

Welcome!

HILTON INVESTOR DAY

December 8, 2016

Hilton

Conrad Lower Manhattan New York, New York



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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, but are not limited to, statements related to our expectations regarding the performance of our business, our financial results, our liquidity and capital resources, the planned spin-offs and other non-historical statements. You can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "approximately," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties, including, among others, risks inherent to the hospitality industry, macroeconomic factors beyond our control, competition for hotel guests, management and franchise agreements and timeshare sales, risks related to doing business with third-party hotel owners, our significant investments in owned and leased real estate, performance of our information technology systems, growth of reservation channels outside of our system, risks of doing business outside of the United States, risks related to our planned spin-offs and our indebtedness, as well as those described under the section entitled "Risk Factors" in Hilton Worldwide Holdings Inc.'s Annual Report on Form 10-K for the year ended December 31, 2015, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in our filings with the SEC. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

This presentation includes certain non-GAAP financial measures, including Adjusted earnings before interest expense, taxes, depreciation and amortization ("Adj. EBITDA"), Adj. EBITDA Margin, Net Debt, Net Debt / Adj. EBITDA and Free Cash Flow. Non-GAAP financial measures Adj. EBITDA, Adj. EBITDA Margin, Net Debt, Net Debt / Adj. EBITDA and Free Cash Flow should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with U.S. GAAP. Please refer to the Appendix and footnotes of this presentation for reconciliations of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with U.S. GAAP. Reconciliations of non-GAAP financial measures to measures calculated in accordance with U.S. GAAP are not available for all periods included in this presentation without unreasonable effort due to the unavailability of certain information needed to calculate certain reconciling items. In addition, this presentation includes Pro Forma financial information for Hilton to reflect the spin-offs of Park Hotels & Resorts Inc. ("Park") and Hilton Grand Vacations Inc. ("HGV"). This financial information does not represent pro forma results prepared in accordance with Regulation S-X and does not include all adjustments that might be required under Regulation S-X, and actual pro forma results could differ materially.

Slides in this presentation include certain Adj. EBITDA amounts that are used only for illustrative purposes to present illustrative Adj. EBITDA amounts by applying assumptions to existing room pipeline, increases of in-place rates and increases in RevPAR, as applicable, in each case based on twelve months ended ("LTM") 9/30/2016 information. These amounts do not represent projections of future results and may not be realized. Value information on such slides that is derived from such illustrative Adj. EBITDA amounts is indicative only, based upon a number of assumptions, and does not reflect actual valuation. Please review carefully the detailed footnotes in this presentation.

We have disclosed more details about the proposed spin-offs in registration statements with the SEC, as they may be amended from time to time, including financial and other details. The transactions are subject to a number of conditions, and other customary matters. The spin-offs are expected to be completed around year-end but there can be no assurance regarding the ultimate timing of the spin-offs or that either or both of the spin-offs will ultimately occur.

The New Hilton

Hilton

Chris Nassetta

President & Chief Executive Officer

Conrad Lower Manhattan New York, New York





WE ARE HILTON WE ARE HOSPITALITY

OUR VISION

To fill the earth with the light and warmth of hospitality - by delivering exceptional experiences - every hotel, every guest, every time.

OUR MISSION

To be the most hospitable company in the world - by creating heartfelt experiences for Guests, meaningful opportunities for Team Members, high value for Owners and a positive impact in our Communities.

OUR VALUES

HOSPITALITY
INTEGRITY
LEADERSHIP
TEAMWORK
OWNERSHIP
NOW



An award-winning culture with 355,000 Team Members across 104 countries

Hilton

FORTUNE

- World's Most Admired Companies
- 10 Best Workplaces in the Fortune 500
- Best Companies to Work For
- 100 Best Workplaces for Millennials – U.S.
- 100 Best Workplaces for Women – U.S.



- World's 25 Best Multinational Workplaces
- Best Workplaces Award:
 - China (#1)
 - Chile
 - Colombia
 - India
 - Italy
 - Mexico
 - Netherlands
 - Peru
 - Saudi Arabia (#1)
 - Sri Lanka
 - Turkey (#1)
 - United Arab Emirates
 - United Kingdom
 - United States



DiversityInc

- Top 50 Companies for Diversity
- Top 15 Companies for Mentoring
- Top 13 Companies for Supplier Diversity
- Top 12 Companies for Employee Resource Groups

Forbes

- America's Best Employers

Newsweek

- 2016 Top Green Companies

Note: Team Members include employees at Hilton corporate offices and its owned and managed properties, and employees of franchisees who work on-property at independently owned and operated franchise properties in the Hilton portfolio.

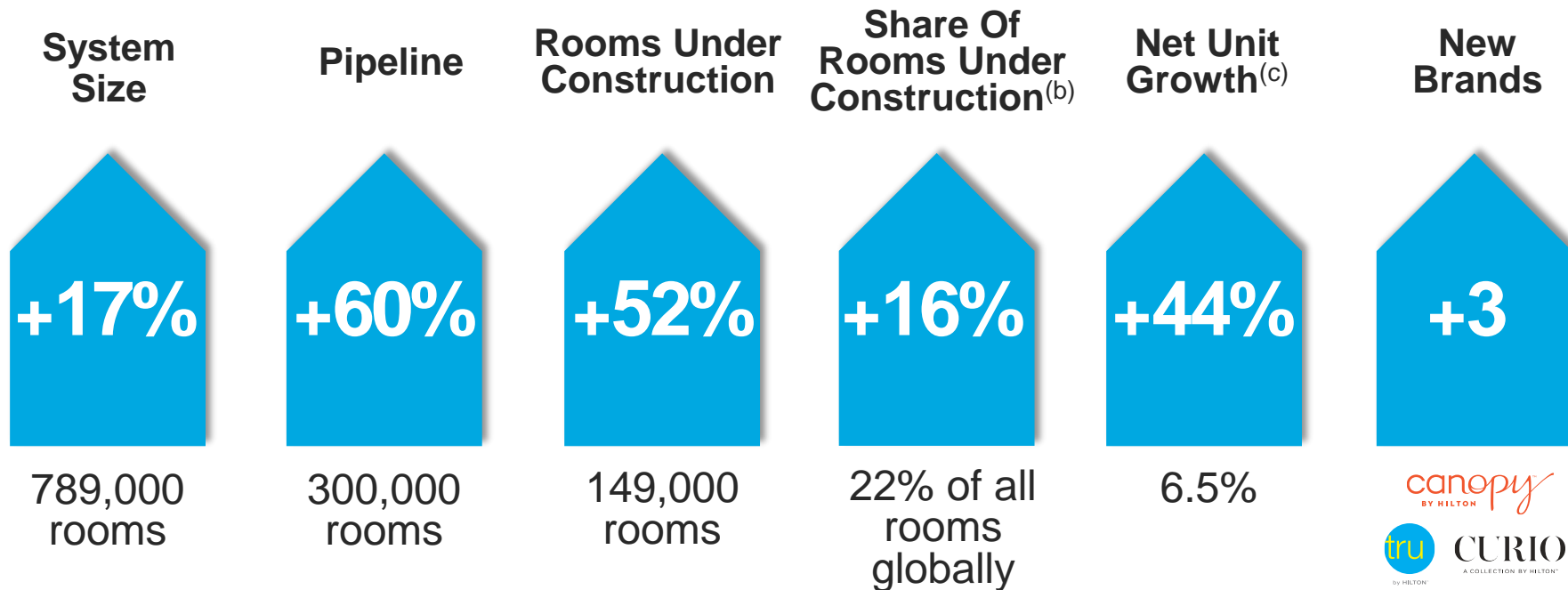
What we have accomplished

Hilton



Growth since IPO^(a)

Hilton



(a) Reflects growth from 9/30/13 through 9/30/16, unless stated otherwise.

(b) Source: STR Global Census October 2016, STR Global Census October 2013.

(c) Reflects change in annual managed & franchised growth from 12/31/13 to projected 12/31/16.

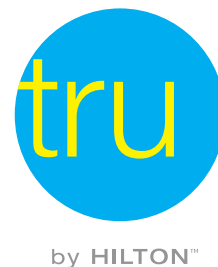
Growth since IPO^(a)

Hilton

Hotels under **NEW** brands^(b) (Supply + Pipeline)



And in **NEW** countries



(a) Reflects growth from 9/30/13 through 9/30/16.
(b) Including Home2 Suites by Hilton.

Performance since IPO^(a)

Hilton

**Adj.
EBITDA^(b)**



**\$2,969
million**

**Adj.
EBITDA
margin^(b)**



41.2%

**Effective
Franchise
Rate^(c)**



4.8%

**HHonors
Members**



**58
million**

**HHonors
Occupancy**



**55% system
occupancy^(d)**

(a) Reflects growth from 9/30/13 through 9/30/16.

(b) Based on LTM 9/30/16 whole company results.

(c) Effective franchise fee rate calculated as comp franchise hotel fee revenue divided by comp franchise room revenue. Reflects YTD 9/30/16 rate.

(d) YTD 9/30/16.

And meaningful value enhancement



Enhancing equity value^(a)

\$2.6BN

Net debt reduction &
quarterly dividends

Overhang reduced

75 → 15%

Blackstone's HLT stake
down 60% points since
IPO^(b)

Mining value



Sold Waldorf Astoria New
York for 32x LTM Adj.
EBITDA & deployed
proceeds for 1031
Exchange; completed other
Real Estate value
enhancement opportunities

(a) Reflects activity from 12/31/13 to 9/30/16.

(b) Reflects announced share sale to HNA.

Further catalysts for value

Hilton

Hilton

An industry-leading fee business

- 90%+ Adj. EBITDA expected to come from fees, of which 90% will be revenue driven
- Industry-leading organic net unit growth, requires de minimis investment on our part

• CEO: Chris Nassetta

PARK
HOTELS & RESORTS

Premium assets with a scaled platform and strong growth potential

- Will be one of the largest public lodging REITs
- High-quality portfolio of 67 premium-branded hotels and resorts with nearly 35,000 rooms located in prime markets with high barriers to entry

• CEO: Tom Baltimore

HILTON
GRAND VACATIONS

A fast growing, capital efficient timeshare business

- 46 resorts, representing 7,592 units, located in iconic leisure and urban vacation destinations
- Successfully transformed to a capital efficient model
- Long-term relationship with Hilton

• CEO: Mark Wang

Company Overview

Hilton














Waldorf Astoria Resort Boca Raton, Florida



With 4,820 properties & 789,000 rooms in 104 countries and territories, HLT is one of the world's largest hotel companies

Hilton

13 Industry-leading, global brands that drive **a 14% global RevPAR premium^(a)**

Luxury & Lifestyle	Full Service	All Suites	Focused Service	Timeshare
 WALDORF ASTORIA™	 Hilton HOTELS & RESORTS	 HOMEWOOD SUITES BY HILTON™	 Hilton Garden Inn®	 Hilton Grand Vacations
 CONRAD HOTELS & RESORTS™	 DOUBLETREE BY HILTON™	 HOME2 SUITES BY HILTON	 Hampton by HILTON™	
 canopy™ BY HILTON	 CURIO A COLLECTION BY HILTON™	 EMBASSY SUITES by HILTON™	 tru by HILTON™	

(a) Source: STR (12 months ended 12/31/2015). "RevPAR" or "Revenue per Available Room" represents hotel room revenue divided by room nights available to guests for a given period.

With 4,820 properties & 789,000 rooms in 104 countries and territories, HLT is one of the world's largest hotel companies



Strong commercial engines support an estimated **\$36 billion** in annual system revenue^(a)

Loyalty Program



~58M members, 55% system occupancy

Worldwide Sales



~\$10B in annual revenue

Online & Mobile



+570M site visits/year

Reservations & Customer Care



+40M interactions/ year

Revenue Management



Pricing and yield systems

Information Technology



Proprietary platform

Supply Management



~\$6B of influenced spend annually

^(a) System revenue includes estimated revenues of franchised properties in addition to revenues from properties owned, leased or managed by Hilton.

