MELIÁ HOTELS INTERNATIONAL, S.A. (the "**Company**"), in accordance with the provisions of the Spanish Securities Market Law, announces to the National Securities Market Commission the following:

DISCLOSURE OF INSIDE INFORMATION

The Board of Directors of the Company held on 26th February 2020, has adopted, among others and unanimously, the following decisions:

1. Approve the Annual Accounts (Balance, Profit and Loss Account, Statement of changes in equity, Statement of cash flows and Report) and Management Report (including the IAGC and the Non-Financial Information Statement) of Meliá Hotels International S.A., both on an individual basis and of its Consolidated Group, for the year ended December 31, 2019. This information, with the respective audit reports, will be available on the corporate website [www.meliahotelsinternational.com]

2. Approve the Annual Directors' Remuneration Report (IRC) for the year ended December 31, 2019. This Report will also be available on the corporate website.

3. Take note of and acknowledge the appointment of, and the acceptance of that appointment by, the External Independent Director, Mr. Fernando D'Ornellas Silva, as Chairman of the Appointments and Remuneration Committee.

4. Appoint the External Independent Director, Mrs. Carina Szpilka Lázaro, as Member of the Appointments and Remuneration Committee, at the proposal of said Committee.

   Consequently, after the previous agreements, the composition of the Appointments and Remuneration Committee is as follows:

   - Chair: Mr. Fernando d'Ornellas Silva.
   - Member: Dña. Mª Antonia Escarrer Jaume, representative of Hoteles Mallorquines Consolidados S.L.
   - Member: Mr. Francisco Javier Campo García.
   - Member: Mr. Luís María Díaz de Bustamante y Terminel.
   - Member: Ms. Cariza Szpilka Lázaro.

5. Take note of and acknowledge the appointment of, and the acceptance of that appointment by, the External Independent Director, Mr. Francisco Javier Campo García, as Chairman of the Auditing and Compliance Committee, with effect at the end of the Board session.

6. Appoint the External Independent Director, Mrs. Cristina Henríquez de Luna Basagoiti, as Member of the Auditing and Compliance Committee, a proposal from the Appointments and Remuneration Committee.

   Consequently, after the previous agreements, the composition of the Auditing and Compliance Committee will be as follows:

   - Chair: Mr. Francisco Javier Campo García.
   - Member: Mr. Juan Arena de la Mora.
   - Member: Mr. Fernando d'Ornellas Silva.
   - Member: Ms. Carina Szpilka Lázaro.
   - Member: Ms. Cristina Henríquez de Luna Basagoiti.

   Below, you will find attached a copy of both the Press Release and the 2019 Year End Earnings Release

Palma, February 26, 2020
Meliá Hotels International, S.A.

Meliá reports EBITDA excluding capital gains of €470.9 M and a net profit of €121.7 M, influenced by less extraordinary items than in 2018

The company highlights the unusual coincidence of events that happened in 2019 such as the smear campaign in some media affecting the reputation of the Dominican Republic as a tourism destination, sargassum seaweed in Mexico or the slowdown of some segments in Cuba as the most important factors, and is expecting a speedy recovery in the majority of cases

Business performance

EBITDA ex capital gains
470.9 M €
-2.3%

Recurrent revenues
1,789.5 M €

Consolidated net profit
121.7 M €

RevPAR
+ 0.6 %
+1.8% in 4Q

- **+1.5** EMEA
- **+2.4%** Spain
  - Urban +6.8%
  - Resort -2.3%
- **+8.9%** Asia Pacific
- **-6.7%** America
- **-10.3%** Cuba

Financial performance

Reduction of net debt
(Pre – IFRS16)
- 15 M €
Since December 2018, to 592 M €

Net debt/ EBITDA
(Pre – IFRS16)
2.11 X

Sales in own channels

Melia.com
+3.1 %

MeliaPRO.com
+ 14.9 %

Digital transformation

be digital360º

Comprehensive digitalisation Project

- ✓ Creation of new operational model
- ✓ Transactional robotics and technology
- ✓ Cultural transformation and employee accompaniment
- ✓ Improvement in margins

Growth

23 openings scheduled for 2020

EMEA: 11 APAC: 9 America: 2 Spain: 1

Strategic priorities 2020-2022

- Value creation for shareholders
- Culmination of digital transformation
- Differentiation through experiences
- Commitment to people and talent
- Leadership in sustainability and corporate responsibility

Gabriel Escarrer Jaume, Executive Vice President and CEO of Meliá Hotels International: "The Meliá results for 2019 are in line with expectations, affected by simultaneous extraordinary events that had an unprecedented impact on certain destinations but from which we are already beginning to recover, as seen in the revival of bookings for the Dominican Republic in the US market, the disappearance of the sargassum seaweed in Mexico and the change in trends already apparent in the Canary Islands. Without these factors, and thanks to our strategic strengths of competitiveness and value creation, particularly our digitalisation, customer experiences, our people and sustainability, the company is prepared to face the next few years from a position of even greater strength."

Palma, February 26, 2020.- The Meliá Hotels International results for 2019 were greatly affected by a combination of extraordinary events of very diverse origin, particularly in the Caribbean, and more specifically in the Dominican Republic and Mexico, both significant contributors to results. Other events such as the coronavirus in China have so far had only a moderate impact on company results, given that all of the five hotels in China are operated under management agreements, although the company remains very cautious with regard to the evolution of the heath crisis. The group has prepared a global contingency plan to ensure health and safety, as well as continuity in its operations and all the required legal and financial coverage.

In spite of these circumstances, excluding capital gains, Meliá achieved recurrent revenues similar to those of 2018 (€1,789.5M) and EBITDA of €470.9M, only -2.3% below the previous year. Consolidated Net Profit (€121.7M) was 19.8% below 2018 figures, influenced by less capital gains.

On a financial level, the company remains in a healthy position, having reduced pre-IFRS16 net debt by €15M in 2019 and holding the Pre-IFRS16 Net Debt/EBITDA ratio slightly above 2 (2.11X), influenced by the share buyback programme launched in 2019.

Regarding operating results, the company achieved a +0.6% increase in Revenue per Available Room (RevPAR) in owned and leased hotels, a figure which rose to +1.8% in the fourth quarter of the year. The increase in RevPAR was driven by an improvement in the average room rate (+2.3%) thanks to the brand strategy and improvements in the hotel portfolio and in spite of the issues in the Americas Division.

Sales through melia.com reached a record level (+3.1% compared to 2018), while the MeliaPro B2B channel grew by +14.9% in sales to travel professionals.

Digital transformation

Within the BeDigital360 programme, progress was made in management and technology in 2019 that included the application of Robotic Process Automation to internal processes such as payment management, e-commerce revenue insurance and invoicing, and also focusing on the service management strategy in areas such as temporary employment agencies, laundry, energy use, etc.

With a view to 2020, the company will continue to drive forward with innovation and technology enhancements to create a more digitalised and efficient operating model that maximises the opportunities presented by technology and robotics to improve the customer experience, efficiency in transactional processes and economies of scale. BeDigital360 also includes an important and comprehensive Accompaniment Plan for employees, designed to ensure the cultural transformation required so that they can contribute to the change.

Strategic priorities

On completion of its last Strategic Plan, Meliá Hotels International spent 2019 reflecting on the company's key priorities for the coming years in the current "VUCA" business environment (Volatile, Uncertain, Complex and Ambiguous) that causes frequent changes in business scenarios and competitive conditions. In response to these major challenges, the company has defined a series of **strategic areas:** the creation of shareholder value, digital transformation, the demand for experiences, the talent challenge and obligations in social and environmental matters.

- With regard to the challenge of **creating shareholder value**, the company plans to further enhance its hotel management model. Management of hotels offers greater profitability in the medium term, limiting investments to the acquisition of high-value management contracts, optimising the company's asset value focusing on quality growth in resort hotels (with 3 resort areas concentrating 80% of the growth: the Mediterranean, the Caribbean, and South-east Asia). Our portfolio of future additions stands at 62 hotels with more than 15,000 thousand rooms, of which 90% have been added under management and franchise agreements.

- Secondly, Meliá aims to remain at the forefront of the **digital transformation** of the industry, having launched a project named BE Digital 360, to carry on with the success of the Be More Digital project between 2015 and 2019 in which we successfully digitalised our sales channels, sales team, and our entire sales ecosystem. Over the next few years, the challenge will be to extend the digital culture to the entire company, adapting the operating model, changing processes, introducing robotics, etc., as well as emphasising the importance of data and analytics.

- Thirdly, to respond to the growing "experience economy," the company will focus heavily on maximising the range of **experiences on offer in hotels and destinations** as a means of enhancing guest satisfaction and maximising revenue through a "total revenue" concept which goes beyond merely maximising revenues for rooms and breakfast, which is far removed from the requirements of modern travellers. The offer of personalised and unforgettable experiences is also an essential competitive factor when compared to other accommodation models such as holiday rentals, in which accommodation is basically just a commodity.

- Meliá will also prioritise the **recruitment, development and retention of the best talent**, as a critical factor in such a people-intensive industry as hospitality, in which technology can never replace personalised service and human interaction. Special attention will be given to the talent pools for Hotel General Managers and other critical positions, as well as the attraction and retention of talent, cultivating an "employer brand" which is also a fundamental factor in the company's international expansion.

- Finally, after being named the Most Sustainable Hotel Company in the World in 2019 in the Corporate Sustainability Assessment made by the sustainable investment agency SAM (belonging to Standard & Poor's), the company will maintain its strategic focus on **sustainability and corporate responsibility** as fundamental drivers of its reputation and positioning, especially given the current climate emergency. The company has designed a roadmap to continue to deepen its social commitment and environmental strategy, at the same time strengthening its corporate governance mechanisms.

As Gabriel Escarrer explains: "Our company has shown remarkable strength and resilience, which have been extremely important factors in maintaining our leadership in the current complex and volatile business environment. To consolidate these strengths over the next few years, we have to reinforce our diversified business model, our talent, our digital and analytical capacity, our advantages over alternative accommodation models through authentic brand experiences, and of course, the reputation and confidence we generate in our stakeholders. If we do that, we will be in the best possible conditions to create value and enjoy the consistent growth we anticipate for the coming years".

Outlook 2020

The company expects a positive year in major European cities (despite renovations in several hotels in the UK, France and Italy), and also expects Spanish cities to continue their positive trends, in spite of the cancellation of the Mobile World Congress in Barcelona. In resort hotels, the outlook is moderately optimistic both in the Canary Islands (where business is now stabilised after its previous downturn) and in the rest of the Mediterranean, with important competing destinations such as Turkey already having reached record occupancy levels. With respect to the impact of the incipient extension of the Coronavirus Covid-19 virus outside China, the company has been affected by the cancellation of some MICE events such as the MWC in Barcelona and certain events in Milan. The company remains prudent with regard to its forecasts, subject to the evolution of the management of the Covid-19 virus and the consequent impact it may have.

