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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): September 11, 2014**

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**DiamondRock Hospitality Company**  
(Exact name of registrant as specified in charter)

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**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**001-32514**  
(Commission  
File Number)

**20-1180098**  
(IRS Employer  
Identification No.)

**3 Bethesda Metro Center, Suite 1500**  
**Bethesda, MD 20814**  
(Address of Principal Executive Offices) (Zip Code)

**(240) 744-1150**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 7.01. Regulation FD Disclosure**

A copy of a slide presentation that DiamondRock Hospitality Company (“**DiamondRock**”) intends to use at an investor conference is attached to this Current Report on Form 8-K (“**Current Report**”) as Exhibit 99.1 and is incorporated by reference herein. Additionally, DiamondRock has posted the slide presentation in the investor relations/presentations section of its website at [www.drhc.com](http://www.drhc.com).

The information in this Current Report, including the exhibit attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or otherwise subject to the liabilities of such section. The information in this Current Report, including the exhibit, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD.

**ITEM 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation September 2014

**SIGNATURE**

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

DIAMONDROCK HOSPITALITY COMPANY

Date: September 11, 2014

By: /s/ William J. Tennis

William J. Tennis

Executive Vice President, General Counsel and  
Corporate Secretary



**DIAMONDROCK**  
HOSPITALITY



## Investor Presentation

September 2014

# DiamondRock at a Glance



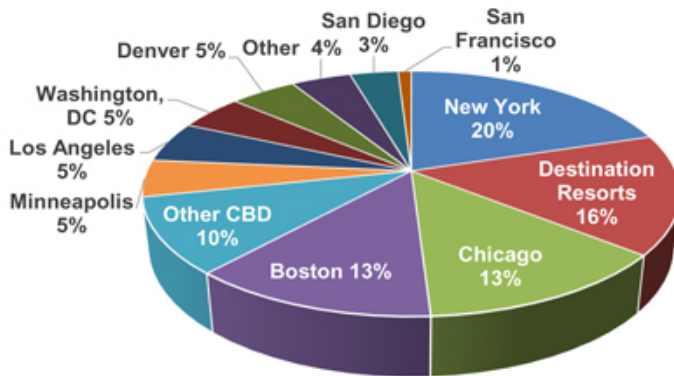
## KEY STATISTICS (as of 09/05/14)

Hotels	27
Rooms	11,000+
Enterprise Value	\$3.6B
Enterprise Value / Key	\$326,000
Net Debt/EBITDA <sup>(1)</sup>	4.2x

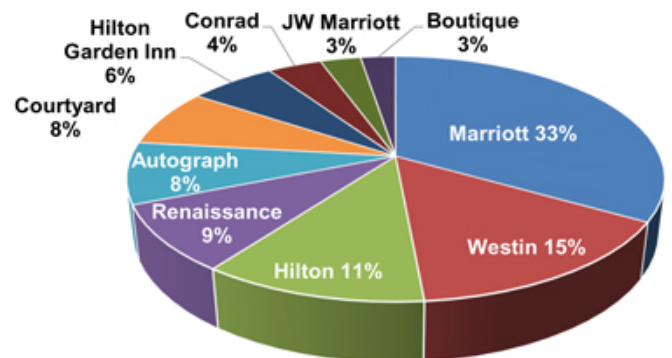
## INDUSTRY LEADING GROWTH IN 2014

- RevPAR Growth: 9.5% - 11.5%
- 265 Bps Margin Expansion Expected
- Margin Growth Expected to Double Peer Average

