 30, 2024	% of Revenue	Change
Sale of vacation ownership products	\$ 1,083		\$ 1,048		\$ 35 3%
Cost of vacation ownership products	(135)	12%	(145)	14%	10 7%
Marketing and sales	(705)	65%	(677)	65%	(28) (4%)
Development profit	\$ 243		\$ 226		\$ 17 7%
Development profit margin	22.4%		21.6%		0.8 pts

The increase in Development profit was due to the following:

- higher Sale of vacation ownership products (discussed above); and
- lower Cost of vacation ownership products due to the sale of lower average cost inventory, including \$7 million of favorable product cost true-up activity, partially offset by the \$13 million favorable impact of the additional sales reserve in the first three quarters of 2024.

These were partially offset by:

- higher marketing and sales costs due to:
  - \$9 million of higher wages and benefits, including variable compensation;
  - \$11 million of higher cost package tours and higher marketing and other costs; and
  - \$8 million of higher costs for occupancy used for previews.

Excluding the favorable impact of the additional sales reserve in the first three quarters of 2024, Cost of vacation ownership products decreased \$23 million and Cost of vacation ownership products as a percentage of sales decreased approximately 160 basis points in the first three quarters of 2025.

Excluding the impact of the additional sales reserve in the first three quarters of 2024, Development profit decreased \$40 million and Development profit margin decreased approximately 290 basis points in the first three quarters of 2025.

**Resort Management and Other Services Revenues, Expenses and Profit**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Management fee revenues	\$ 56	\$ 52	\$ 4	7%	\$ 166	\$ 155	\$ 11	7%
Ancillary revenues	69	66	3	4%	209	203	6	3%
Other management and exchange revenues	33	34	(1)	(1%)	103	99	4	4%
Resort management and other services revenues	158	152	6	4%	478	457	21	4%
Resort management and other services expenses	(72)	(72)	—	—%	(220)	(216)	(4)	(2%)
Resort management and other services profit	\$ 86	\$ 80	\$ 6	8%	\$ 258	\$ 241	\$ 17	7%
Resort management and other services profit margin	53.9%	52.1%	1.8 pts		53.9%	52.6%	1.3 pts	
Resort occupancy <sup>(1)</sup>	87.9%	89.1%	(1.2 pts)		89.2%	89.8%	(0.6 pts)	

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

*Third Quarter*

The increase in Resort management and other services profit reflects \$4 million of higher management profit, \$1 million of higher ancillary profit and \$1 million of higher exchange profit.

*First Three Quarters*

The increase in Resort management and other services profit reflects \$12 million of higher management profit, \$4 million of higher ancillary profit and \$3 million of higher exchange profit.

**Rental Revenues, Expenses and Profit**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Rental revenues	\$ 142	\$ 140	\$ 2	1%	\$ 451	\$ 430	\$ 21	5%
Rental expenses	(132)	(120)	(12)	(10%)	(387)	(343)	(44)	(13%)
Rental profit	\$ 10	\$ 20	\$ (10)	(54%)	\$ 64	\$ 87	\$ (23)	(26%)
Rental profit margin	6.6%	14.7%	(8.1 pts)		14.3%	20.3%	(6.0 pts)	
Transient keys rented <sup>(1)</sup>	554,983	554,201	782	—%	1,712,123	1,672,875	39,248	2%
Average transient rate	\$ 240	\$ 239	\$ 1	1%	\$ 260	\$ 256	\$ 4	1%
Rental occupancy <sup>(2)</sup>	69.0%	71.4%	(2.4 pts)		72.4%	72.8%	(0.4 pts)	

<sup>(1)</sup> Transient keys rented exclude plus points and preview stays.

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

*Third Quarter*

Rental profit declined due to:

- \$4 million of higher unsold maintenance fees associated with developer-owned inventory;
- \$3 million of increased costs due to higher owner utilization of third-party vacation offerings, increased marketing, variable and other costs.

These amounts were partially offset by a \$2 million increase in costs allocated to marketing and sales expense for occupancy used for previews.

Rental revenues and Rental expenses are both \$9 million higher in the third quarter of 2025 compared to the third quarter of 2024 due to the year over year change in the amount reclassified for costs in excess of rental revenues for developer-owned inventory which is registered and held for sale.

