

Recovery Led by Greater China and U.S. Select Service Net Rooms Growth of 6.0%

CHICAGO (November 4, 2020) - Hyatt Hotels Corporation ("Hyatt" or the "Company") (NYSE: H) today reported third-quarter 2020 financial results. Net loss attributable to Hyatt was \$161 million, or \$1.59 per diluted share, in the third quarter of 2020, compared to net income attributable to Hyatt of \$296 million, or \$2.80 per diluted share, in the third quarter of 2019. Adjusted net loss attributable to Hyatt was \$150 million, or \$1.48 per diluted share, in the third quarter of 2020, compared to Adjusted net income attributable to Hyatt of \$39 million, or \$0.37 per diluted share, in the third quarter of 2019. Refer to the table on page 13 of the schedules for a summary of special items impacting Adjusted net income (loss) and Adjusted earnings (losses) per diluted share in the three months ended September 30, 2020 and September 30, 2019.

Mark S. Hoplamazian, president and chief executive officer of Hyatt Hotels Corporation, said, "Third quarter results reflect Hyatt's ability to adapt to a continuously changing and uneven demand environment. In the third quarter, we doubled the number of room nights sold compared to the second quarter of 2020. I am exceptionally proud of our hotel teams who gained transient demand market share in the segments and geographies of strongest demand globally as they continue to discover and secure demand from many different sources. I am also very encouraged that we opened 27 new hotels representing over 4,300 new rooms, a record number of hotel openings for any third quarter in our history, while sustaining our pipeline for future growth during this disrupted time."

Third quarter of 2020 highlights as compared to the third quarter of 2019 are as follows:

- Net income (loss) decreased 154.2% to a net loss of \$161 million.
- Adjusted EBITDA decreased 129.9% to \$(48) million.
- Cash and cash equivalents of \$1,778 million.
- Comparable system-wide RevPAR decreased 72.0%.
- Net rooms growth of 6.0%.
- Pipeline of executed management or franchise contracts for approximately 101,000 rooms, an increase of 9.8% compared to the third quarter 2019.

Mr. Hoplamazian continued, "We expect demand to remain uneven over the coming months and believe the ingenuity and resilience of our teams will enable us to continue to win share and deepen our strong relationships with our loyal guests and customers. Furthermore, we believe our strong liquidity position will help to sustain our operations over time and support our long-term growth strategy. During this time, our unwavering commitment to living our purpose to care for our colleagues, guests, owners, and communities around the globe is of paramount importance."

OPERATIONAL UPDATE

RevPAR continued to recover across all of Hyatt's regions in the third quarter of 2020 with comparable system-wide RevPAR more than doubling sequentially off the low in the second quarter of 2020. The pace of recovery varied by region, and was led by occupancy gains in Greater China and United States select service hotels.

In the third quarter of 2020, RevPAR at comparable full service and select service hotels in the Americas benefited from stronger demand in certain markets within the United States. Within the ASPAC region, Greater China continued to lead the RevPAR recovery driven by strong domestic demand. Within the EAME/SW Asia region, RevPAR benefited from hotel re-openings over the summer holiday. RevPAR at comparable owned and leased hotels moderately increased over the quarter as more hotels resumed operations and leisure transient demand strengthened.

Hyatt continues to re-open hotels where operations had been suspended. As of September 30, 2020, 92% of total system-wide hotels (88% of rooms) were open compared to 80% of total system-wide hotels (74% of rooms) at June 30, 2020.

Preliminary October 2020 comparable system-wide RevPAR estimates reflect a modest sequential improvement compared to the third quarter of 2020, and a decrease of approximately 70% compared to October of 2019. These estimates are driven primarily by leisure transient demand. As of October 31, 2020, 94% of total system-wide hotels (92% of rooms) were open.

THIRD QUARTER RESULTS

Third quarter of 2020 financial results as compared to the third quarter of 2019 are as follows:

Management, Franchise and Other Fees

Total management and franchise fee revenues decreased 69.8% to \$40 million, reflecting a sequential improvement from \$12 million reported in the second quarter of 2020. Base management fees decreased 70.2% to \$19 million, incentive management fees decreased 81.3% to \$6 million, and franchise fees decreased 59.0% to \$15 million. Other fee revenues decreased 17.1%

to \$12 million.