## 90% URBAN AND DESTINATION RESORTS IN TOP U.S. MARKETS



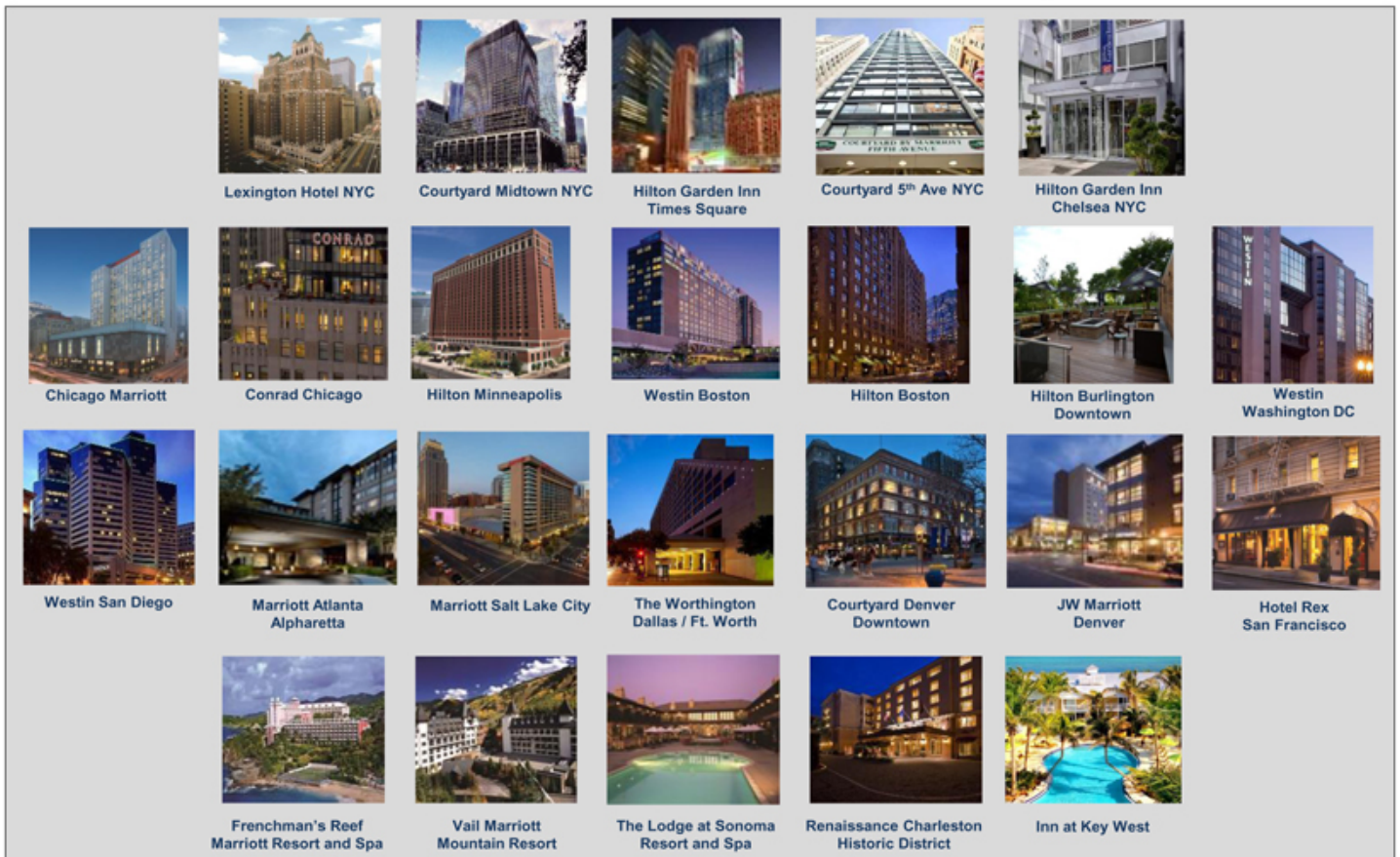
## WELL-DIVERSIFIED BRAND PORTFOLIO



Values in % of 2014F EBITDA<sup>(2)</sup>

(1) Based on mid-point of 2014 EBITDA guidance and projected 2014 year-end net debt.  
 (2) Based on 2014F EBITDA for all properties including HGI Time Square Central PF for normalized, full year results.

# Premier Portfolio With Urban and Resort Concentration



# Why DiamondRock? Top 5



## 1 High Quality Portfolio: Upgraded via Capital Recycling

- 2014F RevPAR of \$157
- \$1.3B in deals this cycle
  - Sold hotels: RevPAR = \$90
  - Bought hotels: RevPAR = \$177

## 2 Outsized Internal Growth: Renovated and Repositioned Portfolio

- Multi-year payoff from \$140M capital renovations in 2013 / 2014

## 3 Profit Margin Expansion Momentum

- Profit margin growth expected to **double** industry average in 2014
- New asset management leadership driving outsized margin growth
- 360 basis points below prior peak at year-end provides further opportunity for growth

## 4 External Growth Opportunities

- HGI TSC: 20% discount to current market value
- Inn at Key West: Off-market, accretive
- \$150M excess cash at 2014 year-end for dry powder

## 5 Fortress Balance Sheet

- 3.0x net debt-to-EBITDA by 2016 from internal growth alone



Inn at Key West Acquired at 7.4% Cap Rate

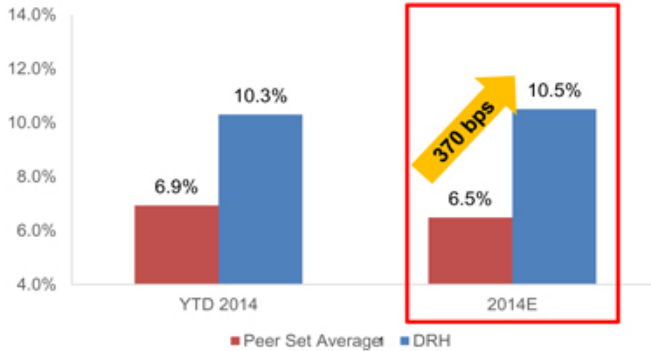


Acquired Hilton Garden Inn Times Square at 20% Discount to Market Value

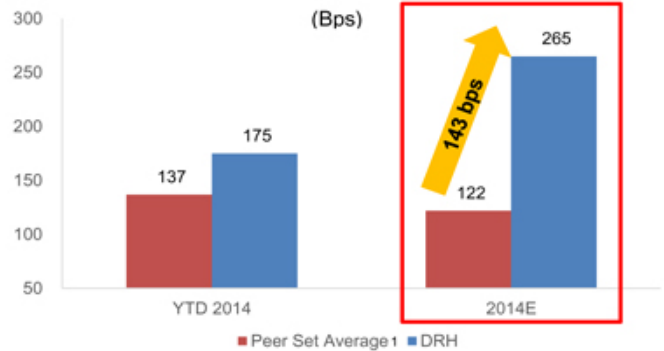
# DRH Portfolio Outperforming with Additional Upside