With regard to America, the recovery in the Dominican Republic is expected to be noticeable in the second half of the year, and we also expect RevPAR to stabilise in Cuba as a result of the different actions carried out.

Meliá is scheduled to open 23 hotels in 2020, most of them under management contracts, mainly in Asia Pacific (with 9 hotels in Vietnam, Indonesia, Malaysia, Thailand and China) and in EMEA (with 11 hotels in Germany, Portugal, Spain, UK, Netherlands, Bulgaria , Cape Verde, United Arab Emirates, Morocco and Qatar). In America, two new hotels will open: the Paradisus Playa Mujeres (Mexico) and Meliá Trinidad (Cuba).

The company wishes to highlight that it has a comprehensive **Contingency Plan** which includes the preparation and response of the company with regard to public health and safety in all its hotels and offices worldwide, and also to the continuity of business and operations as well as legal and financial aspects. It has also prepared a Sales and Marketing Action Plan "post-Covid-19" to boost the recovery of hotels that may be affected both in China and elsewhere.

Result by Division - 4th Quarter 2019

Americas

- RevPAR in USD (-2.1%) fell less than in previous quarters, mainly affected by the absence of the US market in Punta Cana (-14%) and especially in the MICE segment.
- Brazil maintains a positive trend (+17.8%) thanks to MICE business and international events held in Sao Paulo.
- Mexico is on an upward trend, especially driven by Los Cabos.
- Excellent evolution of Gran Meliá Iguazú.
- **Scheduled openings** Paradisus Playa Mujeres.

EMEA

- RevPAR slightly below (-1.4%) the 4th quarter of 2018 and with slightly positive expectations for the 1st quarter of 2020.
- Consistent improvement (+11.6%) in management fee revenues.
- By country, highlights include continued RevPAR growth in Germany (+4.7%) and in Italy (+7.5%). On the negative side, France continued to perform negatively (-5.6% on a comparable basis) in the first 9 months, affected by the transport strike and other factors, although a rapid recovery is expected when the situation returns to normal.
- In the UK, the uncertainty (now overcome) caused by Brexit and the elections, added to the renovation under way at the Meliá White House which is scheduled to end in the 1st quarter of 2020, affected RevPAR (-4%), in spite of the excellent performance of the new Melia London Kensington Hotel.
- **Scheduled openings (2020):**
  - Meliá Frankfurt (Germany)
  - ME Dubai (United Arab Emirates)
  - Innside Doha (Qatar)
  - Meliá Saidia Residences and Sol Marrakech (Morocco)
  - Innside Liverpool and Innside Newcastle (United Kingdom)
  - Innside Amsterdam (Netherlands)
  - Innside Lisboa (Portugal)
  - Melia Sunny Beach (Bulgaria)
  - Meliá White Sands (Cape Verde)

Spain

- Excellent RevPAR performance (+4.5%) and positive outlook for the first quarter of 2020, based mainly on city and ski hotels.
- Hotels in Madrid (+5.8%), Barcelona (+5.1%) and southern Spain (+7.2%), particularly Seville, Costa del Sol and Granada, contributed to improvements in the Division
- The Canary Islands improved slightly (+0.6%) on the road to a more general improvement, although still affected in the 1st quarter 2020 by the reduction in the number of flights from the UK and Germany
- **Scheduled openings (2020):** ME Barcelona

Cuba

- RevPAR in USD fell by -13.5% compared to the 4th quarter in 2018, affected by the collapse of Thomas Cook, the slowdown of arrivals in some segments and several partial reforms in hotels
- Strong growth in online sales (+15.33%)

- The new Meliá Internacional Varadero leads the sales figures for the quarter
- **Scheduled openings:** Meliá Trinidad

Asia

- RevPAR in USD increased by +9.7% in the 4th quarter
- Total management fee revenues grew by +10.5%
- melia.com increased sales by +37.5%
- The excellent performance in China (+9.2% in revenues) will be cut short in the 1st quarter of 2020 due to the impact of the coronavirus, whose impact on the rest of the destinations in Asia Pacific has so far not been significant
- On the other hand, the outlook in Indonesia is positive and in line with forecasts, while the company expects to continue consolidating its leadership in Vietnam
- **Schedule openings (2020):**
    - Gran Meliá Cam Rahn Bay, Innside Halong Bay and The Reed Hotel (Vietnam)
    - Gran Meliá Chengdu, Gran Meliá Zhengzhou, Meliá Chongqin (China)
    - Meliá Phuket (Thailand)
    - Meliá Bintan (Indonesia)
    - Innside Kuala Lumpur (Malaysia)

www.meliahotelsinternational.com

About Meliá Hotels International

Founded in 1956 in Palma de Mallorca (Spain), Meliá Hotels International has more than 390 hotels open or in the process of opening in more than 40 countries under the Gran Meliá Hotels & Resorts, Paradisus by Meliá, ME by Meliá, Meliá Hotels & Resorts, INNSiDE by Meliá, Sol by Meliá and TRYP by Wyndham brands. The Company is a world leader in resort hotels and its resort experience has allowed it to become a leader in the growing market of urban hotels inspired by leisure. Its commitment to responsible tourism has seen it named the Most Sustainable Hotel Company in the World (Gold Medal and Industry Mover Award) in the SAM Sustainability Yearbook 2020 published by S&P Global. Meliá Hotels International is also a member of the IBEX 35 and is the Spanish hotel company with the best corporate reputation (Merco Ranking).

Follow us on Twitter, Facebook, Linkedin and Instagram.

Contact us: comunicacion@melia.com

YEAR END RESULTS

2019

MELIÃ HOTELS INTERNATIONAL

Dear stakeholders,

2019 will be remembered by all those who form part of Meliá Hotels International as the year in which we were named the most sustainable hotel company in the world according to the Corporate Sustainability Assessment prepared by the sustainable investment agency SAM, recently acquired by S&P Global and an international market leader in ESG.

This acknowledgement is the culmination of one of our greatest aspirations, certifying the best performance in the industry and earning a Gold Class classification after an analysis of issues related to corporate governance, social performance and environmental protection. There was also additional recognition with our qualification as industry movers, after having recorded the best progress over the year, as recently indicated in the Sustainability Yearbook 2020.

Despite global growth above the average for the economy in general, the travel industry was affected in 2019 by different circumstances such as the bankruptcies and closures of tour operators and airlines, as well as other factors causing instability that had a direct impact on some destinations where Meliá has hotels. To name a few, the geopolitical tensions in Cuba, the uncertainty generated by Brexit, the incipient slowdown in the world economy or the impacts of climate change widely debated during the celebration of COP25.

This was accompanied by certain situations which, although temporary, also had a significant negative impact on the international travel industry such as the sargassum crisis on the Mexican Caribbean coast or the smear campaign that questioned traveller safety in the Dominican Republic, a key destination for the Group.

In spite of this context, the Meliá performance in 2019 may be considered fairly remarkable, managing to keep our recurring revenues at almost the same level as the previous year and generating an EBITDA ex capital gains of €470.9M (-2.3%), further demonstrating the strength and resilience of our management model.

2019 was also a year in which we defined the strategic priorities that, as a multinational company, we will have to face in the coming years in a volatile and uncertain business environment. To successfully compete, companies must enhance their ability to constantly reinvent themselves.

To assimilate the technological and social changes that are on their way, we have designed different competitive drivers for this new three-year period from 2020 to 2022, among which I would like to highlight the following:

- Firstly, with regard to the challenge of creating shareholder value, the company plans to further enhance its hotel management model. Management of hotels offers greater profitability in the medium term, limiting investments to the acquisition of high-value management contracts, optimising the company's asset value and focusing on quality growth in resort hotels (with 3 resort areas concentrating 80% of the growth: the Mediterranean, the Caribbean, and South-east Asia).
- A digital transformation based on an ambitious programme to integrate new technology and artificial intelligence and data systems
- To accelerate the evolution of a value proposition focused on differential experiences for customers
- To train our teams to adapt to this new decade, encouraging a more agile, dynamic and less hierarchical management model
- To continue to promote the creation of social value in addition to financial value, integrating social and environmental issues to generate greater trust among our stakeholders

And I would like to end this message by referring once again to our commitment to society and the planet, in a year in which the global challenges defined in the 2030 Agenda have become even more relevant than ever. This commitment has been prevalent at Meliá ever since the company began and has been a core component in all our strategic plans over recent years.

In this sense, we begin 2020 well aware that current times and upheavals demand inspiring leaders, and Meliá Hotels International, as a leading company, has the responsibility of inspiring change towards greater sustainability in the travel industry.

Yours sincerely,

Gabriel Escarrer, *Vice Chairman & CEO*

P&L AND KEY INDICATORS SUMMARY*

(Million Euros)	December 2019	December 2018*	% change
REVENUES and Capital Gains	**1,800.7**	**1,831.3**	**-1.7%**
Revenues ex asset rotation	**1,789.5**	**1,790.2**	**-0.0%**
EBITDAR	498.5	521.7	-4.5%
EBITDA	**477.9**	**500.9**	**-4.6%**
EBITDA ex asset rotation	**470.9**	**482.1**	**-2.3%**
EBIT	222.8	258.9	-13.9%
TOTAL FINANCIAL PROFIT (LOSS)	(72.8)	(69.0)	-5.5%
EARNINGS BEFORE TAXES	156.3	195.2	-19.9%
NET PROFIT	**121.7**	**151.7**	**-19.8%**
NET PROFIT ATTRIBUTABLE	112.9	147.1	-23.2%
EPS (€)	0.49	0.64	-23.2%
REVPAR Owned & Leased (€)	**86.9**	**86.4**	**0.6%**
REVPAR Owned, Leased & Managed (€)	**69.0**	**69.5**	**-0.7%**
EBITDAR MARGIN (ex - capital gains)	27.5%	28.1%	-63 bp
EBITDA MARGIN (ex - capital gains)	26.3%	26.9%	-62 bp

Important disclosure: Following the introduction of the new IFRS 16 standard related to rental expenses, we would like to highlight that the figures reported have been adjusted in order to consider the impact of this new standard in order to facilitate historical comparisons. In this regard, for those interested, the Appendix section includes a detailed explanation of the effects in our financial statements.