With 4,820 properties & 789,000 rooms in 104 countries and territories, HLT is one of the world's largest hotel companies

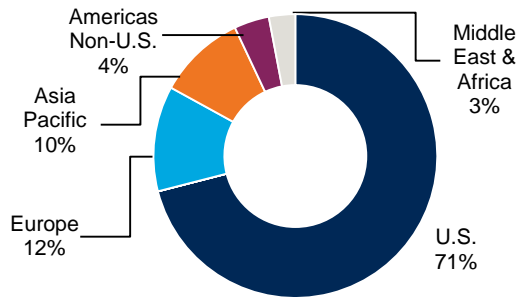


Highly resilient fee driven model - diversified across geographies and chain scales

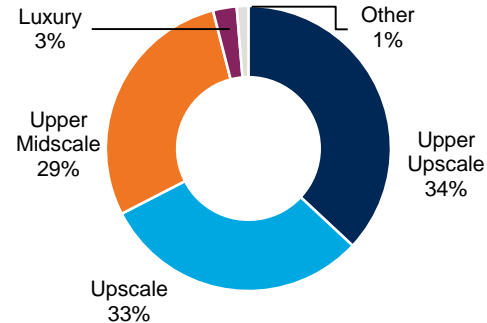
Adj. EBITDA by Business^(a)



Adj. EBITDA by Geography^(a)



Current Rooms by Chain Scale^(b)



(a) Based on 2016 pro forma Adj. EBITDA excluding Corporate and Other.
(b) Room count as of 9/30/2016. Other includes HGV.

Value proposition



Value proposition supported by a disciplined strategy



ALIGN CULTURE & ORGANIZATION

- Performance-driven culture based on common vision, mission, values and key strategic priorities
- Continue to make Hilton a great place to work

STRENGTHEN BRANDS & COMMERCIAL SERVICES PLATFORM

- Maximize relevance of existing brands, and strategically add new brands
- Build on leading commercial capabilities to maximize revenues
- Lead in digital and personalization capabilities
- Drive deeper loyalty and more direct relationships with guests through HHonors

EXPAND GLOBAL FOOTPRINT

- Deliver industry-leading, high-quality organic net unit growth
- Fill market gaps with the right brand in the right location at the right time
- Expand luxury portfolio; execute China growth strategy

MAXIMIZE PERFORMANCE

- Grow market share
- Grow free cash flow per share, preserve strong balance sheet, and accelerate return of capital

Hilton brand portfolio is driving the industry's fastest, highest return net unit growth. . .

Hilton

Best performing brands



Existing brands in **current** markets

~55% of pipeline

Existing brands in **new** markets

~25% of pipeline



White space: Urban micro, Luxury Lifestyle, Luxury & Upscale Collections, Hilton+

Organically develop **new** brands








~20% of pipeline

300,000
Pipeline rooms

Resulting in record pipelines across all brands segments, with signings growing for 6 consecutive years

... as seen in our system growth to date, all accomplished without brand acquisitions. . .

Hilton

Global System (# of Rooms)			
	2007	Today	% Growth
	496,000	789,000	59%
	111,000	169,000	52%
 ^(a)	782,000	1,155,000	47%
 InterContinental Hotels Group	564,000	754,000	34%
 ^(b)	542,000	690,000	27%
 ^(c)	487,000	575,000	18%
	446,000	509,000	14%

Note: "2007" metrics are as of 6/30/2007, except for Hyatt which is as of 12/31/2007; "Today" metrics are as of 9/30/2016. This page contains additional trademarks, service marks and trade names of others, which are the property of their respective owners. All trademarks, service marks and trade names appearing in this presentation are, to our knowledge, the property of their respective owners.

(a) Reflects MAR acquisition of HOT in both periods presented. Excludes timeshare properties due to lack of 2007 data availability; Marriott spun off its timeshare business in 2011. Hilton growth excluding timeshare properties is 59%. Marriott growth including timeshare is 47%.

(b) Excludes timeshare properties due to lack of 2007 data availability.

(c) Accor data reflects sale of Motel 6 and Studio 6 brands and the acquisition of Fairmont Raffles Hotels International Group.

Source: Company filings

... and leading share of future global development...



Hilton's global market share of rooms under construction of approximately 22% is ~4.5x larger than its current market share of existing rooms, implying significant potential for continued growth

Hilton Market Share

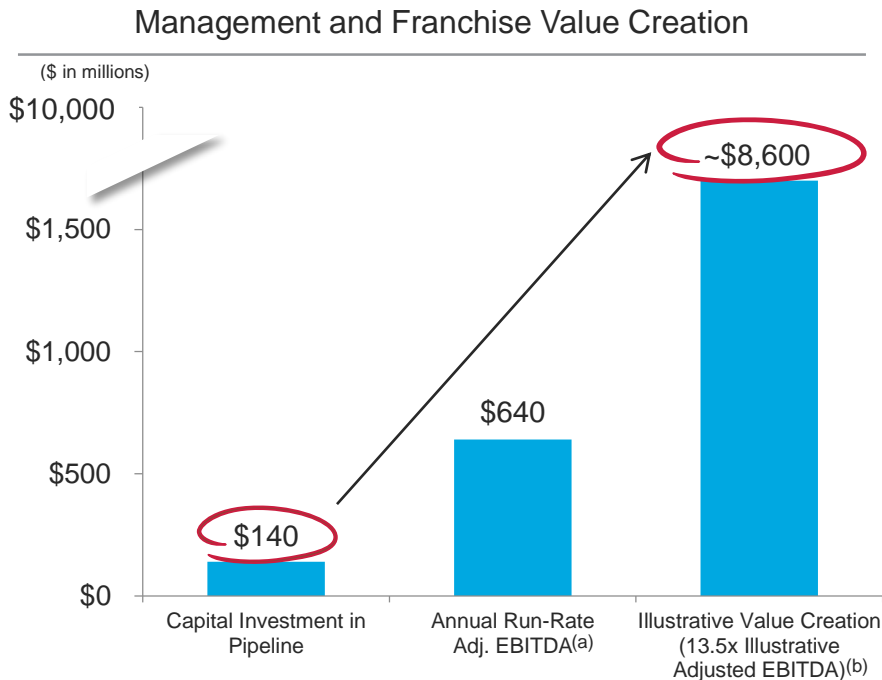
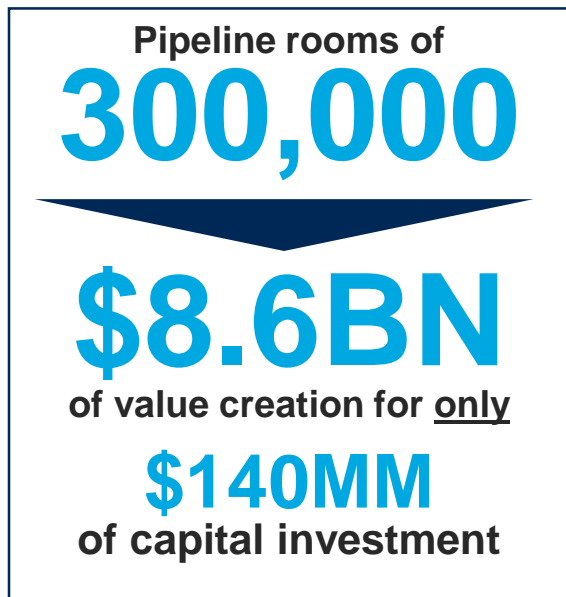
	Existing Room Supply	Rooms Under Construction		
	% of Total	% of Total	Ratio to installed base	Competitor Ratio Rank ^(a)
United States	11.5%	25.2%	2.2x	#2
Americas ex. U.S.	2.7%	11.1%	4.1x	#1
Europe	1.6%	21.2%	13.2x	#1
Middle East & Africa	2.8%	20.2%	7.2x	#1
Asia Pacific	1.3%	21.6%	16.6x	#1
Global System	4.8%	21.5%	4.5x	#1

Source: STR Global Census, October 2016 (adjusted to September 2016) and STR Global New Development Pipeline, September 2016.

(a) Ratio rank relative rank of MAR, HLT and IHG.

...generating substantial returns on minimal capital investment

Hilton



(a) Based on pipeline of 300,000 rooms as of 9/30/16 and projected fees by contract.

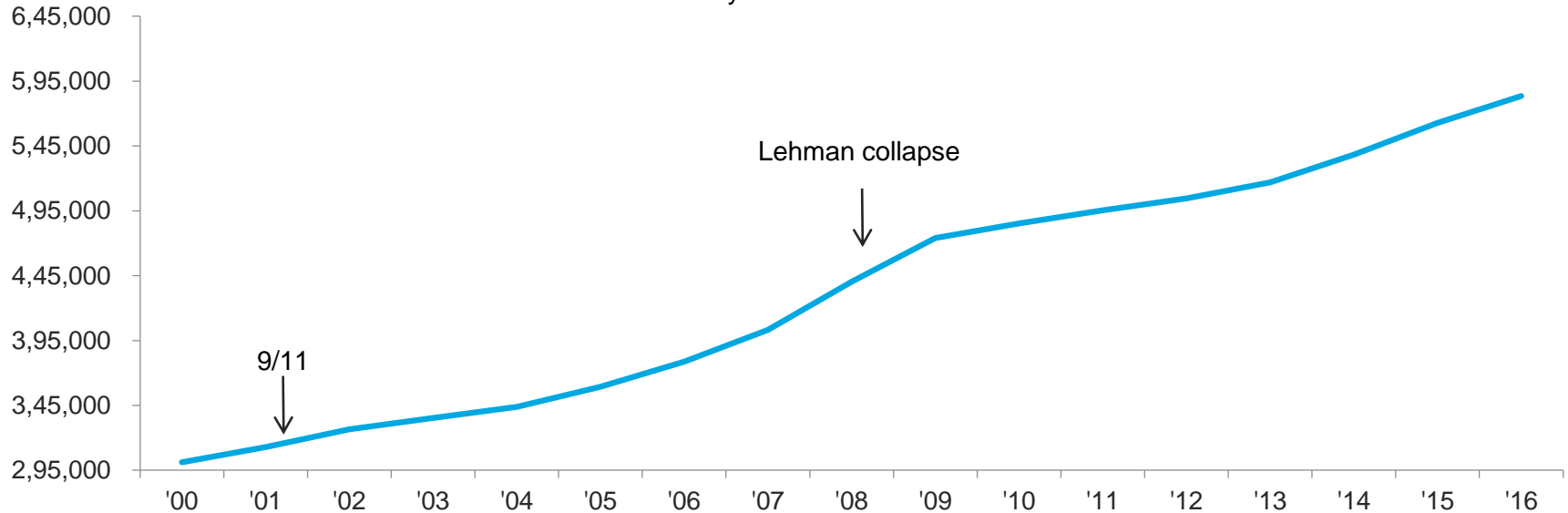
(b) The multiple of 13.5x is illustrative only and does not reflect the actual valuation or the view of Hilton with respect to proper valuation. The market may attribute a different valuation.

Brand strength drives consistent growth...

Hilton

Hilton's U.S. system has seen strong growth historically – even during times of economic distress – while also continuing to grow market share

Hilton System – U.S. Rooms^(a)



(a) Excludes Timeshare.
Source: Based on data from STR

... supported by strong fundamentals

Hilton

Growing base of customers that can and want to travel

Global middle class

2x

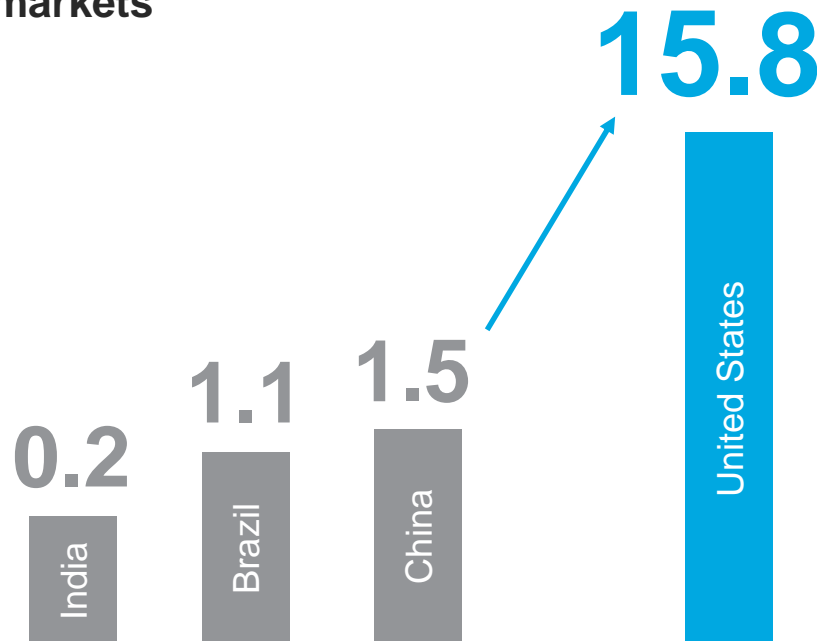
Last 20 years, double again next 20 years

Global Tourist Arrivals

+1 BN

Incremental annual trips expected over next 20 years

Hotel under-penetration in high growth markets



Sources: STR, UNWTO, World Bank, OECD
(a) Hotel rooms as of December 2015, Population as of 2014.