## DRH TO EXCEED PEER SET REVPAR GROWTH

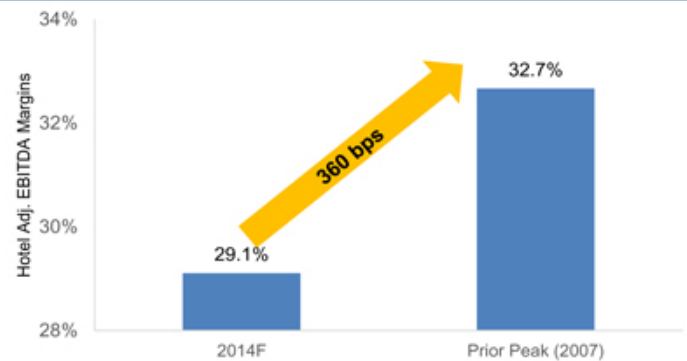


## ABOVE AVERAGE EBITDA MARGIN EXPANSION



- #1 Growth among peer lodging REITs for 2014
  - 150 bps above HST 2014E margin expansion
  - 202 bps above LHO 2014E margin expansion
  - 177 bps above SHO 2014E margin expansion
- Profit margin upside:
  - 360 bps below prior peak margins
  - 260 bps gap to SHO's 2013 margins
  - New asset management leadership driving outsized margin growth

## SIGNIFICANT MARGIN UPSIDE TO PRIOR PEAK



(1) Peer group includes BEE, CHSP, FCH, HST, LHO, PEB, SHO.



# Company Growth Catalysts Position DRH for Multi-Year Outperformance



2015 GROWTH DRIVERS		
HGI Times Square	HGI Times Square Hotel Adj. EBITDA to Reach 9.0% Yield	\$6 - \$7M EBITDA
Renovated Portfolio	<b>Multi-year Outperformance from Renovated Portfolio:</b>	
	<ul style="list-style-type: none"> <li>The Lexington Hotel</li> <li>Westin DC and Westin San Diego</li> </ul>	\$4 - \$6M EBITDA \$1 - \$2M EBITDA
Value Add Projects	<b>Investment in High ROI and Value-Add Projects:</b>	
	<ul style="list-style-type: none"> <li>Potential to add 41 keys at Boston Hilton through expansion option               <ul style="list-style-type: none"> <li>Creation of 6,500 sq. ft. of meeting space at Boston Westin</li> </ul> </li> <li>Conversion of vacant restaurant at the Lexington into morning breakfast lounge, additional meeting space, and lobby bar overflow in evening</li> </ul>	\$1.3M NOI \$1.2M NOI \$0.5M NOI
Margin Expansion	<b>Asset Management Goal to Further Exceed Average Peer Margin Expansion by 50 – 100 bps through 2015 and 2016</b> <ul style="list-style-type: none"> <li>Portfolio 360bps below prior peak profit margins indicates even further opportunity for future growth beyond 2015</li> </ul>	\$4 - \$8M EBITDA
Dry Powder	<b>Ability to execute accretive deals in near term with \$250M in dry powder:</b>	
	<ul style="list-style-type: none"> <li>Disciplined</li> <li>Urban and Resort Focus</li> <li>Near-Term Accretive</li> <li>Not Capital Disruptive</li> </ul>	\$15M - \$20M EBITDA

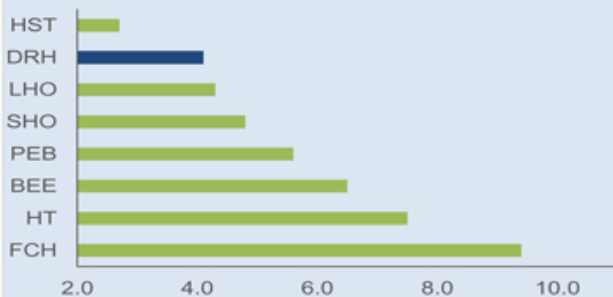
# Capital Structure: Low Risk / High Flexibility



## CAPITAL STRUCTURE

- Simple Capital Structure:
  - Virtually no recourse debt
  - No Corporate Debt or Preferreds
- Highly liquid
  - \$150M of cash YE14
  - Undrawn revolver
- 3.0x net debt-to-EBITDA by 2016 on internal growth alone
- Refinancing near-term debt maturities potential to generate \$5M+ in annual cash flow

