



HYATT REPORTS SECOND QUARTER 2024 RESULTS

CHICAGO (August 6, 2024) - Hyatt Hotels Corporation ("Hyatt" or the "Company") (NYSE: H) today reported second quarter 2024 results. Highlights include:

- **Comparable system-wide hotels RevPAR** increased 4.7% compared to the same period in 2023
- **Comparable system-wide all-inclusive resorts Net Package RevPAR** increased 3.0% compared to the same period in 2023
- **Net Rooms Growth** was approximately 4.6%
- **Net Income** was \$359 million and Adjusted Net Income was \$158 million
- **Diluted EPS** was \$3.46 and Adjusted Diluted EPS was \$1.53
- **Adjusted EBITDA¹** was \$307 million
- **Pipeline** of executed management or franchise contracts was approximately 130,000 rooms
- **Repurchased** approximately 907 thousand shares of Class A common stock for \$134 million
- **Full year comparable system-wide hotels RevPAR** is projected to increase 3.0% to 4.0% on a constant currency basis compared to full year 2023
- **Full year Net Income** is projected between \$1,055 million and \$1,115 million
- **Full year Adjusted EBITDA¹** is projected between \$1,135 million and \$1,175 million
- **Full year Capital Returns to Shareholders** is projected between \$800 million and \$850 million

Mark S. Hoplamazian, President and Chief Executive Officer of Hyatt, said, "We posted solid second quarter results demonstrating our differentiated positioning and continued momentum. System-wide RevPAR grew by 4.7% and net rooms growth was 4.6%, generating record gross fee revenue of \$275 million in the quarter. Our pipeline reached a new record of 130,000 rooms, up 9% year-over-year, reflecting strong developer interest in our brands. We saw continued growth of the World of Hyatt loyalty program, with membership increasing by 21% year-over-year to a record 48 million members. These achievements demonstrated the strength of our asset-light earnings model, which is designed to deliver strong free cash flow and enhance shareholder value."

¹ During the quarter ended June 30, 2024, the Company revised its definition of Adjusted EBITDA to exclude transaction and integration costs and recast prior period results to provide comparability. Refer to page A-5 of the schedules for additional detail.

Refer to the table on page A-7 of the schedules for a summary of special items impacting Adjusted Net Income and Adjusted Diluted EPS for the three months ended June 30, 2024.

Note: All RevPAR and ADR percentage changes are in constant dollars. All Net Package RevPAR and Net Package ADR percentage changes are in reported dollars. This release includes references to non-GAAP financial measures. Refer to the non-GAAP reconciliations included in the schedules and the definitions of the non-GAAP measures presented beginning on page A-5.

Segment Results and Highlights

(in millions)	Three Months Ended June 30,		
	2024	2023	Change (%)
Management and franchising	\$ 222	\$ 201	10.5 %
Owned and leased	79	85	(7.4)%
Distribution	43	34	23.9 %
Overhead	(37)	(41)	11.6 %
Eliminations	—	—	248.0 %
Adjusted EBITDA¹	\$ 307	\$ 279	10.1 %

¹ Results for the three months ended June 30, 2023 have been recast for comparability as a result of the Company's revised definition of Adjusted EBITDA. Refer to page A-5 of the schedules for additional detail.

- **Management and franchising:** Second quarter results reflected strong performance in business transient and group travel. In the United States, RevPAR increased over 2% from strong group and business travel while leisure travel was negatively impacted by the timing of Easter, renovations at large resort properties, and continued impact from the 2023 Maui wildfires. Travel within Europe remains strong driven by inbound travel from the United States and large one-time events. Greater China was impacted by strong outbound travel from Greater China to other markets within Asia, including Japan and South Korea. In Asia Pacific excluding Greater China, RevPAR increased approximately 18% during the quarter.
- **Owned and leased:** Adjusted EBITDA in the second quarter increased 9% compared to the second quarter of 2023, when adjusted for the net impact of transactions. Comparable margins increased 110 bps compared to the second quarter of 2023, as revenue growth outpaced expenses.
- **Distribution:** Adjusted EBITDA in the second quarter increased \$9 million compared to the second quarter of 2023. Excluding Unlimited Vacation Club, Adjusted EBITDA was below 2023 by approximately \$5 million, consistent with the expectations communicated previously because of ALG Vacations lapping a strong second quarter last year.

Openings and Development

In the second quarter, 18 new hotels (or 3,251 rooms) joined Hyatt's portfolio. Notable openings included Park Hyatt Changsha, Maison Métier, The Legend Paracas Resort, the first Destination by Hyatt property in Peru, and Hyatt Vivid Grand Island, the first open Hyatt Vivid Hotels & Resorts property. Additionally, the first Caption by Hyatt properties outside the United States opened in the quarter: Caption by Hyatt Namba Osaka and Caption by Hyatt Zhongshan Park Shanghai. The first Hyatt Centric in Shanghai, China, Hyatt Centric Zhongshan Park Shanghai, also opened in the quarter.

As of June 30, 2024, the Company had a pipeline of executed management or franchise contracts for approximately 670 hotels (approximately 130,000 rooms).

Transactions and Capital Strategy

In addition to the previously announced sales of Park Hyatt Zurich on April 4, 2024, Hyatt Regency San Antonio Riverwalk on April 23, 2024, and Hyatt Regency Green Bay on May 1, 2024, the Company is sharing the following updates:

- Acquired the me and all hotels brand from Lindner Hotels AG on June 28, 2024. There are six me and all hotels with over 1,000 rooms currently open in Germany which joined Hyatt through the strategic collaboration with Lindner Hotels AG in 2022. The me and all hotels brand has a healthy pipeline with an additional 1,000 rooms in the executed pipeline and more development deals in various stages of negotiation.
- Expects to close on the sale of an asset that is under a purchase and sale agreement by the end of August 2024, which would complete the Company's \$2.0 billion asset sell-down commitment.

As of June 30, 2024, the Company has realized \$1.5 billion of gross proceeds from the net disposition of real estate at a 13.3x multiple and remains committed to realizing \$2.0 billion of gross proceeds from the sale of real estate, net of acquisitions, by the end of 2024 as part of its expanded asset disposition commitment announced in August 2021.

Balance Sheet and Liquidity

As of June 30, 2024, the Company reported the following:

- Total debt of \$3,885 million.
- Pro rata share of unconsolidated hospitality venture debt of \$451 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 \$3.5 billion with \$1,957 million of cash and cash equivalents and short-term investments, and borrowing availability of \$1,496 million under Hyatt's revolving credit facility, net of letters of credit outstanding.

