Host Hotels & Resorts, Inc.
Supplemental Financial Information
As of October 29, 2015
For the Quarter and Year-to-Date ended September 30, 2015 and 2014

ABOUT HOST HOTELS & RESORTS

Host Hotels & Resorts, Inc. is an S&P 500 and Fortune 500 company and is the largest lodging real estate investment trust and one of the largest owners of luxury and upper-upscale hotels. The Company currently owns 94 properties in the United States and 14 properties internationally totaling approximately 58,000 rooms. The Company also holds non-controlling interests in five joint ventures, including one in Europe that owns 10 hotels with approximately 3,900 rooms and one in Asia that has interests in four hotels in Australia and India. Guided by a disciplined approach to capital allocation and aggressive asset management, the Company partners with premium brands such as Marriott®, Ritz-Carlton®, Westin®, Sheraton®, W®, St. Regis®, Le Méridien®, The Luxury Collection®, Hyatt®, Fairmont®, Hilton®, Swissôtel®, ibis®, Pullman®, and Novotel® as well as independent brands in the operation of properties in over 50 major markets worldwide. For additional information, please visit the Company's website at www.hosthotels.com.

Host Hotels & Resorts, Inc., herein referred to as "we" or "Host Inc.," is a self-managed and self-administered real estate investment trust ("REIT") that owns hotel properties. We conduct our operations as an umbrella partnership REIT through an operating partnership, Host Hotels & Resorts, L.P. ("Host LP"), of which we are the sole general partner. When distinguishing between Host Inc. and Host LP, the primary difference is approximately 1% of the partnership interests in Host LP held by outside partners as of September 30, 2015, which is non-controlling interests in Host LP in our consolidated balance sheets and is included in net income attributable to non-controlling interests in our consolidated statements of operations. Readers are encouraged to find further detail regarding our organizational structure in our annual report on Form 10-K.

SUPPLEMENTAL FINANCIAL INFORMATION

To facilitate a quarter-to-quarter comparison of our operations, we present certain operating results (revenues, expenses, hotel EBITDA and associated margins) on a comparable hotel basis, which are non-GAAP (U.S. generally accepted accounting principles) financial measures within the meaning of the rules of the Securities and Exchange Commission ("SEC"). These are included in our earnings press release dated October 29, 2015 and related Current Report on Form 8-K filed with the SEC on the same day. In addition to comparable hotel results for Host Inc. as a whole found in the press release (and repeated here starting on page 7) this supplemental information also contains additional detail on comparable hotel EBITDA by market. Also included are reconciliations to the most directly comparable GAAP measures. See the Notes that follow for information on why we believe these supplemental measures are useful and the limitations on their use.

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HOST HOTELS & RESORTS, INC.
Comparable Hotel EBITDA by Market in Nominal US$
(unaudited, in millions, except hotel statistics)