## NET DEBT + PREF / EBITDA



Source: Citi Investment Research and Analysis

## 13 UNENCUMBERED HOTELS WITH \$1.4B ASSET VALUE

Hilton Boston
Boston Westin
Conrad Chicago
Vail Marriott
Courtyard Denver
Hotel Rex San Francisco
Hilton Burlington
Hilton Garden Inn Chelsea
Alpharetta Marriott
Charleston Renaissance
Bethesda Marriott Suites
HGI Times Square
Inn at Key West

13 UNENCUMBERED HOTELS

Chicago Marriott
Lexington Hotel
Hilton Minneapolis
Frenchman's Reef Marriott
LAX Marriott
JW Marriott Cherry Creek
Courtyard 5 <sup>th</sup> Avenue
Courtyard Midtown East
Salt Lake City Marriott
Worthington Renaissance
Orlando Airport Marriott
Westin Washington, DC
Sonoma Renaissance
Westin San Diego

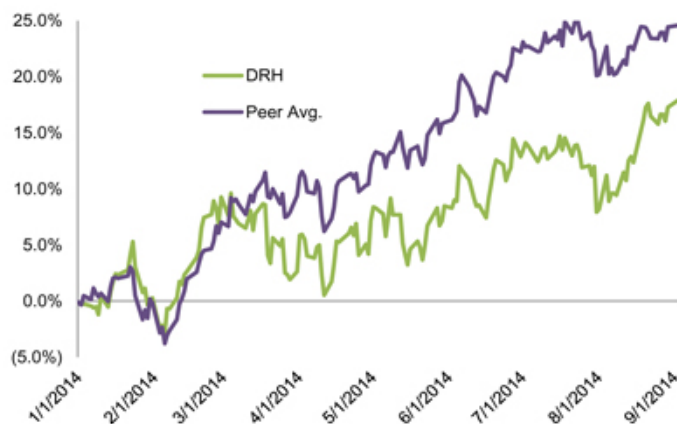
14 ENCUMBERED HOTELS

# Attractive Valuation and Return of Capital



## 2014 TOTAL SHAREHOLDER RETURNS

	DRH	Peer Avg	△
Total Return YTD 2014	17.9%	24.6%	6.7%



- YTD total returns 7 percentage points below the peer average
- Not Yet Realized:
  - Credit for industry leading RevPAR and EBITDA margin growth
  - Value of Multi-year DRH growth catalysts
- EBITDA multiple currently at discount to peers

### DISCIPLINED TO RETURN CAPITAL TO SHAREHOLDERS

- \$500M in dividends paid
- Raised 2014 dividend 20%+
- Competitive yield over 3%
- 14 consecutive quarters of dividends (Top quartile)

# Key Takeaways

✓ Transformed Portfolio in Markets with Superior Growth Potential

✓ Renovation Fueling Outperformance

✓ 360bps of Margin Expansion Opportunity

✓ Fortress Balance Sheet with 3.0x Net Debt / EBITDA by 2016

✓ \$250M of Investment Capacity



Hotel Rex San Francisco



Hilton Garden Inn Times Square



The Lodge at Sonoma Resort and Spa



DIAMONDROCK  
HOSPITALITY



## APPENDIX

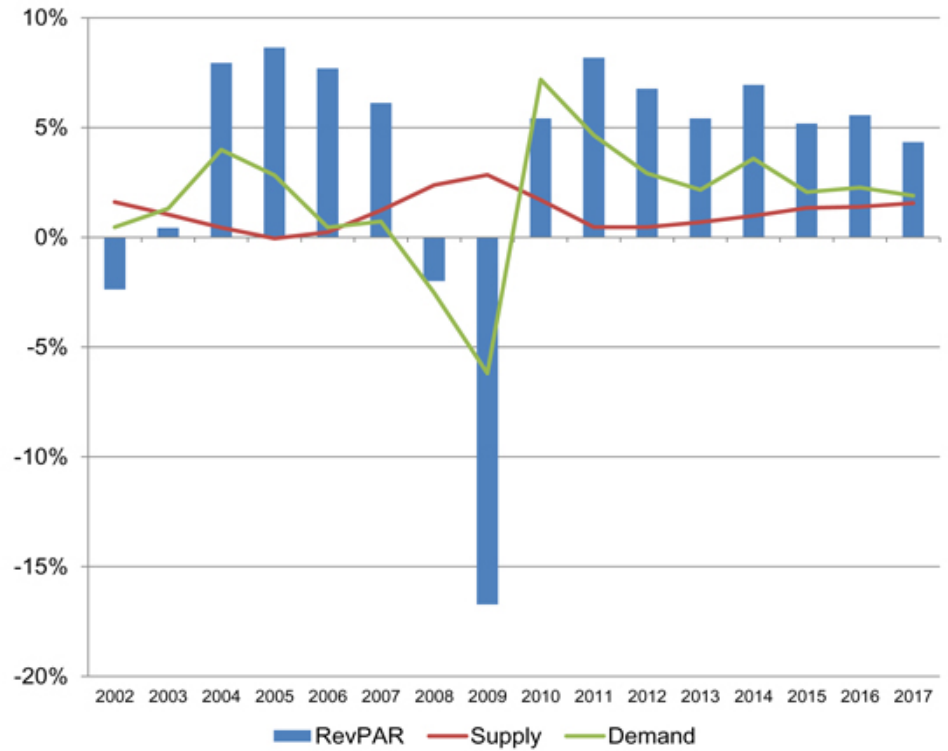
# Lodging Cycle – Many Years Left To Go



## Forecast through 2017 of:

- RevPAR to increase at a CAGR of 5.5%
- Supply and Demand growth favorable through 2016