The New Hilton: a market-leading, resilient, fee-based business

Hilton

Lower volatility

90% Adj. EBITDA from fees, **90%** **revenue** driven

Majority franchise fees

70% of total fees **franchise** driven

Capital efficient growth

6.5% Managed & Franchised net unit growth^(a)

Management & Franchise Fees



High growth
+11.5%
CAGR

(a) 2016E

With significant embedded growth

① Operating upside in a simplified model

1.0% of system-wide RevPAR growth → \$20mm - \$25mm annual Adj. EBITDA

② Meaningful, growing and resilient pipeline

300k room pipeline^(a) → ~\$640mm annual Adj. EBITDA^(a)

③ Increasing franchise fees as contracts roll over at higher published rates

4.8% in-place rate vs. 5.5% published rate^(b) → ~\$125mm annual Adj. EBITDA

④ Meaningful capital return potential

\$3.0 billion to \$4.5 billion of potential capital return 2017E-19E, 13% to 21% shares outstanding repurchased

Note: The various Adj. EBITDA amounts reflected above do not represent projections of future results and are included only for illustrative purposes to present illustrative Adj. EBITDA amounts by applying assumptions to existing room pipeline and timeshare interval inventory, average HOA management, resort operations and other fees, increase of in-place rates and increase in RevPAR, as applicable. For additional information, please see the detailed footnotes in the Appendix section of this presentation.

(a) Refer to Slide 21 for additional detail.

(b) As of or for the quarter ended 9/30/16.

Behind the Scenes of Hilton Brand Management

Hilton

Jim Holthouser

Executive Vice President, Global Brands

Mark Weinstein

Senior Vice President, Customer Engagement, Loyalty & Partnerships

Geraldine Calpin

Senior Vice President & Chief Marketing Officer

Hilton Taba Resort & Nelson Village South Sinai, Egypt





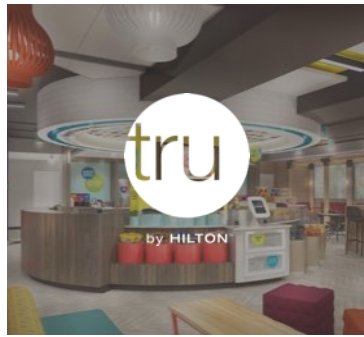
Disciplined
Brand
Management

Deep
Customer
Relationships

Constant
Innovation

Hilton Taba Resort & Nelson Village South Sinai, Egypt





Broad coverage through well defined brands



Swim Lanes

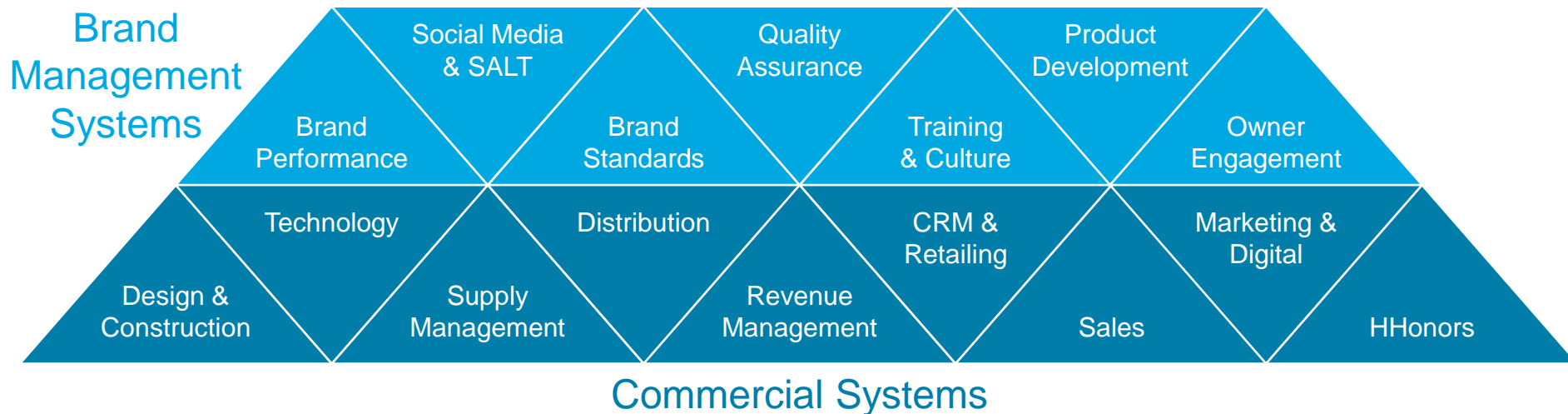
Price Point

Trip Occasion

Demographics

Psychographics

The Hilton Performance Advantage















Our brand management formula



Every category is at record pipeline levels



Luxury & Lifestyle			Full Service			All Suites			Focused Service		
	RevPAR Index	Pipeline (000s)		RevPAR Index	Pipeline (000s)		RevPAR Index	Pipeline (000s)		RevPAR Index	Pipeline (000s)
 WALDORF ASTORIA HOTELS & RESORTS	106	2	 Hilton HOTELS & RESORTS	109	54	 EMBASSY SUITES by HILTON	123	9	 Hilton Garden Inn	118	48
 CONRAD HOTELS & RESORTS	106	6	 CURIO A COLLECTION BY HILTON	NM	8	 HOMWOOD SUITES BY HILTON	119	16	 Hampton by HILTON	119	59
 canopy BY HILTON	NM	5	 DOUBLETREE BY HILTON	106	41	 HOME2 SUITES BY HILTON	112	36	 tru by HILTON	NM	14

Note: As of 9/30/2016

Our organically created brands deliver

Hilton



CURIO
A COLLECTION BY HILTON™

canopy™
BY HILTON



by HILTON™

These four brands account for nearly

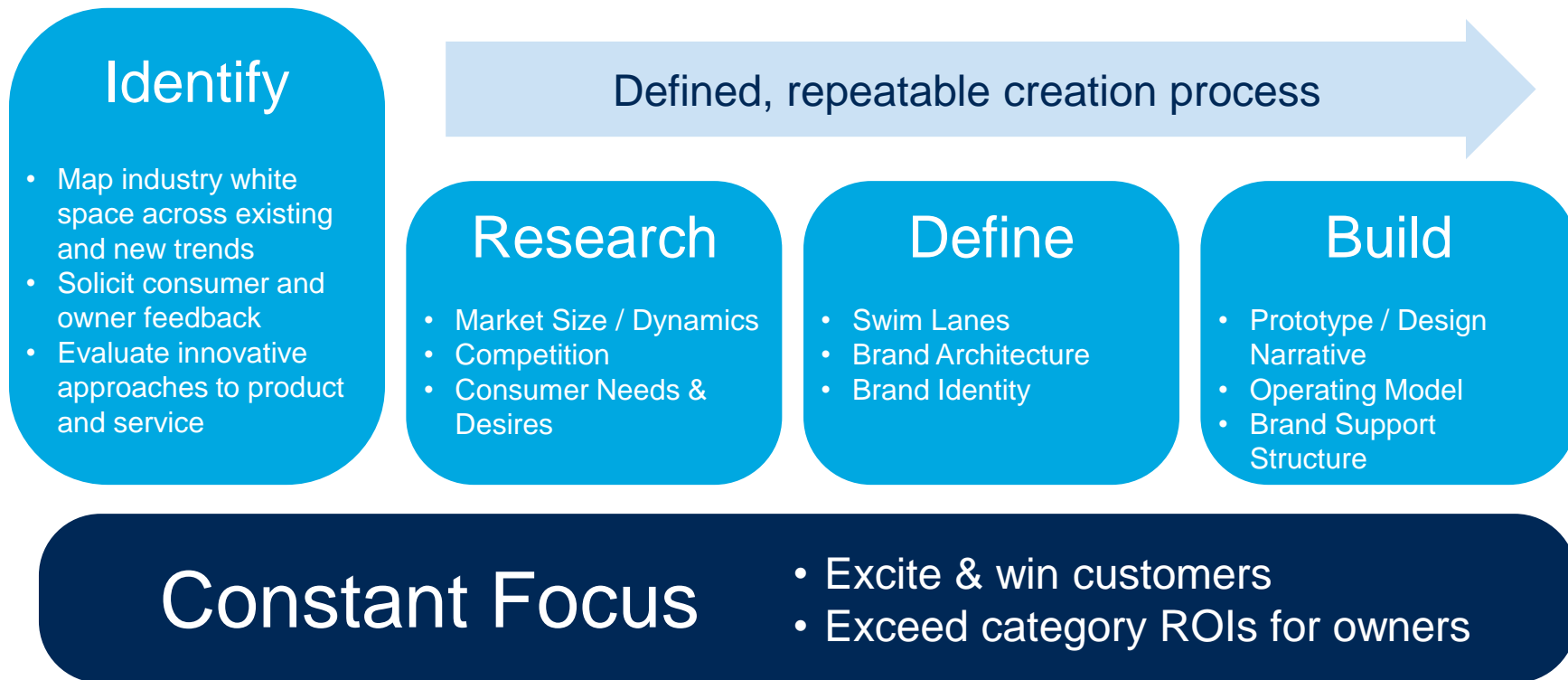
700

Hotels

80,000

Rooms

Hilton's brand building playbook



With potential white space for future new brands

Hilton

Luxury &
Lifestyle



CONRAD
HOTELS & RESORTS™

Luxury
Collection

Luxury
Lifestyle

canopy™
BY HILTON

Full
Service

Hilton+



CURIO
A COLLECTION BY HILTON™



Upscale
Collection

All
Suites

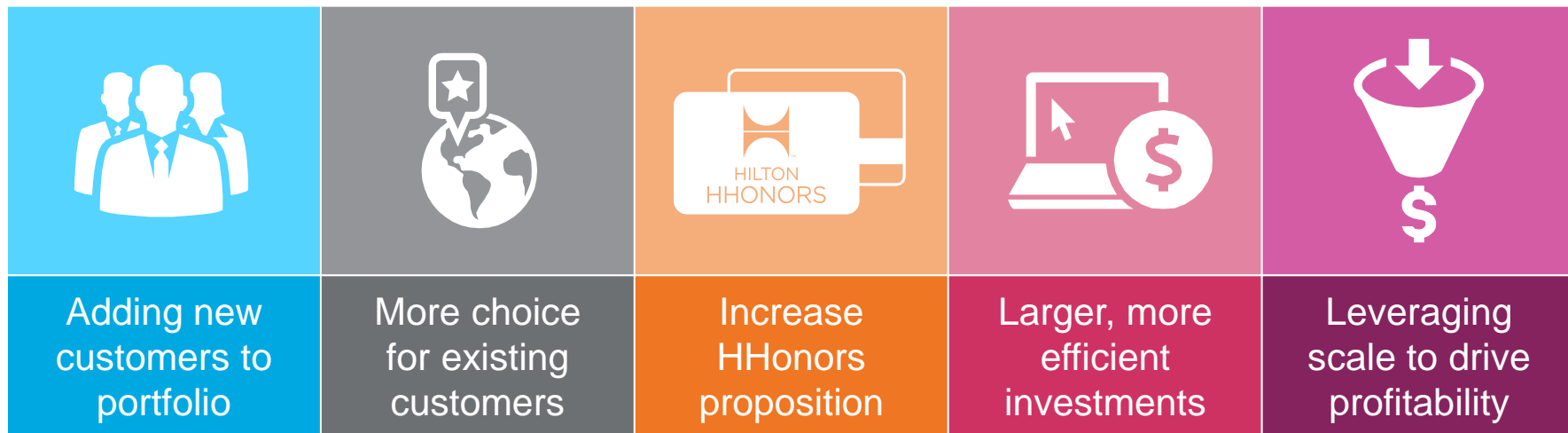


Focused
Service



Urban
Micro

Our portfolio builds a network effect



With every hotel we open, the enterprise works incrementally harder for everyone

Growth Strategy

Hilton

Ian Carter

Executive Vice President & President, Global Development

Conrad Bora Bora Nui, French Polynesia



Development milestones

Hilton

Pipeline

300K rooms

Rooms Under Construction

148K

Third Party Investment

\$50BN

Avg. contract term

19 yrs.