*First Three Quarters*

Rental profit declined due to:

- \$17 million of lower plus point revenue attributed to the non-recurring impact of sales incentive programs put in place during COVID, which increased the amount of plus points issued and lengthened the use period in the prior year comparable periods;
- \$11 million of higher unsold maintenance fees associated with developer-owned inventory;
- \$10 million of higher marketing, variable and other costs; and
- \$7 million of increased costs due to higher owner utilization of third-party vacation offerings.

These amounts are partially offset by:

- \$15 million increase in transient rental revenues; and
- an \$8 million increase in costs allocated to marketing and sales expense for occupancy used for previews.

Rental revenues and Rental expenses are both \$26 million higher in the first three quarters of 2025 compared to the first three quarters of 2024 due to the year over year change in the amount reclassified for costs in excess of rental revenues for developer-owned inventory which is registered and held for sale.

**Financing Revenues, Expenses and Profit**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Financing revenues	\$ 90	\$ 87	\$ 3	5%	268	255	13	5%
Financing expenses	(12)	(12)	—	(6%)	(33)	(29)	(4)	(13%)
Consumer financing interest expense	(26)	(25)	(1)	NM	(78)	(77)	(1)	NM
Financing profit	\$ 52	\$ 50	\$ 2	5%	\$ 157	\$ 149	\$ 8	6%
Financing profit margin	57.8%	57.9%	(0.1 pts)		58.6%	58.4%	0.2 pts	
Financing propensity	60.4%	59.5%	0.9 pts		57.0%	56.0%	1.0 pts	

*Third Quarter and First Three Quarters*

- Financing revenues reflect higher interest income as a result of a higher average notes receivable balance, partially offset by a slightly lower average interest rate.
- The increase in financing expense is primarily attributed to higher credit card fees, partially offset by lower operating costs, including those resulting from our cost savings initiatives implemented in the third quarter of 2025.

We expect our average interest rate to continue to increase as the current interest rate environment for new securitization transactions exceeds the average interest rate on our existing securitized debt. We do not adjust interest rates on consumer financing offerings at the same pace as, or in lock-step with, broader market interest rates; as a result, we expect our financing profit margin to continue to decrease in 2025, as we repay existing securitization transactions with proceeds from newer securitization transactions with lower interest rates.

**Litigation Charges**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Litigation charges	\$ 3	\$ 2	\$ 1	64%	\$ 10	\$ 15	\$ (5)	(33%)

*Third Quarter and First Three Quarters*

Litigation charges during the third quarters of 2025 and 2024, as well as the first three quarters of 2025 and 2024, relate primarily to certain resorts in Europe.

**Impairment**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Impairment	\$ 31	\$ —	\$ 31	NM	\$ 31	\$ —	\$ 31	NM

*Third Quarter and First Three Quarters*

During the third quarter of 2025, we recorded a non-cash impairment charge of \$31 million related to completed vacation ownership units and land, which were classified as a component of Property and equipment, net.

**Gains and Other Income**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Gains and other income, net	\$ 8	\$ 4	\$ 4	NM	\$ 18	\$ 5	\$ 13	NM

*Third Quarter*

During the third quarter of 2025, we received \$8 million of proceeds from service interruption insurance relating to the Maui wildfires.

During the third quarter of 2024, we recorded a \$4 million reduction in certain pre-acquisition contingencies associated with the ILG Acquisition.

*First Three Quarters*

During the first three quarters of 2025, we received \$15 million of proceeds from service interruption insurance relating to the Maui wildfires and recorded a \$2 million reduction in certain pre-acquisition contingencies associated with the ILG Acquisition and \$1 million of other gains.

During the first three quarters of 2024, we recorded a \$4 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		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>REVENUES</b>				
Management and exchange	\$ 43	\$ 44	\$ 130	\$ 141
Rental	8	11	28	32
Cost reimbursements	2	1	6	6
<b>TOTAL REVENUES</b>	<b>53</b>	<b>56</b>	<b>164</b>	<b>179</b>
<b>EXPENSES</b>				
Management and exchange	30	33	88	95
Depreciation and amortization	6	7	20	21
Modernization	1	—	1	—
Restructuring	—	1	2	1
Impairment	—	—	—	2
Cost reimbursements	2	1	6	6
<b>TOTAL EXPENSES</b>	<b>39</b>	<b>42</b>	<b>117</b>	<b>125</b>
Gains and other income, net	1	1	1	1
Other	—	—	1	—
<b>SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ 15</b>	<b>\$ 15</b>	<b>\$ 49</b>	<b>\$ 55</b>

