

Positive Operating Leverage Drives Earnings and Operating Cash Flow Growth; Strong 7.1% Net Rooms Growth

CHICAGO (August 3, 2021) - Hyatt Hotels Corporation ("Hyatt" or the "Company") (NYSE: H) today reported second-quarter 2021 financial results. Net loss attributable to Hyatt was \$9 million, or \$0.08 per diluted share, in the second quarter of 2021, compared to net loss attributable to Hyatt of \$236 million, or \$2.33 per diluted share, in the second quarter of 2020. Adjusted net loss attributable to Hyatt was \$117 million, or \$1.15 per diluted share, in the second quarter of 2021, compared to Adjusted net loss attributable to Hyatt of \$183 million, or \$1.80 per diluted share, in the second quarter of 2020. Refer to the table on page 11 of the schedules for a summary of special items impacting Adjusted net loss and Adjusted losses per diluted share for the three months ended June 30, 2021 and June 30, 2020.

Mark S. Hoplamazian, president and chief executive officer of Hyatt Hotels Corporation, said, "Second quarter results improved significantly as travel demand rebounded sharply in certain markets. While leisure travel continues to lead the recovery, we are very encouraged by continued improvements in business transient and group. Accelerating RevPAR growth expanded our operating leverage and as a result we generated positive Adjusted EBITDA and operating cash flow in the quarter."

Second quarter of 2021 highlights are as follows:

- Net losses decreased compared to the second quarter of 2020 to a \$9 million net loss.
- Adjusted EBITDA increased compared to the second quarter of 2020, to \$55 million.
- Comparable system-wide RevPAR increased to \$72.47 in the second quarter of 2021, and decreased 49.8% compared to the second quarter 2019 on a reported basis.
- Comparable owned and leased hotels RevPAR increased to \$86.66 in the second quarter of 2021 and decreased 53.4% compared to the second quarter 2019 on a reported basis.
- Net rooms growth of 7.1%.
- As of June 30, 2021, the Company had cash, cash equivalents and short-term investments of \$1,737 million.

Mr. Hoplamazian continued, "While the recovery is likely to remain uneven over the coming months, we remain confident in continued momentum in RevPAR growth given positive forward-looking indicators in our business. Furthermore, the strength of our brands continues to yield industry-leading net rooms growth. We opened 100 properties over the last twelve months and maintain a strong pipeline representing over 40% of our existing rooms."

OPERATIONAL UPDATE

Comparable system-wide RevPAR strengthened over the course of the second quarter of 2021, increasing nearly 30% from April to June 2021, and reaching the highest level since February 2020. Results in the second quarter were driven by very strong leisure transient demand, particularly in the United States and Greater China, where leisure transient revenue was fully recovered to 2019 levels. Group and business transient demand also gained momentum through the second quarter.

Comparable owned and leased hotels RevPAR strengthened through the second quarter of 2021, increasing nearly 50% from April to June 2021. At June 30, 2021, comparable owned and leased hotels RevPAR was at an approximate 30% premium to comparable system-wide RevPAR, consistent with historical trends. The RevPAR premium drove significant operating leverage resulting in \$12 million of Adjusted EBITDA in owned and leased hotels segment in the second quarter, nearly all of which occurred in the month of June.

As of June 30, 2021, 98% of total system-wide hotels (97% of rooms) were open.

SECOND QUARTER RESULTS

Second quarter of 2021 financial results as compared to the second quarter of 2020 are as follows:

Management, Franchise and Other Fees

Management and franchise fee revenues totaled \$77 million in the second quarter of 2021 compared to \$12 million reported in the second quarter of 2020, and reflected a sequential improvement from \$49 million reported in the first quarter of 2021. The increase in total management and franchise fee revenues reflects a continued demand recovery from the onset of the COVID-19 pandemic inclusive of incentive fees which benefited from favorable operating leverage. Other fee revenues increased 99.9% to \$16 million driven primarily by an increase in license fees related to our co-branded credit card.

Americas Management and Franchising Segment

Americas management and franchising segment Adjusted EBITDA increased to \$54 million in the second quarter of 2021 compared to \$(3) million reported in the second quarter of 2020. Results were led by the strong recovery in the United States.

At June 30, 2021, 99% of Hyatt's Americas full and select service hotels (98% of rooms) were open.

Americas net rooms increased 5.2% compared to the second quarter of 2020.

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

ASPAC management and franchising segment Adjusted EBITDA increased to \$10 million in the second quarter of 2021 compared to \$(2) million reported in the second quarter of 2020. Results across the region were led by Greater China. At June 30, 2021, 96% of Hyatt's ASPAC full and select service hotels (97% of rooms) were open.

ASPAC net rooms increased 13.5% compared to the second quarter of 2020.

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

EAME/SW Asia management and franchising segment Adjusted EBITDA increased to \$(1) million in the second quarter of 2021 compared to \$(11) million reported in the second quarter of 2020. Results across the region were driven primarily by recovery in the Middle East and Eastern Europe and reduced selling, general, and administrative expenses. At June 30, 2021, 97% of Hyatt's EAME/SW Asia full and select service hotels (96% of rooms) were open.

EAME/SW Asia net rooms increased 7.5% compared to the second quarter of 2020.