International Pipeline

50%

Global share

22%

of all rooms under construction

Stabilized
Adj. EBITDA

\$640MM

“Dry deals”

95%

Since 2007

26

New countries
& territories

59%

Net unit growth

156%

Pipeline growth

451%

International
limited service
growth



4



New brands

Note: Portfolio increases measured in rooms; net unit growth excludes time share properties. All information as of 9/30/16.

Source: Global Industry data from STR Global Census (October 2016, Adjusted to September 2016).

Our development strategy



“Win everywhere” – brand portfolio that enables high quality, high return, industry-leading organic growth by following capital flows around the world

1. Grow through managed and franchise deal signings, currently 100% of pipeline
2. Thoughtful deployment of development resources into growth markets
3. Limited key money and balance sheet activity

Our development philosophy



Winning everywhere



Rooms Under Construction – by Region

Region	Rooms	HLT Share	Share of Region
Asia Pacific	53,668	36.1%	21.6%
United States	51,738	34.8%	25.2%
Middle East & Africa	21,347	14.4%	20.2%
Europe	14,253	9.6%	21.2%
Americas Non-US	7,511	5.1%	11.1%
Total	148,517	100%	21.5%



The Conrad Dubai

Source: Global Industry data from STR Global Census (October 2016, Adjusted to September 2016)

Across the brand portfolio



Hilton Amsterdam Schiphol

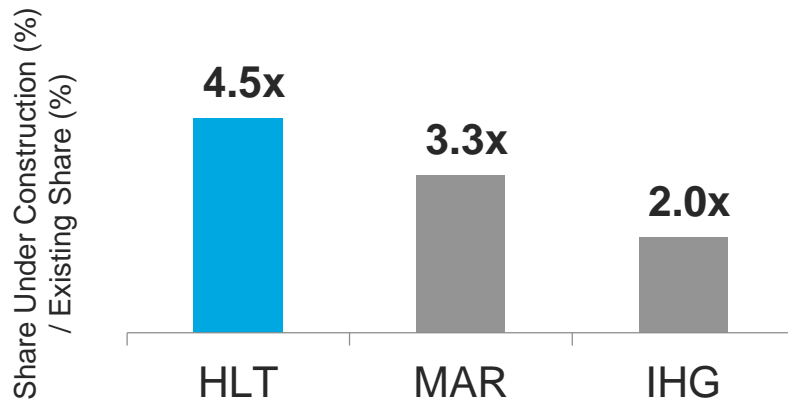
HLT Rooms Share – by Brand

Brand	Pipeline	Under Construction	Supply
Waldorf Astoria	0.7%	1.2%	1.4%
Conrad	1.9%	3.2%	1.2%
Canopy	1.6%	0.7%	0.1%
Hilton	18.4%	25.9%	26.6%
Curio	2.6%	2.4%	0.9%
DoubleTree	13.6%	17.4%	14.6%
Embassy Suites	3.1%	2.4%	7.0%
Hilton Garden Inn	16.1%	14.9%	12.9%
Hampton	19.9%	20.1%	28.0%
Homewood Suites	5.4%	4.7%	5.9%
Home2 Suites	12.0%	6.7%	1.5%
Tru	4.6%	0.3%	0.0%
Total	100.0%	100.0%	100.0%

Punching above our weight, with far less capital



Global share of rooms under construction / existing share

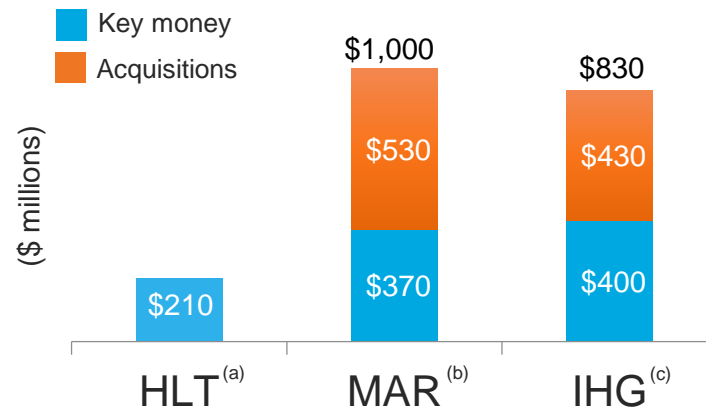


Note: The chart above represents each company's global share of rooms under construction (%) / each company's existing share of room supply (%), as of October 31, 2016.

Source: STR Supply and Pipeline Data, as of November 2016.

Key money + acquisitions

Cumulative Since 2012



(a) HLT figures based on pro forma as of Q3 2016.

(b) MAR figures based on financial filings through 3Q '16, excludes HOT transaction, includes acquisitions of Protea, Gaylord and Delta.

(c) IHG figures based on committed contractual capital expenditure from Annual Report and Form 20-F, includes Kimpton acquisition

Market growth strategy - sequencing



Initiate presence

- Hilton preferred brand for market entry with strong global recognition
- Leverages existing consumer base of global business and leisure travel clientele

Extend presence

- Second point of entry with global clientele for adjacent market segments to flagship brand

Establish platform

- Speed needed to create critical mass if franchising
- Add brands for select, large markets or for extending platform into adjacent markets (i.e. US to Mexico)

Grow/Optimize platform

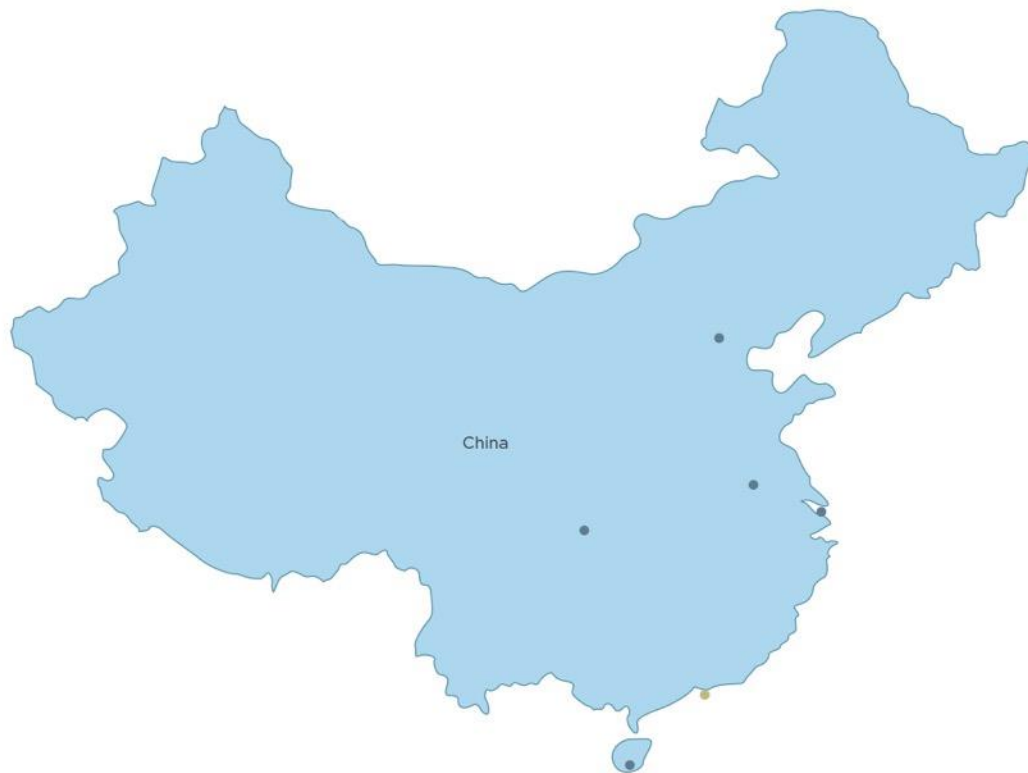
- Add additional brands as market matures
- Once established, creates a scalable, profitable network for strong future growth



Global Growth: Key Emerging Markets



China – July 2007 ▶ 6 hotels



EXISTING HOTELS	
Conrad	1
Hilton	5
Total	6

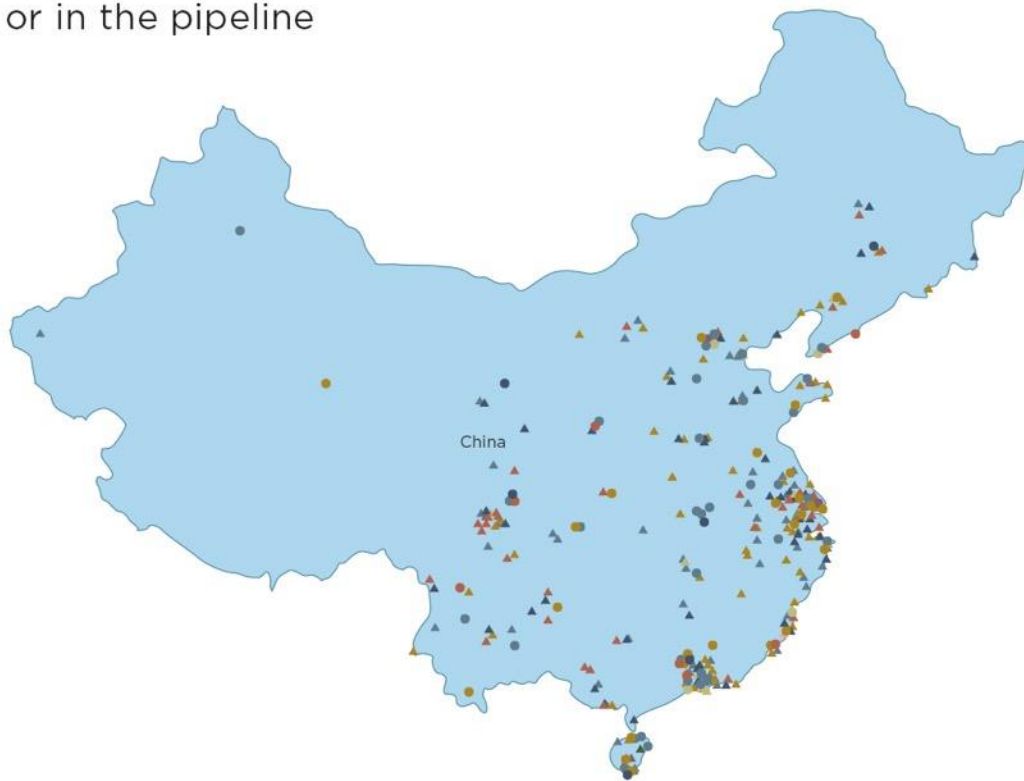
Note: As of 6/30/07; Greater China.

Global Growth: Key Emerging Markets (cont.)

China – Today ▶ 316 hotels open or in the pipeline
~94,000 rooms

	EXISTING HOTELS	PIPELINE
Waldorf Astoria	2	3
Conrad	6	9
Canopy	0	1
Hilton	37	68
Curio	0	1
DoubleTree	26	59
Embassy Suites	0	1
Hilton Garden Inn	7	39
Hampton	6	51
Total (316 hotels)	84	232

Note: As of 9/30/16; Greater China.