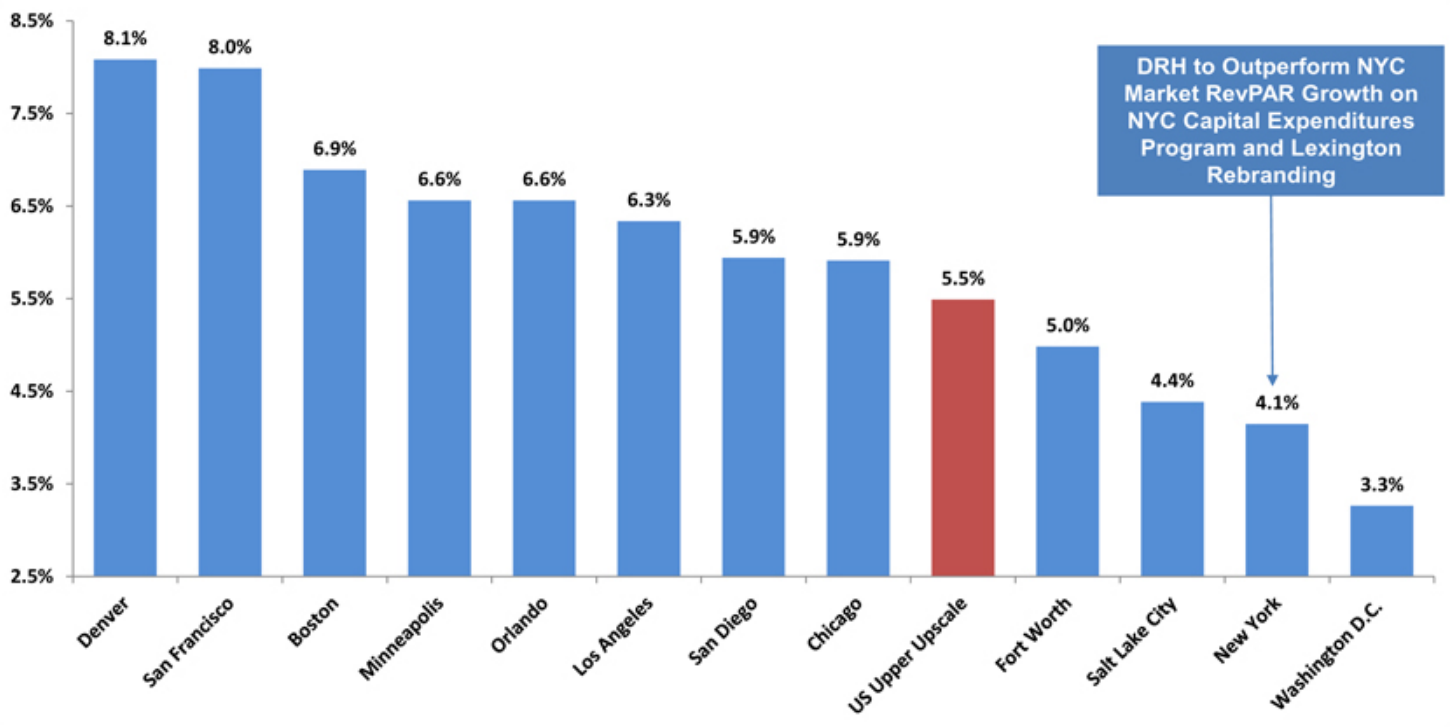
## HISTORICAL AND FORECAST REVPAR, SUPPLY AND DEMAND



# Portfolio Focused on Markets with Above Average RevPAR Growth Potential



PKF FORECASTED REVPAR CAGR 2013-2017<sup>(1)</sup>



(1) Source: PKF Hotel Horizons June to August 2014.