**Management and Exchange Profit**

(\$ in millions)	Three Months Ended				Nine Months Ended			
	September 30, 2025	September 30, 2024	Change		September 30, 2025	September 30, 2024	Change	
Management and exchange revenue	\$ 43	\$ 44	\$ (1)	(2%)	\$ 130	\$ 141	\$ (11)	(8%)
Management and exchange expense	(30)	(33)	3	4%	(88)	(95)	7	6%
Management and exchange profit	\$ 13	\$ 11	\$ 2	3%	\$ 42	\$ 46	\$ (4)	(11%)
Management and exchange profit margin	29.4%	28.0%	1.4 pts		32.1%	33.4%	(1.3 pts)	

*Third Quarter*

- Interval International management and exchange revenues declined due to 8% lower exchange transaction volume, partially offset by a 9% increase in average exchange fees.
- The decrease in management and exchange expense was primarily attributable to lower wages and benefits and other costs.

*First Three Quarters*

- Interval International management and exchange revenues declined \$5 million, or 4%, primarily due to 9% lower exchange transaction volume, partially offset by a 6% increase in average exchange fees.
- Management and exchange revenue reflects a \$4 million decline in Aqua-Aston management revenues resulting from fewer available nights for rent, lower occupancy, and a lower average daily rate in the Hawaii market.
- Management and exchange revenue declined \$2 million, attributed to the sale of an immaterial subsidiary in the second quarter of 2024.
- The decrease in management and exchange expenses was primarily attributable to lower wages and benefits and other costs.

## Rental Revenues

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
	Rental revenues	\$ 8	\$ 11	\$ (3) (21%)	\$ 28	\$ 32

### Third Quarter and First Three Quarters

The decrease in rental revenues reflects an 18% decrease in transaction volume, partially offset by a 12% increase in average fees per transaction, in each case in each of the third quarter and first three quarters of 2025 compared to prior year comparable periods.

## Restructuring

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
	Restructuring	\$ —	\$ 1	\$ (1) (100%)	\$ 2	\$ 1

### Third Quarter and First Three Quarters

During the first three quarters of 2025, we recorded a \$2 million impairment related to an operating lease and related assets.

## 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.

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>REVENUES</b>				
Resort management and other services	\$ 13	\$ 11	\$ 40	\$ 35
Cost reimbursements	(13)	(12)	(28)	(32)
<b>TOTAL REVENUES</b>	<b>—</b>	<b>(1)</b>	<b>12</b>	<b>3</b>
<b>EXPENSES</b>				
Resort management and other services	16	18	48	47
Rental	(3)	(7)	(10)	(12)
General and administrative	53	61	175	178
Depreciation and amortization	6	4	14	13
Litigation charges	1	1	6	1
Modernization	51	—	94	—
Restructuring	—	(1)	—	2
Cost reimbursements	(13)	(12)	(28)	(32)
<b>TOTAL EXPENSES</b>	<b>111</b>	<b>64</b>	<b>299</b>	<b>197</b>
Gains (losses) and other income (expense), net	2	4	29	(4)
Interest expense, net	(43)	(40)	(125)	(123)
Transaction and integration costs	—	—	—	(18)
Other	—	(1)	(1)	—
<b>FINANCIAL RESULTS BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS</b>	<b>(152)</b>	<b>(102)</b>	<b>(384)</b>	<b>(339)</b>
Provision for income taxes	(3)	(34)	(73)	(79)
Net income attributable to noncontrolling interests	—	—	(1)	—
<b>FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ (155)</b>	<b>\$ (136)</b>	<b>\$ (458)</b>	<b>\$ (418)</b>

**Litigation Charges**

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
	Litigation charges	\$ 1	\$ 1	\$ — NM	\$ 6	\$ 1

*Third Quarter and First Three Quarters*

Litigation charges during the third quarter of 2025 and 2024, as well as the first three quarters of 2025 and 2024, relate to a dispute with a service provider.

**Modernization**

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
	Modernization	\$ 51	\$ —	\$ 51 NM	\$ 94	\$ —

*Third Quarter and First Three Quarters*

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. We are working 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. See “Strategic Business Operations” section above for further information.

During the third quarter and first three quarters of 2025, the majority of our Modernization charges were related to advisory services. See Footnote 17 “Modernization” to our Financial Statements for further information related to our modernization charges.

**Gains (Losses) and Other Income (Expense)**

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
	Gains (losses) and other income (expense), net	\$ 2	\$ 4	\$ (2) (39%)	\$ 29	\$ (4)

*Third Quarter*

In the third quarter of 2025, we recorded \$2 million of foreign currency translation gains and \$1 million of tax related adjustments to the receivable from Marriott International for indemnified tax matters, partially offset by \$1 million of other losses.

