

5.2% Net Rooms Growth in 2020; Pipeline Maintained at Over 100,000 Rooms

CHICAGO (February 17, 2021) - Hyatt Hotels Corporation ("Hyatt" or the "Company") (NYSE: H) today reported fourth quarter 2020 financial results. Net loss attributable to Hyatt was \$203 million, or \$2.00 per diluted share, in the fourth quarter of 2020, compared to net income attributable to Hyatt of \$321 million, or \$3.08 per diluted share, in the fourth quarter of 2019. Adjusted net loss attributable to Hyatt was \$179 million, or \$1.77 per diluted share, in the fourth quarter of 2020, compared to Adjusted net income attributable to Hyatt of \$49 million, or \$0.47 per diluted share, in the fourth quarter of 2019. Refer to the table on page 14 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 December 31, 2020 and December 31, 2019.

Mark S. Hoplamazian, president and chief executive officer of Hyatt Hotels Corporation, said, "I am extremely proud of, and grateful for, the achievements of our teams around the world throughout 2020. The Hyatt family demonstrated resilience in the face of difficult decisions and undertook meaningful action to place Hyatt in a strong position as the recovery unfolds. Amidst a backdrop of challenging operating fundamentals, our net rooms growth was strong, demonstrating the strength of our brands. We opened 72 hotels and entered 27 new markets. Our teams also executed new signings to maintain a pipeline representing over 40% growth of our existing hotel rooms in the future."

Fourth quarter 2020 financial results as compared to fourth quarter 2019 are as follows:

- Net income (loss) decreased from \$321 million to \$(203) million.
- Adjusted EBITDA decreased from \$191 million to \$(98) million, almost half of which relates to costs incurred on behalf of our managed and franchised properties that we do not intend to recover from hotel owners.
- Comparable system-wide RevPAR decreased 68.9%.

As of December 31, 2020, the Company had cash, cash equivalents and short-term investments of \$1,882 million.

Fiscal year 2020 financial results as compared to fiscal year 2019 are as follows:

- Net income (loss) decreased from \$766 million to \$(703) million.
- Adjusted EBITDA decreased from \$754 million to \$(177) million.
- Comparable system-wide RevPAR decreased 65.4%.
- Net rooms growth of 5.2%.

As of December 31, 2020, the Company's pipeline consisted of approximately 500 hotels, or approximately 101,000 rooms.

Mr. Hoplamazian continued, "We maintained a very strong liquidity position while the fourth quarter showed a modest sequential improvement in RevPAR. We are prepared for whatever 2021 brings, and we are looking ahead to realize improving financial results as vaccine distribution continues and travel restrictions are lifted over time. We continue to be guided by our purpose of caring for people so they can be their best, and this has sustained and strengthened our culture throughout the past year."

OPERATIONAL UPDATE

RevPAR continued to show improvement in the fourth quarter of 2020 with comparable system-wide RevPAR and comparable owned and leased hotels RevPAR improving modestly from the third quarter of 2020. The pace of recovery varied by region, and similar to trends in the third quarter, was led by relative strength in Greater China and United States select service hotels.

Consistent with third quarter trends, occupancy was driven primarily by favorable leisure transient demand, particularly on weekends and holidays in the fourth quarter. Business transient and group demand continued to be muted. Hyatt's full-service hotels in the Americas were negatively impacted by group cancellations.

Nearly all properties in Hyatt's system were open at year-end. As of December 31, 2020, 94% of total system-wide hotels (93% of rooms) were open compared to 92% of total system-wide hotels (88% of rooms) at September 30, 2020.

FOURTH QUARTER RESULTS

Fourth quarter of 2020 financial results as compared to the fourth quarter of 2019 are as follows:

Management, Franchise and Other Fees

Total management and franchise fee revenues decreased 67.4% (67.6% in constant currency) to \$47 million, reflecting a sequential improvement from \$40 million reported in the third quarter of 2020. Base management fees decreased 66.3% to \$22

million, incentive management fees decreased 76.6% to \$10 million, and franchise fees decreased 57.4% to \$15 million. Other fee revenues decreased 31.6% to \$12 million.

Americas Management and Franchising Segment

Americas management and franchising segment Adjusted EBITDA decreased 90.3% (90.2% in constant currency) to \$9 million, including \$9 million of bad debt expense. At September 30, 2020, 85% of Hyatt's Americas full service hotels (81% of rooms) and 98% of Americas select service hotels and rooms were open, and throughout the fourth quarter, operations continued to resume, with 90% of Americas full service hotels and rooms and 99% of Americas select service hotels and rooms open at December 31, 2020.

Americas net rooms increased 3.5% compared to the fourth quarter of 2019.

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

ASPAC management and franchising segment Adjusted EBITDA decreased 65.5% (66.8% in constant currency) to \$9 million, including \$1 million of bad debt expense. At September 30, 2020, 92% of Hyatt's ASPAC full service hotels (93% of rooms) and 93% of ASPAC select service hotels (89% of rooms) were open, operations continued to resume throughout the fourth quarter resulting in 98% of Hyatt's ASPAC full service hotels (99% of rooms) and 97% of ASPAC select service hotels (94% of rooms) being open at December 31, 2020.

ASPAC net rooms increased 11.4% compared to the fourth 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 121.8% (122.4% in constant currency) to \$(3) million, including \$4 million of bad debt expense. At December 31, 2020, 84% of EAME/SW Asia full and select service hotels (85% of rooms) were open. This reflects a slight decrease in the number of hotels open compared to September 30, 2020, as a result of new travel restrictions in Europe.

EAME/SW Asia net rooms increased 4.5% compared to the fourth quarter of 2019.