# New York City Market Overview



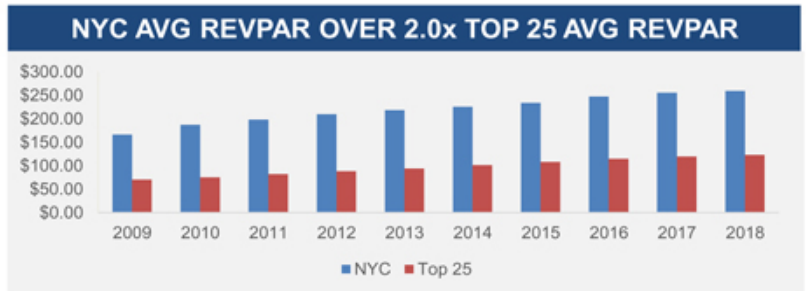
- Q1 2014 RevPAR growth impacted by harsh weather conditions and by benefit of Hurricane Sandy demand in Q1 2013
- Q2 2014 RevPAR growth exceeded expectation and Q3 trending positive with year-end 2014 growth forecast at 3.4%
- NYC projected to achieve annualized RevPAR growth of 3.5% 2013 – 2018
- 55.8mm total visitors and 11.9mm international visitors expected in 2014 up from 54.3mm and 11.4mm in 2013 respectively

## Supply Growth – Submarkets Matter

- Midtown East submarket has significantly lower supply growth than any other Manhattan submarket
- Majority of near-term NYC supply will come online in 2014 and majority of long-term projects (2016 and beyond) in planning phases



Source: PKF Hotel Horizons September to November 2014 Forecast.



Source: PKF Hotel Horizons September to November 2014 Forecast.

Supply Growth	New York City	Midtown East
2014	7.5%	3.8%
2015	5.2%	0.5%
2016 and Beyond	14.6%	2.5%

Source: Lodging Econometrics Q1 2014 Report.

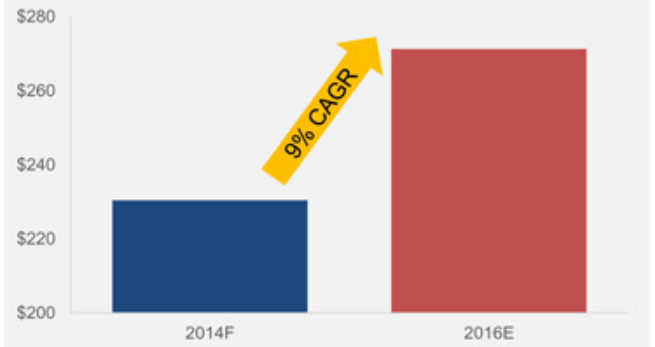


# Lexington Hotel Successfully Repositioned

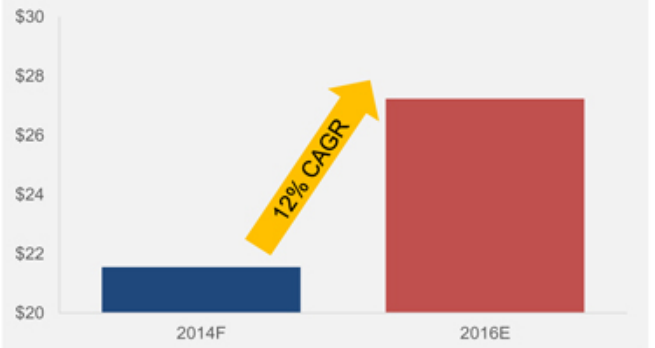


- **Renovation and rebranding to Autograph Collection complete in 2013**
- **Successfully generating target returns**
  - ADR increase of approx. \$30 since conversion with opportunity to further increase
  - Approx. 60% of hotel guests are Marriott Reward members
  - Highest-rated transient segment now 80%+ of mix, discount leisure and contract are less than 20%
- **Hotel Adj. EBITDA of \$20M+ in 2014 and projected to grow to \$30M by 2016**
- **Additional profit upside:**
  - Converting underutilized space into flexible space to be used as concierge lounge, meeting space, and as additional lobby bar seating

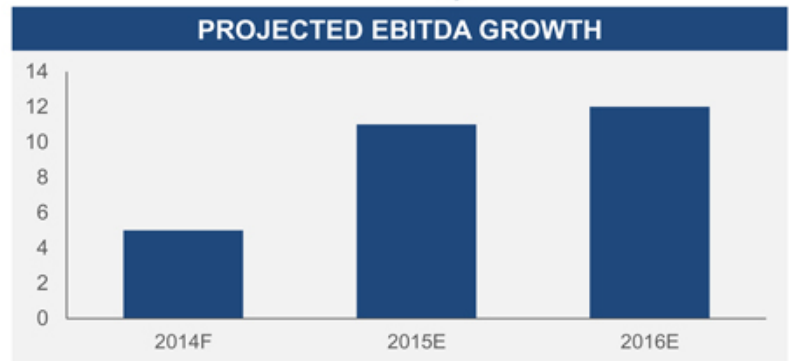
**EXPECTED REVPAR GROWTH OF 18% BY 2016**



**EBITDA EXPECTED TO GROW BY 26% BY 2016**



# Hilton Garden Inn Times Square



Value in Millions

- **Successfully locked in 2010 pricing (\$450K/key) with current values indicating \$20M NAV gain**
- **Hotel Adj. EBITDA of \$5M in 2014 growing to 9.0% yield (\$11M+) in 2015**
- **Additional Profit Upside:**
  - Successfully leased F&B operations to save hotel \$0.5M in operations costs in addition to generating incremental rental income
  - Successfully combined management positions with other DRH owned hotel to streamline labor costs