	Quarter ended September 30, 2015							
Market[1]	No. of Properties	No. of Rooms	Total Revenues	Hotel Net Income[2]	Plus: Depreciation	Plus: Interest Expense[2]	Less: Income tax[2]	Equals: Hotel EBITDA
Boston	4	3,185	$ 83.6	$ 18.3	$ 9.5	$ —	$ —	$ 27.8
New York	8	6,960	221.9	14.2	31.8	—	—	46.0
Washington, D.C.	12	6,020	117.4	8.4	16.7	0.9	—	26.0
Atlanta	6	2,280	43.5	6.4	6.3	—	—	12.7
Florida	8	4,965	119.4	3.7	13.7	1.8	—	19.2
Chicago	6	2,392	53.5	13.7	6.7	—	—	20.4
Denver	3	1,363	22.8	5.5	2.2	—	—	7.7
Houston	3	1,142	19.2	1.2	3.1	—	—	4.3
Phoenix	3	1,241	22.7	(1.9)	3.7	—	—	1.8
Seattle	3	1,774	47.7	14.9	5.0	—	—	19.9
San Francisco	5	3,701	99.9	20.8	8.8	—	—	29.6
Los Angeles	8	3,228	75.1	16.1	6.8	—	—	22.9
San Diego	4	3,331	81.5	10.8	12.8	—	—	23.6
Hawaii	3	1,682	63.3	12.1	7.3	—	—	19.4
Other	11	7,270	108.3	(1.4)	18.6	—	—	17.2
Domestic	87	50,534	1,179.8	142.8	153.0	2.7	—	298.5
Asia-Pacific	8	1,544	19.2	2.5	2.2	2.1	—	6.8
Canada	2	849	14.8	2.5	2.0	—	—	4.5
Latin America	2	557	12.2	1.8	1.7	1.2	—	4.7
International	12	2,950	46.2	6.8	5.9	3.3	—	16.0
Comparable Hotels All Markets	99	53,484	$ 1,226.0	$ 149.6	$ 158.9	$ 6.0	$ —	$ 314.5
Non-comparable hotels	11	4,531	75.0	(1.6)	19.6	—	—	18.0
Gain on sale of property and corporate level income/ expense			(13.9)	(62.6)	1.3	42.8	8.6	(9.9)
Total	110	58,015	$ 1,287.1	$ 85.4	$ 179.8	$ 48.8	$ 8.6	$ 322.6

	Quarter ended September 30, 2014							
Market[1]	**No. of Properties**	**No. of Rooms**	**Total Revenues**	**Hotel Net Income[2]**	**Plus: Depreciation**	**Plus: Interest Expense[2]**	**Plus: Income tax[2]**	**Equals: Hotel EBITDA**
Boston	4	3,185	$ 77.7	$ 15.4	$ 9.6	$ —	$ —	$ 25.0
New York	8	6,960	225.8	21.5	29.6	—	—	51.1
Washington, D.C.	12	6,020	120.8	14.4	14.7	1.1	—	30.2
Atlanta	6	2,280	41.0	5.3	6.5	—	—	11.8
Florida	8	4,965	111.7	(0.5)	13.8	1.8	—	15.1
Chicago	6	2,392	51.3	15.4	5.6	—	—	21.0
Denver	3	1,363	21.7	5.1	2.3	—	—	7.4
Houston	3	1,142	21.2	3.9	2.4	—	—	6.3
Phoenix	3	1,241	22.2	(2.0)	3.9	—	—	1.9
Seattle	3	1,774	43.1	12.4	4.5	—	—	16.9
San Francisco	5	3,701	98.7	22.0	8.7	—	—	30.7
Los Angeles	8	3,228	69.0	14.2	6.5	—	—	20.7
San Diego	4	3,331	75.6	9.8	12.0	—	—	21.8
Hawaii	3	1,682	58.0	9.4	7.2	—	—	16.6
Other	11	7,270	105.4	0.3	17.2	—	—	17.5
Domestic	87	50,534	1,143.2	146.6	144.5	2.9	—	294.0
Asia-Pacific	8	1,544	23.6	2.9	2.7	2.8	—	8.4
Canada	2	849	17.3	4.5	1.2	—	—	5.7
Latin America	2	557	16.6	3.6	2.2	1.2	—	7.0
International	12	2,950	57.5	11.0	6.1	4.0	—	21.1
Comparable Hotels All Markets	99	53,484	$ 1,200.7	$ 157.6	$ 150.6	$ 6.9	$ —	$ 315.1
Non-comparable hotels	11	4,531	106.0	5.9	21.1	—	—	27.0
Gain on sale of property and corporate level income/ expense			(12.3)	(18.5)	0.7	43.8	5.8	31.8
Total	110	58,015	$ 1,294.4	$ 145.0	$ 172.4	$ 50.7	$ 5.8	$ 373.9