Global Growth: Brand Expansion

Hilton

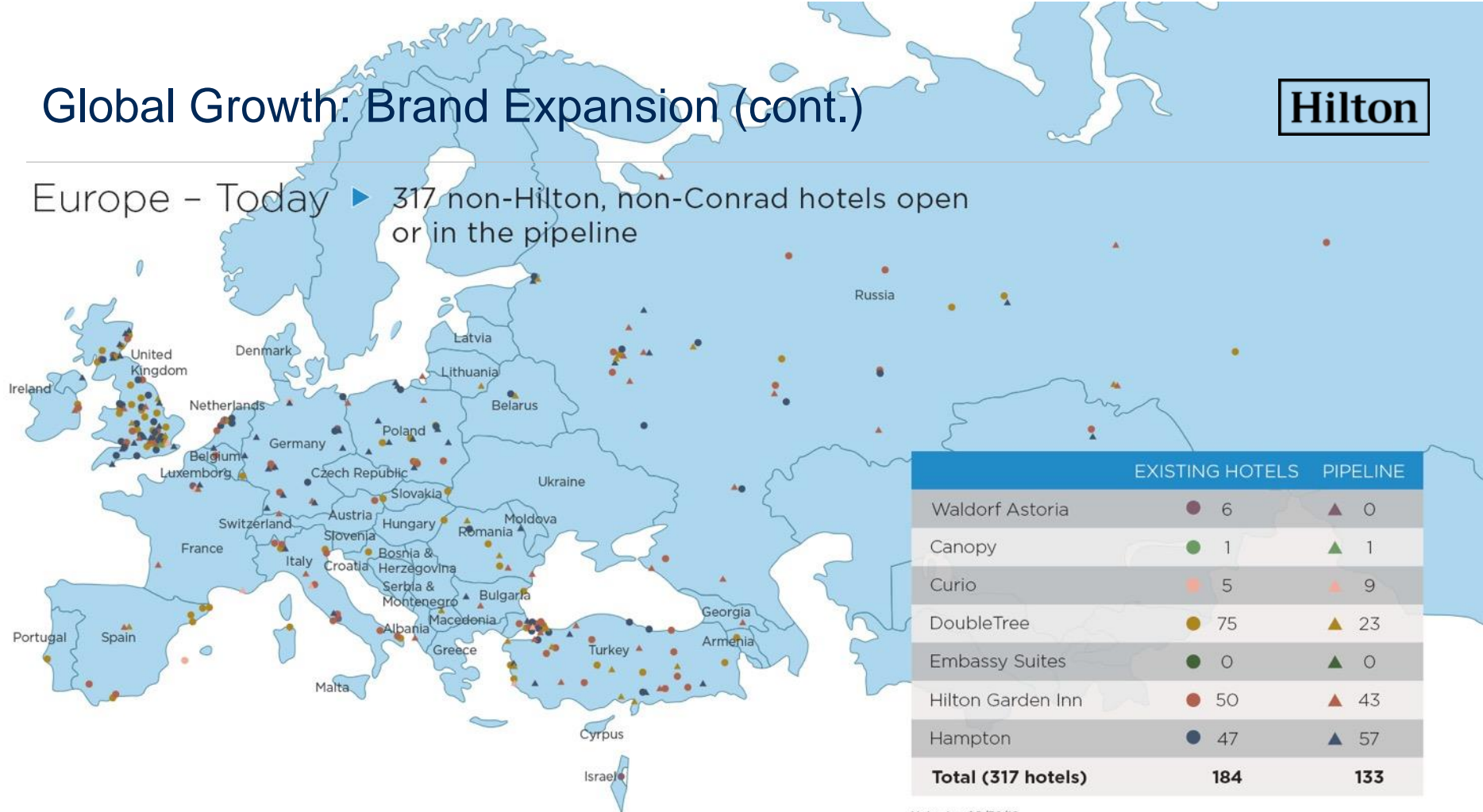
Europe – July 2007 ▶ 3 non-Hilton, non-Conrad hotels



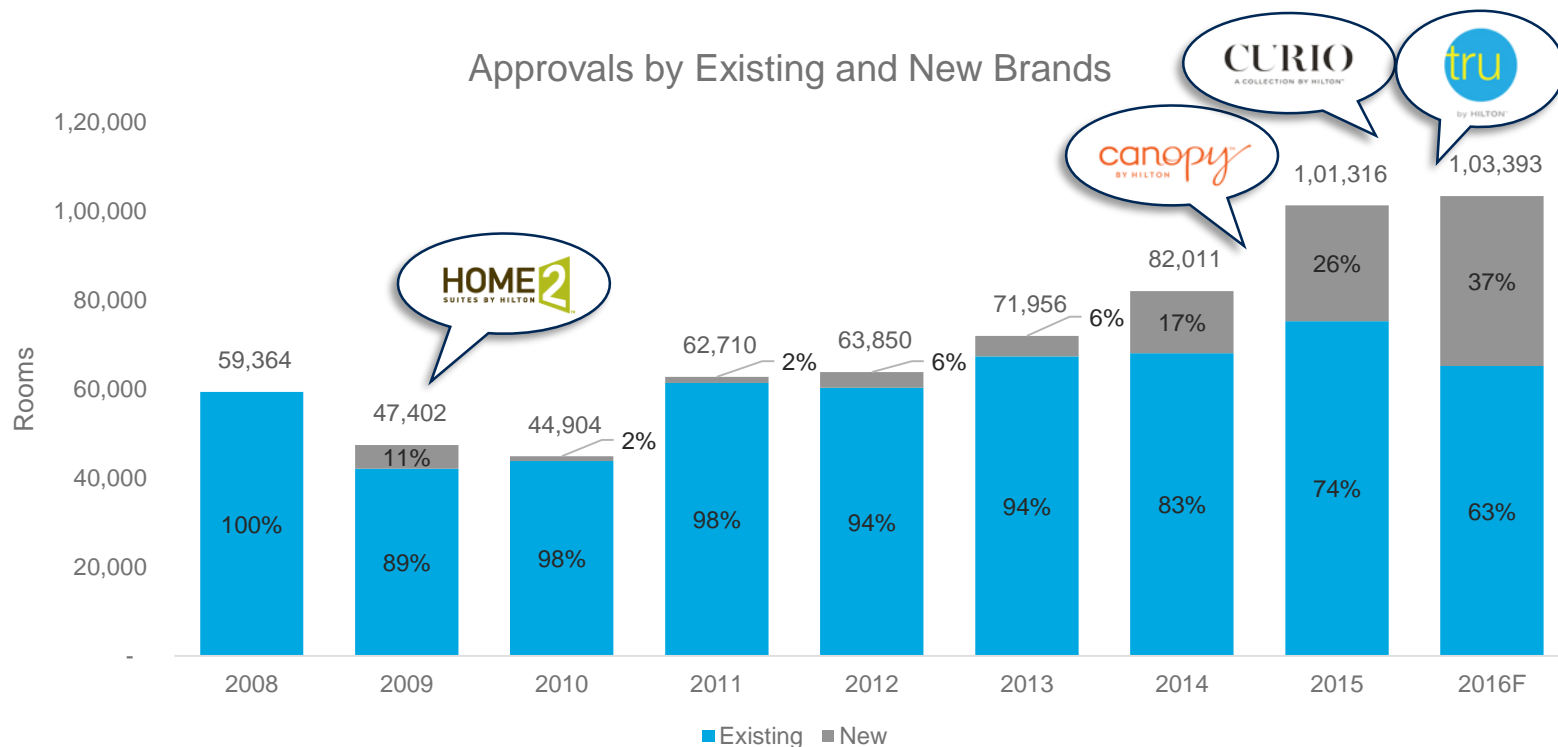
Global Growth: Brand Expansion (cont.)

Hilton

Europe – Today ▶ 317 non-Hilton, non-Conrad hotels open or in the pipeline



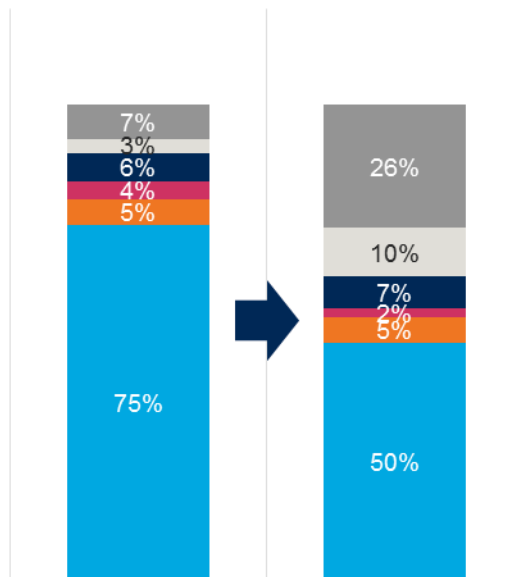
Accelerating momentum



Anticipated NUG 2017-2019



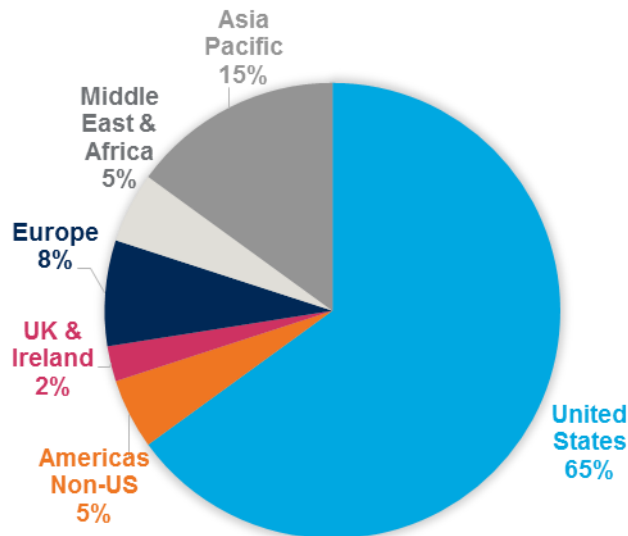
EXPANDING INT'L FOOTPRINT



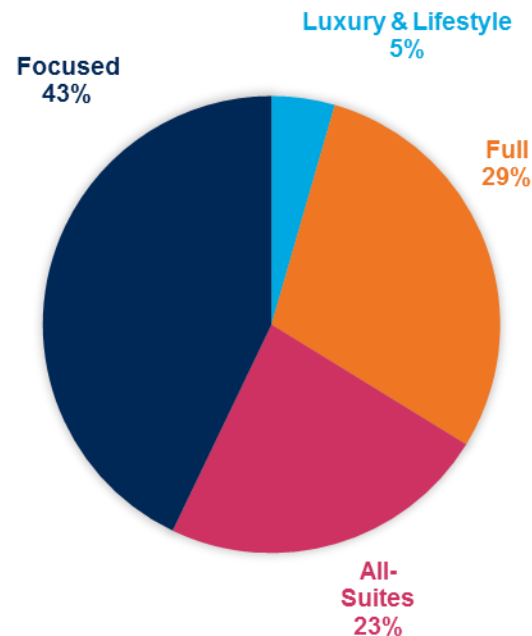
Q3 2016 SUPPLY Q3 2016 PIPELINE

■ United States ■ Americas Non-US ■ UK & Ireland
■ Europe ■ Middle East & Africa ■ Asia Pacific