# Continued Outsized Growth From Renovated Portfolio



## 1 Westin DC

- Expect 20%+ RevPAR growth in 2H 2014
- Expect to significantly outperform the market through 2016 as RevPAR index grows to 105 from 87
- Opportunity to add highly profitable keys from under-utilized space

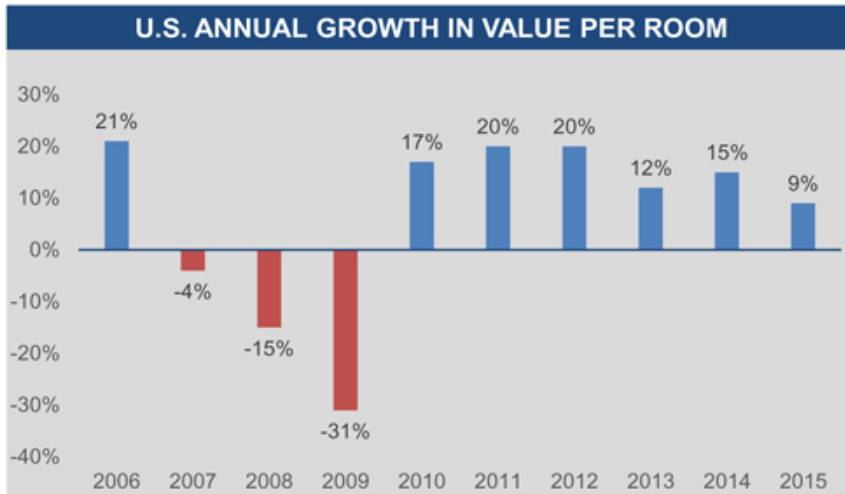
## 2 Westin San Diego

- Outsized RevPAR growth through 2016
- Capitalize on prime location adjacent to Federal Courthouse
- Further leverage of two new legal war rooms: \$0.3M of revenues actualized
- Streamlined F&B operations to improve experience and drive efficiencies

## 3 Hilton Boston

- 4 consecutive quarters of double-digit RevPAR growth 2H 2014 RevPAR growth of approx. 20%
- 2015 group booking pace up approx. 22%
- Significant NAV appreciation through creation of 41 new keys from converting under-utilized suites into two rooms

# Significant Value Created by Early Cycle Acquisitions



Source: HVS Hotel Valuation Index

- ◆ Significant early cycle value appreciation
  - Price per key increased 68% from 2010 to 2012
- ◆ Value creation opportunity remains
  - Forecasted price per key to increase 40% from 2013 to 2015



Hotel Rex San Francisco

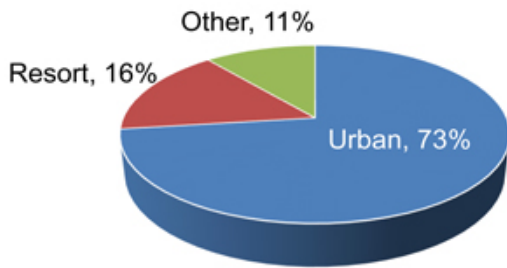


Renaissance Charleston Historic District

# Increased Exposure to Urban Hotels

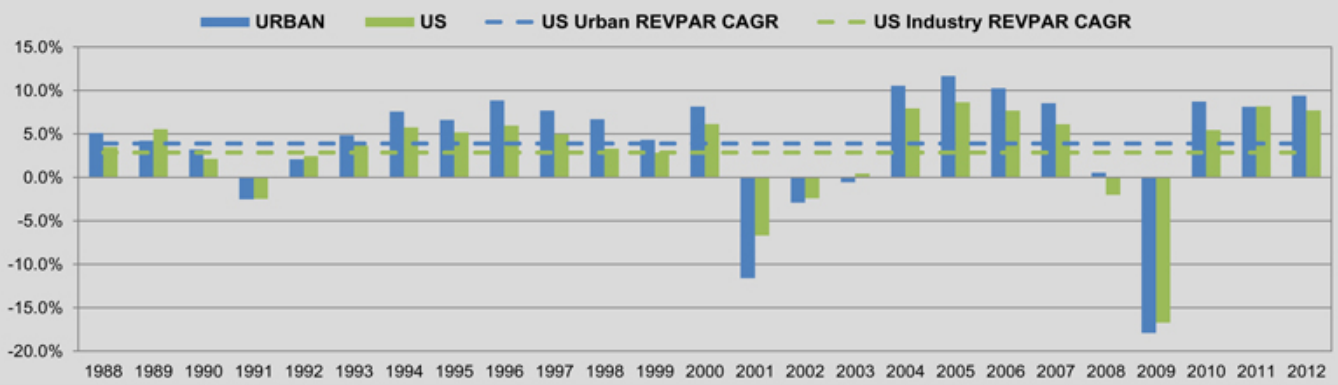


## CURRENT PORTFOLIO (BY EBITDA)



- Acquired over 4,000 urban and destination resort rooms since 2010
- Disposed of over 2,600 non-core rooms since 2012
- Increased growth potential based on historical trends
- Urban markets historically outperform