Market[1]	No. of Properties	No. of Rooms	Total Revenues	Hotel Net Income[2]	Plus: Depreciation	Plus: Interest Expense[2]	Plus: Income tax[2]	Equals: Hotel EBITDA
	Year-to-date ended September 30, 2015							
Boston	4	3,185	$ 226.1	$ 34.8	$ 28.4	$ —	$ —	$ 63.2
New York	8	6,960	636.8	18.4	95.6	—	—	114.0
Washington, D.C.	12	6,020	383.2	49.5	49.0	2.8	—	101.3
Atlanta	6	2,280	134.5	20.7	19.5	—	—	40.2
Florida	8	4,965	491.2	100.2	41.6	5.4	—	147.2
Chicago	6	2,392	136.4	24.1	19.5	—	—	43.6
Denver	3	1,363	61.0	11.3	6.8	—	—	18.1
Houston	3	1,142	66.0	10.5	9.0	—	—	19.5
Phoenix	3	1,241	103.6	21.5	11.4	—	—	32.9
Seattle	3	1,774	113.7	24.3	14.4	—	—	38.7
San Francisco	5	3,701	291.2	55.4	26.4	—	—	81.8
Los Angeles	8	3,228	210.6	39.7	20.2	—	—	59.9
San Diego	4	3,331	253.8	41.2	37.9	—	—	79.1
Hawaii	3	1,682	203.5	47.7	22.1	—	—	69.8
Other	11	7,270	379.0	36.1	55.1	—	—	91.2
Domestic	87	50,534	3,690.6	535.4	456.9	8.2	—	1,000.5
Asia-Pacific	8	1,544	61.8	8.3	7.1	6.7	—	22.1
Canada	2	849	39.7	3.4	5.3	—	—	8.7
Latin America	2	557	38.3	4.5	5.3	3.7	—	13.5
International	12	2,950	139.8	16.2	17.7	10.4	—	44.3
Comparable Hotels All Markets	99	53,484	$ 3,830.4	$ 551.6	$ 474.6	$ 18.6	$ —	$ 1,044.8
Non-comparable hotels	11	4,531	268.0	4.0	57.0	—	—	61.0
Gain on sale of property and corporate level income/ expense			(45.5)	(150.2)	3.1	154.2	12.7	19.8
Total	110	58,015	$ 4,052.9	$ 405.4	$ 534.7	$ 172.8	$ 12.7	$ 1,125.6

	Year-to-date ended September 30, 2014							
Market[1]	**No. of Properties**	**No. of Rooms**	**Total Revenues**	**Hotel Net Income[2]**	**Plus: Depreciation**	**Plus: Interest Expense[2]**	**Plus: Income tax[2]**	**Equals: Hotel EBITDA**
Boston	4	3,185	$ 209.2	$ 27.7	$ 28.8	$ —	$ —	$ 56.5
New York	8	6,960	650.9	41.5	90.1	1.1	—	132.7
Washington, D.C.	12	6,020	388.1	59.8	44.7	3.4	—	107.9
Atlanta	6	2,280	125.6	17.5	18.6	—	—	36.1
Florida	8	4,965	461.1	86.5	41.5	5.3	—	133.3
Chicago	6	2,392	129.9	26.0	17.2	—	—	43.2
Denver	3	1,363	58.5	10.8	7.0	—	—	17.8
Houston	3	1,142	72.0	17.3	7.2	—	—	24.5
Phoenix	3	1,241	99.6	18.8	11.6	—	—	30.4
Seattle	3	1,774	106.3	19.5	13.7	—	—	33.2
San Francisco	5	3,701	273.8	46.3	26.2	—	—	72.5
Los Angeles	8	3,228	194.8	31.6	19.4	0.9	—	51.9
San Diego	4	3,331	228.1	29.7	35.7	—	—	65.4
Hawaii	3	1,682	179.2	33.4	21.6	—	—	55.0
Other	11	7,270	368.3	34.2	51.3	2.2	—	87.7
Domestic	87	50,534	3,545.4	500.6	434.6	12.9	—	948.1
Asia-Pacific	8	1,544	69.7	8.0	7.9	8.1	—	24.0
Canada	2	849	50.4	12.2	3.6	—	—	15.8
Latin America	2	557	50.0	12.0	6.0	3.4	—	21.4
International	12	2,950	170.1	32.2	17.5	11.5	—	61.2
Comparable Hotels All Markets	99	53,484	$ 3,715.5	$ 532.8	$ 452.1	$ 24.4	$ —	$ 1,009.3
Non-comparable hotels	11	4,531	361.0	35.5	63.6	1.9	—	101.0
Gain on sale of property and corporate level income/ expense			(42.5)	(79.3)	2.4	137.5	17.2	77.8
Total	110	58,015	$ 4,034.0	$ 489.0	$ 518.1	$ 163.8	$ 17.2	$ 1,188.1