Americas Management and Franchising Segment

Americas management and franchising segment Adjusted EBITDA decreased 82.9% (82.8% decrease in constant currency) to \$16 million. At June 30, 2020, 61% of Hyatt's Americas full service hotels (58% of rooms) and 93% of Americas select service hotels (93% of rooms) were open, and throughout the third quarter, operations continued to resume, with 85% of Americas full service hotels (81% of rooms) and 98% of Americas select service hotels (98% of rooms) open at September 30, 2020.

Americas net rooms increased 4.9% compared to the third quarter of 2019.

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

ASPAC management and franchising segment Adjusted EBITDA decreased 58.2% (58.7% decrease in constant currency) to \$9 million. At June 30, 2020, 88% of Hyatt's ASPAC full and select service hotels (91% of rooms) were open, operations continued to resume throughout the third quarter resulting in 92% of Hyatt's ASPAC full and select service hotels (93% of rooms) being open at September 30, 2020.

ASPAC net rooms increased 8.2% compared to the third quarter of 2019.

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

EAME/SW Asia management and franchising segment Adjusted EBITDA decreased 113.4% (113.8% decrease in constant currency) to \$(2) million. At June 30, 2020, 61% of Hyatt's EAME/SW Asia full and select service hotels (60% of rooms) were open, and throughout the third quarter, with operations continuing to resume, 86% of EAME/SW Asia full and select service hotels (85% of rooms) were open at September 30, 2020.

EAME/SW Asia net rooms increased 8.6% compared to the third quarter of 2019.

Owned and Leased Hotels Segment

Total owned and leased hotels segment Adjusted EBITDA decreased 177.4% (177.2% decrease in constant currency) to \$(56) million. Owned and leased hotels segment results were heavily impacted by the COVID-19 pandemic, and by dispositions in 2019. 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.

At June 30, 2020, 45% of Hyatt's owned and leased hotels (38% of rooms) were open, and throughout the third quarter, operations continued to resume, with 87% of owned and leased hotels (78% of rooms) open at September 30, 2020.

Corporate and Other

Corporate and other Adjusted EBITDA increased 57.8% (57.9% increase in constant currency), reflecting an \$18 million increase as compared to the third quarter of 2019. This increase was primarily due to reductions in payroll and related costs as a result of cost containment initiatives in 2020 and integration related costs incurred in 2019 associated with the acquisition of Two Roads Hospitality LLC ("Two Roads").

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses decreased 16.7%, inclusive of rabbi trust impact and stock-based compensation. Adjusted selling, general, and administrative expenses decreased 40.6%, or \$32 million, primarily due to significant decreases in expenses as a result of cost containment initiatives in 2020, primarily payroll and related costs, and integration related costs incurred in 2019 associated with the acquisition of Two Roads, partially offset by an increase in bad debt expense. 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-seven new hotels (or 4,396 rooms) opened in the third quarter of 2020, contributing to a 6.0% increase in net rooms compared to the third quarter of 2019.

As of September 30, 2020 the Company had executed management or franchise contracts for approximately 500 hotels (or approximately 101,000 rooms), reflecting an increase of 9.8% compared to the third quarter of 2019. The amount of executed management and franchise contracts is unchanged from the quarter ended June 30, 2020.

SHARE REPURCHASE/DIVIDEND

There were no Class A or Class B shares repurchased during the third quarter. The Company ended the third quarter with 38,466,898 Class A and 62,696,948 Class B shares issued and outstanding.

The Company suspended all share repurchase activity effective March 3, 2020, and suspended its quarterly dividend through the first quarter of 2021.

BALANCE SHEET

As of September 30, 2020, the Company reported the following:

- Total debt of \$3,241 million.
- Pro rata share of unconsolidated hospitality venture debt of approximately \$654 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 \$1,778 million, restricted cash of \$12 million, and short-term investments of \$310 million.
- Undrawn borrowing availability of \$1,499 million under Hyatt's revolving credit facility, net of letters of credit outstanding.

