Total Management and Franchise Fees Expand Over 10% on Strong Net Rooms Growth

CHICAGO (July 31, 2019) - Hyatt Hotels Corporation ("Hyatt" or the "Company") (NYSE: H) today reported second-quarter 2019 financial results. Net income attributable to Hyatt was $86 million, or $0.80 per diluted share, in the second quarter of 2019, compared to $77 million, or $0.66 per diluted share, in the second quarter of 2018. Adjusted net income attributable to Hyatt was $82 million, or $0.76 per diluted share, in the second quarter of 2019, compared to $84 million, or $0.72 per diluted share, in the second quarter of 2018. Refer to the table on page 14 of the schedules for a summary of special items impacting Adjusted net income and Adjusted earnings per share in the three months ended June 30, 2019.

Mark S. Hoplamazian, president and chief executive officer of Hyatt Hotels Corporation, said, "We reported solid second quarter results. Strong transient demand drove 1.3% system-wide RevPAR growth, and fees and net rooms grew at a double-digit pace inclusive of the Two Roads Hospitality LLC acquisition. We expect the key drivers of growth across our lodging business to continue to drive results within the context of our reduced RevPAR guidance. Separately, we are reducing expectations for full-year Adjusted EBITDA to primarily reflect construction-related issues in our Miraval business, as well as increased transaction adjustments and foreign currency headwinds."

Second quarter of 2019 financial highlights as compared to the second quarter of 2018 are as follows:

- Net income increased 10.6% to $86 million.
- Adjusted EBITDA decreased 2.1% to $213 million, a decrease of 1.0% in constant currency.
- Comparable system-wide RevPAR increased 1.3%, including an increase of 2.3% at comparable owned and leased hotels. Excluding the negative impact from the timing of the Easter holiday, comparable RevPAR at system-wide hotels and comparable owned and leased hotels would have increased 1.7% and 2.8%, respectively.
- Comparable U.S. hotel RevPAR decreased 0.3%; full service hotel RevPAR increased 0.7% and select service hotel RevPAR decreased 2.3%.
- Net rooms growth was 12.6%, or 6.9% excluding the acquisition of Two Roads Hospitality LLC ("Two Roads") in the fourth quarter of 2018.
- Comparable owned and leased hotels operating margin increased 10 basis points to 26.4%.
- Adjusted EBITDA margin of 31.6% decreased 260 basis points in constant currency.

Mr. Hoplamazian continued, "We continued to expand our portfolio at a solid pace in the second quarter. Developer demand for our brands remains strong with our base of executed contracts for future openings increasing by 1,000 rooms in the quarter net of opening of nearly 4,000 rooms. Based on this development activity and an increase in conversions of hotels to our brands we now expect to grow net rooms by 7.25% to 7.75% this year as compared with our prior expectation of 7.0% to 7.5%."

Second quarter of 2019 financial results as compared to the second quarter of 2018 are as follows:

Management, Franchise and Other Fees

Total management, franchise and other fees increased 10.5% (12.0% increase in constant currency) to $158 million. Base management fees increased 14.9% to $68 million, primarily in the Americas management and franchising segment due to the acquisition of Two Roads. Incentive management fees increased 3.1% to $39 million. Franchise fees increased 9.8% to $38 million. Other fees increased 14.7% to $13 million. Excluding other fees, management and franchise fees increased 10.2% (11.8% increase in constant currency) to $145 million.

Americas Management and Franchising Segment

Americas management and franchising segment Adjusted EBITDA increased 5.4% (5.7% increase in constant currency), driven by higher management, franchise, and other fees from the Two Roads acquisition. RevPAR for comparable Americas full service hotels increased 2.5%, occupancy increased 80 basis points, and ADR increased 1.5%. RevPAR was driven by strength in certain resort locations outside of the United States. RevPAR for comparable Americas select service hotels decreased 2.4%, occupancy decreased 80 basis points, and ADR decreased 1.4%. Total Americas management and franchising adjusted revenues increased 26.0% (26.3% increase in constant currency) including revenue from the residential management operations acquired as part of Two Roads.