Owned and Leased Hotels Segment

Total owned and leased hotels segment Adjusted EBITDA decreased 148.5% (148.6% in constant currency) to \$(48) million. Owned and leased hotels segment results were heavily impacted by decreased demand due to 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 December 31, 2020, 82% of Hyatt's owned and leased hotels (81% of rooms) were open. This compares to 87% of owned and leased hotels (78% of rooms) at September 30, 2020.

Corporate and Other

Corporate and other Adjusted EBITDA decreased 57.1% (56.5% decrease in constant currency) to \$(65) million, reflecting an incremental \$23 million loss as compared to the fourth quarter of 2019. Adjusted EBITDA was negatively impacted by \$45 million of costs incurred on behalf of managed and franchised properties to provide necessary system-wide services and programs that we do not intend to recover from hotel owners.

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses decreased 5.9% inclusive of rabbi trust impact and stock-based compensation. Adjusted selling, general, and administrative expenses decreased 20.7% or \$19 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 Hospitality LLC ("Two Roads"), partially offset by an increase in bad debt expense. Refer to the table on page 18 of the schedules for a reconciliation of selling, general, and administrative expenses to Adjusted selling, general, and administrative expenses.

OPENINGS AND FUTURE EXPANSION

Twenty-three new hotels (or 6,877 rooms) joined Hyatt's system in the fourth quarter of 2020, contributing to a 5.2% increase in net rooms compared to the fourth quarter of 2019. In 2020, the Company opened a total of 72 new hotels (or 14,972 rooms) including 11 operating properties (or 2,837 rooms) that converted to a Hyatt brand.

As of December 31, 2020, the Company had a pipeline of executed management or franchise contracts for approximately 500

hotels (approximately 101,000 rooms). The pipeline was unchanged compared to December 31, 2019.

CAPITAL STRATEGY

The Company intends to successfully execute plans to sell approximately \$1.5 billion of real estate by March 2022 as part of its capital strategy announced in March of 2019, and as of December 31, 2020, the Company has realized proceeds of nearly \$1.0 billion towards that goal from the disposition of owned assets. In December 2020, the Company sold the shares of the entities which own the 159-room Hyatt Regency Baku in Azerbaijan for approximately \$11 million to an unrelated third party and entered into a long-term management agreement for the property upon sale.

BALANCE SHEET / OTHER ITEMS

As of December 31, 2020, the Company reported the following:

- Total debt of \$3,244 million.
- Pro rata share of unconsolidated hospitality venture debt of \$671 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 \$1,207 million, short-term investments of \$675 million and restricted cash of \$11 million.
- Undrawn borrowing availability of \$1,499 million under Hyatt's revolving credit facility, net of letters of credit outstanding.

The Company believes it has adequate existing liquidity to fund operations and investments supporting the continued growth of the business for approximately 36 months based on fourth quarter of 2020 demand levels.

SHARE REPURCHASE/DIVIDEND

There were no Class A or Class B shares repurchased during the fourth quarter of 2020. The Company ended the fourth quarter with 39,250,241 Class A and 62,038,918 Class B shares issued and outstanding.

During the 2020 fiscal year, the Company repurchased \$69 million shares of Class A common stock, consisting of 827,643 shares, and paid a \$0.20 per share common dividend in the first quarter of 2020. Effective March 3, 2020, the Company suspended all share repurchase activity, and the Company has suspended its quarterly dividend.

2021 OUTLOOK

Given the uncertain pace and timing of recovery from the impacts of the COVID-19 pandemic, the Company is providing limited guidance for the 2021 fiscal year:

- Adjusted selling, general, and administrative expenses are expected to be approximately \$240 million. Refer to the table on page 19 of the schedules for a reconciliation of selling, general, and administrative expenses to Adjusted selling, general, and administrative expenses.
- Capital expenditures are expected to be approximately \$110 million.
- The Company expects to grow units, on a net rooms basis, by approximately 5.0%.

No disposition or acquisition activity beyond what has been completed as of the date of this release has been included in the 2021 Outlook. The Company's 2021 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.

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 months and year ended December 31, 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 months and year ended December 31, 2019.

CONFERENCE CALL INFORMATION

The Company will hold an investor conference call tomorrow, February 18, 2021, 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: <https://www.directeventreg.com/registration/event/6758395>

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 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 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); the Hyatt Instagram account (instagram.com/hyatt/); the Hyatt Twitter account (twitter.com/hyatt); the Hyatt LinkedIn account (linkedin.com/company/hyatt/); and the Hyatt YouTube account (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, the impact of the COVID-19 pandemic and pace of recovery, the amount by which the Company intends to reduce its real estate asset base and the anticipated timeframe for such asset dispositions, the Company's liquidity profile and sufficiency to fund operations at current demand levels; the number of properties we expect to open in the future, our expected Adjusted SG&A expense, our expected capital expenditures, our expected net rooms growth, 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 duration of the COVID-19 pandemic and its short and longer-term effects, including the demand for travel, transient and group business, and levels of consumer confidence, and the pace of recovery following the pandemic, any additional resurgence, or COVID-19 variants; the impact of the COVID-19 pandemic, any additional resurgence, or COVID-19 variants, and the impact of actions that governments, businesses, and individuals take in response, on global and regional economies, travel limitations or bans, 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, any additional resurgence, or COVID-19 variants; 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 ("ADR"); limited visibility with respect to future bookings; loss of key personnel; domestic and international political and geo-political 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, such as the COVID-19 pandemic, 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, share repurchase program, and dividend payments, including a reduction in, or elimination or suspension 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; and 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 offering 20 premier brands. As of December 31, 2020, the Company's portfolio included more than 975 hotel, all-inclusive, and wellness resort properties in 69 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 operate, manage, franchise, own, lease, develop, license, or provide services to hotels, resorts, branded residences, and vacation ownership properties, 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**, and **Hyatt Residence Club®** 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_q4_results