(1) See the Notes to Supplemental Information for a description of these markets.
(2) Certain items from our statement of operations are not allocated to individual regions, including interest on our senior notes, the majority of corporate and other expenses, and the benefit (provision) for income taxes. These items are included in gain on sale of property and corporate level income/expense. Interest on mortgage debt is allocated to the respective regions.

HOST HOTELS & RESORTS, INC.
Schedule of Comparable Hotel Results
(unaudited, in millions, except hotel statistics)

	Quarter ended September 30,		Year-to-date ended September 30,	
	2015	2014	2015	2014
Number of hotels	99	99	99	99
Number of rooms	53,484	53,484	53,484	53,484
Change in comparable hotel RevPAR -				
Constant US$	2.8%	—	3.9%	—
Nominal US$	1.6%	—	2.9%	—
Operating profit margin (2)	10.3%	15.6%	12.4%	13.9%
Comparable hotel EBITDA margin (2)	25.65%	26.2%	27.3%	27.2%
Comparable hotel revenues				
Room	$ 835	$ 821	$ 2,501	$ 2,429
Food and beverage (3)	324	304	1,115	1,064
Other	67	76	214	223
Comparable hotel revenues (4)	1,226	1,201	3,830	3,716
Comparable hotel expenses				
Room	219	220	646	647
Food and beverage (5)	247	240	789	765
Other	32	36	98	112
Management fees, ground rent and other costs	413	390	1,252	1,183
Comparable hotel expenses (6)	911	886	2,785	2,707
Comparable hotel EBITDA	315	315	1,045	1,009
Non-comparable hotel results, net (7)	18	27	61	101
Depreciation and amortization	(180)	(178)	(535)	(524)
Interest expense	(49)	(51)	(173)	(164)
Provision for income taxes	(9)	(6)	(13)	(17)
Gain on sale of property and corporate level income/expense	(10)	38	20	84
Net income	$ 85	$ 145	$ 405	$ 489

(1) As previously disclosed, the adoption of the 11th edition of the Uniform System of Accounts for the Lodging Industry ("USALI") on January 1, 2015 will impact our comparative operating results. The impact of USALI in both the third quarter and year-to-date 2015 reduced comparable RevPAR growth by approximately 20 basis points. In addition, the impact of USALI in the third quarter and year-to-date 2015 reduced comparable hotel EBITDA margins by approximately 15 basis points each, while increasing comparable food and beverage revenue growth by approximately 280 and 290 basis points, respectively. See the Notes to Supplemental Information for a discussion of non-GAAP measures and the calculation of comparable hotel results.

(2) Operating profit margins are calculated by dividing the applicable operating profit by the related revenue amount. GAAP operating profit margins are calculated using amounts presented in the consolidated statements of operations. Comparable hotel EBITDA margins are calculated using amounts presented in the above table.