Business performance

- O&L RevPAR in the fourth quarter increased by +1.8%, allowing 2019 to end with an overall increase of +0.6%. Note that during the quarter we have begun to see a slight change in the trend in areas such as Mexico and the Canary Islands.
- Despite the one-off events that occurred in different travel destinations during the year, we managed to generate recurring revenues at almost the same level as the previous year and EBITDA excluding capital gains of €470.9M (-2.3%), a further sign of the strength and resilience of our management model. EPS reached €0.49, a decrease of -23.2%, affected by lower capital gains compared to the previous year
- Our direct channels recorded revenues of €582.2M, a 3.1% increase over the previous year. Highlights included the performance of the MeliáPro B2B direct channel, where revenues grew by +14.9% to €75.7M.

Debt Management

- At the end of 2019, Net Debt pre IFRS 16 stood at €592.5M, a decrease of -€15M compared to December 2018. The Net Debt/EBITDA ratio pre IFRS 16 stood at 2.11x, as foreseen, slightly affected by the share buyback programme.

Development strategy

- Our hotel portfolio stood at 326 (84 thousand rooms) as of December 2019. During the year we opened 10 new hotels (2,147 rooms) in the following countries, France, Italy, Czech Republic, Cuba, Colombia, China, Vietnam and Tanzania, all of them under management contracts, with the exception of 2 lease contracts in Paris and Milan. We disaffiliated 13 hotels (2,055 rooms), mainly in Spain and Brazil, 3 of which were due to our asset rotation strategy.
- Our pipeline stands at 62 hotels with more than 15,000 rooms, of which 90% have been added under management and franchise agreements.

Outlook 2020

- We expect to start 2020 with significant challenges, mainly in the Dominican Republic due to the lack of MICE business, but on the other hand with a slight recovery in Mexico, particularly the Los Cabos region. Spanish cities continue to show a positive trend despite the cancellation of the Mobile World Congress in Barcelona and more difficult comparisons. Our resorts in the Canary Islands appear to be enjoying a certain stabilisation in business. In EMEA, the forecasts are for slight growth, although some destinations will be affected by renovations being undertaken in several of the hotels in the UK, France and Italy.
- With respect to the impact of the incipient extension of the Coronavirus Covid-19 virus outside China, the company has been affected by the cancellation of some MICE events such as the MWC in Barcelona and certain events in Milan. The company remains prudent with regard to its forecasts, subject to the evolution of the management of the Covid-19 virus and the consequent impact it may have.

REPORT ON HOTELS OPERATION

I

GLOBAL HOTELS

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	**1,545.4**	**1,554.2**	**-0.6%**
Owned	733.6	762.4	
Leased	811.8	791.8	
Of which Room Revenues	***996.1***	***989.7***	**0.6%**
Owned	403.0	410.4	
Leased	593.1	579.3	
EBITDAR Split	**405.6**	**426.9**	**-5.0%**
Owned	177.1	210.5	
Leased	228.5	216.4	
EBITDA Split	**385.2**	**407.6**	**-5.5%**
Owned	177.1	210.5	
Leased	208.1	197.1	
EBIT Split	**157.9**	**191.7**	**-17.7%**
Owned	108.9	142.8	
Leased	49.0	49.0	

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**299.0**	**320.7**	**-6.8%**
Third Parties Fees	49.1	50.8	
Owned & Leased Fees	93.7	95.2	
Other Revenues*	156.2	174.8	
Total EBITDA Management Model	**99.8**	**100.8**	**-1.0%**
Total EBIT Management Model	94.0	92.4	

* *Other Revenues in 12M 2019 include €133.3M of Corporate Revenues not directly attributable to any specific division. Idem in 12M 2018 data by €130.4M.*

OTHER HOTEL BUSINESS	12M 2019 €M	12M 2018 €M	% change
Revenues	**66.6**	**58.0**	**14.8%**
EBITDAR	6.1	3.9	
EBITDA	5.9	2.3	
EBIT	4.4	1.4	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL HOTELS	70.8%	-1.2	122.8	2.3%	86.9	0.6%	65.2%	-1.5	105.8	1.6%	69.0	-0.7%
TOTAL HOTELS SAME STORE BASIS	73.2%	-0.7	124.3	0.7%	91.1	-0.3%	66.8%	-0.6	104.0	-0.1%	69.4	-0.9%
AMERICA	61.0%	-6.0	119.0	2.5%	72.5	-6.7%	60.7%	-2.7	108.8	2.7%	66.1	-1.7%
EMEA	73.8%	0.1	139.5	1.5%	102.9	1.5%	72.5%	-0.6	141.0	2.0%	102.2	1.2%
SPAIN	73.2%	0.1	116.8	2.3%	85.5	2.4%	71.7%	-0.2	108.0	1.9%	77.5	1.7%
CUBA	-	-	-	-	-	-	50.7%	-5.2	79.9	-1.1%	40.5	-10.3%
ASIA	-	-	-	-	-	-	64.4%	4.4	73.8	1.5%	47.5	8.9%

* Available Rooms 12M 2019: 11,465.5k (vs 11,455.7k in 12M 2018) in O&L // 24,095.8k (vs 23,472.2k in 12M 2018) in O,L&M.

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2021		2022		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
GLOBAL HOTELS	326	83,778	329	83.253	23	7,074	13	2,762	20	4,601	6	947	62	15,384
Management	128	38,509	129	37,556	16	4,700	9	2,171	19	4,491	4	750	48	12,112
Franchised	47	10,048	47	9,714	2	1,083	3	468	1	110	0	0	6	1,661
Owned	43	13,128	45	13,735	0	0	0	0	0	0	0	0	0	0
Leased	108	22,093	108	22,248	5	1,291	1	123	0	0	2	197	8	1,611

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	**391.5**	**414.9**	**-5.6%**
Owned	359.1	381.9	
Leased	32.4	33.1	
Of which Room Revenues	***175.7***	***185.1***	**-5.1%**
Owned	148.6	156.8	
Leased	27.2	28.3	
EBITDAR Split	**94.0**	**125.0**	**-24.9%**
Owned	83.6	116.2	
Leased	10.4	8.8	
EBITDA Split	**91.3**	**121.3**	**-24.7%**
Owned	83.6	116.2	
Leased	7.7	5.1	
EBIT Split	**50.1**	**80.2**	**-37.5%**
Owned	50.5	83.4	
Leased	-0.4	-3.2	

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**43.7**	**51.4**	**-14.9%**
Third Parties Fees	7.2	7.4	
Owned & Leased Fees	23.2	26.5	
Other Revenues	13.3	17.5	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL AMERICA	61.0%	-6.0	119.0	2.5%	72.5	-6.7%	60.7%	-2.7	108.8	2.7%	66.1	-1.7%
TOTAL AMERICA SAME STORE BASIS	69.1%	-4.5	119.5	-1.8%	82.7	-7.8%	65.6%	-1.6	105.8	-0.4%	69.4	-2.8%
Brazil	-	-	-	-	-	-	61.0%	4.1	79.5	5.9%	48.5	13.5%
Mexico	68.2%	-5.5	121.0	4.2%	82.5	-3.6%	68.2%	-3.6	121.0	-1.3%	82.5	-6.3%
Dominican Republic	60.2%	-6.1	107.5	-3.8%	64.8	-12.5%	60.2%	-6.1	107.5	-3.8%	64.8	-12.5%
Rest of America	49.5%	-10.5	139.2	11.8%	68.9	-7.8%	55.0%	-5.7	125.9	10.6%	69.2	0.1%

* Available Rooms 12M 2019: 2,422.3k (vs 2,380.5k in 12M 2018) in O&L // 4,084.2k (vs 4,099.0k in 12M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Meliá Cartagena Karmairi	Colombia / Cartagena	Franchise	146

Disaffiliations between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Tryp Sao Paulo Berrini	Brazil / Sao Paulo	Management	171
Meliá Coco Beach	Puerto Rico / San Juan	Owned	486
ME Miami	United States / Miami	Management	129
Tryp Sao Paulo Itaim	Brazil / Sao Paulo	Management	133
Tryp Sao Paulo Paulista	Brasil / Sao Paulo	Management	148

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL AMERICA	37	11,521	41	12,432	1	498	0	0	3	856	0	0	4	1,354
Management	17	4,280	22	5,020	1	498	0	0	3	856	0	0	4	1,354
Franchised	2	286	1	140	0	0	0	0	0	0	0	0	0	0
Owned	16	6,406	16	6,723	0	0	0	0	0	0	0	0	0	0
Leased	2	549	2	549	0	0	0	0	0	0	0	0	0	0

AMERICA 2019 YEAR END RESULTS

- RevPAR in USD (owned, leased & managed) fell by -2.1% compared to 4Q 2018.
- Total fee revenue in USD dropped by -19% compared to 4Q 2018 due to the lower fees received from third parties and property and rent charged in the period.
- Melia.com sales fell by -7.4% in 4Q compared to the same period in the previous year.

From an operational perspective, the fourth quarter in the Americas continues along the same lines as the previous quarter. In the Cancun area in Mexico, in spite of the constant struggle with the different factors affecting the destination as well as the increase in the number of new hotels, in the last two months of the year there was a change in the trend which points towards the recovery of the destination. The RevPAR (USD) of our hotels in Mexico fell by -5.9% compared to -13% in the first 9 months of the year.

In Punta Cana, the reduction in the contribution of the American market affected the final results in spite of efforts to penetrate alternative markets which did not compensate the losses in the most important feeder market. RevPAR (USD) decreased by -14% compared to 4Q 2018.

In the United States, RevPAR (USD) fell by -3.6%. In New York, with the growing hotel supply in the market causing a fall in average rates compared to the same period in the previous year. Corporate travel business has reduced slightly along with travel consortia. The hotel has made more last-minute sales at aggressive rates. In Orlando, the additional rooms in the destination (new hotel openings and growing vacation rentals), contributed to a decline in occupancy, although the positive evolution in the MICE segment allowed the hotel to end the quarter with an increase over the previous year.

Brazil continues with the trend seen in the third quarter, with RevPAR (BRL) growth of 17.8%. The results are mainly due to the celebration of several events such as: Futurecon, Salão Duas Rodas, Formula-1, Comic Con and several international concerts and with a very positive performance in the MICE segment.

OUTLOOK

For the first quarter of 2020, important challenges await in Punta Cana, primarily due to the reduction in the number of flights and the absence of MICE business caused by all the cancellations in the third and fourth quarter of last year and, in general, the fall in the American market, although the hotels are trying to compensate these losses with business from alternative markets and opportunities to attract small groups at the last minute (from LATAM and EUR markets).