In the third quarter of 2024, we recorded \$6 million of foreign currency translation gains, partially offset by \$2 million of tax related adjustments to the receivable from Marriott International for indemnified tax matters.

*First Three Quarters*

In the first three quarters of 2025, we recorded \$23 million of foreign currency translation gains, \$4 million of tax related adjustments to the receivable from Marriott International for indemnified tax matters, \$1 million of other gains, and \$1 million of insurance proceeds.

In the first three quarters of 2024, we recorded \$4 million net of tax related adjustments to the receivable from Marriott International for indemnified tax matters.

**Income Tax**

(\$ in millions)	Three Months Ended			Nine Months Ended		
	September 30, 2025	September 30, 2024	Change	September 30, 2025	September 30, 2024	Change
Provision for income taxes	\$ (3)	\$ (34)	\$ 31 NM	\$ (73)	\$ (79)	\$ 6 8%

*Third Quarter*

The effective tax rate for the three months ended September 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments in non-U.S. jurisdictions. These adjustments included a \$25 million increase related to changes in valuation allowances, partially offset by tax benefits from \$13 million of permanent differences arising from restructuring activities and \$6 million for other deferred tax adjustments.

The effective tax rate for the three months ended September 30, 2024 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments. These adjustments included an \$11 million decrease related to changes in valuation allowances on certain deferred tax assets in non-U.S. jurisdictions and a \$6 million decrease as a result of the expiration of statutes of limitation on certain unrecognized tax benefits, partially offset by an \$8 million increase related to the removal of the permanent reinvestment assertion for certain non-U.S. entities and a \$3 million increase for deferred non-U.S. withholding taxes.

*First Three Quarters*

Our effective tax rate was 37.0% and 32.1% for the nine months ended September 30, 2025 and September 30, 2024, respectively.

The effective tax rate for the nine months ended September 30, 2025 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments in non-U.S. jurisdictions. These adjustments included a \$25 million increase related to changes in valuation allowances, partially offset by tax benefits from \$13 million of permanent differences arising from restructuring activities and \$6 million related to prior year true-up adjustments.

The effective tax rate for the nine months ended September 30, 2024 differed from the blended U.S. federal and state statutory tax rate primarily due to discrete income tax adjustments. These adjustments included a \$27 million decrease as a result of the expiration of statutes of limitation on uncertain unrecognized tax benefits and an \$8 million net decrease related to changes in valuation allowances in non-U.S. jurisdictions. These decreases were partially offset by a \$28 million increase related to the removal of the permanent reinvestment assertion for certain non-U.S. entities and a \$3 million increase for deferred non-U.S. withholding taxes.

**Consolidated Property Owners' Associations**

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

(\$ in millions)	Three Months Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
<b>REVENUES</b>				
Resort management and other services	\$ 13	\$ 11	\$ 40	\$ 35
Cost reimbursements	(13)	(12)	(28)	(32)
<b>TOTAL REVENUES</b>	<b>—</b>	<b>(1)</b>	<b>12</b>	<b>3</b>
<b>EXPENSES</b>				
Resort management and other services	16	18	48	47
Rental	(3)	(7)	(10)	(12)
Cost reimbursements	(13)	(12)	(28)	(32)
<b>TOTAL EXPENSES</b>	<b>—</b>	<b>(1)</b>	<b>10</b>	<b>3</b>
Interest expense, net	—	—	—	1
<b>FINANCIAL RESULTS BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS</b>	<b>—</b>	<b>—</b>	<b>2</b>	<b>1</b>
Provision for income taxes	—	—	(1)	(1)
Net income attributable to noncontrolling interests	—	—	(1)	—
<b>FINANCIAL RESULTS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

## **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 September 30, 2025, our corporate debt, net of cash and equivalents, to Adjusted EBITDA ratio was 4.1, above our targeted range of 2.5 to 3.0, and we remain focused on reducing this ratio over time.

We have no material principal payment obligations for the remainder of 2025. 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 third quarter of 2025, and as of September 30, 2025, we had 11 term securitization transactions outstanding, none of which were out of compliance with their respective required parameters. Since 2000, we have issued approximately \$10.3 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. During the second quarter of 2025, we amended certain agreements associated with our Warehouse Credit Facility, which, among other things, extended the revolving period from June 11, 2026 to June 11, 2027. At September 30, 2025, we had \$256 million of borrowings outstanding on our Warehouse Credit Facility. See Footnote 11 “Securitized Debt” to our Financial Statement for further information on our Warehouse Amendment.