## HISTORICAL 100BPS REVPAR CAGR PREMIUM FOR URBAN vs U.S.



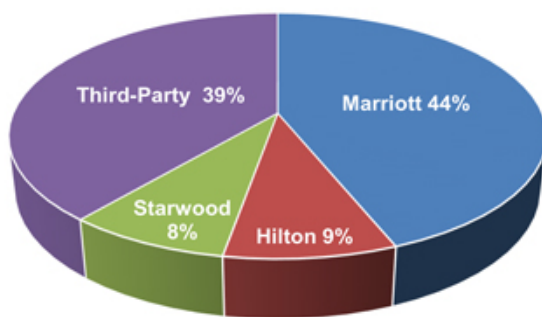
Source: Smith Travel Research

# Increased Third Party Managers And Brand Diversification

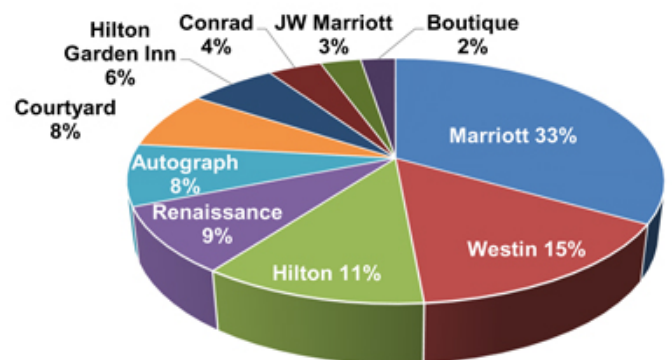
- Goal of 50/50 brand/third-party managers
- Adoption of best practices, improving overall portfolio profitability
- Increased third party management by 30 percentage points<sup>1</sup>
- Reduced overall concentration of Marriott brands by 22 percentage points<sup>1</sup> and increased diversity of Marriott brands (JW Marriott, Autograph Collection, Renaissance, and Courtyard)

## CURRENT PORTFOLIO (BY EBITDA)<sup>(1)</sup>

Managers



Brands



(1) Based on 2014F EBITDA for all properties including HGI Time Square Central PF for normalized, full year results.

# Portfolio Transformation



## BETTER MARKETS, HIGHER QUALITY ASSETS

\$0.4B in Strategic Dispositions

Lexington, KY      Suburban Austin, TX  
Suburban Atlanta, GA      Suburban Los Angeles, CA  
Suburban Chicago, IL

\$1.3B in Strategic Acquisitions

New York, NY      Boston, MA      San Diego, CA  
Minneapolis, MN      Denver, CO      Charleston, SC  
Washington, DC      Burlington, VT      San Francisco, CA  
Key West, FL

- Dispositions: 1 to 2 non-core assets marketed over next 24 months
- Acquisitions: Disciplined, actively seeking core hotels with strong returns

# Accretive External Growth Potential



## PLATFORM TO TARGET ACCRETIVE DEALS

1. Ability to acquire assets without raising equity
2. Investment Capacity = \$250M of high-quality assets
3. New CIO with strong track record
4. Targeting off-market deals

## KEY INVESTMENT CRITERIA

- ✓ Target Markets: Top Urban & Resort Locations
- ✓ Will avoid significant capital investment or deep/lengthy turnaround
- ✓ Preference for value-add via better asset management or brand change
- ✓ Near-term accretive
- ✓ Highly disciplined



Inn at Key West Acquired at 7.4% Cap Rate



Acquired Hilton Garden Inn Times Square at 20% Discount to Market Value



# Forward Looking Statements



Certain statements made during this presentation are forward-looking statements that are subject to risks and uncertainties. Forward-looking statements generally include the words “believe,” “expect,” “anticipate,” “plan,” “estimate,” “project,” “will,” “intend” or other similar expressions. Forward-looking statements include, without limitation, statements regarding, industry outlook, results of operations, cash flows, business strategies, growth and value opportunities, capital and other expenditures, financing plans, expense reduction initiatives and projected dispositions.

Factors that could cause actual results to materially differ from those contained in the forward-looking statements include, without limitation, those risks and uncertainties discussed in the Company’s most recent Annual Report on Form 10-K, quarterly report on Form 10-Q and current reports on Form 8-K, which have been filed with the Securities and Exchange Commission, all of which you should carefully review. The forward-looking statements made are based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to us. Actual results could differ materially from the forward-looking statements made during this presentation. The forward-looking statements made during this presentation are subject to the safe harbor of the Private Securities Litigation Reform Act of 1995.

Any forward-looking statement speaks only as of the date on which it is made. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this presentation is as of the date of this presentation, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company’s expectations.

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