(3) The reconciliation of total food and beverage sales per the consolidated statements of operations to the comparable food and beverage sales is as follows (as discussed above, 2014 amounts have not been adjusted for the adoption of the 11th edition of USALI):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2015	2014	2015	2014
Food and beverage sales per the consolidated statements of operations	$ 337	$ 330	$ 1,160	$ 1,150
Non-comparable hotel food and beverage sales	(21)	(33)	(74)	(114)
Food and beverage sales for the property for which we record rental income	8	7	29	28
Comparable food and beverage sales	$ 324	$ 304	$ 1,115	$ 1,064

(4) The reconciliation of total revenues per the consolidated statements of operations to the comparable hotel revenues is as follows (as discussed above, 2014 amounts have not been adjusted for the adoption of the 11th edition of USALI):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2015	2014	2015	2014
Revenues per the consolidated statements of operations	$ 1,287	$ 1,294	$ 4,053	$ 4,034
Non-comparable hotel revenues	(75)	(106)	(268)	(361)
Hotel revenues for the property for which we record rental income, net	14	13	45	43
Comparable hotel revenues	$ 1,226	$ 1,201	$ 3,830	$ 3,716

(5) The reconciliation of total food and beverage expenses per the consolidated statements of operations to the comparable food and beverage expenses is as follows (as discussed above, 2014 amounts have not been adjusted for the adoption of the 11th edition of USALI):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2015	2014	2015	2014
Food and beverage expenses per the consolidated statements of operations	$ 258	$ 260	$ 830	$ 829
Non-comparable hotel food and beverage expenses	(16)	(25)	(59)	(81)
Food and beverage expenses for the property for which we record rental income	5	5	18	17
Comparable food and beverage expenses	$ 247	$ 240	$ 789	$ 765

(6) The reconciliation of operating costs and expenses per the consolidated statements of operations to the comparable hotel expenses is as follows (as discussed above, 2014 amounts have not been adjusted for the adoption of the 11th edition of USALI):

	Quarter ended September 30,		Year-to-date ended September 30,	
	2015	2014	2015	2014
Operating costs and expenses per the consolidated statements of operations	$ 1,155	$ 1,092	$ 3,550	$ 3,473
Non-comparable hotel expenses	(57)	(79)	(207)	(260)
Hotel expenses for the property for which we record rental income	14	13	45	43
Depreciation and amortization	(180)	(178)	(535)	(524)
Corporate and other expenses	(21)	38	(68)	(25)
Comparable hotel expenses	$ 911	$ 886	$ 2,785	$ 2,707

(7) Non-comparable hotel results, net, includes the following items: (i) the results of operations of our non-comparable hotels and sold hotels, which operations are included in our consolidated statements of operations as continuing operations, (ii) gains on property insurance settlements, and (iii) the results of our office buildings.

COMPARABLE HOTEL OPERATING STATISTICS

To facilitate a quarter-to-quarter comparison of our operations, we present certain operating results (revenues, expenses, hotel EBITDA and associated margins) for the periods included in this supplemental information on a comparable hotel basis. Beginning December 31, 2014, the Company presents comparable hotel EBITDA, which is calculated in the same manner as the previously presented comparable hotel adjusted operating profit. The purpose of the change is to conform to industry naming standards for this metric.

Because these statistics and operating results relate only to our hotel properties, they exclude results for our non-hotel properties and other real estate investments. We define our comparable hotels as properties:

(i) that are owned or leased by us and the operations of which are included in our consolidated results for the entirety of the reporting periods being compared; and

(ii) that have not sustained substantial property damage or business interruption, or undergone large-scale capital projects (as further defined below) during the reporting periods being compared.

The hotel business is capital-intensive and renovations are a regular part of the business. Generally, hotels under renovation remain comparable hotels. A large scale capital project that would cause a hotel to be excluded from our comparable hotel set is an extensive renovation of several core aspects of the hotel, such as rooms, meeting space, lobby, bars, restaurants and other public spaces. Both quantitative and qualitative factors are taken into consideration in determining if the renovation would cause a hotel to be removed from the comparable hotel set, including unusual or exceptional circumstances such as: a reduction or increase in room count, rebranding, a significant alteration of the business operations, or the closing of the hotel during the renovation.