In the Cancun area in Mexico we continue to see an increase for the first quarter in the hotel supply in Riviera Maya and are focusing on attracting high volume business to build a base occupancy given the absence of the MICE segment mainly in January and March. On the other hand, in Los Cabos we are seeing a positive evolution of the group and MICE segments.

In Brazil, January and February are considered low season due to school holidays and the Carnival holiday. From March onwards we expect higher demand and very good prospects as the high season begins for hotels with major events already confirmed.

PORTFOLIO AND PIPELINE

We have not added any hotel to the portfolio in America in the fourth quarter, and have disaffiliated one non-strategic hotel, the Tryp Sao Paulo Paulista (Sao Paulo, 148 rooms) under a management contract.

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	**383.1**	**368.6**	**3.9%**
Owned	107.2	104.1	
Leased	275.9	264.6	
Of which Room Revenues	***278.3***	***265.8***	***4.7%***
Owned	73.8	71.4	
Leased	204.5	194.4	
EBITDAR Split	**105.2**	**98.0**	**7.4%**
Owned	28.0	25.7	
Leased	77.2	72.2	
EBITDA Split	**101.0**	**94.5**	**6.9%**
Owned	28.0	25.7	
Leased	72.9	68.7	
EBIT Split	**40.0**	**40.8**	**-2.0%**
Owned	18.3	17.6	
Leased	21.7	23.2	

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**29.3**	**31.9**	**-7.9%**
Third Parties Fees	1.4	1.1	
Owned & Leased Fees	22.7	20.4	
Other Revenues	5.3	10.5	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL EMEA	73.8%	0.1	139.5	1.5%	102.9	1.5%	72.5%	-0.6	141.0	2.0%	102.2	1.2%
TOTAL EMEA SAME STORE BASIS	73.4%	0.6	141.3	2.5%	103.7	3.3%	72.5%	0.4	142.8	2.7%	103.6	3.2%
Germany	72.4%	0.3	111.1	2.0%	80.4	2.4%	72.4%	0.3	111.1	2.0%	80.4	2.4%
France	77.1%	-4.6	165.2	-10.6%	127.3	-15.6%	77.1%	-4.6	165.2	-10.6%	127.3	-15.6%
United Kingdom	75.9%	0.2	177.8	3.2%	134.9	3.4%	71.3%	1.7	220.9	3.3%	157.6	5.9%
Italy	71.8%	1.3	216.5	2.4%	155.4	4.2%	75.9%	0.3	175.7	2.0%	133.3	2.4%
Rest of Europe	79.6%	1.1	157.5	8.0%	125.3	9.6%	65.9%	-5.3	157.6	9.5%	103.9	1.4%

* Available Rooms 12M 2019: 2,704.7k (vs 2,623.3k in 12M 2018) in O&L // 2,949.7k (versus 2,813.0k in 12M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Innside Paris Charles de Gaulle	France / Paris	Lease	266
Innside Prague Old Town	Czech Republic / Prague	Management	89
Gran Meliá Arusha	Tanzania / Arusha	Management	171
Innside Milano Torre Galfa	Italia / Milán	Lease	145

Disaffiliations between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Meliá Campione	Italy / Campione	Management	40

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL EMEA	84	15,984	81	15,331	8	2,555	10	2,132	4	1,019	4	587	26	6,293
Management	9	858	8	615	2	345	6	1,541	3	909	2	390	13	3,185
Franchised	31	7,518	31	7,518	2	1,083	3	468	1	110	0	0	6	1,661
Owned	7	1,397	7	1,397	0	0	0	0	0	0	0	0	0	0
Leased	37	6,211	35	5,801	4	1,127	1	123	0	0	2	197	7	1,447

EMEA 2019 YEAR END RESULTS

- RevPAR (owned, leased & managed) fell by -1.4% in the quarter compared to the same period in the previous year.
- Total fee revenue increased by +11.6% in 4Q compared to the same period in 2018 mainly due to the increase in property and rental fees.
- Melia.com sales rose by +21.5% vs to 4Q 2018.

Hotel performance in EMEA was moderately negative in 4Q, with differing results by country and the following highlights:

GERMANY/AUSTRIA/CZECH REPUBLIC

As anticipated, the fourth quarter saw a positive performance in hotels in Germany, with RevPAR growth of +4.7% compared to the same period last year, with 100% of this growth coming from average rate improvements and allowing an improvement in operating margins.

During the quarter, results were affected by a higher number of trade fairs and congresses, especially in cities such as Dusseldorf, Frankfurt and Wolfsburg. On the other hand, cities such as Munich and Berlin saw business reduced compared to the previous year due to a relative lack of trade fairs.

We would like to highlight the conversion of the Berlin Mitte hotel, a hotel that has been completely renovated and renamed under the INNSIDE brand. We are sure that this new product will have a great impact in a city as vibrant and contemporary as Berlin.

UK

RevPAR (in GBP) of hotels in the United Kingdom for the fourth quarter fell by -4%, affected by the uncertainties surrounding Brexit and the elections, as well as the renovation of public areas at the Meliá White House. The work is expected to be completed in the first quarter of 2020.

On the positive side, the renovation of the Meliá London Kensington hotel was completed, making it one of the most elegant hotels in the Kensington area.

FRANCE

In line with the rest of the year, the evolution of RevPAR is being negatively affected by the addition of Innside Charles de Gaulle. The fourth quarter began a bit slow due to the fact that we did not have the SIAL Congress (food innovation, biennial). We had high expectations for December, but at the beginning of the month a transport strike was announced that had a negative impact on the destination, generating cancellations of both individual and group bookings. The Melia Tour Eiffel closed on December 15 to begin work on improving its facilities and will reopen in the second quarter of 2020. RevPAR on a comparable bases in the fourth quarter fell by -5.6%.

ITALY

The trend shown throughout the year continued, with RevPAR growth in the fourth quarter of +7.5%, mainly driven by the excellent performance of our hotels in Milan and mainly thanks to the MICE segment, with important trade fairs such as HOST (Hospitality) and a very successful Black Friday campaign in the individual traveller segment. In other destinations, highlights include the positive evolution of the Melia Genova that is recovering after the Morandi Bridge disaster. On the other hand, despite the fact that the MICE segment remained solid, in the Gran Melia Rome it was not enough to compensate for the congress held in October 2018 (IBA) and the slight fall in the individual traveller segment.

OUTLOOK

For the first quarter of 2020, we expect the following behaviour by country. In Germany we continue to see the same trend as in the last quarter of 2019, and expect medium single-digit growth with the exception of Munich, affected again by the trade fair calendar. In the United Kingdom, due to the renovations under way in the Meliá White House and Meliá London Kensington and uncertainty in some market segments, the first quarter of the year will see a slight decrease in RevPAR which we trust will be overcome in the rest of the year. In France, it is difficult to estimate the impact on the first quarter of 2020 of a strike which remains active although with significantly less popular support, and Paris somehow again shows its ability to return to normal even in very exceptional circumstances. In Italy the Gran Melia Rome will close in January for a few weeks in order to improve its facilities for 2020 and we want to be cautious regarding the performance of the hotels in Milano due to the latest news regarding the Coronavirus crisis.

PORTFOLIO AND PIPELINE

In 4Q 2019 we added a new hotel in EMEA under a lease contract: the INNSIDE Milano Torre Galfa (Milan, 145 rooms). We believe that this is the perfect brand for a city like Milan, and that this is the beginning of another success story for MHI in Italy. In 2020 we plan to open 8 hotels (2,555 rooms).

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	**770.8**	**770.7**	**0.0%**
Owned	267.3	276.4	
Leased	503.5	494.2	
Of which Room Revenues	***542.1***	***538.8***	**0.6%**
Owned	180.6	182.2	
Leased	361.4	356.6	
EBITDAR Split	**206.4**	**204.0**	**1.2%**
Owned	65.5	68.6	
Leased	140.9	135.4	
EBITDA Split	**193.0**	**191.8**	**0.6%**
Owned	65.5	68.6	
Leased	127.5	123.3	
EBIT Split	**67.8**	**70.7**	**-4.1%**
Owned	40.1	41.8	
Leased	27.7	28.9	

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**73.6**	**85.1**	**-13.6%**
Third Parties Fees	24.8	24.7	
Owned & Leased Fees	47.8	48.4	
Other Revenues	0.9	12.0	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL SPAIN	73.2%	0.1	116.8	2.3%	85.5	2.4%	71.7%	-0.2	108.0	1.9%	77.5	1.7%
TOTAL SPAIN SAME STORE BASIS	74.6%	0.1	118.7	0.5%	88.6	0.7%	73.4%	-0.1	107.8	0.7%	79.1	0.6%
Resorts	74.3%	0.0	111.1	-2.5%	82.6	-2.3%	73.7%	-0.2	104.2	-2.3%	76.8	-2.6%
Urban	72.2%	-0.2	122.2	6.8%	88.2	6.8%	71.4%	0.4	118.7	6.5%	84.7	7.1%
Rest of Areas	-	-	-	-	-	-	61.9%	-2.8	75.4	4.0%	46.7	-0.4%

* Available Rooms 12M 2019: 6,338.5k (vs 6,451.9k in 12M 2018) in O&L // 10,486.5k (vs 10,490.1k in 12M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 31/12/2019

Hotel	Country / City	Contract	# Rooms
-	-	-	-

Disaffiliations between 01/01/2019 – 31/12/2019

Hotel	Country / City	Contract	# Rooms
Tryp Indalo Almería	Spain / Almería	Lease	186
Tryp Zaragoza	España / Zaragoza	Management	162
Tryp Valencia Azafata	España / Manises	Owned	128
Tryp Valencia Feria	España / Valencia	Franchise	127
Tryp Salamanca Montalvo	España / Salamanca	Franchise	57
Tryp Coruña	España / A Coruña	Owned	181

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2021		2022		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL SPAIN	146	36,078	152	37,049	4	1,402	0	0	4	908	0	0	8	2,310
Management	43	13,176	44	13,480	3	1,238	0	0	4	908	0	0	7	2,146
Franchised	14	2,244	15	2,056	0	0	0	0	0	0	0	0	0	0
Owned	20	5,325	22	5,615	0	0	0	0	0	0	0	0	0	0
Leased	69	15,333	71	15,898	1	164	0	0	0	0	0	0	1	164

SPAIN 2019 YEAR END RESULTS

- RevPAR (owned, leased & managed) grew by +4.5% in the quarter compared to the same period in the previous year, thanks to the contribution of both city hotels +5.5% and resort hotels +3.3%.
- Total fee revenue closed the quarter with a decrease of -2.3% compared to 4Q 2018 due to a reduction in third party fees.
- Melia.com sales rose by +5.8% in the quarter compared to the same period in the previous year.