Transient rooms revenue at comparable U.S. full service hotels increased 3.9%, room nights increased 3.9%, and ADR decreased 0.1%. Group rooms revenue at comparable U.S. full service hotels decreased 2.9%, room nights decreased 3.7%, and ADR increased 0.9%, largely due to the timing of the Easter holiday.

Americas net rooms increased 11.2% compared to the second quarter of 2018, or 4.4% excluding Two Roads.

Southeast Asia, Greater China, Australia, South Korea, Japan and Micronesia (ASPAC) Management and Franchising

Segment

ASPAC management and franchising segment Adjusted EBITDA increased 17.5% (23.9% increase in constant currency). RevPAR for comparable ASPAC full service hotels increased 1.2%, driven by strong results in Southeast Asia and Japan, partially offset by weaker results in Greater China. Occupancy increased 110 basis points and ADR decreased 0.4%. Revenue from management, franchise, and other fees increased 8.9% (13.1% increase in constant currency).

ASPAC net rooms increased 17.4% compared to the second quarter of 2018, or 12.5% excluding Two Roads.

Europe, Africa, Middle East and Southwest Asia (EAME/SW Asia) Management and Franchising Segment

EAME/SW Asia management and franchising segment Adjusted EBITDA decreased 5.8% (1.3% decrease in constant currency). RevPAR for comparable EAME/SW Asia full service hotels increased 3.7%, driven primarily by strong growth in Western Europe and Southwest Asia offset partially by weaker performance in the Middle East and Russia which lapped the FIFA World Cup in 2018. Occupancy increased 310 basis points and ADR decreased 1.0%. Revenue from management, franchise, and other fees decreased 1.5% (2.0% increase in constant currency), driven by lower incentive fees due to lapping the FIFA World Cup along with weaker conditions in the Middle East.

EAME/SW Asia net rooms increased 13.7% compared to the second quarter of 2018, or 12.5% excluding Two Roads.

Owned and Leased Hotels Segment

Total owned and leased hotels segment Adjusted EBITDA decreased 4.4% (3.8% decrease in constant currency), including a decrease of 18.6% (17.2% decrease in constant currency) in pro rata share of unconsolidated hospitality ventures Adjusted EBITDA. Refer to the table on page 11 of the schedules for a detailed list of portfolio changes and the year-over-year net impact to total owned and leased hotels segment Adjusted EBITDA.

Owned and leased hotels segment revenues increased 0.4% (1.4% increase in constant currency), and was negatively impacted by weakness in group and banquet revenues. RevPAR for comparable owned and leased hotels increased 2.3%, including an approximate 50 basis point negative impact from the timing of the Easter holiday. Occupancy increased 80 basis points and ADR increased 1.2%.

Corporate and Other

Corporate and other Adjusted EBITDA decreased 30.6% (30.8% decrease in constant currency), inclusive of $5 million of integration related expenses from the Two Roads acquisition.

Corporate and other adjusted revenues increased 13.1% (consistent in constant currency).

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses increased 15.2%, inclusive of rabbi trust impact and stock- based compensation. Adjusted selling, general, and administrative expenses increased 11.8%, or $8 million, including approximately $9 million from the acquisition of Two Roads, of which $5 million is considered to be one-time integration related expenses. Refer to the table on page 16 of the schedules for a reconciliation of selling, general, and administrative expenses to Adjusted selling, general, and administrative expenses.

OPENINGS AND FUTURE EXPANSION

Twenty-two hotels (or 3,909 rooms) opened in the second quarter of 2019, contributing to a 12.6% increase in net rooms compared to the second quarter of 2018. Excluding the impact of the Two Roads acquisition, net rooms increased 6.9% compared to the second quarter of 2018.