During the second quarter, the Company repurchased a total of 906,875 shares of Class A common stock for approximately \$134 million. As of June 30, 2024, the Company has approximately \$1.6 billion remaining under the share repurchase authorization.

On June 3, 2024, the Company issued \$450 million of 5.250% senior notes due 2029 at an issue price of 99.496% and \$350 million of 5.500% senior notes due 2034 at an issue price of 98.860%. The Company received approximately \$786 million of net proceeds, after deducting underwriting discounts and other offering expenses. The Company invested the net proceeds in marketable securities and intends to use the net proceeds to repay the outstanding balance on the \$750 million of 1.800% senior notes maturing on October 1, 2024, at or prior to maturity.

The Company's board of directors has declared a cash dividend of \$0.15 per share for the third quarter of 2024. The dividend is payable on September 10, 2024 to Class A and Class B stockholders of record as of August 27, 2024.

2024 Outlook

The Company is providing the following outlook for the 2024 fiscal year:

	Full Year 2024 vs. 2023
System-Wide Hotels RevPAR ¹	3.0% to 4.0%
Net Rooms Growth	5.5% to 6.0%
<i>(in millions)</i>	Full Year 2024
Net Income	\$1,055 - \$1,115
Gross Fees	\$1,085 - \$1,115
Adjusted G&A Expenses ²	\$425 - \$435
Adjusted EBITDA ^{2, 3}	\$1,135 - \$1,175
Capital Expenditures	Approx. \$170
Free Cash Flow ²	\$560 - \$610
Capital Returns to Shareholders ⁴	\$800 - \$850

¹ RevPAR is based on constant currency whereby previous periods are translated based on the current period exchange rate. RevPAR percentage for 2024 vs. 2023 is based on comparable hotels.

² Refer to the tables on schedule A-9 for a reconciliation of estimated Net Income attributable to Hyatt Hotels Corporation to Adjusted EBITDA, G&A expenses to Adjusted G&A Expenses, and net cash provided by operating activities to Free Cash Flow.

³ During the quarter ended June 30, 2024, the Company revised its definition of Adjusted EBITDA to exclude transaction and integration costs and recast prior-period results to provide comparability. Adjusted EBITDA outlook reflects the removal of approximately \$10 million relating to this definition revision. Refer to page A-5 of the schedules for additional detail.

⁴ The Company expects to return capital to shareholders through a combination of cash dividends on its common stock and share repurchases.

No disposition or acquisition activity beyond what has been completed as of the date of this release has been included in the 2024 Outlook. The Company's 2024 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 this morning, August 6, 2024, at 9:00 a.m. CT.

Participants are encouraged to 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: 800.715.9871 (U.S. Toll-Free) or 646.307.1963 (International Toll Number) using conference ID# 2303828 approximately 15 minutes prior to the scheduled start time.

A replay of the call will be available for one week beginning on Tuesday, August 6, 2024, at 11:00 a.m. CT by dialing: 800.770.2030 (U.S. Toll-Free) or 609.800.9909 (International Toll Number) using conference ID# 2303828. An archive of the webcast will be available on the Company's website for 90 days.

Investor Contacts

- Adam Rohman, 312.780.5834, adam.rohman@hyatt.com
- Tara Atwood, 312.780.5713, tara.atwood@hyatt.com

Media Contact

- Franziska Weber, 312.780.6106, franziska.weber@hyatt.com

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 amount by which the Company intends to reduce its real estate asset base, the expected amount of gross proceeds from the sale of such assets, and the anticipated timeframe for such asset dispositions, the number of properties we expect to open in the future, pace and booking trends, the expected timing and payment of dividends, RevPAR trends, our expected Adjusted G&A Expense, our expected capital expenditures, our expected net rooms growth, our expected system-wide RevPAR, our expected one-time integration-related expenses, 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 pace of economic recovery following economic downturns; global supply chain constraints and interruptions, rising costs of construction-related labor and materials, and increases in costs due to inflation or other factors that may not be fully offset by increases in revenues in our business; risks affecting the luxury, resort, and all-inclusive lodging segments; levels of spending in business, leisure, and group 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, weather and climate-related events, such as earthquakes, tsunamis, tornadoes, hurricanes, droughts, 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, 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 owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access the capital necessary to fund current operations or implement our plans for growth; risks associated with potential 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 our strategy to expand our management and hotels services and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; our ability to maintain effective internal control over financial reporting and disclosure controls and procedures; declines in the value of our real estate assets; unforeseen terminations of our management and hotels services or franchise agreements; changes in federal, state, local, or foreign tax law; increases in interest rates, wages, and other operating costs; foreign exchange rate fluctuations or currency restructurings; risks associated with the introduction of new brand concepts, including 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, industry consolidation, and the markets where we operate; our ability to successfully grow the World of Hyatt loyalty program and Unlimited Vacation Club paid membership 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 licensing businesses and our international operations; and other risks discussed in the Company's filings with the SEC, including our annual reports on Form 10-K and quarterly reports on Form 10-Q, 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.

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: Adjusted Net Income; Adjusted Diluted EPS; Adjusted EBITDA; Adjusted G&A Expenses; and Free Cash Flow. 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 X 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 "Investor Email Alerts" in the "Resources" section of Hyatt's website at investors.hyatt.com. The contents of these websites are not incorporated by reference into this press release or any report or document Hyatt files with the SEC, and any references to the websites are intended to be inactive textual references only.

About Hyatt Hotels Corporation

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company guided by its purpose – to care for people so they can be their best. As of June 30, 2024, the Company's portfolio included more than 1,350 hotels and all-inclusive properties in 78 countries across six continents. The Company's offering includes brands in the *Timeless Collection*, including **Park Hyatt®**, **Grand Hyatt®**, **Hyatt Regency®**, **Hyatt®**, **Hyatt Vacation Club®**, **Hyatt Place®**, **Hyatt House®**, **Hyatt Studios**, and **UrCove**; the *Boundless Collection*, including **Miraval®**, **Alila®**, **Andaz®**, **Thompson Hotels®**, **Dream® Hotels**, **Hyatt Centric®**, and **Caption by Hyatt®**; the *Independent Collection*, including **The Unbound Collection by Hyatt®**, **Destination by Hyatt®**, and **JdV by Hyatt®**; and the *Inclusive Collection*, including **Impression by Secrets**, **Hyatt Ziva®**, **Hyatt Zilara®**, **Zoëtry® Wellness & Spa Resorts**, **Secrets® Resorts & Spas**, **Breathless Resorts & Spas®**, **Dreams® Resorts & Spas**, **Hyatt Vivid Hotels & Resorts**, **Alua Hotels & Resorts®**, and **Sunscape® Resorts & Spas**. Subsidiaries of the Company operate the World of Hyatt® loyalty program, ALG Vacations®, Mr & Mrs Smith™, Unlimited Vacation Club®, Amstar DMC destination management services, and Trisept Solutions® technology services. For more information, please visit www.hyatt.com.