Highlights by area or city include:

In 4Q2019 Madrid hotels improved RevPar by +5.8%, highlighting the Tryp Madrid Airport Suites and Meliá Madrid Princesa. The quarter saw conferences and trade fairs with a major impact such as COP25, Fruit Attraction and EADV.

In the same line, hotels in Barcelona saw RevPAR growth of +5.1% thanks to the Meliá Barcelona Sky and Meliá Barcelona Sarriá hotels, as well as the Meliá Sitges. The ME Sitges was the only hotel that did not show a positive performance in the region.

In southern Spain, RevPar grew by +7.2% overall, with the performance by the Meliá Costa del Sol and Sol Príncipe hotels in Malaga standing out, as well as the good season for the skiing hotels in Granada: Meliá Sierra Nevada and Meliá Sol y Nieve. In the group segment, the city of Seville once again stands out, in this case with the MTV Awards 2019 event which had a positive impact on the three hotels in the city.

In the Balearic Islands, the resort hotels ended 4Q2019 with RevPAR growth of +4.9%, offsetting the decrease in city hotels of -6.7% caused by a decrease in the demand for groups.

The Canary Islands managed to recover RevPAR, improving slightly compared to 4Q2018 by +0.6%, an important advance compared to the decrease in RevPAR accumulated over the first 9 months of the year of -10.5%, with a particularly good performance from Sol La Palma and Meliá Llana Resort & Spa. As in the Balearic Islands, the Canary Islands have sacrificed average rates compared to 4Q2018 in order to attract greater volume and boost occupancy.

OUTLOOK

Currently, and thanks in large part to the early booking sales campaigns on melia.com, there is an improvement in the booking numbers for the first quarter vs 2019 of a medium to high single digit, leading us to expect an improvement on the results for 1Q 2019. This growth is mainly due to growth in occupancy. The positive impact is generated by the city and skiing hotels, bearing in mind that over the period 27 of the 69 resort hotels are closed.

In the Canary Islands, although booking data shows some improvement over the previous year, this is mainly due to the reopening of the Meliá Salinas which was closed last year. The delay in the opening of Sol Jandía Mar will also have a negative effect. The forecast is to be slightly below the results of the previous year due to the lack of flights (Ryanair has closed bases and the operation of Thomas Cook has not been absorbed 100%. A decrease in flights is expected in January and February mostly from the United Kingdom and Germany).

PORTFOLIO AND PIPELINE

In the quarter no new hotels were added to our portfolio in Spain. We disaffiliated 3 hotels, the Tryp Coruña (A Coruña, 181 rooms) after it was sold, the Tryp Valencian Feria (Valencia, 127 rooms) and the Tryp Salamanca Montalvo (Salamanca, 57 rooms), the latter under a franchise agreement.

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	***N.A.***	***N.A***	-
Owned	-	-	-
Leased	-	-	-
Of which Room Revenues	***N.A.***	***N.A.***	-
Owned	-	-	-
Leased	-	-	-

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**12.1**	**14.4**	**-16.0%**
Third Parties Fees	9.9	11.9	
Owned & Leased Fees	-	-	
Other Revenues	2.1	2.4	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL CUBA	-	-	-	-	-	-	50.7%	-5.2	79.9	-1.1%	40.5	-10.3%
TOTAL CUBA SAME STORE BASIS	-	-	-	-	-	-	52.6%	-2.9	77.5	-6.1%	40.8	-11.0%

* Available Rooms 12M 2019: 4,840.6k (vs 4,388.6k in 12M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Meliá Internacional Varadero	Cuba / Varadero	Management	200 (*out of 946*)

Disaffiliations between 01/01/2019 – 31/12/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
-	-	-	-

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2021		2022		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL CUBA	35	14,781	34	13,425	1	401	0	0	3	523	0	0	4	924
Management	35	14,781	34	13,425	1	401	0	0	3	523	0	0	4	924
Franchised	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Owned	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leased	0	0	0	0	0	0	0	0	0	0	0	0	0	0

CUBA 2019 YEAR END RESULTS

- RevPAR in USD (managed) fell by -13.5% in the quarter compared to 4Q 2018.
- Total fee revenue in USD dropped by -18.4% in the quarter compared to the same period in the previous year.
- Melia.com sales in 4Q 2019 were similar to the same period in the previous year. If we add other online channels to these sales, we see overall growth of the order of +15.33% compared to the same period last year. This is explained by the dynamic management of rates and participation in all global, regional, and private campaigns in melia.com, as well as by the contribution of new hotels, with the Melia Varadero Internacional leading sales.

As we anticipated, in the fourth quarter the main indicators of tourism activity in Cuba all fell. A fundamental factor was the collapse of the Thomas Cook group, which affected the hotels in Jardines del Rey, Holguín and Varadero.

In line with the first nine months of the year, the strengthening of the sanctions imposed on Cuba continued to affect group operations, as well as causing some airlines to leave and the elimination of numerous hotels in Cuba from the sales channels of different Online Travel Agencies.

Finally, on an internal level, the growing competition in destinations such as Havana due to the opening of new hotels has implications for very price sensitive segments such as Air crews and Corporate travel.

This context led to a deterioration in average rates in USD of -4.5% compared to the same period in the previous year. The adjustment in rates was once again significant in Havana, this time accompanied by Holguín and Jardines del Rey as a result of the rate reductions that followed the collapse of Thomas Cook.

Occupancy fell by almost -2.4bp compared to the same quarter in the previous year, with the most affected destinations being Cayo Largo, Santiago de Cuba and Jardines del Rey. The Sol Cayo Largo has been closed since the beginning of September due to the lack of international flights to the destination and to execute a series of investments.

The results for the quarter continued to be impacted by major partial reforms in several of our hotels.

OUTLOOK

In general, the first quarter of 2020 points to a growth in sales compared to the same period in the previous year, mainly based on the addition of Melia Varadero Internacional. We expect RevPAR to stabilise, with a slight fall in occupancy compensated by an increase in the average rate.

On the other hand, the decision of the new Argentine government to impose a 30% tax on purchases overseas, including flights and hotel accommodation, is a decision that will have a negative impact on arrivals from this important feeder market in Cuba over the coming months.

PORTFOLIO AND PIPELINE

In this quarter we have not added any new hotels to our portfolio. We remain focused on continuing to improve our hotel facilities through renovations and repositioning.

In the first quarter of 2020 we will reopen the Sirenas Hotel, under the new name of Sol Varadero Beach. With 356 fully renovated rooms and dining areas. The introduction of this new concept in Cuba is an important growth opportunity in the adults only segment in Varadero.

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	12M 2019 €M	12M 2018 €M	% change
Total aggregated Revenues	***N.A.***	***N.A***	**-**
Owned	-	-	-
Leased	-	-	-
Of which Room Revenues	***N.A.***	***N.A.***	**-**
Owned	-	-	-
Leased	-	-	-

MANAGEMENT MODEL	12M 2019 €M	12M 2018 €M	% change
Total Management Model Revenues	**6.9**	**7.6**	**-8.7%**
Third Parties Fees	5.7	5.7	
Owned & Leased Fees	0.0	0.0	
Other Revenues	1.2	1.9	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL ASIA	-	-	-	-	-	-	64.4%	4.4	73.8	1.5%	47.5	8.9%
TOTAL ASIA SAME STORE BASIS	-	-	-	-	-	-	65.7%	4.4	71.6	1.3%	47.0	8.6%
China	-	-	-	-	-	-	71.1%	4.9	65.1	-5.3%	46.3	1.6%
Southeast Asia	-	-	-	-	-	-	62.3%	4.3	77.0	3.6%	47.9	11.3%

* Available Rooms 12M 2019: 1,734.8k (vs 1,681.4k in 12M 2018) in O,L&M.

CHANGES IN PORTFOLIO

<u>Openings between 01/01/2019 – 31/12/2019</u>

Hotel	Country / City	Contract	# Rooms
Meliá Ho Tram	Vietnam / Ho Tram	Management	77 *(out of 213)*
Meliá Shanghai Parkside	China / Shanghai	Management	88
Innside Saigon Central	Vietnam / Ho Chi Minh	Management	69
Hoy An	Vietnam / Hoi An	Management	150

<u>Disaffiliations between 01/01/2019 – 31/12/2019</u>

Hotel	Country / City	Contract	# Rooms
Lavender Boutique Hotel	Vietnam / Ho Chi Minh	Management	107

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	2019 YE		2018 YE		2020		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL ASIA	24	5,414	21	5,016	9	2,218	3	630	6	1,295	2	360	20	4,503
Management	24	5,414	21	5,016	9	2,218	3	630	6	1,295	2	360	20	4,503
Franchised	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Owned	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leased	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ASIA 2019 YEAR END RESULTS

- RevPAR in USD (managed) increased by +9.7% compared to 4Q 2018.
- Total fee revenue in USD posted growth of +10.5% in the quarter compared to 4Q2018.
- Melia.com sales rose by +37.5% in the quarter compared to the same period last year.

In China, hotel operating revenues (USD) increased by +9.2% compared to 4Q2018, while RevPAR (in USD) grew by +1.0%. Highlights included the performance of the Gran Meliá Xian after the completion of renovation work, as well as the more stable performance of the Meliá Shanghai Hongqiao and Innside Zhengzhou hotels in their third year of operation.

In the rest of the destinations, performance was very similar to the previous quarter. In Vietnam, RevPAR (in USD) grew by +16.1% compared to 4Q2018. Both the Meliá Hanoi and Meliá Danang Beach Resort, despite being under renovation, have continued to increase their revenues versus the previous year. In Indonesia in general, all the hotels have seen a positive performance in revenues and profitability, especially in hotels such as the INNSiDE Yogyakarta, Sol House Bali Kuta, Meliá Balí, Meliá Purosani and Sol House Bali Legian.

OUTLOOK

Without doubt, the 2020 outlook will be conditioned by the impact that the Wuhan Coronavirus crisis may have. The Chinese authorities are implementing very important measures in the country, but as they coincide with the Chinese New Year holiday, the difficulty has been increased due to the millions of people travelling at this time of year. There is little visibility in the first quarter, although the month of January will see little impact as the crisis began at the end of the month. February will be more complicated, and from March it will very much depend on the evolution of the situation.

In general, the tourism industry in China is currently paralysed and waiting for the measures implemented to have the desired effect. If that occurs, the return to normal could be relatively quick based on the experience of similar outbreaks in the past.