As of June 30, 2019, the Company had executed management or franchise contracts for approximately 460 hotels, or approximately 92,000 rooms. This compares to approximately 455 hotels, or approximately 91,000 rooms as of March 31, 2019. The Company is now expected to open approximately 85 hotels in the 2019 fiscal year, an increase from the prior expectation of over 80 hotels.

SHARE REPURCHASE/DIVIDEND

During the second quarter of 2019, the Company repurchased a total of 599,678 Class A shares for $45 million. The Company ended the second quarter with 37,867,014 Class A and 67,115,828 Class B shares issued and outstanding.

From July 1 through July 26, 2019, the Company repurchased 153,221 shares of Class A common stock for an aggregate purchase price of approximately $12 million. As of July 26, 2019, the Company had approximately $509 million remaining under its share repurchase authorization.

The Company's board of directors has declared a cash dividend of $0.19 per share for the third quarter of 2019. The dividend is payable on September 9, 2019 to Class A and Class B stockholders of record as of August 27, 2019.

CAPITAL STRATEGY UPDATE

On July 31, 2019, the Company sold the property adjacent to Grand Hyatt San Francisco and assigned the related Apple store lease to an unrelated third party for a sale price of approximately $120 million.

The Company is in the process of pursuing the sale of certain additional hotel assets and will provide details on timing and pricing as appropriate.

BALANCE SHEET / OTHER ITEMS

As of June 30, 2019, the Company reported the following:

- Total debt of $1,712 million.
- Pro rata share of unconsolidated hospitality venture debt of approximately $547 million, substantially all of which is non-recourse to Hyatt and a portion of which Hyatt guarantees pursuant to separate agreements.
- Cash and cash equivalents, including investments in highly-rated money market funds and similar investments, of $515 million, restricted cash of $32 million, and short-term investments of $62 million.
- Undrawn borrowing availability of $1.4 billion under Hyatt's revolving credit facility.

2019 OUTLOOK

The Company is revising the following expectations for the 2019 fiscal year:

- Comparable system-wide RevPAR is expected to increase approximately 1% to 2%, as compared to fiscal year 2018. This compares to a prior range of approximately 1% to 3%.
- The Company expects to grow units, on a net rooms basis, by approximately 7.25% to 7.75%, reflecting approximately 85 new hotel openings. This compares to a prior range of 7.0% to 7.5% and over 80 new hotel openings.
- Net income is expected to be approximately $231 million to $275 million. This compares to a prior range of approximately $144 million to $183 million. Please refer to table on page 13 of the schedules for revised ranges impacting net income.
- Other income (loss), net is expected to be negatively impacted by approximately $40 million related to performance guarantee expense for the four managed hotels in France. This compares to the prior range of approximately $40 to $50 million.
- Adjusted EBITDA is expected to be approximately $755 million to $775 million, compared to prior expectations of approximately $780 million to $800 million, reflecting a $25 million reduction at the mid-point. These revised estimates are primarily driven by the following two items:
  - construction-related issues at Miraval properties in Austin, Texas and Lenox, Massachusetts, impacting operations at both properties. On a combined basis, these two properties are expected to account for nearly two-thirds of the $25 million reduction at the mid-point of the range of Adjusted EBITDA guidance.
  - the impact of two recent transactions including the sale of our interest in a joint venture which holds a hotel in San Francisco and the sale of a retail property adjacent to Grand Hyatt San Francisco. On a combined basis, these transactions are expected to impact 2019 Adjusted EBITDA by approximately $5 million.
- Other items affecting the range of Adjusted EBITDA guidance include an approximate $3 million increase at the mid-point of the expected range of negative foreign currency impact, and the reduction in system-wide RevPAR growth guidance by 50 basis points at the mid-point of the range. Refer to the table on page 13 of the schedules for a reconciliation of Net Income to Adjusted EBITDA.
- Depreciation and amortization expense is expected to be approximately $335 million to $340 million. This compares to a prior range of approximately $347 million to $352 million.
- The effective tax rate is expected to be approximately 25% to 27%. This compares to a prior range of approximately 28% to 30%.