Hyatt Hotels Corporation

Table of Contents

Financial Information

(unaudited)

<u>Schedule</u>	<u>Page</u>
Condensed Consolidated Statements of Income	A - 1
Hotel Operating Statistics by Geography and Brand	A - 2
Properties and Rooms by Geography and Brand	A - 4
Reconciliations of Non-GAAP Financial Measures	A - 5
Impact of Sold Hotels to Owned and Leased Segment Adjusted EBITDA	A - 8
Outlook: Reconciliations of Non-GAAP Financial Measures	A - 9
Definitions	A - 10

Percentages on the following schedules may not recompute due to rounding. Not meaningful percentage changes are presented as "NM".

Hyatt Hotels Corporation

Condensed Consolidated Statements of Income

(unaudited)

(in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
REVENUES:				
Base management fees	\$ 100	\$ 96	\$ 198	\$ 187
Incentive management fees	54	59	118	116
Franchise and other fees	121	91	221	174
Gross fees	275	246	537	477
Contra revenue	(16)	(12)	(29)	(22)
Net fees	259	234	508	455
Owned and leased	314	341	623	655
Distribution	278	275	597	603
Other revenues	10	71	45	159
Revenues for reimbursed costs	842	784	1,644	1,513
Total revenues	1,703	1,705	3,417	3,385
DIRECT AND GENERAL AND ADMINISTRATIVE EXPENSES:				
General and administrative	117	134	286	289
Owned and leased	238	257	488	497
Distribution	234	226	508	484
Other direct costs	17	87	62	185
Transaction and integration costs (a)	10	10	18	23
Depreciation and amortization	84	99	176	197
Reimbursed costs	853	789	1,689	1,538
Total direct and general and administrative expenses	1,553	1,602	3,227	3,213
Net gains (losses) and interest income from marketable securities held to fund rabbi trusts	4	17	28	35
Equity earnings (losses) from unconsolidated hospitality ventures	(30)	(1)	45	(3)
Interest expense	(40)	(31)	(78)	(64)
Gains (losses) on sales of real estate and other	350	—	753	—
Asset impairments	—	(5)	(17)	(7)
Other income (loss), net	28	12	82	67
Income before income taxes	462	95	1,003	200
Provision for income taxes	(103)	(27)	(122)	(74)
Net income	359	68	881	126
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to Hyatt Hotels Corporation	\$ 359	\$ 68	\$ 881	\$ 126
EARNINGS PER CLASS A AND CLASS B SHARE:				
Net income attributable to Hyatt Hotels Corporation—Basic	\$ 3.55	\$ 0.64	\$ 8.64	\$ 1.19
Net income attributable to Hyatt Hotels Corporation—Diluted	\$ 3.46	\$ 0.63	\$ 8.42	\$ 1.16
Basic weighted-average shares outstanding	101.1	105.5	101.9	106.0
Diluted weighted-average shares outstanding	103.7	108.0	104.6	108.4

(a) During the three months ended June 30, 2024, we presented a new financial statement line item to provide enhanced visibility on our condensed consolidated statements of income and reclassified prior-period results for comparability. Transaction and integration costs includes integration costs, which were previously recognized in integration costs and include expenses incurred related to the integration of recently acquired businesses, including certain compensation expenses, professional fees, sales and marketing expenses, and technology expenses; transaction costs for pending transactions, primarily related to professional fees incurred for acquisitions and dispositions, which were previously recognized in general and administrative expenses; and transaction costs for completed transactions, primarily related to professional fees incurred for acquisitions, which were previously recognized in other income (loss), net. Transaction costs for completed dispositions are recognized in gains (losses) on sales of real estate and other.

Hyatt Hotels Corporation

Hotel Operating Statistics by Geography

Three Months Ended June 30,

	RevPAR		Occupancy		ADR	
	2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
<i>(in constant \$)</i>						
System-wide hotels (a)	\$ 149.31	4.7 %	72.9 %	2.4% pts	\$ 204.73	1.1 %
United States	\$ 159.98	2.3 %	75.0 %	1.8% pts	\$ 213.33	(0.1) %
Americas (excluding United States)	\$ 181.80	9.2 %	71.9 %	4.0% pts	\$ 252.91	3.2 %
Greater China	\$ 86.34	(3.2)%	69.6 %	1.2% pts	\$ 124.07	(4.8) %
Asia Pacific (excluding Greater China)	\$ 130.85	17.6 %	68.8 %	5.2% pts	\$ 190.15	8.8 %
Europe	\$ 188.09	10.5 %	74.3 %	4.6% pts	\$ 253.08	3.6 %
Middle East & Africa	\$ 124.52	5.7 %	64.5 %	1.2% pts	\$ 192.98	3.6 %
Owned and leased hotels (b)	\$ 204.50	3.4 %	76.4 %	2.5% pts	\$ 267.75	0.1 %
<i>(in reported \$)</i>						
	Net Package RevPAR		Occupancy		Net Package ADR	
	2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
System-wide all-inclusive resorts (c)	\$ 226.04	3.0 %	74.0 %	1.5% pts	\$ 305.27	0.9 %
Americas (excluding United States)	\$ 274.82	2.0 %	73.3 %	0.3% pts	\$ 375.06	1.5 %
Europe (d)	\$ 106.84	11.8 %	75.9 %	4.5% pts	\$ 140.68	5.1 %