Indonesia will somehow be impacted by the crisis, but our hotels have a broad customer segmentation from a geographical point of view, so the impact should be limited. The beginning of the year is in line with forecasts and we do not expect significant changes. The consolidation of operations at the Innside Yogyakarta and Sol House Legian, the opening of Melia Fintan in the fourth quarter, the good performance of the Nusa Dua hotels in Bali, and the improvement of results versus 2019 at Gran Melia Jakarta, will all help improve the profitability of operations in the region.

Vietnam will undoubtedly benefit from the renewal of the Melia Hanoi management contract for 15 more years and the consolidation of hotels opened in 2019, expecting good results especially from Meliá Ho Tran. The country continues to grow strongly, and the opening of Innside Halong Bay and Gran Melia Cam Ranh will further consolidate our leadership. This is all accompanied by the recent opening of our regional office in Ho Chi Minh City to provide closer support to the operation of the hotels in the country.

PORTFOLIO AND PIPELINE

In this quarter we have not added any new hotels to our portfolio. For the first quarter of 2020, we expect to begin market penetration in Thailand, with the recent opening of Melia Koh Samui (Thailand, Koh Samui, 200 rooms) after being closed for renovations for more than a year. In the first quarter we also hope to open The Reed Hotel (Vietnam, Ninh Binh, 140 rooms). Both of the hotels will be operated under management contracts. For the second and third quarter of 2020, we expect to open the following hotels: INNSiDE Kuala Lumpur Cheras (Malaysia, Kuala Lumpur, 238 rooms). INNSiDE Ha Long Bay (Vietnam, Ha Long Bay, 222 rooms), Gran Melia Chengdu (China, Chengdu, 268 rooms), Gran Melia Zhengzhou (China, Zhengzhou, 388 rooms), Melia Chongqing (China, Chongqing, 230 rooms). And finally during the fourth quarter, we have scheduled the following openings: Melia Bintan (Indonesia, Berakit, 325 rooms), Gran Melia Cam Ranh Bay (Vietnam, Cam Ranh Bay, 293 rooms), and Melia Phuket Mai Khao (Thailand, Phuket, 101 rooms).

OTHER NON HOTEL BUSINESSESS

2

CLUB MELIÁ & THE CIRCLE

In the fourth quarter of 2019, we focused on consolidating the sales activity of our Circle by Melia product both in The Grand Reserve in the Dominican Republic and in our operations in Mexico - Paradisus Cancun and Paradisus La Esmeralda.

Our main sales indicators over the period evolved positively, attracting 8.0% more customers to our partner base in spite of the 11.0% decrease in the number of potential customers for our product in both regions, but mainly in Punta Cana due to decrease in hotel occupancy in the destination. The average contract price remained at the same level as 2018 for the period, although we grew our ability to close sales with both new customers and members by 4.5% and increased the sales per client visiting our Circle rooms by 4.7%. All this helped grow net sales by 7.7% compared to the same period in 2018.

Despite the decrease in tourist arrivals in Punta Cana in the Dominican Republic, the sales activity in the region grew positively both in regard to success in attracting new customers and migrating and extending sales to existing members. The conversion ratio in our sales rooms grew by 3.0%, and the average contract price grew by 2.9%, while our efficiency as measured by sales volume per customer visiting our Circle room grew by 6.0%.

Sales activity in Mexico also saw a very positive evolution over the period, mainly supported by the introduction of the Circle by Melia product in the region, allowing us to add 43.9% more customers to our membership base. The average contract price grew by 8.4%, we grew our ability to close sales with both new customers and members by 9.8%, and we increased the sales per client visiting our Circle rooms by 19.1%. All this helped grow net sales by 56.0% compared to the same period in 2018.

In the first quarter of 2020 we understand that the demand for Punta Cana will continue to face certain challenges, and in Mexico the falling hotel rates could continue to have an impact on the buyer profile. We nevertheless feel optimistic and confident that the consolidation and optimisation of our business processes together with the flexibility of our product, which allows us define pricing strategies for each region and season of the year, will allow us to continue to evolve positively in our main business indicators and record growth in sales with respect to 2019.

REAL ESTATE

In 2019 we sold the Tryp Azafata (Valencia, 128 rooms) and Tryp Coruña (Coruña, 181 rooms) for a total amount of €21.2M, generating capital gains at the EBITDA level of €10.1M. We also registered an impairment of €-3.1Mn as a result of the fair value adjustment of the shopping center located in Caracas and other commercial premises

FINANCIAL STATEMENTS

3

INCOME STATEMENT

Important disclosure: Our consolidated P&L statement has been adapted by the implementation of the accounting principles included in IFRS 16. In this regard, 2018 figures have been restated in order to facilitate a proper comparison with 2019 numbers.

Revenues and Operating Costs

Consolidated Revenues Excluding Capital Gains remain at almost the same level as the previous year

Total Operating Costs rose by -0.6% vs the same period last year.

EBITDA

EBITDA Excluding Capital Gains dropped by -2.3% vs 2018, while EBITDA margins excluding capital gains deteriorated by -62 bps.

Depreciation and Amortization costs increased by +5.4% vs the same period last year due to exchange rates, the impact of IFRS 16 and new openings.

Operating Profit (EBIT)

Operating Profit stood at +€222.8M, representing a decline of -13.9% vs 2018.

Result from entities valued by the equity method in the period was of €6.3M, which compares with the €5.3M reported in H1 2018.

Effective tax rate for the period stood at 22.2%, in line with the satisfied in 2018.

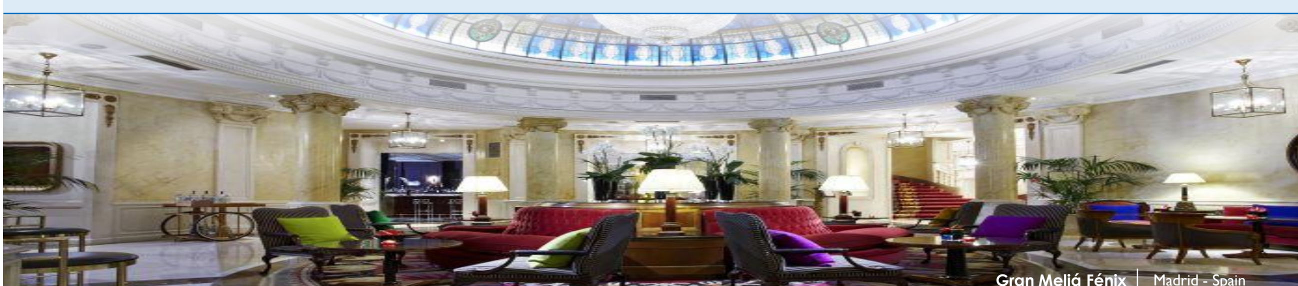
Net Profit

Net Profit in 2019 was +€121.7M, thus representing a -19.8% decline vs the same period last year, which was affected by higher capital gains.

EPS for the period stood at +€0.49, which compares with the +€0.64 reported in 2018.

INCOME STATEMENT (cont´d)

% change Q4 19 vs Q4 18	Q4 2019	Q4 2018	(Million Euros)	12M 2019	12M 2018	% change 12M 19 vs 12M 18
			Revenues split			
	430.4	427.2	Total HOTELS	1,911.0	1,932.9	
	66.9	73.9	Management Model	299.0	320.7	
	342.4	340.3	Hotel Business Owned & Leased	1,545.4	1,554.2	
	21.2	13.0	Other Hotel Business	66.6	58.0	
	12.0	19.0	Real Estate Revenues and Capital Gains	20.8	51.5	
	25.6	19.9	Club Meliá Revenues	91.3	75.8	
	42.0	66.8	Overheads	124.9	145.3	
	510.0	532.9	Total Revenues Aggregated	2,148.0	2,205.5	
	(97.4)	(115.6)	Eliminations on consolidation	(347.3)	(374.2)	
-1.1%	**412.7**	**417.2**	**Total Consolidated Revenues & Capital Gains**	**1,800.7**	**1,831.3**	**-1.7%**
	(46.4)	(41.3)	Raw Materials	(199.0)	(190.8)	
	(121.5)	(124.8)	Personnel Expenses	(523.9)	(526.6)	
	(139.0)	(154.5)	Other Operating Expenses	(579.3)	(592.2)	
4.3%	**(306.8)**	**(320.6)**	**Total Operating Expenses**	**(1,302.3)**	**(1,309.6)**	**0.6%**
9.5%	**105.9**	**96.6**	**EBITDAR**	**498.5**	**521.7**	**-4.5%**
	(2.9)	(2.6)	Rental Expenses	(20.6)	(20.8)	
9.5%	**103.0**	**94.0**	**EBITDA**	**477.9**	**500.9**	**-4.6%**
	(28.6)	(31.3)	Depreciation and Amortisation	(122.3)	(117.4)	
	(39.5)	(32.6)	Depreciation and Amortisation (ROU)	(137.7)	(124.3)	
	4.2	(0.0)	Bargain Purchase	4.9	(0.4)	
29.4%	**39.0**	**30.2**	**EBIT (OPERATING PROFIT)**	**222.8**	**258.9**	**-13.9%**
	(8.4)	(8.8)	Financial Expense	(33.1)	(31.8)	
	(13.1)	(10.1)	Rental Financial Expense	(41.4)	(43.5)	
	7.2	8.7	Other Financial Results	14.4	15.2	
	(4.6)	0.3	Exchange Rate Differences	(12.8)	(8.9)	
-90.5%	**(18.8)**	**(9.9)**	**Net Financial Profit/(Loss)**	**(72.8)**	**(69.0)**	**-5.5%**
	(2.3)	(2.5)	Profit / (loss) from Associates and JV	6.3	5.3	
0.5%	**17.9**	**17.8**	**Profit before taxes and minorities**	**156.3**	**195.2**	**-19.9%**
	(2.0)	0.8	Taxes	(34.6)	(43.5)	
-14.4%	**16.0**	**18.6**	**Group net profit/(loss)**	**121.7**	**151.7**	**-19.8%**
	(0.2)	(1.6)	Minorities	8.8	4.6	
-20.4%	**16.1**	**20.2**	**Profit/(loss) of the parent company**	**112.9**	**147.1**	**-23.2%**



Gran Meliá Fénix | Madrid - Spain

BALANCE SHEET

Assets

Total Assets grew by +4.2% vs December 2018 as a result of the following:

a) Increase in Tangible Assets of +€72.1M mainly explained due to:

   I. Amortizations in the period (-€102.1M).

   II. Integration of ME Cabo (+€79.9M).

   III. Net Investments (+€63.3M).

   IV. Translation Differences (+€31M)

b) Increase in Rights of Use (+€187M) due to the net effect of the renegotiation of the long lease contract of the Meliá White Housethe, the new rental contract of Innside Charles de Gaulle, certain updates of current contracts and of amortizations

c) Elimination of Non Current Assets held for Sale as a result of the disposal of our hotel located in Puerto Rico.