On August 26, 2020, the Company issued \$750 million of three-month LIBOR plus 3.0% senior notes due 2022 at par. The Company received approximately \$745 million of net proceeds from the sale, after deducting \$5 million of underwriting discounts and other offering expenses. This short-term bond issuance reinforced Hyatt's ability to continue to effectively navigate the COVID-19 recovery period with significant liquidity and flexibility.

The Company believes it has adequate existing liquidity to fund operations for over 36 months based on third quarter 2020 demand levels.

SEGMENT REPORTING UPDATES

Effective January 1, 2020, we changed the strategic and operational oversight for our Miraval properties, which were previously evaluated as a distinct business by our chief operating decision maker (CODM). The management fees from Miraval properties are now reported in the Americas management and franchising segment, and the operating results and financial position of underlying hotel results are now reported in our owned and leased hotels segment; the results of Miraval properties were previously reported in corporate and other. In addition, the license fees we receive from Hyatt Residence Club are now reported within our Americas management and franchising segment due to changes in the strategic oversight for these license agreements. The segment changes have been reflected retrospectively to the three and nine months ended September 30, 2019.

In addition, effective January 1, 2020, we classified Miraval wellness resorts as full service hotels. All schedules have been updated to reflect this change to our properties and statistics retrospectively to the three and nine months ended September 30, 2019.

CONFERENCE CALL INFORMATION

The Company will hold an investor conference call tomorrow, November 5, 2020 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 registering directly prior to the event using our online registration link provided below. Registering with the direct link will provide participants a dial-in number for access to the call. For those unable to listen to the live broadcast, an archive of the webcast will be available on the Company's website for 90 days.

Online registration: <http://www.directeventreg.com/registration/event/8690418>

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 (loss), adjusted for special items; diluted earnings (losses) per share, 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 AND SOCIAL MEDIA CHANNELS

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. The Company uses these channels as well as social media channels (e.g., the Hyatt Facebook account ([facebook.com/hyatt](https://www.facebook.com/hyatt)); the Hyatt Instagram account ([instagram.com/hyatt/](https://www.instagram.com/hyatt/)); the Hyatt Twitter account (twitter.com/hyatt); the Hyatt LinkedIn account ([linkedin.com/company/hyatt/](https://www.linkedin.com/company/hyatt/)); and the Hyatt YouTube account ([youtube.com/user/hyatt](https://www.youtube.com/user/hyatt)) as a means of disclosing information about the Company's business to our guests, customers, colleagues, investors, and the public. While not all of the information that the Company posts to the Hyatt Investor Relations website or on the Company's social media channels 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 and on the Company's social media channels. 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.

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, market share, the number of properties we expect to open in the future, the number of months of operations our existing liquidity is expected to fund, 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, the short- and longer-term effects of the COVID-19 pandemic, including on the demand for travel, transient and group business, and levels of consumer confidence; actions that governments, businesses, and individuals take in response to the COVID-19 pandemic or any resurgence, including limiting or banning travel; the impact of the COVID-19 pandemic and actions taken in response to the COVID-19 pandemic or any resurgence, on global and regional economies, travel, and economic activity, including the duration and magnitude of its impact on unemployment rates and consumer discretionary spending; the ability of third-party owners, franchisees or hospitality venture partners to successfully navigate the impacts of the COVID-19 pandemic; the duration of the COVID-19 pandemic and the pace of recovery following the pandemic or any resurgence; 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; domestic and international political and geopolitical conditions, including political or civil unrest or changes in trade policy; 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, such as the COVID-19 pandemic; 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 quarterly dividend, including a reduction in or elimination of repurchase activity or dividend payments; 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; 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 the COVID-19 pandemic, 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 and Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2020 and June 30, 2020, 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 offering 21 premier brands. As of September 30, 2020, the Company's portfolio included more than 950 hotel, all-inclusive, and wellness resort properties in 67 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 employees, 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®**, **Caption by Hyatt**, **Joie de Vivre®**, **Hyatt House®**, **Hyatt Place®**, **tommie™**, **UrCove**, **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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https://stage.mediaroom.com/hyatt2/2020_q3_results