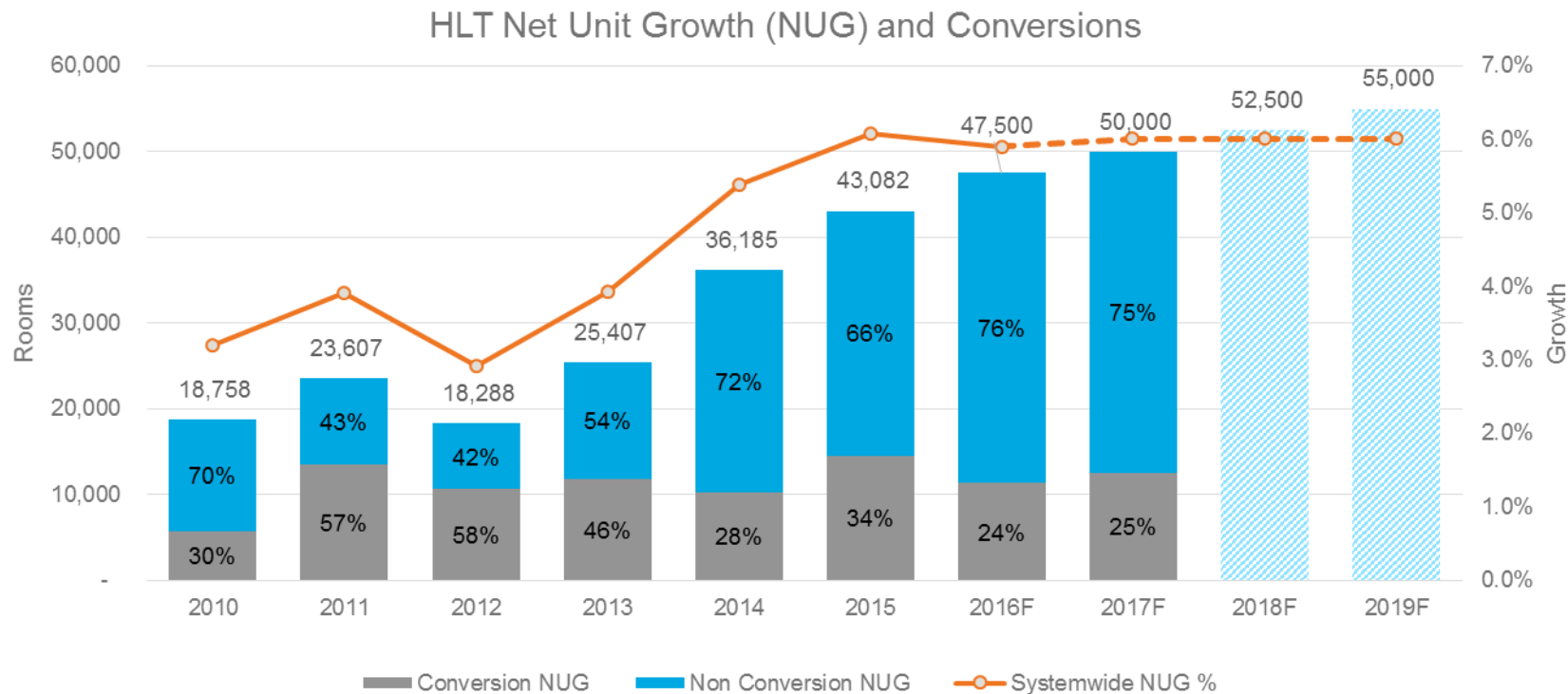
NET UNIT GROWTH 2017F - 2019F



OPENINGS SEGMENTATION 2017F - 2019 F



Resiliency of Net Unit Growth



Summary

- Maintaining lead as fastest organically growing hotel company since 2007
- 4.5x our share of rooms under construction globally – leading the industry
- Projected CAGR of 6.2% NUG growth over the next 3 years, adding over 50k rooms each year
- High quality pipeline with 50% in final stages of development = high probability of opening



Hilton Mexico City Santa Fe

Financial Overview

Hilton

Kevin Jacobs

Executive Vice President & Chief Financial Officer

Conrad Pezula Resort Knysna, South Africa



Spin-off overview

Mechanics and key dates

Hilton

TICKERS



NYSE: HLT
HLT-WI (when-issued)



NYSE: PK
PK-WI (when-issued)



NYSE: HGV
HGV-WI (when-issued)

EXCHANGE RATIOS

- HLT shareholders to receive **1** share of PK for every **5** shares of HLT, and **1** share of HGV for every **10** shares of HLT
- Following spin-offs, HLT to complete a **1-for-3** reverse stock split

KEY DATES

- 12/9 – 12/16/16: Spin marketing period
- 12/13/16: When-issued trading begins
- 12/15/16: Record date
- 1/3/17: Distribution date
- 1/4/17: Regular-way trading begins

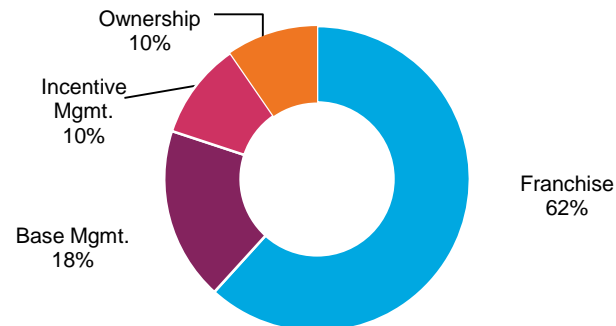
Simplified Hilton: a more resilient, fee-driven model



- 90% fee-driven business^(a)
 - ~70% franchise fees
 - ~20% base management fees
 - ~10% incentive fees largely without hurdle rates
- Driven by long-term contracts
- Strong unit growth prospects with good visibility and on a lag to the broader economy
- Low capital requirements
- Earnings growth
- Significant free cash flow
- Meaningful returns to shareholders

~90% top-line driven

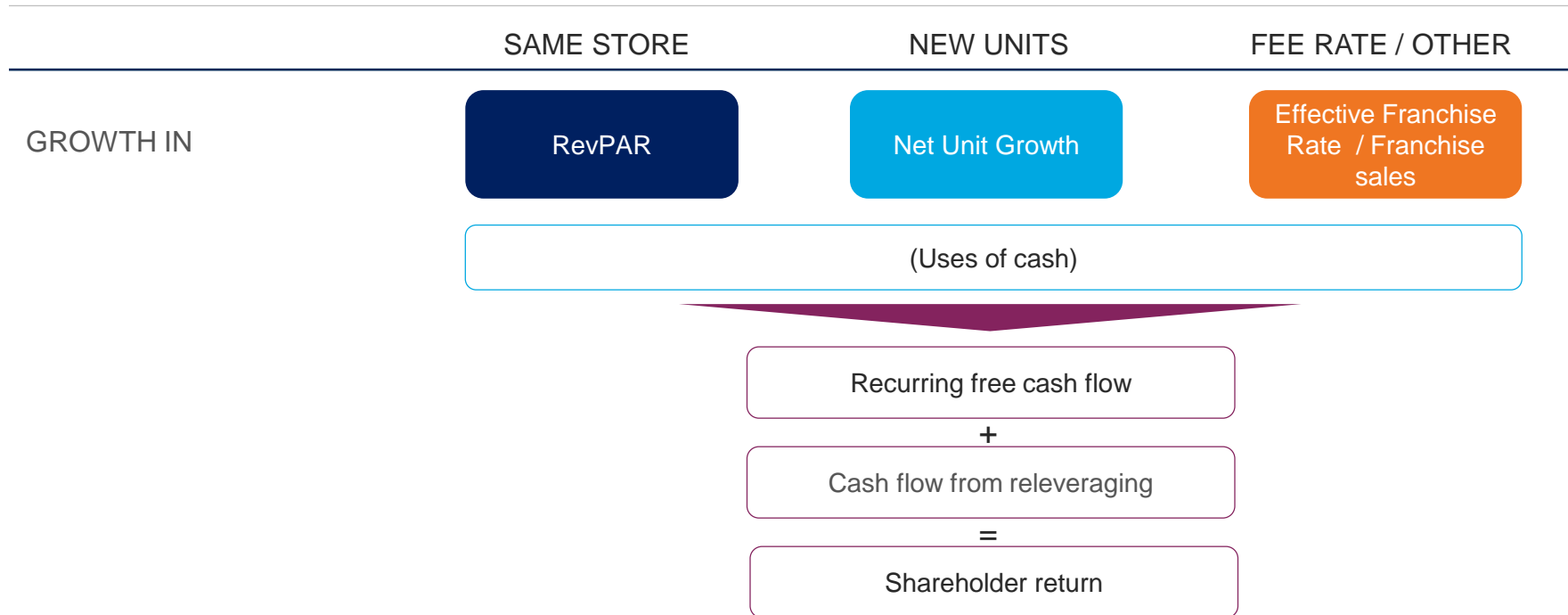
Pro Forma Adj. EBITDA by Source^(a)



**90% of Adj.
EBITDA from fees**

(a) Based on projected 2016 pro forma financial information, excluding Corporate and other.

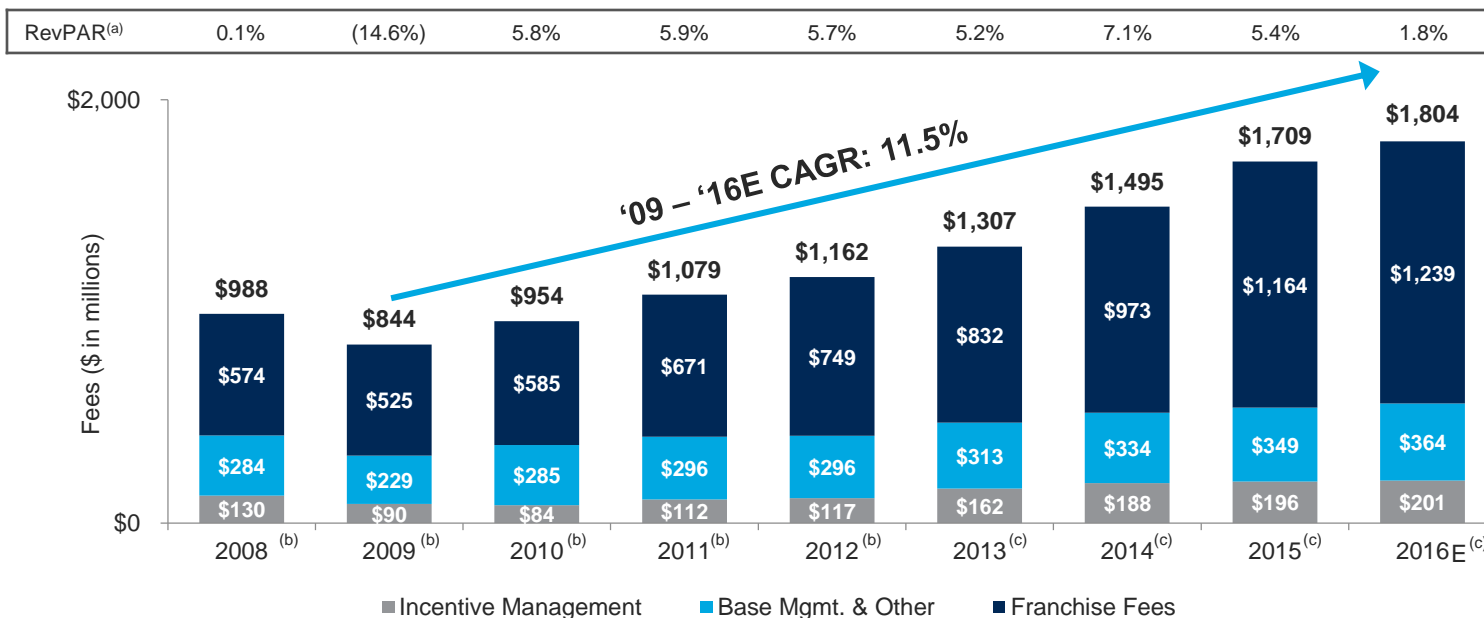
With a simplified growth algorithm



A resilient fee business



SENSITIVITY: 1pt. RevPAR ~\$20-\$25 million in Adj. EBITDA;
Systemwide comp RevPAR down 2 to 3% should still yield positive Adj. EBITDA growth



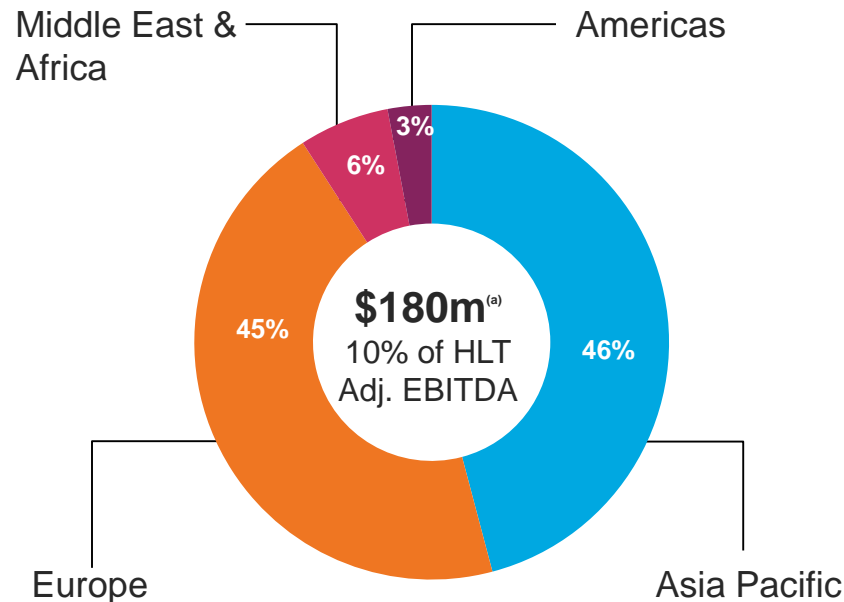
(a) Represents systemwide RevPAR percentage changes. Percentage changes calculated on a year-over-year currency neutral basis and are based on the comparable set for each respective period.