Six Months Ended June 30,

	RevPAR		Occupancy		ADR	
	2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
<i>(in constant \$)</i>						
System-wide hotels (a)	\$ 140.50	5.1 %	69.1 %	2.3% pts	\$ 203.38	1.6 %
United States	\$ 146.30	1.4 %	69.8 %	1.1% pts	\$ 209.46	(0.2) %
Americas (excluding United States)	\$ 191.50	10.8 %	70.9 %	3.8% pts	\$ 270.28	4.9 %
Greater China	\$ 87.18	3.7 %	67.7 %	3.0% pts	\$ 128.81	(0.9) %
Asia Pacific (excluding Greater China)	\$ 137.55	19.5 %	69.4 %	6.2% pts	\$ 198.25	8.9 %
Europe	\$ 152.11	10.2 %	65.6 %	3.7% pts	\$ 231.98	4.0 %
Middle East & Africa	\$ 137.02	5.7 %	65.9 %	0.4% pts	\$ 207.82	5.0 %
Owned and leased hotels (b)	\$ 191.57	2.3 %	71.8 %	0.9% pts	\$ 266.96	1.0 %
<i>(in reported \$)</i>						
	Net Package RevPAR		Occupancy		Net Package ADR	
	2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
System-wide all-inclusive resorts (c)	\$ 267.34	7.4 %	77.5 %	2.7% pts	\$ 345.18	3.7 %
Americas (excluding United States)	\$ 315.59	6.7 %	77.3 %	2.1% pts	\$ 408.42	3.8 %
Europe (d)	\$ 115.69	16.7 %	78.0 %	4.6% pts	\$ 148.29	9.9 %

(a) Consists of hotels that the Company manages, franchises, owns, leases, or provides services to, excluding all-inclusive properties.

(b) Excludes unconsolidated hospitality ventures and all-inclusive leased properties.

(c) Consists of all-inclusive properties that the Company manages, franchises, leases, or provides services to.

(d) Certain resorts in Europe operate under a hybrid all-inclusive model, which includes various all-inclusive package options as well as rooms-only options.

Hyatt Hotels Corporation

Hotel Operating Statistics by Brand

		Three Months Ended June 30,					
		RevPAR		Occupancy		ADR	
		2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
<i>(in constant \$)</i>							
Composite Luxury (a)		\$ 204.28	6.9 %	70.5%	3.3% pts	\$ 289.63	1.9 %
Andaz		\$ 238.95	3.8 %	72.6%	2.3% pts	\$ 329.03	0.5 %
Grand Hyatt		\$ 174.01	5.0 %	72.1%	1.9% pts	\$ 241.22	2.2 %
Park Hyatt		\$ 255.58	9.1 %	65.6%	3.5% pts	\$ 389.38	3.1 %
The Unbound Collection by Hyatt		\$ 226.93	9.8 %	69.6%	6.1% pts	\$ 325.92	0.2 %
Composite Upper-Upscale (b)		\$ 145.30	4.2 %	71.7%	2.6% pts	\$ 202.56	0.4 %
Hyatt Centric		\$ 169.68	7.0 %	78.1%	5.2% pts	\$ 217.38	(0.1)%
Hyatt Regency		\$ 142.85	3.7 %	70.9%	2.3% pts	\$ 201.37	0.3 %
JdV by Hyatt		\$ 123.07	6.0 %	68.6%	2.2% pts	\$ 179.45	2.7 %
Composite Upscale & Upper Midscale (c)		\$ 115.92	2.6 %	76.4%	1.6% pts	\$ 151.80	0.5 %
Hyatt House		\$ 134.95	3.2 %	79.1%	2.2% pts	\$ 170.54	0.2 %
Hyatt Place		\$ 114.61	2.8 %	75.8%	1.6% pts	\$ 151.17	0.7 %
UrCove		\$ 43.64	(12.7)%	72.0%	(3.2)% pts	\$ 60.64	(8.8)%
<i>(in reported \$)</i>							
		Net Package RevPAR		Occupancy		Net Package ADR	
		2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
Composite All-inclusive (d)(e)		\$ 226.04	3.0 %	74.0%	1.5% pts	\$ 305.27	0.9 %
Dreams Resorts & Spas		\$ 203.03	6.9 %	72.1%	2.6% pts	\$ 281.69	3.0 %
Secrets Resorts & Spas		\$ 285.42	3.5 %	72.5%	0.4% pts	\$ 393.82	3.0 %
Alua Hotels & Resorts		\$ 95.03	11.5 %	82.7%	3.9% pts	\$ 114.97	6.3 %
		Six Months Ended June 30,					
		RevPAR		Occupancy		ADR	
		2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
<i>(in constant \$)</i>							
Composite Luxury (a)		\$ 201.08	7.9 %	68.5%	3.4% pts	\$ 293.42	2.5 %
Andaz		\$ 236.66	4.1 %	70.6%	2.9% pts	\$ 335.28	(0.3)%
Grand Hyatt		\$ 176.62	6.6 %	70.8%	2.4% pts	\$ 249.33	2.9 %
Park Hyatt		\$ 270.95	12.0 %	65.8%	3.6% pts	\$ 411.48	5.9 %
The Unbound Collection by Hyatt		\$ 185.54	10.7 %	62.5%	4.9% pts	\$ 296.65	2.0 %
Composite Upper-Upscale (b)		\$ 135.18	4.6 %	67.7%	2.4% pts	\$ 199.56	0.8 %
Hyatt Centric		\$ 158.81	9.1 %	74.5%	6.1% pts	\$ 213.07	0.2 %
Hyatt Regency		\$ 134.33	3.9 %	67.2%	2.0% pts	\$ 199.98	0.8 %
JdV by Hyatt		\$ 102.46	5.4 %	61.3%	2.0% pts	\$ 167.05	2.0 %
Composite Upscale & Upper Midscale (c)		\$ 105.07	2.1 %	71.4%	1.2% pts	\$ 147.15	0.4 %
Hyatt House		\$ 122.74	2.6 %	74.2%	1.8% pts	\$ 165.52	0.2 %
Hyatt Place		\$ 103.61	2.1 %	70.7%	1.1% pts	\$ 146.53	0.5 %
UrCove		\$ 41.97	(4.6)%	69.6%	0.5% pts	\$ 60.27	(5.4)%
<i>(in reported \$)</i>							
		Net Package RevPAR		Occupancy		Net Package ADR	
		2024	vs. 2023	2024	vs. 2023	2024	vs. 2023
Composite All-inclusive (d)(e)		\$ 267.34	7.4 %	77.5 %	2.7% pts	\$ 345.18	3.7 %
Dreams Resorts & Spas		\$ 241.85	11.2 %	76.6 %	3.8% pts	\$ 315.70	5.7 %
Secrets Resorts & Spas		\$ 328.99	6.1 %	76.3 %	2.2% pts	\$ 430.97	3.0 %
Alua Hotels & Resorts		\$ 92.60	14.0 %	82.9 %	2.8% pts	\$ 111.64	10.0 %

(a) Includes Alila, Andaz, Destination by Hyatt, Grand Hyatt, Miraval, Park Hyatt, The Unbound Collection by Hyatt, and Thompson Hotels.

(b) Includes Hyatt, Hyatt Centric, Hyatt Regency, and JdV by Hyatt.