We do not include an acquired hotel in our comparable hotel set until the operating results for that hotel have been included in our consolidated results for one full calendar year. For example, we acquired the YVE Hotel Miami in August of 2014. The hotel will not be included in our comparable hotels until January 1, 2016. Hotels that we sell are excluded from the comparable hotel set once the transaction has closed. Similarly, hotels are excluded from our comparable hotel set from the date that they sustain substantial property damage or business interruption or commence a large-scale capital project. In each case, these hotels are returned to the comparable hotel set when the operations of the hotel have been included in our consolidated results for one full calendar year after completion of the repair of the property damage or cessation of the business interruption, or the completion of large-scale capital projects, as applicable.

Of the 110 hotels that we owned on September 30, 2015, 99 have been classified as comparable hotels. The operating results of the following hotels that we owned as of September 30, 2015 are excluded from comparable hotel results for these periods:

- The Camby Hotel (previously The Ritz-Carlton, Phoenix), removed in the third quarter of 2015 (business disruption due to rebranding, including closure of the hotel in July 2015 for extensive renovation work);
- Sheraton Santiago Hotel & Convention Center and San Cristobal Tower, Santiago, removed in the second quarter of 2015 (business interruption due to extensive guestroom renovation and reconfiguration, which requires temporary closure of a significant portion of the guestrooms);
- The Logan (previously the Four Seasons Philadelphia), removed in the first quarter of 2015 (business interruption due to rebranding, including closure of the hotel in order to expedite renovation efforts);
- Houston Airport Marriott at George Bush Intercontinental, removed in the first quarter of 2015 (business interruption due to complete repositioning of the hotel, including guest room renovations and the closure of two restaurants to create a new food and beverage outlet and lobby experience);
- Marriott Marquis San Diego Marina, removed in the first quarter of 2015 (business interruption due to the demolition of the existing conference center and new exhibit hall);
- The Phoenician (acquired in June 2015);
- YVE Hotel Miami (acquired as the b2 miami downtown hotel in August 2014); and
- Axiom Hotel (acquired as the Powell Hotel in January 2014).
- Novotel Rio de Janeiro Parque Olimpico (opened in the fourth quarter of 2014); and
- ibis Rio de Janeiro Parque Olimpico (opened in the fourth quarter of 2014).

The operating results of ten hotels disposed of in 2015 and 2014 are not included in comparable hotel results for the periods presented herein.

We evaluate the operating performance of our comparable hotels based on both market and property type. These divisions are generally consistent with groupings recognized in the lodging industry.

Our markets consist of the following:

Domestic

- Boston – Greater Boston Metropolitan area;
- New York – Greater New York Metropolitan area, including northern New Jersey;
- Washington, D.C. – Metropolitan area, including the Maryland and Virginia suburbs;
- Atlanta – Atlanta Metropolitan area;
- Florida – All Florida locations;
- Chicago – Chicago Metropolitan area;
- Denver – Denver Metropolitan area;
- Houston – Houston Metropolitan area;
- Phoenix – Phoenix Metropolitan area, including Scottsdale;
- Seattle – Seattle Metropolitan area;
- San Francisco – Greater San Francisco Metropolitan area, including San Jose;
- Los Angeles – Greater Los Angeles area, including Orange County;
- San Diego – San Diego Metropolitan area;
- Hawaii – All Hawaii locations; and
- Other – Select cities in California, Indiana, Louisiana, Minnesota, Missouri, Ohio, Pennsylvania, Tennessee, and Texas.

International

- Asia-Pacific – Australia and New Zealand;
- Canada – Toronto and Calgary; and
- Latin America – Brazil, Chile and Mexico.

NON-GAAP FINANCIAL MEASURES

The comparable hotel results included in this supplemental information are "non-GAAP financial measures," which are measures of our historical or future financial performance that are not calculated and presented in accordance with GAAP, within the meaning of applicable SEC rules. The following discussion defines these measures and presents why we believe they are useful supplemental measures of our performance.