(b) Includes historical intersegment fees that have not been adjusted to reflect the updated management, franchised and license agreements with Park and HGV.

(c) Fees reflect the updated terms per the management and franchise agreements with Park and license agreement with HGV.

Ownership segment

- 75 properties and 22,000 rooms
- Vast majority of Adj. EBITDA from high quality assets in high barrier to entry markets, largely in EMEA & Asia
- Top 10 strategic assets account for ~70% of segment Adj. EBITDA
- Have and will continue to manage out lower performers
- 3% – 4% RevPAR growth to maintain Adj. EBITDA margin
- Segment contribution expected to decrease over time as managed and franchised unit growth continues



(a) Reflects 2016E pro forma Ownership Adj. EBITDA which includes Owned, Leased and Unconsolidated JV hotels.

Flexible capital structure with significant liquidity

Hilton Anticipated Capital Structure



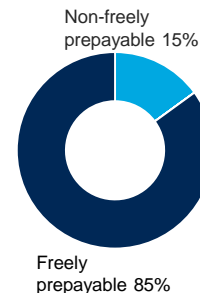
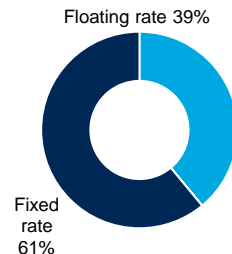
Capital structure overview

Est. Capitalization 12/31/2016 (\$ millions)	
Extended secured revolver ^(a)	--
New senior unsecured notes	\$1,000
Non-extended TLB-1 tranche	750
A&E TLB-2 tranche	3,209
Pro rata share of UJV debt	13
Capital leases	259
Other property debt	27
Senior unsecured notes	1,500
Total debt	\$6,758
(-) Cash	(871)
Net debt	\$5,887

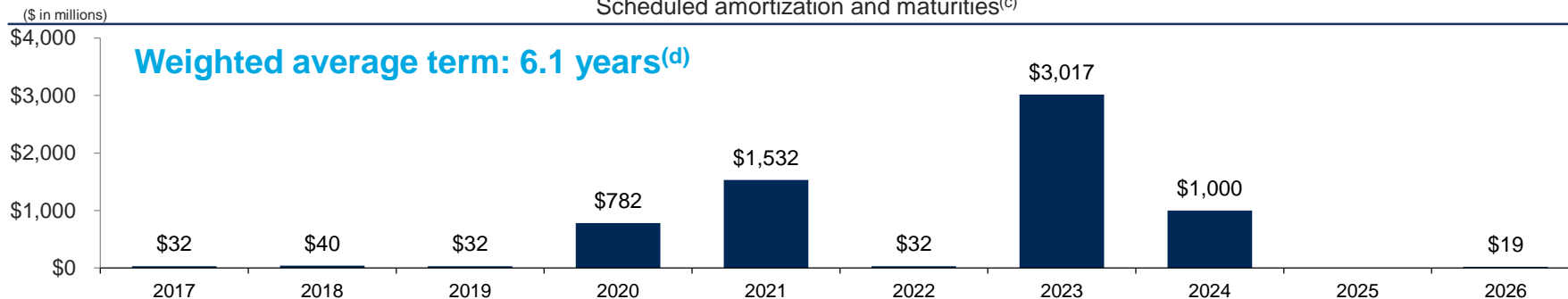
PF 2016E Adj. EBITDA^(b)	\$1,760M
Total leverage	3.8x
Net leverage	3.3x

WACD: 4.2%^(c)
+\$1.25BN in liquidity,
including revolver plus
unrestricted cash

Pro forma debt breakdown^(c)



Scheduled amortization and maturities^(c)



Note: Assumes the full \$1.45 billion interest rate swap on the term loan B is maintained at pro forma Hilton.

(a) Undrawn capacity on revolver is \$1.0 billion.

(b) Represents the midpoint of management guidance for pro forma Hilton 2016E Adj. EBITDA as of 10/25/2016.

(c) Excludes JV debt and capital lease obligations.

(d) As of 12/31/2016.

Financial policy



- Overall objective of achieving a low grade investment grade credit profile through use of excess free cash flow and continued earnings growth
- Supported through the following policies:
 - Continue to focus on capital light, organic growth of Management & Franchise business
 - Disciplined capital allocation: manage any significant external growth opportunities in a disciplined manner that would be accretive to credit
 - Liquidity: maintain in a manner that ensures adequate cash/revolver availability in all phases of the cycle
 - Management believes that approximately \$1.25 billion of available liquidity (between unrestricted cash and revolver capacity) is a prudent level to maintain going forward
 - Dividends: maintain quarterly dividend with targeted payout ratio of 20% – 25% of recurring Free Cash Flow
 - Leverage: target and maintain a 3.0x – 3.5x net leverage ratio
 - Return excess cash to shareholders, likely through programmatic and opportunistic share buybacks

Model assumptions



- Three year view
- 1% – 3% compound systemwide RevPAR growth
- Net unit growth of ~6.0% (~160,000 net rooms)
- Effective franchise rate increases of 5 basis points per year
- Cash tax rate of 25% of Adj. EBITDA
- Cash interest expense based on 4.2% weighted average cost of debt^(a)
- Corporate & Other CAGR of 3%
- Total investment spending (capex + key money) of ~\$185 million / year^(b)
- Target dividend payout ratio of 20% – 25% of recurring Free Cash Flow
- Target 3.0x – 3.5x net leverage ratio to Adj. EBITDA, re-levering proceeds used for share buybacks
- Assumes 1-for-3 reverse stock split

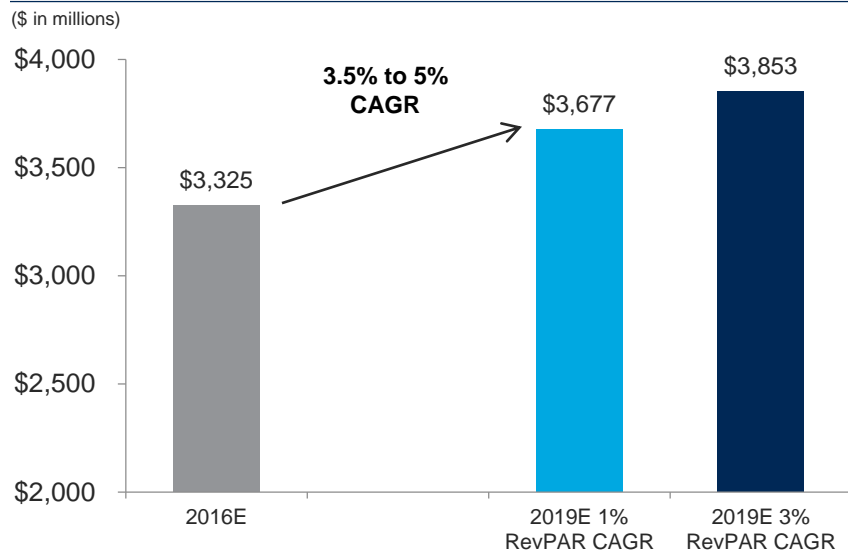
(a) 4.7% WACD including debt and capital leases of consolidated variable interest entities.

(b) Excludes expenditures reimbursed by hotel owners.

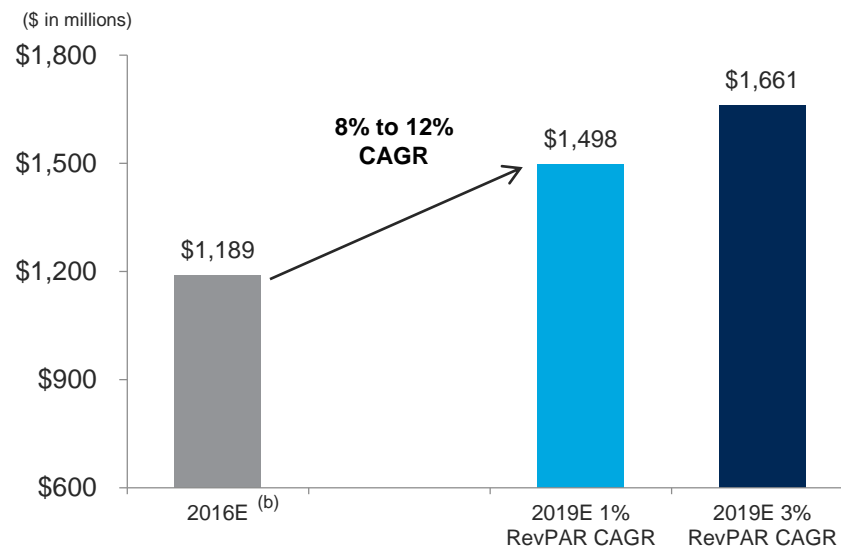
Revenue and operating income growth



Revenue^(a)



Operating income



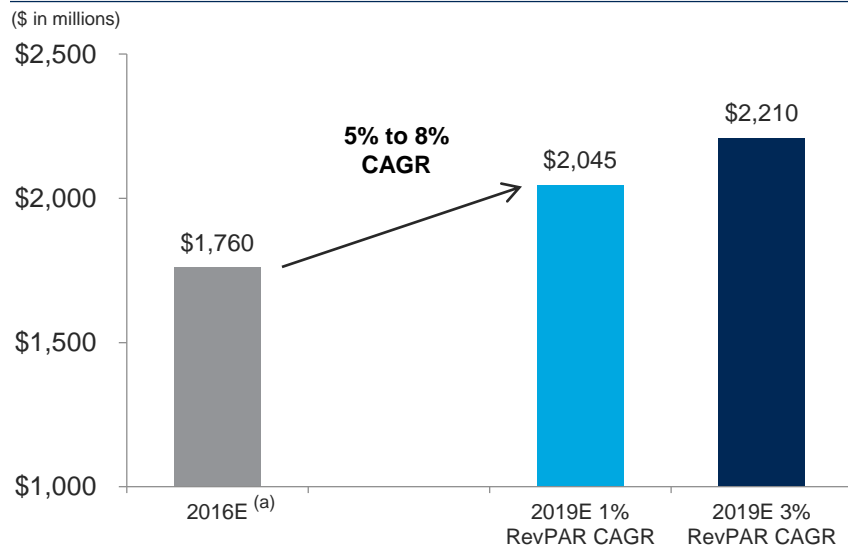
(a) Excluding other revenues from managed and franchised properties (cost reimbursements).

(b) Excludes transaction costs.

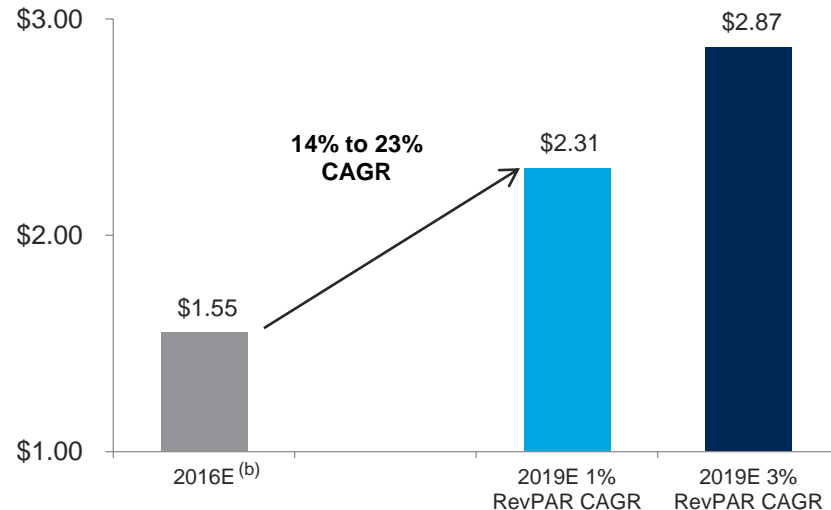
Adj. EBITDA and EPS growth



Adj. EBITDA



Adj. EPS



(a) Represents the midpoint of management guidance for pro forma Hilton 2016E Adj. EBITDA as of 10/25/2016.