(c) Includes Caption by Hyatt, Hyatt House, Hyatt Place, and UrCove.

(d) Includes Alua Hotels & Resorts, Breathless Resorts & Spas, Dreams Resorts & Spas, Hyatt Zilara, Hyatt Ziva, Impressions by Secrets, Secrets Resorts & Spas, Sunscape Resorts & Spas, and Zoëtry Wellness & Spa Resorts.

(e) Certain resorts in Europe operate under a hybrid all-inclusive model, which includes various all-inclusive package options as well as rooms-only options.

Hyatt Hotels Corporation

Properties and Rooms by Geography and Brand

June 30, 2024

	Managed (a)		Franchised		Owned and Leased (b)		Total	
	Properties	Rooms	Properties	Rooms	Properties	Rooms	Properties	Rooms
<i>Geography:</i>								
United States	171	62,108	513	86,415	16	8,407	700	156,930
Americas (excluding United States)	31	9,347	37	5,784	4	1,196	72	16,327
Greater China	106	31,977	60	10,632	—	—	166	42,609
Asia Pacific (excluding Greater China)	118	30,194	12	3,121	—	—	130	33,315
Europe	48	11,327	64	10,828	4	1,059	116	23,214
Middle East & Africa	42	10,113	1	250	—	—	43	10,363
System-wide hotels (c)	516	155,066	687	117,030	24	10,662	1,227	282,758
Americas (excluding United States)	72	27,113	8	3,153	—	—	80	30,266
Europe (d)	39	11,208	—	—	6	1,275	45	12,483
System-wide all-inclusive resorts	111	38,321	8	3,153	6	1,275	125	42,749
System-wide (e)	627	193,387	695	120,183	30	11,937	1,352	325,507
<i>Brand:</i>								
Alila	16	1,758	—	—	—	—	16	1,758
Andaz	26	5,910	1	715	2	507	29	7,132
Destination by Hyatt	11	2,374	8	3,769	—	—	19	6,143
Grand Hyatt	58	30,770	3	1,331	2	903	63	33,004
Miraval	—	—	—	—	3	383	3	383
Park Hyatt	43	8,057	—	—	3	548	46	8,605
The Unbound Collection by Hyatt	17	2,966	28	5,037	—	—	45	8,003
Thompson Hotels	16	3,280	3	662	—	—	19	3,942
Dream Hotels	4	808	1	178	—	—	5	986
Hyatt	6	1,087	6	969	1	1,298	13	3,354
Hyatt Centric	30	6,295	30	5,895	1	138	61	12,328
Hyatt Regency	171	71,665	62	20,501	8	6,091	241	98,257
JdV by Hyatt	14	2,132	47	7,403	—	—	61	9,535
Caption by Hyatt	2	390	1	167	—	—	3	557
Hyatt House	23	3,268	111	15,759	—	—	134	19,027
Hyatt Place	78	13,506	344	48,404	4	794	426	62,704
UrCove	—	—	42	6,240	—	—	42	6,240
Breathless Resorts & Spas	6	2,311	—	—	—	—	6	2,311
Dreams Resorts & Spas	30	12,666	—	—	—	—	30	12,666
Hyatt Vivid Hotels & Resorts	1	400	—	—	—	—	1	400
Hyatt Zilara	1	291	3	919	—	—	4	1,210
Hyatt Ziva	1	438	5	2,234	—	—	6	2,672
Impression by Secrets	2	323	—	—	—	—	2	323
Secrets Resorts & Spas	26	9,697	—	—	—	—	26	9,697
Zoëtry Wellness & Spa Resorts	7	541	—	—	—	—	7	541
Sunscape Resorts & Spas	8	3,820	—	—	—	—	8	3,820
Alua Hotels & Resorts	29	7,834	—	—	6	1,275	35	9,109
Other	1	800	—	—	—	—	1	800
System-wide (e)(f)	627	193,387	695	120,183	30	11,937	1,352	325,507
Hyatt Vacation Club							22	1,997
Residential							38	4,324

(a) Includes properties that the Company manages or provides services to.

(b) Figures do not include unconsolidated hospitality ventures.

(c) Figures do not include all-inclusive properties.

(d) Certain resorts in Europe operate under a hybrid all-inclusive model, which includes various all-inclusive package options as well as rooms-only options.

(e) Figures do not include vacation and residential units.

(f) Includes thirteen properties that Hyatt currently intends to rebrand to the respective brand at a future date and four non-branded managed properties.

Hyatt Hotels Corporation

Reconciliation of Non-GAAP Financial Measure: Reconciliation of Net Income Attributable to Hyatt Hotels Corporation to Adjusted EBITDA

<i>(in millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Hyatt Hotels Corporation	\$ 359	\$ 68	\$ 881	\$ 126
Interest expense	40	31	78	64
Provision for income taxes	103	27	122	74
Depreciation and amortization	84	99	176	197
Contra revenue	16	12	29	22
Revenues for reimbursed costs	(842)	(784)	(1,644)	(1,513)
Reimbursed costs	853	789	1,689	1,538
Transaction and integration costs (a)	10	10	18	23
Equity (earnings) losses from unconsolidated hospitality ventures	30	1	(45)	3
Stock-based compensation expense (b)	15	16	46	48
(Gains) losses on sales of real estate and other	(350)	—	(753)	—
Asset impairments	—	5	17	7
Other (income) loss, net	(28)	(12)	(82)	(67)
Pro rata share of unconsolidated owned and leased hospitality ventures'				
Adjusted EBITDA	17	17	34	31
Adjusted EBITDA	\$ 307	\$ 279	\$ 566	\$ 553

(a) During the three months ended June 30, 2024, the Company revised its definition of Adjusted EBITDA to exclude transaction and integration costs, and recast prior-period results to provide comparability. The revised definition excludes transaction costs previously recognized in general and administrative expenses and integration costs. Previously, only transaction costs recognized in gains (losses) on sales of real estate and other and other income (loss), net were excluded from Adjusted EBITDA. As these costs may vary in frequency or magnitude, the Company believes the revised definition presents a more representative measure of its core operations, assists in the comparability of results, and provides information consistent with how management evaluates operating performance. Refer to page A-10 for an explanation of how the Company utilizes Adjusted EBITDA, why the Company presents it, and material limitations on its usefulness.

(b) Includes amounts recognized in general and administrative expenses and distribution expenses.