The Company is reaffirming the following information for the 2019 fiscal year:

- Adjusted EBITDA contribution from the Two Roads acquisition prior to non-recurring integration-related costs is estimated to be approximately $20 million to $25 million.
- Interest expense is expected to be approximately $78 million to $79 million.
- Adjusted selling, general, and administrative expenses are expected to be approximately $345 million inclusive of approximately $25 million of expenses related to non-recurring integration costs for Two Roads. Adjusted selling, general, and administrative expenses exclude approximately $33 million of stock-based compensation expense and any potential impact related to benefit programs funded through rabbi trusts.
- Capital expenditures are expected to be approximately $375 million.
- The Company expects to return approximately $300 million to shareholders through a combination of cash dividends on

its common stock and share repurchases.

No additional disposition or acquisition activity beyond what has been completed as of the date of this release has been included in the outlook. The Company's outlook is based on a number of assumptions that are subject to change and many of which are outside the control of the Company. If actual results vary from these assumptions, the Company's expectations may change. There can be no assurance that Hyatt will achieve these results.

CONFERENCE CALL INFORMATION

The Company will hold an investor conference call tomorrow, August 1, 2019, at 10:30 a.m. CT. All interested persons may listen to a simultaneous webcast of the conference call, which may be accessed through the Company's website at investors.hyatt.com, or by dialing 647.689.4468 or 833.238.7946, passcode #3890439, approximately 10 minutes before the scheduled start time. For those unable to listen to the live broadcast, a replay will be available from 1:30 p.m. CT on August 1, 2019 through August 3, 2019 at midnight by dialing 416.621.4642, passcode #3890439. Additionally, an archive of the webcast will be available on the Company's website for 90 days.

NON-GAAP FINANCIAL MEASURES

The Company refers to certain financial measures that are not recognized under U.S. generally accepted accounting principles (GAAP) in this press release, including: net income, adjusted for special items; diluted EPS, adjusted for special items; Adjusted EBITDA; Adjusted EBITDA margin; and Adjusted SG&A. See the schedules to this earnings release, including the "Definitions" section, for additional information and reconciliations of such non-GAAP financial measures.

AVAILABILITY OF INFORMATION ON HYATT'S WEBSITE

Investors and others should note that Hyatt routinely announces material information to investors and the marketplace using U.S. Securities and Exchange Commission (SEC) filings, press releases, public conference calls, webcasts and the Hyatt Investor Relations website. While not all of the information that the Company posts to the Hyatt Investor Relations website is of a material nature, some information could be deemed to be material. Accordingly, the Company encourages investors, the media, and others interested in Hyatt to review the information that it shares at the Investor Relations link located at the bottom of the page on hyatt.com. Users may automatically receive email alerts and other information about the Company when enrolling an email address by visiting "Sign up for Email Alerts" in the "Investor Resources" section of Hyatt's website at investors.hyatt.com.

DEFINITIONS

Adjusted Earnings Before Interest Expense, Taxes, Depreciation and Amortization (Adjusted EBITDA) and EBITDA

We use the terms Adjusted EBITDA and EBITDA throughout this earnings release. Adjusted EBITDA and EBITDA, as the Company defines them, are non-GAAP measures. We define consolidated Adjusted EBITDA as net income attributable to Hyatt Hotels Corporation plus its pro rata share of unconsolidated hospitality ventures Adjusted EBITDA based on its ownership percentage of each venture, adjusted to exclude the following items:

