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**MELIÁ HOTELS INTERNATIONAL, S.A.**, in compliance with article 82 of the Spanish Law on the Securities Market, notifies the Spanish Securities and Exchange Commission of the following:

### RELEVANT FACT

The Board of Directors of **MELIÁ HOTELS INTERNATIONAL, S.A.** (the "**Company**" or the "**Issuer**") on 9 September 2013, pursuant to the powers delegated by the sixth agreement of the General Shareholders' Meeting on 1 June 2011 approved the issuance of notes convertible and/or exchangeable into newly issued shares and/or existing shares of the Company (the "**Notes**") for a nominal amount of FIFTY MILLION EUROS (€50,000,000) with maturity on 4 April 2018, with the total exclusion of the pre-emption rights of the shareholders of the Company (the "**Issue**").

Pursuant to clause 16 of the Terms and Conditions of the EUR 200,000,000 4.50 per cent. Convertible and/or Exchangeable Notes of Meliá Hotels International, S.A., 2013 due 2018 issued on 4 April 2013 (the "Original Notes") approved by the Board of Directors on 20 March 2013 also upon the powers delegated by the General Shareholders' Meeting on 1 June 2011, the current Issue increases the previous notes issue approved on 20 March 2013 and it has the same terms and conditions that the previous notes issue (except as described below). Both issues will form a single series of convertible and/or exchangeable notes.

Therefore, the Company has instructed UBS Limited, as Bookrunner and Underwriter for the Issue (the "**Underwriter**") to conduct an accelerated bookbuilding process, with the aim of identifying national and/or international qualified investors interested in the subscription of the Notes, and to that effect the Company has entered into a subscription and underwriting agreement with the Underwriter (the "**Subscription Agreement**"), subject to English law.

The Board of Directors has agreed the terms and conditions of the Issue (the "**Terms and Conditions**"), which are identical to the terms and conditions of the Original Notes. The issue price of such Notes remains outstanding. The Managing Director of the Company will determine the issue price, on behalf of the Company pursuant to such delegated powers, once the accelerated bookbuilding process is concluded, which is expected to be conducted today after the issuance of this Relevant Fact. In light of current market conditions, the initial price marketing range has been set at 107.5% and 109.5% of the principal amount of the Notes, plus interest accrued from (and including) 4 July 2013 to (and excluding) the Closing Date (as defined below).

The main Terms and Conditions of the Issue are as follows:

- (a) The amount of the Issue is FIFTY MILLION EUROS (€50,000,000).
- (b) The Issue is managed and underwritten by UBS Limited.
- (c) The Issue shall be directed to qualified Spanish and/or foreign investors, in compliance with article 39 of Royal Decree 1310/2005, of 4 November, European Union Law and the equivalent law of other jurisdictions.
- (d) The Notes shall be in registered form and in denominations of ONE HUNDRED THOUSAND EUROS (€100,000).

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- (e) The issue price of the Notes shall include a premium pending to be determined over the principal amount of the Notes, plus the accrued interest from (and including) 4 July 2013 to (and excluding) the Closing Date.
- (f) The Notes shall bear interest at the rate of 4.50% per annum payable quarterly in arrear.
- (g) The redemption price of the Notes shall be 100% of their nominal amount.
- (h) The Notes shall be convertible and/or exchangeable into (i) ordinary existing shares and/or newly issued shares of the Company, (ii) cash, or (iii) a combination of cash and/or existing ordinary shares and/or newly issued shares of the Company, at the choice of the Issuer.
- (i) The conversion price is fixed at €7.3180 per ordinary share. The conversion price fulfils the criteria established by the General Shareholders' Meeting of 1 June 2011.
- (j) In any case, from 19 April 2016, the Company shall have the right to redeem all the Notes that are still in circulation, if the price of the shares of the Company is greater than 130% or more than the conversion price, as determined in the Terms and Conditions. Furthermore, the Company shall have the right to redeem all the Notes still in circulation if 90% of the Notes have been converted or exchanged and/or acquired and cancelled and/or redeemed.
- (k) The Company will be universally liable (*responsabilidad patrimonial universal*) for the Issue.
- (l) The Notes will be admitted to trading on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange, according with the Market rules, on the Closing Date.
- (m) The Company shall accept a lock-up undertaking of 90 days from the signing of the Subscription Agreement, pursuant to which it will undertake not to issue, offer or sell shares or other securities convertible or exchangeable into shares, subject to certain exceptions.
- (n) The subscription and disbursement of the Notes shall take place at the date of closing, initially expected for the 25 September 2013 (the "**Closing Date**"), as long as the conditions of the Subscription Agreement are complied with.

It is noted that the Terms and Conditions of the Notes and the Subscription Agreement are subject to English law. However, the capacity of the Company with respect to the Issue, the relevant corporate agreements, the appointment of the Commissioner and the constitution of the Syndicate of Noteholders shall be governed by Spanish law.

The Company informs that, pursuant to the consolidation of this Issue with the Original Notes, the Syndicate of Noteholders to be constituted for this Issue shall be the "*SYNDICATE OF NOTEHOLDERS OF THE ISSUE OF CONVERTIBLE AND/OR EXCHANGEABLE NOTES OF MELIÁ HOTELS INTERNATIONAL, S.A., 2013*", which shall be governed by its Regulations (the provisional text of which was approved on 20 March 2013 and has been ratified by the Board of Directors for this Issue) and the Spanish Companies Act. In addition, for the same reasons, the Board of Directors has ratified Bank of New York Mellon as Provisional Commissioner of the Syndicate of Noteholders, until its confirmation in the position or its substitution on the first General Meeting of Noteholders that takes places. This General Meeting will be the same for the Noteholders of both issues, once consolidated into a single series, and shall take place as soon as practicable after the Closing Date.

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Finally, the Company expects that the Issue shall not affect the conversion prices of (i) the €200,000,000 5.00 per cent. Senior Unsecured Convertible Notes issued in 2009 and maturing 18 December 2014 nor (ii) the €200,000,000 4.50 per cent. Senior Unsecured Convertible Notes issued in 4 April 2013 and maturing in 4 April 2018. In accordance with the terms and conditions of such issues, the Company has requested an independent financial advisor to issue a report on the potential impact of the present Issue on the above mentioned conversion prices.

In Palma de Mallorca, 10 September 2013

Gabriel Escarrer Jaume  
Managing Director of Meliá Hotels International, S.A.

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