Hilton Domestic Operating Co Inc.
Form 424B3
April 19, 2019
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Registration No. 333-230625

PROSPECTUS

HILTON DOMESTIC OPERATING COMPANY INC.

Exchange Offer for

$1,500,000,000 of 5.125% Senior Notes due 2026

Offer for outstanding unregistered 5.125% Senior Notes due 2026 (the outstanding notes) of Hilton Domestic Operating Company Inc. (the Issuer), in the aggregate principal amount of $1,500,000,000 in exchange for up to $1,500,000,000 in aggregate principal amount of 5.125% Senior Notes due 2026 (the exchange notes together with the outstanding notes, the notes), which have been registered under the Securities Act of 1933, as amended (the Securities Act).

The exchange notes will be the obligation of the Issuer and will be guaranteed on a senior unsecured basis by Hilton Worldwide Finance LLC (Parent), the direct parent company of the Issuer, Hilton Worldwide Parent LLC (HWP), the direct parent company of Parent, Hilton Worldwide Holdings Inc. (HLT Parent), the direct parent company of HWP, and each of Parent s existing and future wholly owned domestic restricted subsidiaries (other than the Issuer) to the extent such entities guarantee indebtedness under Parent s senior secured credit facilities or certain other indebtedness of Parent, the Issuer or any subsidiary guarantor as described herein.

We are conducting the exchange offer in order to provide you with an opportunity to exchange your unregistered outstanding notes for freely tradable exchange notes that have been registered under the Securities Act.

The Exchange Offer

We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradable.

You may withdraw tenders of outstanding notes at any time prior to the expiration date of the exchange offer.

The exchange offer expires at 5:00 p.m., New York City time, on May 20, 2019, which is the 21st business day after the date of this prospectus, unless extended. We do not currently intend to extend the expiration date.

The exchange of the outstanding notes for the exchange notes in the exchange offer will not constitute a taxable event for U.S. federal income tax purposes.

The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradable.

Results of the Exchange Offer

The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods. We do not plan to list the exchange notes on a national market.

All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the outstanding notes under the Securities Act.

You should carefully consider the Risk Factors beginning on page 16 of this prospectus before participating in the exchange offer.

Each broker dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired as a result of market making activities or other trading activities.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange offer or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is April 19, 2019.

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We have not authorized anyone to provide you with information different from that contained in this prospectus. This prospectus may be used only for the purposes for which it has been published and we do not take any responsibility for, or can provide any assurance as to the reliability of, any information other than the information in this prospectus. We are not making an offer of these securities in any state where the offer is not permitted.

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FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). 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 and other non-historical statements. In some cases, you can identify these forward-looking statements by the use of words such as outlook, believes, expects, potential, continues, may, should, could, seeks, projects, predicts, intends, plans, estimates, anticipates or the negative version 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 and management and franchise contracts, risks related to doing business with third-party hotel owners, performance of our information technology systems, growth of reservation channels outside of our system, risks of doing business outside of the United States (U.S.) and our indebtedness. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include, but are not limited to, those described under Risk Factors in this prospectus. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this prospectus. 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.

TRADEMARKS AND SERVICE MARKS

Hilton Hotels & Resorts, Waldorf Astoria Hotels & Resorts, LXR Hotel & Resorts, Conrad Hotels & Resorts, Canopy by Hilton, Curio Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton, Embassy Suites by Hilton, Motto by Hilton, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton, Home2 Suites by Hilton, Hilton Grand Vacations, Hilton Honors and other trademarks, trade names, and service marks of Hilton and our brands appearing in this prospectus are the property of Hilton and our affiliates.

Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus are without the ® and symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks, and trade names. All trademarks, service marks and trade names appearing in this prospectus are the property of their respective owners.