(Million Euros)	December 2019	December 2018	% change December 19 vs December 18
ASSETS			
NON-CURRENT ASSETS			
Goodwill	72.3	68.0	6.3%
Other Intangibles	73.4	76.4	-3.9%
Tangible Assets	1,923.3	1,851.2	3.9%
Rights of Use (ROU)	1,251.3	1,064.1	17.6%
Investment Properties	116.3	149.4	-22.2%
Investments in Associates	212.7	197.8	7.5%
Other Non-Current Financial Assets	168.3	140.6	19.7%
Deferred Tax Assets	297.3	302.6	-1.7%
TOTAL NON-CURRENT ASSETS	**4,114.8**	**3,850.1**	**6.9%**
CURRENT ASSETS			
Non Current Assets Held for Sale	0.0	56.1	-100.0%
Inventories	29.3	26.5	10.5%
Trade and Other receivables	194.1	249.1	-22.1%
Tax Assets on Current Gains	39.6	28.9	37.1%
Other Current Financial Assets	49.0	41.1	19.3%
Cash and Cash Equivalents	328.9	312.9	5.1%
TOTAL CURRENT ASSETS	**640.9**	**714.5**	**-10.3%**
TOTAL ASSETS	**4,755.7**	**4,564.6**	**4.2%**

Liabilities

Total liabilities rose by **+3.3%** vs December 2018 due to the following aspects discussed below:

a) Increase in Non Current Liabilities (**+7.7%**) mainly due to a combination of the rose posted by Bank Debt (**+€67M**) , Present Value Rentals (+€137.9M) and Deferred Tax Liabilities (**+€32.6M**).

b) Drop in Current Liabilities (**-9.7%**) mainly due to the decline in Issue of Debentures and Other Marketable Securities and Bank debt.

(Million Euros)	December 2019	December 2018	% change December 19 vs December 18
EQUITY			
Issued Capital	45.9	45.9	0.0%
Share Premium	1.107.1	1.119.3	-1.1%
Reserves	443.0	431.9	2.6%
Treasury Shares	-28.2	-16.0	75.9%
Results From Prior Years	-325.4	-430.5	-24.4%
Other Equity Instruments	0.0	0.0	0.0%
Translation Differences	-110.5	-133.1	-17.0%
Other Adjustments for Changes in Value	-2.6	-2.1	19.1%
Profit Attributable to Parent Company	112.9	147.1	-23.2%
EQUITY ATTRIBUTABLE TO THE PARENT CO.	**1.242.4**	**1.162.5**	**6.9%**
Minority Interests	43.6	41.9	4.1%
TOTAL NET EQUITY	**1.286.0**	**1.204.4**	**6.8%**
LIABILITIES			
NON CURRENT LIABILITIES			
Issue of Debentures and Other Marketable Securities	34.0	33.8	0.3%
Bank Debt	786.9	719.9	9.3%
Present Value of Long Term Debt (Rentals)	1.264.3	1.126.4	12.2%
Other Non-Current Liabilities	12.2	15.0	-18.4%
Capital Grants and Other Deferred Income	350.6	368.5	-4.9%
Provisions	29.8	54.1	-44.9%
Deferred Tax Liabilities	221.9	189.3	17.2%
TOTAL NON-CURRENT LIABILITIES	**2.699.7**	**2.507.1**	**7.7%**
CURRENT LIABILITIES			
Issue of Debentures and Other Marketable Securities	0.2	51.5	-99.7%
Bank Debt	100.3	115.1	-12.8%
Present Value of Short Term Debt (Rentals)	172.0	151.0	13.9%
Trade and Other Payables	424.5	469.0	-9.5%
Liabilities for Current Income Tax	7.7	7.1	8.6%
Other Current Liabilities	65.3	59.4	9.9%
TOTAL CURRENT LIABILITIES	**770.0**	**853.0**	**-9.7%**
TOTAL LIABILITIES AND EQUITY	**4.755.7**	**4.564.6**	**4.2%**

Financial results

Net Financial Result increased by 5.5% vs the same period last year as a result of the following:

a) Increase in Financial Expenses of €1.3M given the integration of Adprotel in Q2 2018. Also, cost of debt stood at 3.1%, vs 3.2% in 2018.

b) Slight decline in Other Financial Results of €0.8M.

c) Decline in Rental Financial Expenses of €2.1M mainly due the decline in liabilities as time passes by for rentals.

d) Decrease in Exchange Rates Differences of -€3.8M.

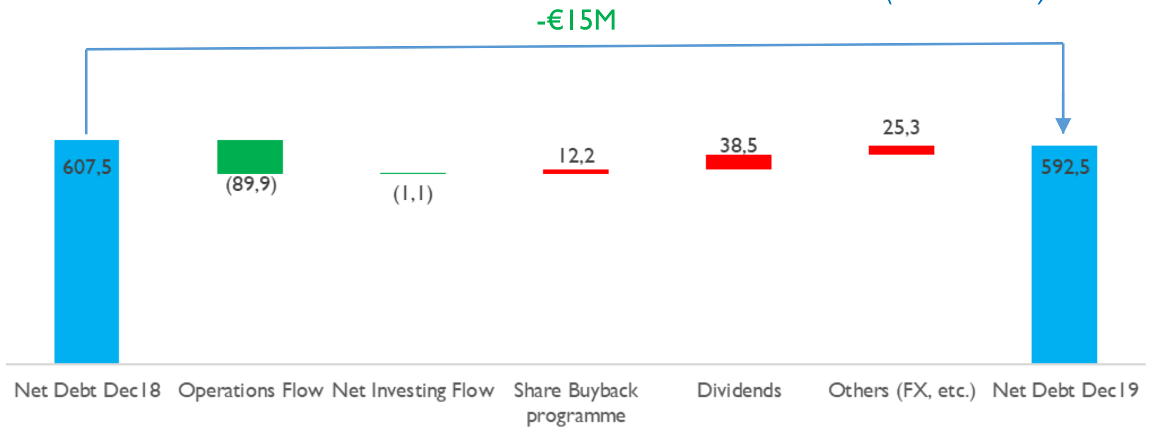
Q4 2019	Q4 2018	Item	12M 2019	12M 2018
(4,6)	0,3	Exchange Rates Differences	(12,8)	(8,9)
(13,1)	(10,1)	Rental Financial Expense	(41,4)	(43,5)
(8,4)	(8,8)	Financial Expense	(33,1)	(31,8)
7,2	8,7	Other Financial Results	14,4	15,2
(18,8)	**(9,9)**	**Net Financial Income/(Loss)**	**(72,8)**	**(69,0)**

Debt and Cash Flow

At the end of 2019, Net Debt pre IFRS 16 stood at **€592.5M**, a decrease of -€15M compared to December 2018. The Net Debt/EBITDA ratio pre IFRS 16 stood at 2.11x, as foreseen, slightly affected by the share buyback programme. Note that at the end of the year, more than 30% of the debt is in US$ denominated, in order to obtain a natural coverage with the cash generation.

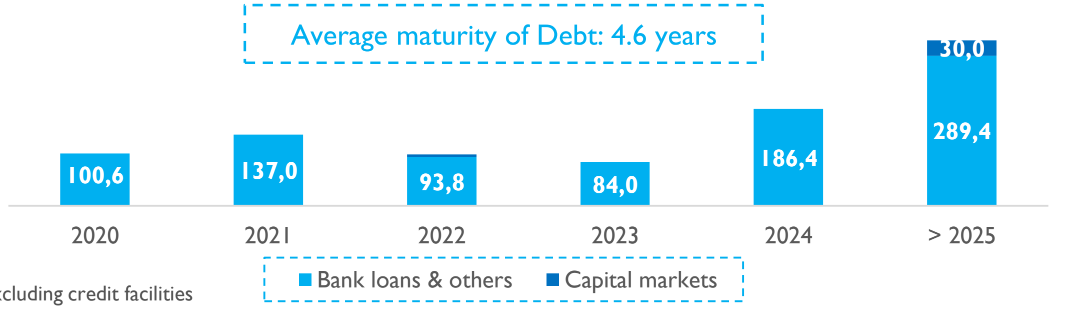
Considering the impact of rentals, Net Debt increased by €143.8M during the period to +€2,028.8M, motivated mainly to the renegotiation of the long lease contract of the Meliá White House. The post IFRS 16 leverage ratio stands at 4.31x.

Net Debt evolution Pre-IFRS 16: Dec2018 – Dec2019 (€ millions)

