

**MELIÁ HOTELS INTERNATIONAL, S.A.** (the “**Company**” or “**MHI**”), in accordance with the provisions of article 17 of Regulation (EU) N° 596/2014, of April 16, on market abuse and article 228 of the Royal Legislative Decree 4/2015, of 23 October, that approves restated text of the Securities Market Law, announces to the National Securities Market Commission (**CNMV**) the following information:

According to Royal Decree 1362/2007, of October 19, developing the Law 24/1988, of July 28, of the Securities Market, with regards to the transparency requirements regarding the information of issuers whose securities are admitted to trading on an official secondary market or in any other regulated market in the European Union (“**RD 1362/2007**”), on today’s date, Mr. Gabriel Escarrer Juliá and the companies Hoteles Mallorquines Consolidados, S.L., Hoteles Mallorquines Agrupados, S.L., Hoteles Mallorquines Asociados, S.L. and Majorcan Hotels Exlux, S.L.U. (the “**Commercial Companies**”), after consulting with the CNMV, have submitted to the CNMV and the Company, new notifications of major holdings over MHI and an excerpt of the Shareholders Agreement of which the abovementioned that issue this communication are a party.

*Notification of major holdings*

The notifications submitted indicate that Mr. Escarrer Juliá has ceased to hold control over MHI, in such a way that:

- (i) The companies Hoteles Mallorquines Consolidados, S.L., Hoteles Mallorquines Agrupados, S.L. and Hoteles Mallorquines Asociados, S.L. jointly communicate, for the only purposes of complying with its obligations of notification of major holdings arising out of RD 1362/2007, the total percentage of the voting rights of MHI, which is 46.972%, as a result of adding the direct and individual holdings over MHI (of 23.379%, 10.388% and 13.206%, respectively).

In the notification of major holdings referred herein, it is stated that the shareholders holding 100% of the share capital are still the members of the Escarrer Family (that is, Mr. Escarrer Juliá, his wife and their 6 children )and that there is no controlling shareholder in any of the companies, even though there is shareholders identity among them. On another note, for clarification purposes, it is stated that after the mentioned transactions there is no obligation to launch a takeover bid according to the applicable legislation.

- (ii) Mr. Escarrer Juliá notifies the voting rights of the 5.025% of MHI he holds, indirectly, through Majorcan Hotels Exlux, S.L.U., a company controlled by him.

### *Notification of the shareholders agreement*

Furthermore, on October, 5<sup>th</sup> 2018, Mr Escarrer Juliá, his wife and their 6 children, in their capacity as direct or indirect shareholders of the Commercial Companies, have entered into a shareholders agreement (the "**Shareholders Agreement**"), with the purpose of *"establishing, temporally, a qualified majority regime for the adoption of a specific and limited number of resolutions by the Shareholders General Meeting and the Board of Directors in the Commercial Companies, that affect to certain exceptional issues, maintaining each and every one of the signatories full voting freedom, thus, not acting in concert with regards to the management of the Commercial Companies or of MHI"*.

In the signatories' view, the Shareholders Agreement does not entail the establishment of a common policy concerning the management of MHI, nor has the object of influencing it in any relevant way. Neither is an agreement subject to publicity of those foreseen in sections 530 and 534 of the Spanish Companies Act (*Ley de Sociedades de Capital*), nevertheless, for the sake of transparency, the signatories have forwarded an excerpt of the Agreement to MHI and the CNMV. In the excerpt, it is established that, during an initial term of 5 years, starting when the Agreement's effects are fully deployed, which shall occur when Mr. Escarrer and his wife have deceased, a qualified majority of 80% will be required for those resolutions adopted by the general shareholders meeting of the Commercial Companies, with the exception of Majorcan Hotels Exlux, S.L., that entail a reduction of their holdings over MHI.

### *Succession process*

The transfers and agreements described herein are framed within the ordered succession process of the Escarrer family, which was already initiated by Mr. Gabriel Escarrer Juliá, in December of 2016, when he voluntarily stepped down from the office of Executive Chairman of MHI. This way, Mr. Escarrer Juliá has transferred part of his holdings over the Commercial Companies in favor of the other members of the Escarrer family, in such a way that he has ceased to hold control over these companies and, ultimately, over MHI, there being no any other member of the family that has acquired it after such transactions and not having any third party entered into their share capital of them.

It is worth mentioning that the aggregated addition of the holdings the Commercial Company hold over MHI has not changed in any way as a consequence of the foregoing and remains at 51.997%, as appears from the notifications of major holdings.

With the transfers carried out and the simultaneous entering into the Shareholders Agreement and its communication to the market, implementing the best corporate governance practices, Mr. Escarrer Juliá and the Escarrer family, as shareholder of the companies that are significant shareholders of MHI, wish to convey security and trust to the remaining shareholders of the Company in this process that take on with transparency.

In Palma de Mallorca, on October 11, 2018