INDUSTRY AND MARKET DATA

Within this prospectus, we reference information and statistics regarding various industries and sectors. We have obtained this information and statistics from various independent third-party sources, including independent industry publications, reports by market research firms and other independent sources. STR, Inc. (STR) and CBRE Hotels Americas Research (CBRE) are the primary sources for third-party market data and industry statistics and forecasts, respectively, included in this prospectus. STR does not guarantee the performance of any company about which it collects and provides data. Nothing in the STR or CBRE data should be construed as advice. Some data and other information are also based on our good faith estimates, which are derived from our review of internal surveys and independent sources. We believe that these external sources and estimates are reliable, but have not independently verified them.

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BASIS OF PRESENTATION

Except where otherwise indicated, financial information included in this prospectus is of HLT Parent and its subsidiaries, including Parent and its subsidiaries (including the Issuer), on a consolidated basis. HLT Parent has no independent operations and has no material assets other than its ownership of 100% of the equity interests in HWP, which, in turn, owns 100% of the equity interests in Parent and consolidates the financial position and results of all of the operating subsidiaries included in the consolidated historical financial statements of HLT Parent included in this prospectus. As a result, the consolidated financial information included in this prospectus with respect to HLT Parent is substantially the same as Parent s financial information.

On January 3, 2017, we completed the spin-offs of a portfolio of hotels and resorts, as well as our timeshare business, into two independent, publicly traded companies: Park Hotels & Resorts Inc. (Park) and Hilton Grand Vacations Inc. (HGV), respectively, (the spin-offs). HLT Parent did not retain any interest in Park or HGV, but did enter into long-term management and franchise contracts with Park for the portfolio of hotels and resorts held by it at the time of the spin-offs and a license agreement with HGV for the timeshare business. See the section titled Risk Factors in this prospectus. This prospectus presents our business and results of operations as of and for the periods indicated, giving effect to the spin-offs, with the combined historical financial results of Park and HGV reflected as discontinued operations.

As used in this prospectus, unless otherwise specified or the context otherwise requires, references to:

Hilton, the Company, we, us and our refer to HLT Parent and its consolidated subsidiaries, including th Issuer;

ADR or average daily rate means hotel room revenue divided by the total number of room nights sold for a given period;

Blackstone refers to investment funds associated with or designated by The Blackstone Group L.P. and their affiliates, our former majority shareholder;

comparable hotels mean those hotels that: (i) were active and operating in our system for at least one full calendar year as of the end of the current period, and open January 1st of the previous year; (ii) have not undergone a change in brand or ownership type during the current or comparable periods presented, excluding the hotel properties distributed in the spin-offs; and (iii) have not sustained substantial property damage, business interruption, undergone large-scale capital projects or for which comparable results are not available;

Existing Senior Notes refers to our outstanding 4.250% Senior Notes due 2024 (the 2024 Notes), our outstanding 4.625% Senior Notes due 2025 (the 2025 Notes) and our outstanding 4.875% Senior Notes due 2027 (the 2027 Notes);

HGV Parent refers to Hilton Grand Vacations Inc., a Delaware corporation;

Hilton Grand Vacations or HGV refers to HGV Parent and its consolidated subsidiaries;

HLT Parent refers to Hilton Worldwide Holdings Inc., a Delaware corporation, that is the direct parent company of Parent and will be a parent guarantor of the exchange notes;

HWP refers to Hilton Worldwide Parent LLC, a Delaware limited liability company, that is the direct parent company of Parent and will be a parent guarantor of the exchange notes;

Issuer refers to Hilton Domestic Operating Company Inc., a Delaware corporation, that is the issuer of the exchange notes offered hereby;

a luxury hotel refers to a luxury hotel as defined by STR;

a midscale hotel refers to a midscale hotel as defined by STR;

occupancy means the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels for a given period;

Parent refers to Hilton Worldwide Finance LLC, a Delaware limited liability company, that is the direct parent company of the Issuer

Park Hotels & Resorts or Park refer to Park Parent and its consolidated subsidiaries;