EBITDA

Earnings before Interest Expense, Income Taxes, Depreciation and Amortization ("EBITDA") is a commonly used measure of performance in many industries. Management believes EBITDA provides useful information to investors regarding our results of operations because it helps us and our investors evaluate the ongoing operating performance of our properties after removing the impact of the Company's capital structure (primarily interest expense) and its asset base (primarily depreciation and amortization). Management also believes the use of EBITDA facilitates comparisons between us and other lodging REITs, hotel owners who are not REITs and other capital-intensive companies. Management uses EBITDA to evaluate property-level results and as one measure in determining the value of acquisitions and dispositions and is widely used by management in the annual budget process and for our compensation programs.

Limitations on the Use of EBITDA

EBITDA as presented may not be comparable to measures calculated by other companies. This information should not be considered as an alternative to net income, operating profit, cash from operations or any other operating performance measure calculated in accordance with GAAP. Cash expenditures for various long-term assets (such as renewal and replacement capital expenditures), interest expense and other items have been and will be made and are not reflected in the EBITDA presentation. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of our operating performance. Our consolidated statement of operations and cash flows include interest expense, capital expenditures, and other excluded items, all of which should be considered when evaluating our performance, as well as the usefulness of our non-GAAP financial measures. Additionally, EBITDA should not be considered as a measure of our liquidity or indicative of funds available to fund our cash needs, including our ability to make cash distributions.

Comparable Hotel Property Level Operating Results

We present certain operating results for our hotels, such as hotel revenues, expenses, EBITDA (and the related margin), on a comparable hotel, or "same store," basis as supplemental information for investors. Our comparable hotel results present operating results for hotels owned during the entirety of the periods being compared without giving effect to any acquisitions or dispositions, significant property damage or large scale capital improvements incurred during these periods. We present comparable hotel EBITDA to help us and our investors evaluate the ongoing operating performance of our comparable properties after removing the impact of the

Company's capital structure (primarily interest expense), and its asset base (primarily depreciation and amortization). Corporate-level costs and expenses are also removed to arrive at property-level results. We believe these property-level results provide investors with supplemental information into the ongoing operating performance of our comparable hotels. Comparable hotel results are presented both by region and for the Company's comparable properties in the aggregate. We eliminate depreciation and amortization because, even though depreciation and amortization are property-level expenses, these non-cash expenses, which are based on historical cost accounting for real estate assets, implicitly assume that the value of real estate assets diminishes predictably over time. As noted earlier, because real estate values have historically risen or fallen with market conditions, many real estate industry investors have considered presentation of historical cost accounting for operating results to be insufficient by themselves.

As a result of the elimination of corporate-level costs and expenses and depreciation and amortization, the comparable hotel operating results we present do not represent our total revenues, expenses, operating profit or net income and should not be used to evaluate our performance as a whole. Management compensates for these limitations by separately considering the impact of these excluded items to the extent they are material to operating decisions or assessments of our operating performance. Our consolidated statements of operations include such amounts, all of which should be considered by investors when evaluating our performance.

We present these hotel operating results on a comparable hotel basis because we believe that doing so provides investors and management with useful information for evaluating the period-to-period performance of our hotels and facilitates comparisons with other hotel REITs and hotel owners. In particular, these measures assist management and investors in distinguishing whether increases or decreases in revenues and/or expenses are due to growth or decline of operations at comparable hotels (which represent the vast majority of our portfolio) or from other factors, such as the effect of acquisitions or dispositions. While management believes that presentation of comparable hotel results is a "same store" supplemental measure that provides useful information in evaluating our ongoing performance, this measure is not used to allocate resources or to assess the operating performance of each of these hotels, as these decisions are based on data for individual hotels and are not based on comparable hotel results. For these reasons, we believe that comparable hotel operating results, when combined with the presentation of GAAP operating profit, revenues and expenses, provide useful information to investors and management.