As of September 30, 2025, \$168 million of gross vacation ownership notes receivable were eligible for securitization.

#### Issuance of Senior Unsecured Notes

During the third quarter of 2025, we issued the 2033 Notes with an aggregate principal amount of \$575 million and we received net proceeds of \$567 million from the offering, after deducting the underwriting fees and transaction expenses. We intend to use the net proceeds to repay our 2026 Convertible Notes due in January 2026.

#### Corporate Credit Facility

During the first quarter of 2025, we entered into an amendment to the Corporate Credit Facility, which, among other things, increased the borrowing capacity on our Revolving Corporate Credit Facility from \$750 million to \$800 million of aggregate borrowings for general corporate needs, including working capital, capital expenditures, letters of credit, and acquisitions. The Amendment also extended the termination date from March 31, 2027 to March 24, 2030, reduced certain fees and interest costs, and increased the letter of credit sub-facility of the Revolving Corporate Credit Facility from \$75 million to \$150 million. At September 30, 2025, no borrowings and \$14 million of letters of credit were outstanding under our Revolving Corporate Credit Facility.

Additionally, the Amendment provided for a new \$450 million senior secured Delayed-Draw Term Loan scheduled to mature on December 31, 2027, which was subsequently terminated in the third quarter of 2025, in connection with the issuance of the 2033 Notes. We did not draw on the Delayed-Draw Term Loan at any time.

See Footnote 12 "Debt" to our Financial Statements for further information.

#### 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.

#### Operations

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

#### Inventory Spending In Excess of Cost of Sales

(\$ in millions)	Nine Months Ended	
	September 30, 2025	September 30, 2024
Inventory spending	\$ (77)	\$ (159)
Purchase and development of property for future transfer to inventory	(134)	—
Inventory cost of sales	98	107
Inventory spending in excess of cost of sales	\$ (113)	\$ (52)

We plan to restrict our new inventory spending to capital efficient arrangements where our cash outlay coincides with 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*

(\$ in millions)	Nine Months Ended	
	September 30, 2025	September 30, 2024
Vacation ownership notes receivable collections — non-securitized	\$ 119	\$ 67
Vacation ownership notes receivable collections — securitized	400	403
Vacation ownership notes receivable originations	(766)	(738)
Vacation ownership notes receivable collections less than originations	\$ (247)	\$ (268)

Vacation ownership notes receivable collections were less than originations in the first three quarters of 2025 and 2024 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, 2024	25,790,550	\$ 2,461	\$ 95.40
For the first three quarters of 2025	496,484	36	73.09
As of September 30, 2025	26,287,034	\$ 2,497	\$ 94.98

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 three quarters of 2025 as follows:

Declaration Date	Stockholder Record Date	Distribution Date	Dividend per Share
December 6, 2024	December 19, 2024	January 3, 2025	\$0.79
February 20, 2025	March 5, 2025	March 19, 2025	\$0.79
May 12, 2025	May 23, 2025	June 6, 2025	\$0.79

Payment of dividends within Financing activities on our Cash Flows for the nine months ended September 30, 2025, includes \$27 million related to the dividend distributed to holders of our common stock (as of the record date) on October 1, 2025, as the payment was funded on September 30, 2025.

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 September 30, 2025:

(\$ in millions)	Payments Due by Period						
	Total	Remainder of 2025	2026	2027	2028	2029	Thereafter
Debt <sup>(1)</sup>	\$ 4,085	\$ 35	\$ 727	\$ 722	\$ 463	\$ 602	\$ 1,536
Securitized debt <sup>(1)(2)</sup>	2,719	72	282	278	473	232	1,382
Purchase obligations <sup>(3)</sup>	600	64	215	196	51	34	40
Operating lease obligations <sup>(4)</sup>	99	6	24	17	13	11	28
Finance lease obligations <sup>(4)</sup>	525	5	17	16	13	13	461
Other long-term obligations	10	6	2	1	1	—	—
	<u>\$ 8,038</u>	<u>\$ 188</u>	<u>\$ 1,267</u>	<u>\$ 1,230</u>	<u>\$ 1,014</u>	<u>\$ 892</u>	<u>\$ 3,447</u>

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

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

<sup>(3)</sup> 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.