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Park Parent refers to Park Hotels & Resorts Inc., a Delaware corporation;

RevPAR or revenue per available room means hotel room revenue divided by the total number of room nights available to guests for a given period;

RevPAR index measures a hotel s relative share of its segment s revenue per available room. For example, if a subject hotel s RevPAR is $50 and the RevPAR of its competitive set is $50, the subject hotel would have no RevPAR index premium. If the subject hotel s RevPAR totaled $60, its RevPAR index premium would be 20%, which indicates that the subject hotel has outperformed other hotels in its competitive set;

our hotels and rooms refer to the hotels and resorts managed, franchised, owned or leased by us. The majority of our hotels and resorts are owned by third-party owners;

an upper midscale hotel refers to an upper midscale hotel as defined by STR;

an upper upscale hotel refers to an upper upscale hotel as defined by STR; and

an upscale hotel refers to an upscale hotel as defined by STR.

Defined terms in the financial statements have the meanings ascribed to them in the financial statements.

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PROSPECTUS SUMMARY

This summary highlights information appearing elsewhere in this prospectus and may not contain all of the information that may be important to you. You should read this entire prospectus carefully, including the information set forth under the heading Risk Factors and our consolidated financial statements before participating in the exchange offer.

Hilton

Hilton is one of the largest and fastest growing hospitality companies in the world, with 5,685 properties comprising 912,960 rooms in 113 countries and territories as of December 31, 2018. For nearly 100 years, Hilton has been an innovator in its industry, driven by the vision of our founder Conrad Hilton, to fill the earth with the light and warmth of hospitality. Our premier brand portfolio includes: our luxury and lifestyle hotel brands, Waldorf Astoria Hotels & Resorts, LXR Hotels & Resorts, Conrad Hotels & Resorts and Canopy by Hilton; our full service hotel brands, Hilton Hotels & Resorts, Curio Collection by Hilton, DoubleTree by Hilton, Tapestry Collection by Hilton and Embassy Suites by Hilton; our focused service hotel brands, Motto by Hilton, Hilton Garden Inn, Hampton by Hilton, Tru by Hilton, Homewood Suites by Hilton and Home2 Suites by Hilton; and our timeshare brand, Hilton Grand Vacations. In 2018, we launched two new brands: Motto by Hilton and LXR Hotels & Resorts. See Our Brand Portfolio, for additional information. As of December 31, 2018, we had over 85 million members in our award-winning guest loyalty program, Hilton Honors.

For a description of our business, financial condition, results of operations and other important information regarding us, we refer you to the sections entitled Business and Managements Discussion and Analysis of Financial Condition and Results of Operations of this prospectus.

Our Competitive Strengths

We believe the following competitive strengths provide the foundation for our position as a leading global hospitality company.

World-Class Hospitality Brands. Our globally recognized, world-class brands have defined the hospitality industry. Our flagship Hilton Hotels & Resorts brand often serves as an introduction to our wider range of brands, including those in the luxury segment, midscale segment and everything in between, that are designed to accommodate any customer s needs anywhere in the world. Our brands have achieved an average global RevPAR index premium of 14% for the year ended December 31, 2018, based on STR data. This means that our brands achieve on average 14% more revenue per room than competitive properties in similar markets. The demonstrated strength of our brands makes us a preferred partner for hotel owners.

Leading Global Presence and Scale. We are one of the largest hospitality companies in the world with 5,685 properties and 912,960 rooms in 113 countries and territories as of December 31, 2018. We have hotels in key urban destinations throughout our key operating regions and 575 hotels located at or near airports around the world. Our global presence allows us to serve our loyal customers throughout the world and to introduce our award-winning brands to customers in new markets. These world-class brands facilitate system growth by providing hotel owners with a variety of options to address each market s specific needs. In addition, the diversity of our operations reduces our exposure to business cycles, individual market disruptions and other risks. Our robust commercial services platform allows us to take advantage of our scale to more effectively deliver products and services that drive customer preference and enhance commercial performance on a global basis.