Owned and Leased Hotels Segment

Total owned and leased hotels segment Adjusted EBITDA increased to \$12 million in the second quarter of 2021 compared to \$(78) million reported in the second quarter of 2020. Owned and leased hotels segment results improved meaningfully over the quarter led by strong leisure transient demand in various markets in the United States. Refer to the table on page 9 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, 2021, 97% of Hyatt's owned and leased hotels (92% of rooms) were open.

Corporate and Other

Corporate and other Adjusted EBITDA increased 4.2% to \$(21) million, reflecting a \$2 million improvement as compared to the second quarter of 2020. This increase was primarily due to an increase in license fees related to Hyatt's co-branded credit card, and partially offset by increased selling, general, and administrative expenses.

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses decreased 14.3%, inclusive of rabbi trust impact and stock-based compensation. Adjusted selling, general, and administrative expenses increased 1.9% to \$57 million, as a result of increases in payroll and related costs and partially offset by a decrease in bad debt expense. Refer to the table on page 13 of the schedules for a reconciliation of selling, general, and administrative expenses to Adjusted selling, general, and administrative expenses.

Income Taxes

The Company received a U.S. tax refund of \$254 million in July of 2021 in connection with 2020 net operating losses carried back to prior years under the CARES Act. This was included in prepaid income taxes on our condensed consolidated balance sheet at June 30, 2021.

OPENINGS AND FUTURE EXPANSION

Twenty-seven new hotels (or 4,302 rooms) opened in the second quarter of 2021, contributing to a 7.1% increase in net rooms compared to the second quarter of 2020.

As of June 30, 2021, the Company had executed management or franchise contracts for approximately 495 hotels (or approximately 101,000 rooms). This compares to approximately 490 hotels (or approximately 100,000 rooms) as of March 31, 2021.

TRANSACTION / CAPITAL STRATEGY UPDATE

During the second quarter, the Company completed the following transactions:

- On June 3, 2021, a Hyatt affiliate acquired the 59-room Ventana Big Sur, an Alila Resort, located in Big Sur, California for approximately \$148 million, securing the Company's long-term brand presence in a highly sought-after resort destination.

- On June 4, 2021, a Hyatt affiliate sold the 490-room Hyatt Regency Lost Pines Resort and Spa near Austin, Texas for approximately \$275 million to an unrelated third party and entered into a long-term management agreement.

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. As of June 30, 2021, the Company has realized net proceeds of approximately \$1.1 billion towards that goal while continuing to expand its management and franchising business.

SHARE REPURCHASE / DIVIDEND

There were no Class A or Class B shares repurchased during the second quarter of 2021. The Company ended the second quarter with 41,159,089 Class A and 60,623,918 Class B shares issued and outstanding. Effective March 3, 2020, the Company suspended all share repurchase activity, and suspended its quarterly dividend.

2021 OUTLOOK

- The Company is providing the following 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 13 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 net rooms growth to be greater than 6.0%.

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.

BALANCE SHEET / LIQUIDITY

As of June 30, 2021, the Company reported the following:

- Total debt of \$3,246 million.
- Pro rata share of unconsolidated hospitality venture debt of approximately \$623 million, substantially all of which is non-recourse to Hyatt and a portion of which Hyatt guarantees pursuant to separate agreements.
- Total liquidity of approximately \$3.2 billion based on cash and cash equivalents, including investments in highly-rated money market funds and similar investments, of \$1,144 million, short-term investments of \$593 million, and undrawn borrowing availability of \$1,500 million under the revolving credit facility.

On August 16, 2021, Hyatt intends to pay the principal amount plus accrued and unpaid interest due on the Company's \$250 million of 5.375% senior unsecured notes maturing on August 15, 2021 out of available cash on hand.

CONFERENCE CALL INFORMATION

The Company will hold an investor conference call tomorrow, August 4, 2021 at 9:00 a.m. CT. Participants may listen to a simultaneous webcast of the conference call, which may be accessed through the Company's website at investors.hyatt.com. Alternatively, participants may access the live call by dialing 833-238-7946 (U.S. Toll-Free) or 647-689-4468 (International Toll Number) using conference ID# 5295622 approximately 15 minutes prior to the scheduled start time. A replay of the call will be available Wednesday, August 4, 2021 at 1:00 p.m. CT until Wednesday, August 11, 2021 at 11:00 p.m. CT by dialing 800-585-8367 (U.S. Toll-Free) or 416-621-4642 (International Toll Number), using conference ID# 5295622. 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 (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); 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, the number of properties we expect to open in the future, our expected Adjusted SG&A expenses, 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 the pace of recovery following the pandemic, any additional resurgence, or COVID-19 variants; the short and longer-term effects of the COVID-19 pandemic, including the demand for travel, transient and group business, and levels of consumer confidence; 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 broad distribution of COVID-19 vaccines and wide acceptance by the general population of such vaccines; 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 June 30, 2021, the Company's portfolio included more than 1,000 hotel and all-inclusive properties in 68 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 by Hyatt™**, **Hyatt Regency®**, **Hyatt®**, **Hyatt Ziva™**, **Hyatt Zilara™**, **Thompson Hotels®**, **Hyatt Centric®**, **Caption by Hyatt**, **JdV by Hyatt™**, **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.

Investor Contact:

Noah Hoppe
noah.hoppe@hyatt.com

Media Contact:

Franziska Weber
franziska.weber@hyatt.com

https://stage.mediaroom.com/hyatt2/2021_q2_results