- interest expense;
- provision for income taxes;
- depreciation and amortization;
- amortization of management and franchise agreement assets constituting payments to customers (Contra revenue);
- revenues for the reimbursement of costs incurred on behalf of managed and franchised properties;
- costs incurred on behalf of managed and franchised properties;
- equity earnings (losses) from unconsolidated hospitality ventures;
- stock-based compensation expense;
- gains (losses) on sales of real estate;
- asset impairments; and
- other income (loss), net

We calculate consolidated Adjusted EBITDA by adding the Adjusted EBITDA of each of our reportable segments and eliminations to corporate and other Adjusted EBITDA. Our board of directors and executive management team focus on Adjusted EBITDA as a key performance and compensation measure both on a segment and on a consolidated basis. Adjusted EBITDA assists us in comparing our performance over various reporting periods on a consistent basis because it removes from our operating results the impact of items that do not reflect our core operations both on a segment and on a consolidated basis. Our president and chief executive officer, who is our chief operating decision maker, also evaluates the performance of each of our reportable segments and determines how to allocate resources to those segments, in significant part, by assessing the Adjusted EBITDA of each segment. In addition, the compensation committee of our board of directors determines the annual variable compensation for certain members of our management based in part on consolidated Adjusted EBITDA, segment Adjusted EBITDA, or some combination of both. We believe Adjusted EBITDA is useful to investors because it provides investors the same information that the Company uses internally for purposes of assessing operating performance and making compensation decisions.

Adjusted EBITDA and EBITDA are not substitutes for net income attributable to Hyatt Hotels Corporation, net income, or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Adjusted EBITDA and EBITDA. Although we believe that Adjusted EBITDA can make an evaluation of our operating performance more consistent because it removes items that do not reflect our core operations, other companies in our industry may define Adjusted EBITDA differently than we do. As a result, it may be difficult to use Adjusted EBITDA or similarly named non-GAAP measures that other companies may use to compare the performance of those companies to our performance. Because of these limitations, Adjusted EBITDA should not be considered as a measure of the income generated by our business. Our management compensates for these limitations by reference to its GAAP results and using Adjusted EBITDA supplementally.

Adjusted EBITDA Margin

We define Adjusted EBITDA margin as Adjusted EBITDA divided by total revenues excluding Contra revenue and revenues for the reimbursement of costs incurred on behalf of managed and franchised properties ("Adjusted revenues"). We believe Adjusted EBITDA margin is useful to investors because it provides investors the same information that the Company uses internally for purposes of assessing operating performance.

Adjusted Net Income

Adjusted net income, as we define it, is a non-GAAP measure. We define Adjusted net income as net income attributable to Hyatt Hotels Corporation excluding special items, which are those items deemed not to be reflective of ongoing operations. We consider Adjusted net income to be an indicator of operating performance because excluding special items allows for period-over-period comparisons of our ongoing operations.

Adjusted net income is not a substitute for net income attributable to Hyatt Hotels Corporation, net income, or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Adjusted net income. Although we believe that Adjusted net income can make an evaluation of our operating performance more consistent because it removes special items that are deemed not to be reflective of ongoing operations, other companies in our industry may define Adjusted net income differently than we do. As a result, it may be difficult to use Adjusted net income or similarly named non-GAAP measures that other companies may use to compare the performance of those companies to our performance. Because of these limitations, Adjusted net income should not be considered as a measure of the income generated by our business. Our management compensates for these limitations by reference to its GAAP results and using Adjusted net income supplementally.

Adjusted Selling, General, and Administrative (SG&A) Expenses

Adjusted SG&A expenses, as we define it, is a non-GAAP measure. Adjusted SG&A expenses exclude the impact of deferred compensation plans funded through rabbi trusts and stock-based compensation expense. Adjusted SG&A expenses assist us in comparing our performance over various reporting periods on a consistent basis because it removes from our operating results the impact of items that do not reflect our core operations, both on a segment and consolidated basis.