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Large and Growing Loyal Customer Base. Serving our customers is our first priority. By continually adapting to customer preferences and providing our customers with superior experiences, we have improved our overall customer satisfaction ratings since 2007. We earned 42 first place awards in the J.D. Power North America Guest Satisfaction rankings since 1999. Hilton Honors unites all our brands, encourages customer loyalty and allows us to provide tailored promotions, messaging and customer experiences. Membership in our Hilton Honors program continues to increase, and, as of December 31, 2018, there were over 85 million Hilton Honors members, a 20% increase from December 31, 2017.

Significant Embedded Growth. We expect to grow through improvement in same-store performance driven by strong anticipated industry fundamentals. CBRE predicts that lodging industry RevPAR in the U.S., where 73% of our system rooms are located, will grow 2.7% in 2019 and 2.2% in 2020. We expect to grow through new room additions, as upon completion, our industry-leading development pipeline would result in a 40% increase in our room count with minimal capital investment from us. In addition, our franchise revenues should grow over time as franchise contracts renew at our published license rates, which are higher than our current effective rates. For the year ended December 31, 2018, our weighted average effective license rate across our brands was 4.9% of room revenue and our weighted average published license rate was 5.6% as of December 31, 2018. We also expect our incentive management fees, which are linked to hotel profitability measures, to increase as a result of the expected improvements in industry fundamentals and new unit growth.

Strong Cash Flow Generation. We generate significant cash flows from operating activities. During 2018, we generated $1.3 billion in cash flow from operating activities. We believe that our focus on cash flow generation, the relatively low investment required to grow our business, and our disciplined approach to capital allocation position us to maximize opportunities for profitability and growth while continuing to reduce our indebtedness over time.

Aligned Culture and Organization. As an organization of people serving people, it is imperative that we attract and retain best-in-class talent to serve our various stakeholders. Our purpose-led, performance-driven culture begins with an intense alignment around our mission, vision, values and key strategic priorities. Our President and Chief Executive Officer, Christopher J. Nassetta, has more than 31 years of experience in the hotel industry, leading Hilton for over 11 years and previously serving as President and Chief Executive Officer of Host Hotels & Resorts, Inc. He and the balance of our executive management team have been instrumental in transforming our organization and building a culture that attracts, develops and retains leaders at all levels of the organization who are focused on delivering exceptional service to our customers every day. We rely on our more than 169,000 employees to execute our strategy and continue to enhance our products and services to ensure that we remain at the forefront of performance and innovation in the lodging industry.

Our Business and Growth Strategy

The following are key elements of our strategy to become the preeminent global hospitality company the first choice of guests, employees and owners alike:

Expand our Global Network. We intend to build on our leading position in the U.S. and expand our global footprint. We had approximately 19% of the market share of rooms under construction as of December 31, 2018, based on STR data. We aim to increase the relative contribution of our international operations by increasing the number of rooms in our system that are located outside of the U.S., and as of December 31, 2018, over half of our rooms in our development pipeline are located outside of the U.S. We plan to continue to expand our global footprint by introducing the right brands with the right product positioning in targeted markets and allocating business development resources effectively to drive high-quality new unit growth in every region of the world.

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Grow our Fee-Based Businesses. We intend to grow our higher margin, fee-based businesses by developing new third-party hotels and converting existing hotels to our brands. Our development pipeline consisted of over 364,000 rooms as of December 31, 2018. Upon completion, this pipeline of new, third-party owned hotels would result in a 41% increase in our managed and franchised hotel room count with minimal capital investment from us. In addition, we aim to increase the average effective franchise fees we receive over time by renewing and entering into new franchise contracts at our current published franchise fee rates.