<sup>(4)</sup> 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 have minimal impact on our net income or loss 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 September 30, 2025 and December 31, 2024, and for the nine months ended September 30, 2025 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

(\$ in millions)	Nine Months Ended September 30, 2025					
	Issuers		Senior Notes Guarantors	Non-Guarantor Subsidiaries	Total Eliminations	MVW Consolidated
	MVWC	MORI				
Revenues	\$ —	\$ 800	\$ 2,078	\$ 864	\$ (33)	\$ 3,709
Expenses	(34)	(992)	(1,868)	(651)	33	(3,512)
Benefit from (provision for) income taxes	9	58	(64)	(76)	—	(73)
Equity in net income of subsidiaries	148	342	—	—	(490)	—
Net income	123	208	146	137	(490)	124
Net income attributable to noncontrolling interests	—	—	—	(1)	—	(1)
Net income attributable to common stockholders	<u>\$ 123</u>	<u>\$ 208</u>	<u>\$ 146</u>	<u>\$ 136</u>	<u>\$ (490)</u>	<u>\$ 123</u>

## Condensed Consolidating Balance Sheet

(\$ in millions)	As of September 30, 2025						As of December 31, 2024					
	Issuers		Senior Notes	Non-Guarantor	Total	MVW	Issuers		Senior Notes	Non-Guarantor	Total	MVW
	MVWC	MORI	Guarantors	Subsidiaries	Eliminations	Consolidated	MVWC	MORI	Guarantors	Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	\$ 201	\$ 54	\$ 73	\$ 146	\$ —	\$ 474	\$ 1	\$ 14	\$ 59	\$ 123	\$ —	\$ 197
Restricted cash	—	23	86	150	—	259	—	25	134	172	—	331
Accounts and contracts receivable, net	12	179	107	168	(64)	402	18	166	118	88	(3)	387
Vacation ownership notes receivable, net	—	231	180	2,111	—	2,522	—	177	161	2,102	—	2,440
Inventory	—	333	287	107	—	727	—	282	345	108	—	735
Property and equipment, net	—	319	721	285	—	1,325	—	280	652	238	—	1,170
Goodwill	—	—	3,117	—	—	3,117	—	—	3,117	—	—	3,117
Intangibles, net	—	—	719	28	—	747	—	—	763	27	—	790
Investments in subsidiaries	3,258	3,908	—	—	(7,166)	—	3,466	3,743	—	—	(7,209)	—
Other	174	145	244	131	(118)	576	148	199	261	105	(72)	641
<b>Total assets</b>	<b>\$ 3,645</b>	<b>\$ 5,192</b>	<b>\$ 5,534</b>	<b>\$ 3,126</b>	<b>\$ (7,348)</b>	<b>\$ 10,149</b>	<b>\$ 3,633</b>	<b>\$ 4,886</b>	<b>\$ 5,610</b>	<b>\$ 2,963</b>	<b>\$ (7,284)</b>	<b>\$ 9,808</b>
Accounts payable	\$ 24	\$ 63	\$ 91	\$ 72	\$ —	\$ 250	\$ 51	\$ 52	\$ 164	\$ 76	\$ —	\$ 343
Advance deposits	—	71	78	17	—	166	—	68	79	15	—	162
Accrued liabilities	13	167	140	117	(63)	374	2	103	149	127	3	384
Deferred revenue	—	10	160	184	(10)	344	—	15	157	190	(8)	354
Payroll and benefits liability	—	107	62	34	—	203	—	103	86	31	—	220
Deferred compensation liability	—	159	53	5	—	217	—	143	48	4	—	195
Securitized debt, net	—	—	—	2,132	(25)	2,107	—	—	—	2,163	(27)	2,136
Debt, net	1,143	2,211	179	—	—	3,533	1,138	1,771	179	1	—	3,089
Other	—	3	112	18	—	133	—	2	118	19	—	139
Deferred taxes	—	159	242	40	(84)	357	—	121	236	31	(43)	345
MVW stockholders' equity	2,465	2,242	4,417	507	(7,166)	2,465	2,442	2,508	4,394	307	(7,209)	2,442
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(1)	—	(1)
<b>Total liabilities and equity</b>	<b>\$ 3,645</b>	<b>\$ 5,192</b>	<b>\$ 5,534</b>	<b>\$ 3,126</b>	<b>\$ (7,348)</b>	<b>\$ 10,149</b>	<b>\$ 3,633</b>	<b>\$ 4,886</b>	<b>\$ 5,610</b>	<b>\$ 2,963</b>	<b>\$ (7,284)</b>	<b>\$ 9,808</b>