Hyatt Hotels Corporation

Reconciliation of Non-GAAP Financial Measure: G&A Expenses to Adjusted G&A Expenses

Results of operations as presented on the condensed consolidated statements of income include expenses recognized with respect to deferred compensation plans funded through rabbi trusts. Certain of these expenses are recognized in G&A expenses and are completely offset by the corresponding net gains (losses) and interest income from marketable securities held to fund rabbi trusts, thus having no net impact to our earnings (losses). G&A expenses also include expenses related to stock-based compensation. Below is a reconciliation of this measure excluding the impact of our rabbi trust investments and stock-based compensation expense.

<i>(in millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
G&A expenses	\$ 117	\$ 134	\$ 286	\$ 289
Less: Rabbi trust impact	(4)	(15)	(26)	(31)
Less: Stock-based compensation expense	(14)	(15)	(43)	(46)
Adjusted G&A Expenses	\$ 99	\$ 104	\$ 217	\$ 212

The table below provides a segment breakdown for Adjusted G&A Expenses:

<i>(in millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Management and franchising	\$ 60	\$ 48	\$ 123	\$ 101
Owned and leased	2	3	5	5
Distribution	—	12	6	23
Overhead	37	41	83	83
Adjusted G&A Expenses	\$ 99	\$ 104	\$ 217	\$ 212

Hyatt Hotels Corporation

Reconciliation of Non-GAAP Financial Measure: Net Income Attributable to Hyatt Hotels Corporation and Diluted Earnings per Class A and Class B Share to Adjusted Net Income Attributable to Hyatt Hotels Corporation and Adjusted Diluted Earnings per Class A and Class B Share

(in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to Hyatt Hotels Corporation	\$ 359	\$ 68	\$ 881	\$ 126
Diluted earnings per share	\$ 3.46	\$ 0.63	\$ 8.42	\$ 1.16
Special items:				
(Gains) losses on sales of real estate and other (a)	(350)	—	(753)	—
Contingent consideration liability fair value adjustments (b)	(7)	(1)	(11)	(1)
Unconsolidated hospitality ventures (c)	10	—	(69)	—
Fund (surpluses) deficits (d)	(1)	(5)	19	6
Asset impairments (e)	—	5	17	7
Utilization of Avendra and other proceeds (f)	4	4	10	8
Transaction and integration costs (g)	10	10	18	23
Unrealized (gains) losses (h)	15	18	2	(25)
Other	(1)	1	(1)	2
Special items - pre-tax	(320)	32	(768)	20
Income tax (provision) benefit for special items (i)	119	(7)	126	(3)
Total special items - after-tax	\$ (201)	\$ 25	\$ (642)	\$ 17
Special items impact per diluted share	\$ (1.93)	\$ 0.23	\$ (6.13)	\$ 0.16
Adjusted net income attributable to Hyatt Hotels Corporation	\$ 158	\$ 93	\$ 239	\$ 143
Adjusted diluted earnings per share	\$ 1.53	\$ 0.86	\$ 2.29	\$ 1.32

(a) During the three months ended June 30, 2024 (Q2 2024), we recognized pre-tax gains related to the sales of Park Hyatt Zurich (\$257 million) and Hyatt Regency San Antonio Riverwalk (\$100 million) and a pre-tax loss related to the sale of Hyatt Regency Green Bay (\$4 million) in gains (losses) on sales of real estate and other on our condensed consolidated statements of income. Additionally, during the six months ended June 30, 2024 (YTD 2024), we recognized pre-tax gains related to the completion of the transaction that resulted in the sale of 80% of the entity that owns the Unlimited Vacation Club business (\$231 million) and the sale of the shares of the entities that own Hyatt Regency Aruba Resort Spa and Casino (\$172 million) in gains (losses) on sales of real estate and other on our condensed consolidated statements of income.

(b) During Q2 2024, YTD 2024, Q2 2023, and the six months ended June 30, 2023 (YTD 2023), we recognized fair value adjustments related to the Dream Hotel Group contingent consideration liability in other income (loss), net on our condensed consolidated statements of income.

(c) During Q2 2024, we recognized a \$10 million impairment charge related to one of our unconsolidated hospitality ventures. During YTD 2024, we recognized a \$79 million non-cash pre-tax gain related to the dilution of our ownership interest in an unconsolidated hospitality venture in India in equity earnings (losses) from unconsolidated hospitality ventures on our condensed consolidated statements of income.

(d) During Q2 2024 and Q2 2023, we recognized net surpluses and during YTD 2024 and YTD 2023, we recognized net deficits, which we intend to recover in future periods, on certain funds due to the timing of revenue and expense recognition in revenues for reimbursed costs, reimbursed costs, and other income (loss), net on our condensed consolidated statements of income.

(e) During YTD 2024, we recognized a \$15 million goodwill impairment charge in connection with the sale of the shares of the entities that own Hyatt Regency Aruba Resort Spa and Casino in asset impairments on our condensed consolidated statements of income. During Q2 2023 and YTD 2023, we recognized \$5 million and \$7 million, respectively, of asset impairment charges related to intangible assets, primarily as a result of contract terminations in asset impairments on our condensed consolidated statements of income.

(f) During Q2 2024, YTD 2024, Q2 2023, and YTD 2023, we recognized expenses related to the partial utilization of the Avendra LLC sale proceeds for the benefit of our hotels in reimbursed costs and depreciation and amortization expenses on our condensed consolidated statements of income. The gain recognized in conjunction with the sale of Avendra LLC was included as a special item during the year ended December 31, 2017.

(g) During Q2 2024 and YTD 2024, we recognized costs primarily related to pending transactions and the integrations of Apple Leisure Group, Dream Hotel Group, and Mr & Mrs Smith in transaction and integration costs on our condensed consolidated statements of income. During Q2 2023 and YTD 2023, we recognized costs primarily related to the acquisitions and integrations of Dream Hotel Group and Mr & Mrs Smith, the integration of Apple Leisure Group, and costs related to pending transactions in transaction and integration costs on our condensed consolidated statements of income.

(h) During Q2 2024, Q2 2023, and YTD 2024, we recognized unrealized losses and during YTD 2023, we recognized unrealized gains due to the change in fair value of our marketable securities in other income (loss), net on our condensed consolidated statements of income.

(i) Q2 2024 includes a \$61 million tax impact related to certain YTD 2024 transactions.