Strengthen and Enhance our Brands and Commercial Services Platform. We intend to enhance our customer experience in all of our service offerings by delivering distinctive, quality, consistent brand management and continuing to develop products and services that drive customer preference and increased RevPAR premiums. We will continue to innovate in the delivery of modern products and service standards that are relevant and meet evolving customer needs. We believe providing distinctive customer experiences will deliver financial results that support incremental owner investment in our hotels. We also focus on providing products and services that drive opportunities for growth in the U.S. and tailoring our products as appropriate to meet the needs of customers and developers outside the U.S. We will continue to enhance our commercial services platform to ensure we have a formidable sales, pricing, marketing and distribution platform to drive premium commercial performance to our entire system of hotels. We also will continue to invest in our Hilton Honors guest loyalty program to ensure it remains relevant to our customers and drives customer loyalty and value to our hotel owners.

Recent Developments

In February 2019, our board of directors authorized the repurchase of an additional $1.5 billion of common stock under our existing $2.0 billion stock repurchase program, bringing the total amount remaining for repurchase under the program to approximately $1.8 billion.

Additionally, in February 2019, we launched our newest brand, Signia Hilton, a dynamic, meetings-and-events-focused brand, which will further reinforce Hilton s commitment to innovation that meets the evolving needs of today s travelers and will bring premium experiences to top urban and resort destinations around the world.

As of March 31, 2019, net borrowings of $50 million were outstanding under our senior secured revolving credit facility.

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Our Structure

The following diagram illustrates our simplified organizational structure as of the date of this prospectus after giving effect to the exchange offers. This diagram is provided for illustrative purposes only and does not show all legal entities or obligations of such entities:

(1) Each of HLT Parent and HWP is a guarantor of indebtedness under the Senior Secured Credit Facilities and the outstanding notes and will be a guarantor of the exchange notes offered hereby. Neither HLT Parent nor HWP is subject to the restrictive covenants in the credit agreement and indentures governing such indebtedness.

(2) Our Senior Secured Credit Facilities are comprised of: (i) a $1.0 billion senior secured revolving credit facility (the Revolving Credit Facility) and (ii) a $3,119 million senior secured term loan facility due 2023 (the Term Loans). As of December 31, 2018, we had $937 million of unutilized capacity under the Revolving Credit Facility (after giving effect to $63 million of outstanding letters of credit). See Description of Other Indebtedness Senior Secured Credit Facilities for additional information.

(3) For the years ended December 31 2018, 2017 and 2016, our non-guarantor subsidiaries represented $1,906 million, or 52%, $1,835 million, or 54%, and $1,785 million, or 60%, of our total revenues, respectively, excluding other revenues from managed and franchised properties, and $501 million, or 24%, $502 million, or 26%, and $441 million or 30% of our Adjusted EBITDA, respectively.

Corporate Information

Hilton Domestic Operating Company Inc., a Delaware corporation, was incorporated under the laws of the State of Delaware on July 12, 2016. Our principal executive offices are located at 7930 Jones Branch Drive, Suite 1100, McLean, Virginia 22102 and our telephone number is (703) 883-1000.

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The Exchange Offers

The following summary is provided solely for your convenience and is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus for a more detailed description of the notes.

General	On April 13, 2018, the Issuer issued an aggregate of $1,500,000,000 principal amount of 5.125% Senior Notes due 2026 in a private offering. In connection with the private offering of the outstanding notes, the Issuer and the guarantors entered into a registration rights agreement with the initial purchasers in which they agreed, among other things, to deliver this prospectus to you and to complete the exchange offer within 450 days after the date of issuance and sale of the outstanding notes. You are entitled to exchange in the exchange offer your outstanding notes for the exchange notes which are identical in all material respects to the outstanding notes except:
	the exchange notes have been registered under the Securities Act;
	the exchange notes are not entitled to any registration rights which are applicable to the outstanding notes under the registration rights agreement; and
	the additional interest provision of the registration rights agreement is no longer applicable.
The Exchange Offer	The Issuer is offering to exchange up to $1,500,000,000 aggregate principal amount of 5.125% Senior Notes due 2026 which have been registered under the Securities Act, for a like amount of outstanding notes.
	You may only exchange outstanding notes in denominations of $2,000 and integral multiples of $1,000, in excess thereof.
Resale	Based on an interpretation by the staff of the SEC set forth in no-action letters issued to third parties, the Issuer believes that the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by you (unless you are our affiliate within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus

