

According to Article 228 of the consolidated text of the Securities Market Act and its related legislation, MELIÁ HOTELS INTERNATIONAL S.A. makes public the following:

SIGNIFICANT EVENT

Meliá Hotels International S.A. reports that on July 11, 2018, it signed an agreement to sell the hotels Meliá Sevilla, Sol La Palma and Sol Jandía Mar, located in Seville, Santa Cruz de Tenerife and Fuerteventura, respectively. The hotels were sold to ATOM HOTELES SOCIMI, S.A., a real estate investment trust backed, among others, by Bankinter, S.A.

After the above-mentioned sales and as part of the agreements reached, Meliá Hotels International S.A. will continue managing the hotels under variable lease contracts for a 5-year period, with the possibility of extending them, at its sole discretion, for up to 4 additional periods until a maximum of 25 years.

Total proceeds have been €73.4M, implying a valuation of €66,000 per room and an EBITDA multiple of 13.9x. Also, the net capital gain generated has been €6.6M.

The deal encompasses both in the strategy of adaptation of our hotels to our brands attributes, as well as in the asset rotation strategy for our non-core assets, taking advantage from the real estate market momentum, among other aspects .

A detailed description of the deal has been attached.

Palma de Mallorca, July 13. 2018.

Main Characteristics of the Deal

- Sale of the hotels **Meliá Sevilla, Sol La Palma, Sol Jandía Mar** to ATOM HOTELES SOCIMI, S.A., backed by Bankinter, for **€73.4M** implying a valuation of **€66k per room**.
- Sale implies an EBITDA multiple of **13.9X**
- Estimated **Net Capital Gain of €6.6M**
- **CAPEX commitment** by the acquirer of **€20.2M**, which will allow a full repositioning of the hotels. Post-CAPEX price per room of **€83k**
- **Variable lease contract**, with a guaranteed minimum, for a 5-year period, with the possibility of extending the contract up to 4 additional periods at the sole discretion of Meliá. (Maximum 25 years).
- **Variable rent: 25% of total revenues.**
- **Long-term sustainable contract**, with a **fixed rent coverage ratio of 2.3x** – Estimated cash flows generated by the lease contract, in the first 5 years of over **€13M**
- Contract includes a clause aimed at limiting future losses