(b) See reconciliations on slides 68 to 70.

Meaningful cash flow generation



Free cash flow Cumulative 2017E to 2019E

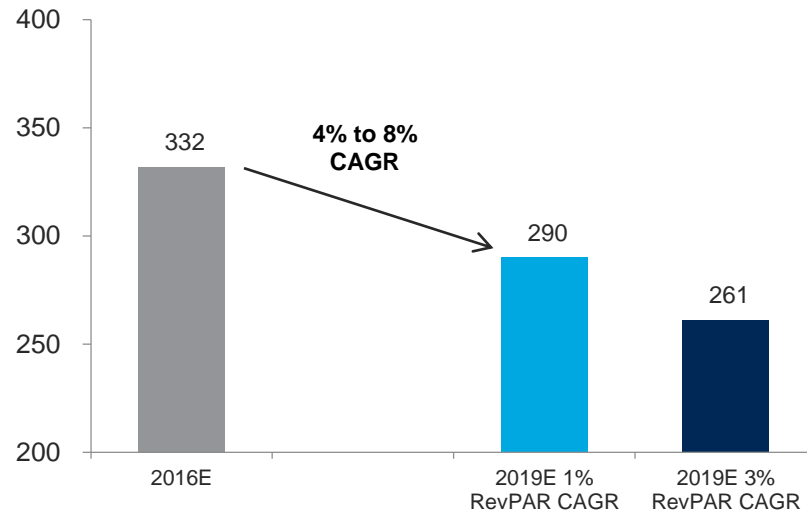
(\$ in millions)

	1%	3%
Net Income	\$1,866	\$1,995
Share-Based Compensation	\$282	\$282
Depreciation & Amortization	\$1,031	\$1,031
Change in Deferred Taxes	(\$307)	(\$285)
Other Operating Cash Flow Adjustment & Working Capital Changes	\$132	\$132
Net Cash Provided by Operating Activities	\$3,004	\$3,155
Capital Expenditures and key money ^(a)	(\$384)	(\$385)
Free Cash Flow	\$2,620	\$2,770

(a) Excludes FF&E expense which is included in Net Cash Provided by Operating Activities, and expenditures reimbursed by hotel owners.

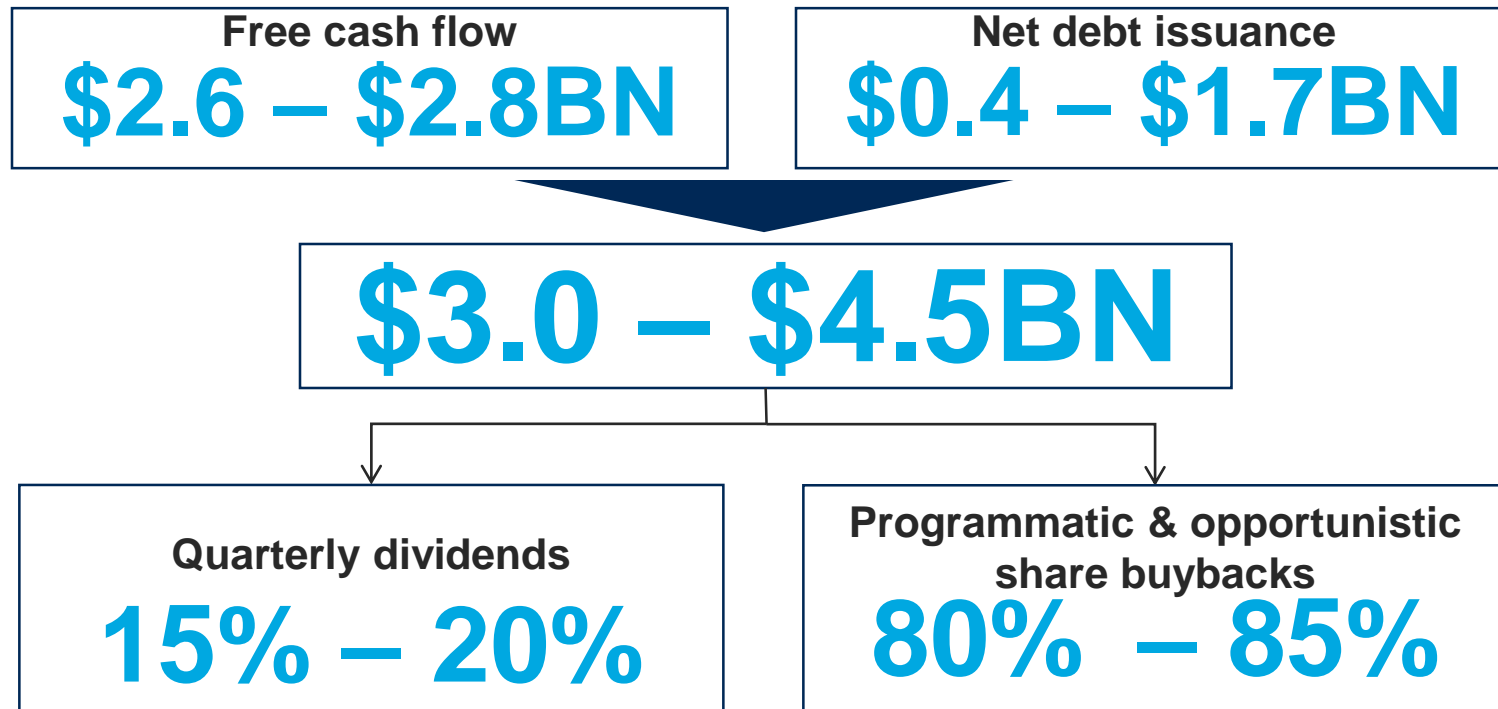
Reducing share count

(in millions)



Significant potential capital return through 2019

Hilton



Three year model summary



	SAME STORE	NET UNIT	FEE RATE
GROWTH IN (CAGR)	RevPAR (+1 to 3%)	Net Unit Growth (+ 6.0%)	Effective Franchise Rate ^(a)
Annual Adj. EBITDA Sensitivity ^(b)	1 Pt. = ~\$20-25MM	10K rooms = ~\$20MM steady-state ^(c)	5 bps = ~\$8-10MM
Corporate & Other	~3% CAGR		
Adj. EBITDA	5 to 8% CAGR		
Free cash flow	12 to 15% CAGR		
Reduction of shares	4 to 8% CAGR		

(a) Effective franchise fee rate is 4.8% in Q3 2016, up 77 bps since FY2007, moving towards published rate of 5.5%, Effective franchise rate calculated as total comp Franchise fee revenue divided by total comp Franchise room revenue. Published Franchise rates calculated as the weighted average of current published brand Franchise fee rates.

(b) Sensitivity within the ranges given.

(c) Typically get roughly 1/2 to 2/3 of steady-state fee revenue in year 1.

Appendix: Supplemental Financial Information

Hilton



Net income – three year view

(\$ in millions, except per share data)



	2016E	2019E	
		1%	3%
Operating Income	\$1,189	\$1,498	\$1,661
Gains and Other Income	(43)	-	-
Interest Income	11	13	13
Interest Expense	(410)	(407)	(438)
Equity in Earnings	4	5	5
Income before Income Taxes	752	1,100	1,241
Provision for Income Taxes ^(a)	(249)	(441)	(493)
Net Income, before Special Items	\$503	\$669	\$748
Diluted EPS, before Special Items	\$1.51	\$2.31	\$2.87
Special items ^(b)	19	-	-
Income Tax Expense on Special Items ^(a)	(8)	-	-
Net Income Adj. for Special Items ^(b)	\$514	\$669	\$748
Diluted EPS, Adj. for Special Items	\$1.55	\$2.31	\$2.87
Compound Growth on Net Income Adj. for Special Items		9%	13%

(a) An estimated 40 percent tax rate was applied to pro forma income before taxes for all periods presented.

(b) Includes adjustment for Waldorf Astoria New York severance in 2016.

Summary income statement



(\$ in millions)	2015	2016				
	FYA ^(a)	Q1A ^(a)	Q2A ^(a)	Q3A ^(a)	Q4E	FYE
Revenues						
Management and franchise fees	\$1,669	\$399	\$464	\$461	\$438	\$1,762
Owned and leased hotels	1,595	319	398	372	366	1,455
Other revenues	124	29	24	24	31	108
Revenues, excluding other revenues from managed and franchised properties	3,388	747	886	857	835	3,325
Expenses						
Owned and leased hotels	1,414	307	350	324	317	1,298
Depreciation and amortization	385	92	91	90	91	364
Impairment loss	9	15	-	-	-	15
General, administrative and other	630	110	111	122	118	460
Expenses, excluding other expenses from managed and franchised properties	2,438	524	552	536	526	2,137
Gain on sales of assets, net	163	-	1	-	-	1
Operating Income	1,113	223	335	321	309	1,189
Interest income	18	3	3	3	2	11
Interest expense	(405)	(98)	(105)	(106)	(101)	(410)
Equity in earnings from unconsolidated affiliates	1	-	1	2	1	4
Loss on foreign currency translations	(41)	(12)	(14)	(10)	-	(36)
Other gain (loss) net	32	-	(2)	(5)	-	(7)
Income before income taxes	718	116	218	205	212	752
Income tax expense ^(b)	(287)	(46)	(87)	(82)	(34)	(249)
Net Income	431	70	131	123	177	503
Net Income attributable to noncontrolling interests	(5)	1	(4)	(2)	(2)	(7)
Net Income attributable to Hilton stockholders	\$426	\$71	\$127	\$121	\$175	\$496

(a) Represents pro forma financial information for Hilton RemainCo.

(b) An estimated 40 percent tax rate was applied to pro forma income before income taxes for all periods presented.

Reconciliations



Hilton WholeCo LTM (9/30/16)

(\$ in millions)	LTM 9/30/16
Net income	\$1,562
Interest expense	578
Income tax benefit	(220)
Depreciation and amortization	682
Interest expense, income tax and depreciation and amortization included in equity in earnings from unconsolidated affiliates	35
EBITDA	2,637
Gain on sales of assets, net	(2)
Loss on foreign currency transactions	53
FF&E replacement reserve ^(a)	54
Share-based compensation expense	89
Impairment losses	24
Other loss, net	10
Other adjustment items ^(b)	104
Adj. EBITDA	\$2,969
Total revenues	\$11,599
Less: other revenues from managed and franchised properties	(4,398)
Total revenues, other revenues from managed and franchised properties	7,201
Adj. EBITDA	2,969
Adj. EBITDA margin	41.2%

Hilton Pro Forma 2016E

(\$ in millions)	2016E
Net income	\$502
Interest expense	410
Income tax expense	250
Depreciation and amortization	364
Interest expense, income tax and depreciation and amortization included in equity in earnings from unconsolidated affiliates	5
EBITDA	1,531
Gain on sales of assets, net	(1)
Loss on foreign currency transactions	36
FF&E replacement reserve ^(a)	51
Share-based compensation expense	83
Impairment losses	15
Other loss, net	7
Other adjustment items ^(b)	38
Adj. EBITDA	\$1,760
(\$ in millions)	2016E
Long-term debt, including current maturities	\$6,745
Add: Hilton's share of unconsolidated affiliate debt	13
Less: cash and cash equivalents	(761)
Less: restricted cash and cash equivalents	(110)
Net debt	\$5,887
Adj. EBITDA	\$1,760
Net debt/Adj. EBITDA	3.3x

(a) Represents FF&E replacement reserves established for the benefit of lessors for requisition of capital assets under certain lease agreements.

(b) Represents adjustments for spin-off and reorganization costs, severance and other items.