	delivery provisions of the Securities Act, provided that: you are acquiring the exchange notes in the ordinary course of your business; and you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the exchange notes.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on May 20, 2019, which is the 21st business day after the date of this prospectus, unless extended by the Issuer. The Issuer does not currently intend to extend the expiration date.

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	If you are a broker-dealer and receive exchange notes for your own account in exchange for outstanding notes that you acquired as a result of market making activities or other trading activities, you must acknowledge that you will deliver this prospectus in connection with any resale of the exchange notes. See Plan of Distribution.
	Any holder of outstanding notes who:
	is our affiliate;
	does not acquire exchange notes in the ordinary course of its business; or
	tenders its outstanding notes in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes;
	cannot rely on the position of the staff of the SEC enunciated in *Morgan Stanley & Co. Inc*. (available June 5, 1991) and *Exxon Capital Holdings Corp*. (available May 13, 1988), as interpreted in the SEC s letter to *Shearman & Sterling* (available July 2, 1993), or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes.
Withdrawal	You may withdraw the tender of your outstanding notes at any time prior to the expiration of the exchange offer. The Issuer will return to you any of your outstanding notes that are not accepted for any reason for exchange, without expense to you, promptly after the expiration or termination of the exchange offer.
Interest on the Exchange Notes and the Outstanding Notes	The exchange notes will bear interest at a rate of 5.125% per annum from the most recent date to which interest has been paid on the outstanding notes and will be payable semi-annually on May 1 and November 1. No interest will be paid on outstanding notes following their acceptance for exchange.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, which the Issuer may waive. See The Exchange Offer Conditions to the Exchange Offer.

Procedures for Tendering Outstanding Notes	If you wish to participate in the exchange offer, you must complete, sign and date the accompanying letter of transmittal, or a facsimile of such letter of transmittal, according to the instructions contained in this prospectus and the letter of transmittal. You must then mail or otherwise deliver the letter of transmittal, or a facsimile of such letter of transmittal, together with the outstanding notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal.

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	If you hold outstanding notes through The Depository Trust Company (DTC) and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC by which you will agree to be bound by the letter of transmittal. By signing, or agreeing to be bound by, the letter of transmittal, you will represent to us that, among other things: you are not our affiliate within the meaning of Rule 405 under the Securities Act; you do not have an arrangement or understanding with any person or entity to participate in the distribution of the exchange notes; you are acquiring the exchange notes in the ordinary course of your business; and if you are a broker-dealer that will receive exchange notes for your own account in exchange for outstanding notes that were acquired as a result of market making activities, that you will deliver a prospectus, as required by law, in connection with any resale of such exchange notes.
Special Procedures for Beneficial Owners	If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender those outstanding notes in the exchange offer, you should contact the registered holder promptly and instruct the registered holder to tender those outstanding notes on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.
Guaranteed Delivery Procedures	If you wish to tender your outstanding notes and your outstanding notes are not immediately available or you cannot deliver your outstanding notes, the letter of transmittal or any other required documents, or you cannot comply with the procedures under DTC s Automated Tender Offer Program for transfer of book-entry interests, prior to the expiration date, you must tender your outstanding notes according to the guaranteed delivery procedures set forth in this prospectus under The Exchange

	Offer Guaranteed Delivery Procedures.
Effect on Holders of Outstanding Notes	As a result of the making of, and upon acceptance for exchange of, all validly tendered outstanding notes pursuant to the terms of the exchange offer, the Issuer and the guarantors will have fulfilled a covenant under the registration rights agreement. Accordingly, there