Comparable Owned and Leased Hotels Operating Margin

We define comparable owned and leased hotels operating margin as the difference between comparable owned and leased hotels revenues and comparable owned and leased hotels expenses. Comparable owned and leased hotels revenues is calculated by removing non-comparable hotels revenues from owned and leased hotels revenues as reported in our condensed consolidated statements of income. Comparable owned and leased hotels expenses is calculated by removing both non-comparable owned and leased hotels expenses and the impact of expenses funded through rabbi trusts from owned and leased hotels expenses as reported in our condensed consolidated statements of income. We believe comparable owned and leased hotels operating margin is useful to investors because it provides investors the same information that the Company uses internally for purposes of assessing operating performance.

Comparable Hotels

"Comparable system-wide hotels" represents all properties we manage or franchise (including owned and leased properties) and that are operated for the entirety of the periods being compared and that have not sustained substantial damage, business interruption, or undergone large scale renovations during the periods being compared or for which comparable results are not available. We may use variations of comparable system-wide hotels to specifically refer to comparable system-wide Americas full service or select service hotels for those properties that we manage or franchise within the Americas management and franchising segment, comparable system-wide ASPAC full service or select service hotels for those properties we manage or franchise within the ASPAC management and franchising segment, or comparable system-wide EAME/SW Asia full service or select service hotels for those properties that we manage or franchise within the EAME/SW Asia management and franchising segment. "Comparable owned and leased hotels" represents all properties we own or lease and that are operated and consolidated for the entirety of the periods being compared and have not sustained substantial damage, business interruption, or undergone large scale renovations during the periods being compared or for which comparable results are not available.

Comparable system-wide hotels and comparable owned and leased hotels are commonly used as a basis of measurement in our industry. "Non-comparable system-wide hotels" or "non-comparable owned and leased hotels" represent all hotels that do not meet the respective definition of "comparable" as defined above.

Constant Dollar Currency

We report the results of our operations both on an as reported basis, as well as on a constant dollar basis. Constant dollar currency, which is a non-GAAP measure, excludes the effects of movements in foreign currency exchange rates between comparative periods. We believe constant dollar analysis provides valuable information regarding our results as it removes currency fluctuations from our operating results. We calculate constant dollar currency by restating prior-period local currency financial results at the current period's exchange rates. These restated amounts are then compared to our current period reported amounts to provide operationally driven variances in our results.

Revenue per Available Room (RevPAR)

RevPAR is the product of the average daily rate (ADR) and the average daily occupancy percentage. RevPAR does not include non-room revenues, which consist of ancillary revenues generated by a hotel property, such as food and beverage, parking, and other guest service revenues. Our management uses RevPAR to identify trend information with respect to room revenues from comparable properties and to evaluate hotel performance on a regional and segment basis. RevPAR is a commonly used performance measure in our industry. RevPAR changes that are driven predominantly by changes in occupancy have different implications for overall revenue levels and incremental profitability than do changes that are driven predominantly by changes in average room rates. For example, increases in occupancy at a hotel would lead to increases in room revenues and additional variable operating costs (including housekeeping services, utilities, and room amenity costs), and could also result in increased ancillary revenues (including food and beverage). In contrast, changes in average room rates typically have a greater impact on margins and profitability as average room rate changes result in minimal impacts to variable operating costs.

Average Daily Rate (ADR)

ADR represents hotel room revenues, divided by the total number of rooms sold in a given period. ADR measures average room price attained by a hotel and ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ADR is a commonly used performance measure in our industry, and we use ADR to assess the pricing levels that we are able to generate by customer group, as changes in rates have a different effect on overall revenues and incremental profitability than changes in occupancy, as described above.

Occupancy

Occupancy represents the total number of rooms sold divided by the total number of rooms available at a hotel or group of hotels. Occupancy measures the utilization of a hotel's available capacity. We use occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help us determine achievable ADR levels as demand for hotel rooms increases or decreases.