**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 2024 Annual Report. Since the date of our 2024 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 2024 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 September 30, 2025, after considering the impact of our interest rate swap agreement and excluding finance leases, the interest rate applicable to 85% (approximately \$2.9 billion) of our total corporate debt was effectively fixed and the interest rate applicable to the remaining 15% (approximately \$490 million) was variable. Assuming 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 September 30, 2025 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 September 30, 2025 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 September 30, 2025 for our financial instruments that are impacted by market risks:

(\$ in millions)	Average Interest Rate	Maturities by Period						Total Carrying Value	Total Fair Value
		Remainder of 2025	2026	2027	2028	2029	Thereafter		
<b>Assets – Maturities represent expected principal receipts; fair values represent assets</b>									
Vacation ownership notes receivable — non-securitized	11.9%	\$ 27	\$ 92	\$ 74	\$ 66	\$ 56	\$ 311	\$ 626	\$ 631
Vacation ownership notes receivable — securitized	13.3%	\$ 40	\$ 166	\$ 170	\$ 171	\$ 171	\$ 1,178	\$ 1,896	\$ 1,962
Contracts receivable for financed VOI sales, net	13.2%	\$ 1	\$ 4	\$ 4	\$ 5	\$ 6	\$ 65	\$ 85	\$ 85
<b>Liabilities – Maturities represent expected principal payments; fair values represent liabilities</b>									
Securitized Debt	4.9%	\$ (46)	\$ (183)	\$ (188)	\$ (398)	\$ (171)	\$ (1,146)	\$ (2,132)	\$ (2,163)
Term Loan	6.4%	\$ (2)	\$ (8)	\$ (8)	\$ (8)	\$ (8)	\$ (756)	\$ (790)	\$ (790)
Senior Notes									
2028 Notes	4.8%	\$ —	\$ —	\$ —	\$ (350)	\$ —	\$ —	\$ (350)	\$ (345)
2029 Notes	4.5%	\$ —	\$ —	\$ —	\$ —	\$ (500)	\$ —	\$ (500)	\$ (482)
2033 Notes	6.5%	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (575)	\$ (575)	\$ (574)
2026 Convertible Notes	0.0%	\$ —	\$ (575)	\$ —	\$ —	\$ —	\$ —	\$ (575)	\$ (567)
2027 Convertible Notes	3.3%	\$ —	\$ —	\$ (575)	\$ —	\$ —	\$ —	\$ (575)	\$ (551)

**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 September 30, 2025, 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 2024 Annual Report and in Item 1A of Part II of our Quarterly Report for the quarter ended June 30, 2025, 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 <sup>(2)</sup>	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Maximum Dollar Amount of Shares That May Yet Be Purchased Under the Plans or Programs <sup>(1)(2)</sup>
July 1, 2025 – July 31, 2025	—	\$ —	—	\$ 347,132,547
August 1, 2025 – August 31, 2025	—	\$ —	—	\$ 347,132,547
September 1, 2025 – September 30, 2025	—	\$ —	—	\$ 347,132,547
Total	—	\$ —	—	\$ 347,132,547

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 September 30, 2025, the following officers and directors, as defined in Rule 16a-1(f), adopted a “Rule 10b5-1 trading arrangement” as defined in Regulation S-K Item 408, as follows:

On September 11, 2025, John E. Geller, Jr., the Company’s President and Chief Executive Officer and a member of the Board of Directors of the Company, adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended (“Rule 10b5-1(c)”). Mr. Geller’s trading plan provides for the acquisition of up to 20,471 shares of the Company’s common stock upon the exercise of stock appreciation rights, less any shares to be withheld and/or sold to satisfy applicable tax withholdings, and the sale of the net shares acquired over the term of the plan. Potential transactions under Mr. Geller’s trading plan are subject to the occurrence and satisfaction of certain stock price and/or other conditions. The trading arrangement will expire on the earlier of March 2, 2026, or the completion of all transactions subject to the trading arrangement.

On September 25, 2025, James H Hunter, IV, the Company’s Executive Vice President, General Counsel and Secretary, adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c). Mr. Hunter’s trading plan provides for the potential acquisition of up to 7,444 shares of the Company’s common stock issuable upon the exercise of stock appreciation rights over the term of the plan, less any shares to be withheld and/or sold to satisfy applicable tax withholdings. Potential acquisitions under Mr. Hunter’s trading plan are subject to the occurrence and satisfaction of certain stock price and/or other conditions. The trading arrangement will expire on the earlier of March 2, 2026, or the completion of all transactions subject to the trading arrangement.