Hyatt Hotels Corporation

Impact of Sold Hotels to Owned and Leased Segment Adjusted EBITDA

(in millions)

	Fiscal Year 2024				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year to Date
Owned and leased hotels (a)	\$ 45	\$ 62			\$ 107
Less: Contribution from sold owned and leased hotels (b)	(12)	(2)			(14)
Owned and leased hotels less contribution from sold hotels (c)	\$ 33	\$ 60			\$ 93
Pro rata share of unconsolidated hospitality ventures	\$ 17	\$ 17			\$ 34
Less: Contribution from sold unconsolidated hospitality ventures (d) (e) (f)	(1)	—			(1)
Pro rata share of unconsolidated hospitality ventures less contribution from sold unconsolidated hospitality ventures (g)	\$ 16	\$ 17			\$ 33
	Fiscal Year 2023				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year 2023
Owned and leased hotels (a)	\$ 59	\$ 68	\$ 58	\$ 71	\$ 256
Less: Contribution from sold owned and leased hotels (b)	(19)	(15)	(15)	(16)	(65)
Owned and leased hotels less contribution from sold hotels (c)	\$ 40	\$ 53	\$ 43	\$ 55	\$ 191
Pro rata share of unconsolidated hospitality ventures	\$ 14	\$ 17	\$ 14	\$ 19	\$ 64
Less: Contribution from sold unconsolidated hospitality ventures (d) (e) (f)	(1)	(1)	—	(1)	(3)
Pro rata share of unconsolidated hospitality ventures less contribution from sold unconsolidated hospitality ventures (g)	\$ 13	\$ 16	\$ 14	\$ 18	\$ 61

(a) Owned and leased hotels has been recast for comparability as a result of the Company's revised definition of Adjusted EBITDA.

(b) Contribution from sold owned and leased hotels represents the Adjusted EBITDA contribution in each period for hotels that have been sold as of June 30, 2024 and entered into long-term management or franchise agreements, and excludes fee income retained upon sale. Hotels that have been sold include Hyatt Regency Aruba Resort Spa and Casino (1Q24), Park Hyatt Zurich (2Q24), Hyatt Regency San Antonio Riverwalk (2Q24), and Hyatt Regency Green Bay (2Q24).

(c) Owned and leased hotels less contribution from sold hotels represents the Adjusted EBITDA contribution from all owned and leased hotels that remain in Hyatt's portfolio as of June 30, 2024.

(d) Contribution from sold unconsolidated hospitality ventures represents Hyatt's pro rata share of unconsolidated hospitality ventures' Adjusted EBITDA contribution in each period for unconsolidated hospitality ventures that have been sold as of June 30, 2024. Unconsolidated hospitality ventures that have been sold include Hyatt Place Panama City / Downtown (1Q23).

(e) Contribution from sold unconsolidated hospitality ventures includes the pro rata share of unconsolidated hospitality ventures' Adjusted EBITDA contribution from one property for which the operating lease was terminated during the three months ended March 31, 2023.

(f) Contribution from sold unconsolidated hospitality ventures includes the net impact to pro rata share of unconsolidated hospitality ventures' Adjusted EBITDA contribution from one of our unconsolidated hospitality ventures in India, for which our ownership percentage was diluted from 50.0% to 38.8% as a result of its initial public offering.

(g) Pro rata share of unconsolidated hospitality ventures less contribution from sold unconsolidated hospitality ventures represents Hyatt's pro rata share of unconsolidated hospitality ventures' Adjusted EBITDA contribution from all unconsolidated hospitality ventures that remain in Hyatt's portfolio as of June 30, 2024.

Hyatt Hotels Corporation

Reconciliation of Non-GAAP Financial Measures: Outlook: Net Income to Adjusted EBITDA; G&A Expenses to Adjusted G&A Expenses; and Net cash provided by operating activities to Free Cash Flow

No additional disposition or acquisition activity beyond what has been completed as of the date of this release has been included in the 2024 Outlook. The Company's 2024 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 the Company will achieve these results. Results of operations as presented on the condensed consolidated statements of income include expenses recognized with respect to deferred compensation plans funded through rabbi trusts. Certain of these expenses are recognized in G&A expenses and are completely offset by the corresponding net gains (losses) and interest income from marketable securities held to fund rabbi trusts, thus having no net impact to our earnings (losses). G&A expenses also include expenses related to stock-based compensation. Below is a reconciliation of this forecasted measure excluding the impact of our rabbi trust investments and forecasted stock-based compensation expense.

(in millions)

	Year Ended December 31, 2024 Outlook Range	
	Low Case	High Case
Net income attributable to Hyatt Hotels Corporation	\$ 1,055	\$ 1,115
Interest expense	175	175
Provision for income taxes	161	191
Depreciation and amortization	345	345
Contra revenue	56	56
Reimbursed costs, net of revenues for reimbursed costs	108	98
Transaction and integration costs	26	21
Equity (earnings) losses from unconsolidated hospitality ventures	(41)	(61)
Stock-based compensation expense	73	73
(Gains) losses on sales of real estate	(748)	(758)
Asset impairments	17	17
Other (income) loss, net	(157)	(167)
Pro rata share of unconsolidated owned and leased hospitality ventures' Adjusted EBITDA	65	70
Adjusted EBITDA	<u><u>\$ 1,135</u></u>	<u><u>\$ 1,175</u></u>
	Year Ended December 31, 2024 Outlook Range	
	Low Case	High Case
G&A expenses	\$ 495	\$ 505
Less: Rabbi trust impact	—	—
Less: Stock-based compensation expense	(70)	(70)
Adjusted G&A Expenses	<u><u>\$ 425</u></u>	<u><u>\$ 435</u></u>
	Year Ended December 31, 2024 Outlook Range	
	Low Case	High Case
Net cash provided by operating activities	\$ 730	\$ 780
Capital expenditures	(170)	(170)
Free Cash Flow	<u><u>\$ 560</u></u>	<u><u>\$ 610</u></u>

Definitions

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

We use the term Adjusted EBITDA throughout this earnings release. Adjusted EBITDA, as we define it, is a measure that is not recognized in accordance with accounting principles generally accepted in the United States of America ("GAAP"). We define consolidated Adjusted EBITDA as net income (loss) attributable to Hyatt Hotels Corporation plus our pro rata share of unconsolidated owned and leased hospitality ventures' Adjusted EBITDA based on our ownership percentage of each owned and leased venture, adjusted to exclude the following items:

- interest expense;
- benefit (provision) for income taxes;
- depreciation and amortization;
- amortization of management and hotel services agreement and franchise agreement assets and performance cure payments, which constitute payments to customers ("Contra revenue");
- revenues for reimbursed costs;
- reimbursed costs that we intend to recover over the long term;
- transaction and integration costs;
- equity earnings (losses) from unconsolidated hospitality ventures;
- stock-based compensation expense;
- gains (losses) on sales of real estate and other;
- 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 overhead Adjusted EBITDA.