For further information:

FORWARD-LOOKING STATEMENTS

Forward-Looking Statements in this press release, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about our plans, strategies, outlook, occupancy, ADR and growth trends, market share, the number of properties we expect to open in the future, our expected adjusted SG&A expense, our estimated comparable system-wide RevPAR growth, our estimated Adjusted EBITDA growth, our expected net rooms growth, maintenance and enhancement to existing properties capital expenditures, investments in new properties capital expenditures, depreciation and amortization expense and interest expense estimates, financial performance, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the rate and the pace of economic recovery following economic downturns; levels of spending in business and leisure segments as well as consumer confidence; declines in occupancy and average daily rate; limited visibility with respect to future bookings; loss of key personnel; hostilities, or fear of hostilities, including future terrorist attacks, that affect travel; travel-related accidents; natural or man-made disasters such as earthquakes, tsunamis, tornadoes, hurricanes, floods, *wildfires, oil spills, nuclear incidents, and global outbreaks of pandemics or contagious diseases or fear of such outbreaks; our ability to successfully achieve certain levels of operating profits at hotels that have performance tests or guarantees in favor of our third-party owners; the impact of hotel renovations and redevelopments; risks associated with our capital allocation plans and common stock repurchase program and other forms of shareholder capital return, including the risk that our common stock repurchase program could increase volatility and fail to enhance shareholder value; our intention to pay a quarterly cash dividend and the amounts thereof, if any; the seasonal and cyclical nature of the real estate and hospitality businesses; changes in distribution arrangements, such as through internet travel intermediaries; changes in the tastes and preferences of our customers; relationships with colleagues and labor unions and changes in labor laws; the financial condition of, and our relationships with, third-party property owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access capital necessary to fund current operations or implement our plans for growth; risks associated with potential acquisitions and dispositions and the introduction of new brand concepts; the timing of acquisitions and dispositions, and our ability to successfully integrate completed acquisitions with existing operations; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); our ability to successfully execute on our strategy to expand our management and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; declines in the value of our real estate assets; unforeseen terminations of our management or franchise agreements; changes in federal, state, local, or foreign tax law; the impact of changes in the tax code as a result of the Tax Cuts and Jobs Act of 2017 and uncertainty as to how some of those changes may be applied; increases in interest rates and operating costs; foreign exchange rate fluctuations or currency restructurings; lack of acceptance of new brands or innovation; general volatility of the capital markets and our ability to access such markets; changes in the competitive environment in our industry, including as a result of industry consolidation, and the markets where we operate; our ability to successfully grow the World of Hyatt loyalty program; cyber incidents and information technology failures; outcomes of legal or administrative proceedings; violations of regulations or laws related to our franchising business; and other risks discussed in the Company's filings with the SEC, including our annual report on Form 10-K, which filings are available from the SEC. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this press release. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.*

ABOUT HYATT HOTELS CORPORATION

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a portfolio of 19 premier brands. As of June 30, 2019, the Company's portfolio included more than 875 properties in over 60 countries across six continents. The Company's purpose to care for people so they can be their best informs its business decisions and growth strategy and is intended to attract and retain top colleagues, build relationships with guests and create value for shareholders. The Company's subsidiaries develop, own, operate, manage, franchise, license or provide services to hotels, resorts, branded residences, vacation ownership properties, and fitness and spa locations, including under the ***Park Hyatt®, Miraval®, Grand Hyatt®, Alila®***, ***Andaz®, The Unbound Collection by Hyatt®, Destination®***, ***Hyatt Regency®, Hyatt®, Hyatt Ziva™, Hyatt Zilara™***, ***Thompson Hotels®***, ***Hyatt Centric®, Hyatt House®, Hyatt Place®, Joie de Vivre®***, ***tommie™***, ***Hyatt Residence Club®*** and ***Exhale®*** brand names, and operates the World of Hyatt® loyalty program that provides distinct benefits and exclusive experiences to its valued members. For more information, please visit *www.hyatt.com*.

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