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	will be no increase in the interest rate on the outstanding notes under the circumstances described in the registration rights agreement. If you do not tender your outstanding notes in the exchange offer, you will continue to be entitled to all the rights and limitations applicable to the outstanding notes as set forth in the indenture; however, as a result of the making of, and upon acceptance for exchange of, all validly tendered outstanding notes pursuant to the terms of the exchange offer, the Issuer will not have any further obligation to you to provide for the exchange and registration of the outstanding notes under the registration rights agreement. To the extent that the outstanding notes are tendered and accepted in the exchange offer, the trading market for the remaining outstanding notes that are not so tendered and exchanged could be adversely affected.
Consequences of Failure to Exchange	All untendered outstanding notes will continue to be subject to the restrictions on transfer set forth in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, the Issuer does not currently anticipate that they will register the outstanding notes under the Securities Act.
Certain U.S. Federal Income Tax Considerations	The exchange of outstanding notes for exchange notes in the exchange offer will not constitute a taxable event to holders for U.S. federal income tax purposes. See Certain U.S. Federal Income Tax Considerations.
Use of Proceeds	The Issuer will not receive any cash proceeds from the issuance of the exchange notes in the exchange offer. See Use of Proceeds.
Exchange Agent	Wilmington Trust, National Association is the exchange agent for the exchange offer. The addresses and telephone numbers of the exchange agent are set forth in the section captioned The Exchange Offer Exchange Agent of this prospectus.

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Summary Historical Financial Data

We derived the summary statement of operations data and the summary statement of cash flows data for the years ended December 31, 2018, 2017 and 2016 and the summary balance sheet data as of December 31, 2018 and 2017 from our audited consolidated financial statements included elsewhere in this prospectus. All summary historical financial data as of and for the years ended December 31, 2017 and 2016 have been restated to reflect the adoption of Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09) using the full retrospective approach as of January 1, 2016. The summary balance sheet data as of December 31, 2016 was derived from unaudited consolidated financial statements that are not included in this prospectus and reflect the adoption of ASU 2014-09.

You should read the summary historical financial data below, together with the consolidated financial statements and related notes thereto appearing elsewhere in this prospectus, as well as Selected Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, Description of Other Indebtedness, and the other financial information included elsewhere in this prospectus.

	Year Ended December 31,		
	2018	2017	2016
	(in millions, except per share data)		
Summary Statement of Operations Data:			
Revenues			
Franchise and licensing fees	$ 1,530	$ 1,321	$ 1,091
Base and other management fees	321	324	230
Incentive management fees	235	222	142
Owned and leased hotels	1,484	1,432	1,434
Other revenues	98	105	82
	3,668	3,404	2,979
Other revenues from managed and franchised properties	5,238	4,727	3,597
Total revenues	8,906	8,131	6,576
Expenses			
Owned and leased hotels	1,332	1,269	1,279
Depreciation and amortization	325	336	353
General and administrative	443	439	409
Other expenses	51	56	66
	2,151	2,100	2,107
Other expenses from managed and franchised properties	5,323	4,899	3,609
Total expenses	7,474	6,999	5,716
Gain on sales of assets, net			8
Operating income(1)	1,432	1,132	868
Net income(2)	769	1,089	354

Net income attributable to Hilton stockholders[(2)]	764	1,084	338
Earnings per share[(2)]:			
Basic	$ 2.53	$ 3.34	$ 1.03
Diluted	$ 2.50	$ 3.32	$ 1.03

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	As of and for the Year Ended December 31,		
	2018	2017	2016
	(dollars in millions, except number of units, Hotel RevPAR and ADR)		
Summary Balance Sheet Data:			
Cash and cash equivalents	$ 403	$ 570	$ 1,062
Restricted cash and cash equivalents			