Our board of directors and executive management team focus on Adjusted EBITDA as one of the key performance and compensation measures 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 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 with the same information that we use internally for purposes of assessing our operating performance and making compensation decisions and facilitates our comparison of results with results from other companies within our industry.

Adjusted EBITDA excludes certain items that can vary widely across different industries and among companies within the same industry, including interest expense and benefit (provision) for income taxes, which are dependent on company specifics, including capital structure, credit ratings, tax policies, and jurisdictions in which they operate; depreciation and amortization, which are dependent on company policies including how the assets are utilized as well as the lives assigned to the assets; Contra revenue, which is dependent on company policies and strategic decisions regarding payments to hotel owners; and stock-based compensation expense, which varies among companies as a result of different compensation plans companies have adopted. We exclude revenues for reimbursed costs and reimbursed costs which relate to the reimbursement of payroll costs and for system-wide services and programs that we operate for the benefit of our hotel owners as contractually we do not provide services or operate the related programs to generate a profit over the terms of the respective contracts. Over the long term, these programs and services are not designed to impact our economics, either positively or negatively. Therefore, we exclude the net impact when evaluating period-over-period changes in our operating results. Adjusted EBITDA includes reimbursed costs related to system-wide services and

programs that we do not intend to recover from hotel owners. Finally, we exclude other items that are not core to our operations and may vary in frequency or magnitude, such as transaction and integration costs, asset impairments, unrealized and realized gains and losses on marketable securities, and gains and losses on sales of real estate and other.

Adjusted EBITDA is not a substitute for net income (loss) attributable to Hyatt Hotels Corporation, net income (loss), or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Adjusted 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 (loss) generated by our business. Our management compensates for these limitations by referencing our GAAP results and using Adjusted EBITDA supplementally.

Adjusted General and Administrative ("G&A") Expenses

Adjusted G&A Expenses, as we define it, is a non-GAAP measure. Adjusted G&A Expenses exclude the impact of deferred compensation plans funded through rabbi trusts and stock-based compensation expense. Adjusted G&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.

Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Losses) per Class A and Class B Share ("EPS")

Adjusted Net Income (Loss) and Adjusted Diluted EPS, as we define them, are non-GAAP measures. We define Adjusted Net Income (Loss) as net income (loss) attributable to Hyatt Hotels Corporation excluding special items, which are those items deemed not to be reflective of ongoing operations. We define Adjusted Diluted EPS as Adjusted Net Income (Loss) per diluted share. We consider Adjusted Net Income (Loss) and Adjusted Diluted EPS to be an indicator of operating performance because excluding special items allows for period-over-period comparisons of our ongoing operations.

Adjusted Net Income (Loss) and Adjusted Diluted EPS are not a substitute for Net Income (Loss) attributable to Hyatt Hotels Corporation, net income (loss), diluted earnings (losses) per share, or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Adjusted net income (loss) and Adjusted Diluted EPS. Although we believe that Adjusted Net Income (Loss) and Adjusted Diluted EPS can make an evaluation of our operating performance more consistent because they remove special items that are deemed not to be reflective of ongoing operations, other companies in our industry may define Adjusted Net Income (Loss) and Adjusted Diluted EPS differently than we do. As a result, it may be difficult to use Adjusted Net Income (Loss) or Adjusted Diluted EPS 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 (Loss) and Adjusted Diluted EPS should not be considered as measures of the income (loss) and earnings (losses) per share generated by our business. Our management compensates for these limitations by reference to its GAAP results and using Adjusted Net Income (Loss) and Adjusted Diluted EPS supplementally.

Asset-Light Earnings Mix

Asset-Light Earnings Mix is calculated as Adjusted EBITDA from the management and franchising segment and distribution segment divided by Adjusted EBITDA, excluding overhead and eliminations. Our management uses this calculation to assess the composition of the Company's earnings.

Average Daily Rate ("ADR")

ADR represents hotel room revenues, divided by the total number of rooms sold in a given period. ADR measures the 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 below.

Comparable system-wide and Comparable owned and leased

"Comparable system-wide" represents all properties we manage, franchise, or provide services to, including owned and leased properties, 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. Comparable system-wide also excludes properties for which comparable results are not available. We may use variations of comparable system-wide to specifically refer to comparable system-wide hotels, including our wellness resorts, or our all-inclusive resorts, for those properties that we manage, franchise, or provide services to within the management and franchising segment. "Comparable owned and leased" represents all properties we own or lease 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. Comparable owned and leased also excludes properties for which comparable results are not available. We may use variations of comparable owned and leased to specifically refer to comparable owned and leased hotels, including our wellness resorts, or our all-inclusive resorts, for those properties that we own or lease within the owned and leased segment. Comparable system-wide and comparable owned and leased are commonly used as a basis of measurement in our industry. "Non-comparable system-wide" or "non-comparable owned and leased" represent all properties 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.

Free Cash Flow

Free Cash Flow represents net cash provided by operating activities less capital expenditures. We believe Free Cash Flow to be a useful liquidity measure to us and investors to evaluate the ability of our operations to generate cash for uses other than capital expenditures and, after debt service and other obligations, our ability to grow our business through acquisitions and investments, as well as our ability to return cash to shareholders through dividends and share repurchases. Free Cash Flow is not necessarily a representation of how we will use excess cash. Free Cash Flow is not a substitute for net cash provided by operating activities or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Free Cash Flow and management compensates for these limitations by referencing our GAAP results and using Free Cash Flow supplementally.

Net Package ADR

Net Package ADR represents net package revenues divided by the total number of rooms sold in a given period. Net package revenues generally include revenue derived from the sale of package revenue at all-inclusive resorts comprised of rooms revenue, food and beverage, and entertainment, net of compulsory tips paid to employees. Net Package ADR measures the average room price attained by a hotel, and Net Package ADR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. Net Package ADR is a commonly used performance measure in our industry, and we use Net Package 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.

Net Package Revenue per Available Room ("RevPAR")

Net Package RevPAR is the product of the Net Package ADR and the average daily occupancy percentage. Net Package RevPAR generally includes revenue derived from the sale of package revenue comprised of rooms revenue, food and beverage, and entertainment, net of compulsory tips paid to employees. Our management uses Net Package RevPAR to identify trend information with respect to room revenues from comparable properties and to evaluate hotel performance on a regional and segment basis. Net Package RevPAR is a commonly used performance measure in our industry.

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.

RevPAR

RevPAR is the product of the 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.