During the quarter ended September 30, 2025, no other directors or officers, as defined in Rule 16a-1(f), adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” each as defined in Regulation S-K Item 408.

**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	<a href="#">Second Restated Certificate of Incorporation of Marriott Vacations Worldwide Corporation</a>		8-K	3.2	5/15/2023
3.2	<a href="#">Restated Bylaws of Marriott Vacations Worldwide Corporation (effective May 12, 2023)</a>		10-Q	3.3	8/4/2023
4.1	<a href="#">Form of certificate representing shares of common stock, par value \$0.01 per share, of Marriott Vacations Worldwide Corporation</a>		10	4.1	10/14/2011
4.2	<a href="#">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</a>		8-K	4.1	10/1/2019
4.3	<a href="#">Form of 4.750% Senior Notes due 2028</a> (included as Exhibit A to Exhibit 4.2 above)		8-K	4.2	10/1/2019
4.4	<a href="#">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</a>		8-K	4.3	10/1/2019
4.5	<a href="#">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</a>		8-K	4.1	2/3/2021
4.6	<a href="#">Form of 0.00% Convertible Senior Note due 2026</a> (included as Exhibit A to Exhibit 4.5 above)		8-K	4.1	2/3/2021
4.7	<a href="#">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</a>		8-K	4.1	6/22/2021

Exhibit Number	Description	Filed Herewith	Incorporation By Reference From		
			Form	Exhibit	Date Filed
4.8	<a href="#">Form of 4.500% Senior Notes due 2029</a> (included at Exhibit A to Exhibit 4.7 above)		8-K	4.2	6/22/2021
4.9	<a href="#">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 New York Bank of Mellon Trust Company, N.A., as trustee</a>		8-K	4.1	12/8/2022
4.10	<a href="#">Form of 3.25% Convertible Senior Notes due 2027</a> (included as Exhibit A to Exhibit 4.9 above)		8-K	4.2	12/8/2022
4.11	<a href="#">Description of Registered Securities</a>		10-K	4.16	3/2/2020
4.12	<a href="#">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</a>		8-K	4.1	9/19/2025
4.13	<a href="#">Form of 6.500% Senior Notes due 2033</a> (included at Exhibit A to Exhibit 4.12 above)		8-K	4.2	9/19/2025
10.1	<a href="#">Marriott Vacations Worldwide Corporation Change in Control Severance Plan**</a>		10-K	10.18	2/28/2025
10.2	<a href="#">Incremental Facility Amendment and Amendment No. 4, dated as of March 24, 2025, by and among Marriott Vacations Worldwide Corporation, Marriott Ownership Resorts, Inc., as borrower, the subsidiary guarantors party thereto, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the lenders party thereto</a>		8-K	10.1	3/27/2025
10.3	<a href="#">Support Agreement, dated May 27, 2025, between Impactive Capital LP and Marriott Vacations Worldwide Corporation</a>		8-K	10.1	5/27/2025
22.1	<a href="#">List of the Issuer and its Guarantor Subsidiaries</a>		10-K	22.1	2/27/2024
31.1	<a href="#">Certification by Chief Executive Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934</a>	X			
31.2	<a href="#">Certification by Chief Financial Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934</a>	X			
32.1	<a href="#">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</a>			Furnished	
32.2	<a href="#">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</a>			Furnished	
101	The following financial statements from our Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, 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 September 30, 2025, 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: November 6, 2025

/s/ John E. Geller, Jr.

John E. Geller, Jr.

President and Chief Executive Officer

/s/ Jason P. Marino

Jason P. Marino

Executive Vice President and Chief Financial Officer

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

I, John E. Geller, Jr., 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: November 6, 2025

/s/ John E. Geller, Jr.

\_\_\_\_\_  
John E. Geller, Jr.  
President and Chief Executive Officer  
(Principal Executive Officer)

**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: November 6, 2025

/s/ Jason P. Marino

\_\_\_\_\_  
Jason P. Marino

Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

**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, John E. Geller, Jr., President and 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 September 30, 2025 (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: November 6, 2025

/s/ John E. Geller, Jr.

John E. Geller, Jr.

President and Chief Executive Officer

(Principal Executive Officer)

**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 September 30, 2025 (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: November 6, 2025

/s/ Jason P. Marino

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Jason P. Marino

Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