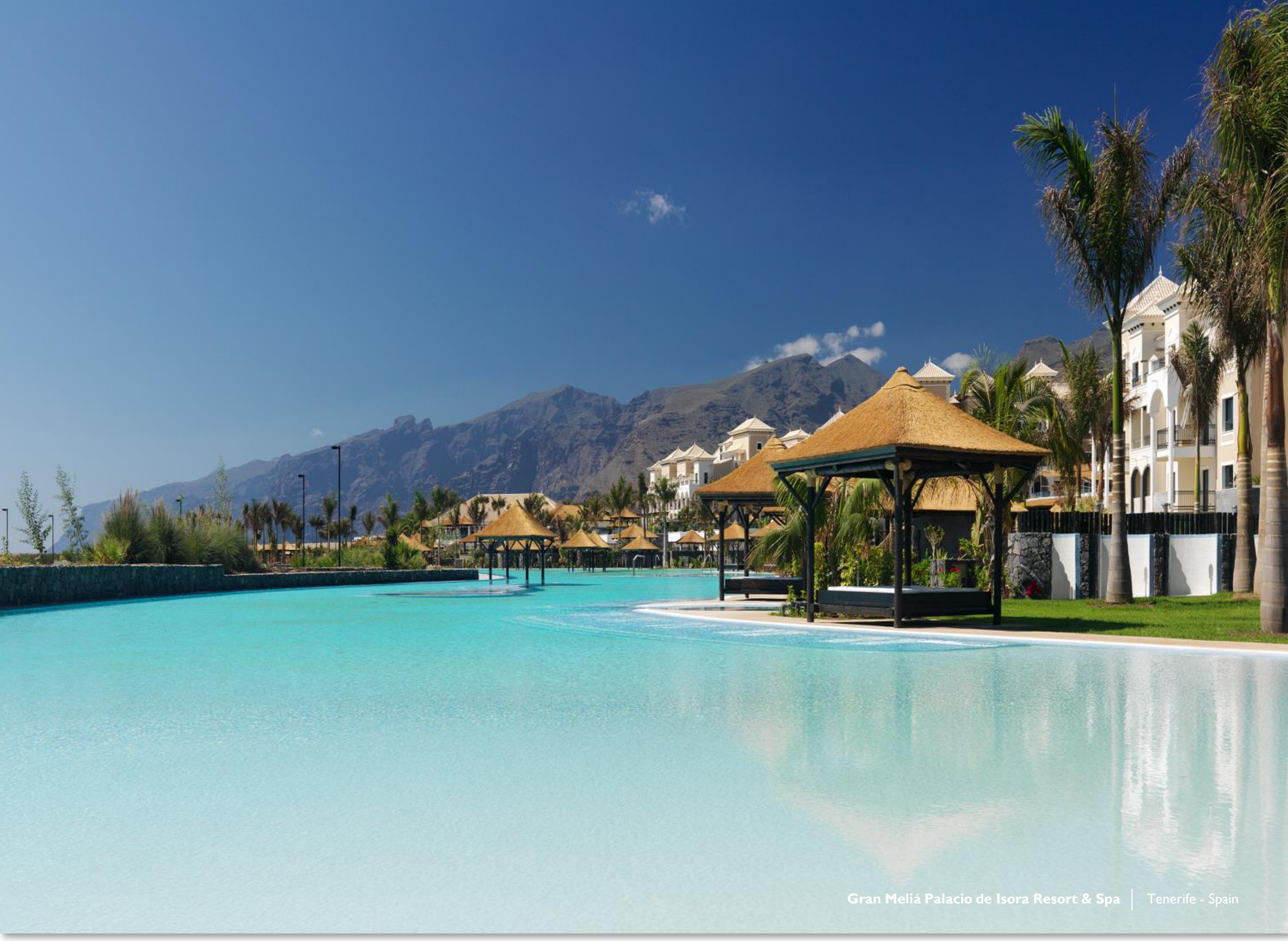


Furthermore, the maturity profile of current debt is shown below.

Debt maturity profile[1] (€ millions)



1) Excluding credit facilities



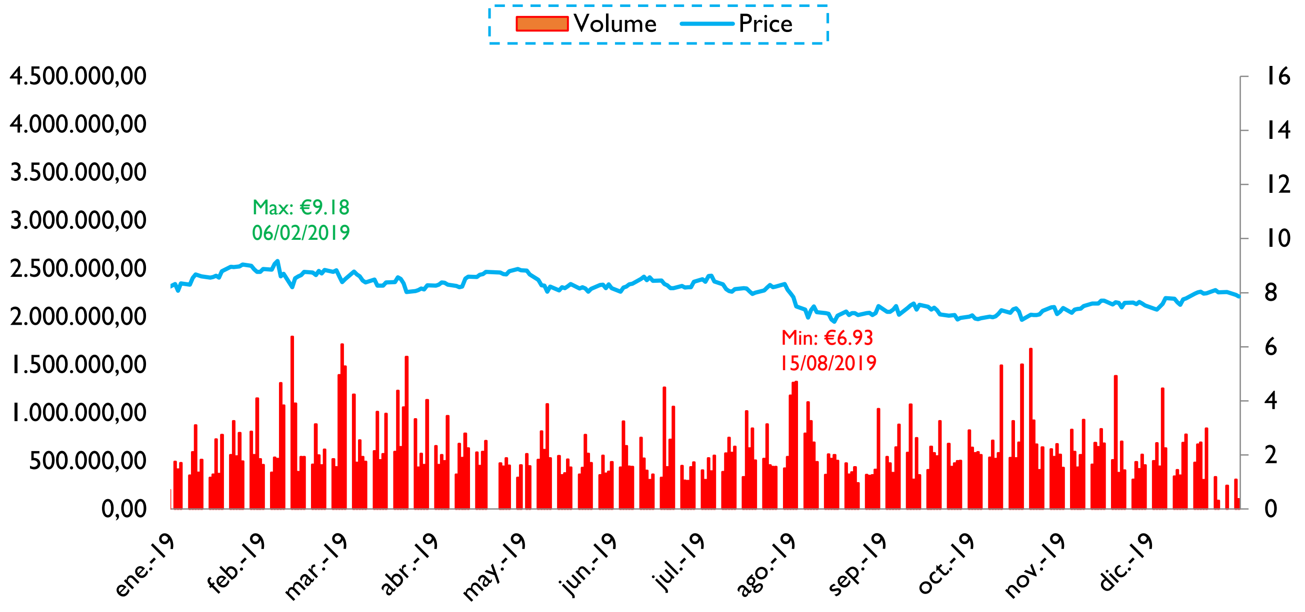
MELIÁ IN THE STOCK MARKET

4

MELIÃ HOTELS INTERNATIONAL

STOCK MARKET

Over the fourth quarter of the year, Meliá' share price rose by +10.4%, outperforming the Ibex 35 Index (+3.3%). On a year-to-date basis, our shares dropped by -4.3%, underperforming the Ibex 35 Index (+11.8%).



	Q1 2019	Q2 2019	Q3 2019	Q4 2018	2019
Average daily volume (*thousand shares*)	729.1	544.3	597,7	624,4	**623,9**
Meliá performance	+0.8%	+1.5%	-15,2%	+10,4%	**-4,3%**
Ibex 35 performance	+8.2%	-0.4%	+0,5%	+3,3%	**11,8%**

	2019	2018
Number of shares (*millions*)	229.70	229.70
Average daily volume (*thousands shares*)	623.87	724.36
Maximum share price (*euros*)	9.18	12.66
Minimum share price (*euros*)	6.93	7.96
Last Price (*euros*)	7.86	8.21
Market capitalization (*million euros*)	1,805.44	1,885.84
Dividend (*euros*)	0.183	0.17

Source: Bloomberg

Note: Meliá´s shares are listed on the Ibex 35 and FTSE4Good Ibex Index

Main Highlights of 2019:

- On July 09, 2019, a €0.1830 ordinary dividend per share was paid to shareholders.
- On October 21st, 2019, Meliá announces a shares buy-back program up to a maximum of 8,500,000 shares.

APPENDIX

5

BUSINESS SEGMENTATION OF MELIÁ HOTELS INTERNATIONAL

12M 2019	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**1,911.0**	**20.8**	**91.3**	**124.9**	**2,148.0**	**(347.3)**	**1,800.7**
Expenses	1,399.5	7.6	78.3	164.0	1,649.5	(347.3)	1,302.3
EBITDAR	511.4	13.2	13.0	(39.1)	498.5	(0.0)	498.5
Rentals	20.6	0.0	0.0	0.0	20.6	(0.0)	20.6
EBITDA	**490.8**	**13.2**	**13.0**	**(39.1)**	**477.9**	**0.0**	**477.9**
D&A	102.8	0.2	0.9	13.5	117.4	0.0	117.4
D&A (ROU)	131.8	0.0	0.0	5.9	137.7	0.0	137.7
EBIT	256.3	13.0	12.1	(58.6)	222.8	0.0	222.8

12M 2018	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**1,932.9**	**51.5**	**75.8**	**145.3**	**2,205.5**	**(374.2)**	**1,831.3**
Expenses	1,401.4	28.0	68.3	186.2	1,683.8	(374.2)	1,309.6
EBITDAR	531.5	23.5	7.6	(40.9)	521.7	(0.0)	521.7
Rentals	20.8	0.0	0.0	0.0	20.8	(0.0)	20.8
EBITDA	**510.7**	**23.5**	**7.6**	**(40.9)**	**500.9**	**0.0**	**500.9**
D&A	102.7	(0.8)	2.0	13.9	117.8	0.0	117.8
D&A (ROU)	122.6	0.0	0.0	1.7	124.3	0.0	124.3
EBIT	285.5	24.3	5.6	(56.6)	258.9	0.0	258.9

Q4 2019	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**430,4**	**12,0**	**25,6**	**42,0**	**510,0**	**(97,4)**	**412,7**
Expenses	326,0	3,2	23,3	51,6	404,2	(97,4)	306,8
EBITDAR	104,4	8,8	2,3	(9,6)	105,9	(0,0)	105,9
Rentals	2,9	0,0	0,0	0,0	2,9	(0,0)	2,9
EBITDA	**101,6**	**8,8**	**2,3**	**(9,6)**	**103,0**	**0,0**	**103,0**
D&A	20,4	(0,0)	0,2	4,0	24,5	0,0	24,5
D&A (ROU)	35,8	0,0	0,0	3,7	39,5	0,0	39,5
EBIT	45,4	8,8	2,1	(17,3)	39,0	0,0	39,0

Q4 2018	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**427.2**	**19.0**	**19.9**	**66.8**	**532.9**	**(115.6)**	**417.2**
Expenses	321.1	18.5	15.5	81.1	436.2	(115.6)	320.6
EBITDAR	106.0	0.5	4.3	(14.2)	96.6	(0.0)	96.6
Rentals	2.6	0.0	0.0	0.0	2.6	(0.0)	2.6
EBITDA	**103.4**	**0.5**	**4.3**	**(14.2)**	**94.0**	**0.0**	**94.0**
D&A	27.4	0.1	0.7	3.1	31.3	0.0	31.3
D&A (ROU)	32.8	0.0	0.0	(0.2)	32.6	0.0	32.6
EBIT	43.3	0.4	3.7	(17.2)	30.2	0.0	30.2

Meliá Hoi An | Vietnam

MAIN STATISTICS BY BRAND & COUNTRY

MAIN STATISTICS BY BRAND

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
Paradisus	64.2%	-8.7	132.3	1.7%	84.9	-10.4%	55.7%	-11.8	127.5	0.0%	71.0	-17.5%
ME by Melia	66.8%	-7.8	284.2	3.6%	189.8	-7.2%	66.2%	1.0	263.1	1.7%	174.0	3.1%
Gran Meliá	66.5%	0.1	250.8	4.3%	166.8	4.5%	61.9%	-2.4	210.6	5.7%	130.3	1.8%
Meliá	69.9%	-0.4	125.8	2.6%	88.0	2.1%	63.4%	-0.4	105.5	1.6%	66.9	1.0%
Innside	71.8%	-0.3	120.6	-1.7%	86.5	-2.0%	70.3%	1.7	112.1	-3.1%	78.8	-0.8%
Tryp by Wyndham	73.0%	-0.1	91.8	6.3%	67.0	6.2%	68.1%	0.8	80.8	3.8%	55.0	4.9%
Sol	76.3%	0.2	76.5	-1.4%	58.3	-1.1%	70.8%	-2.2	78.8	0.7%	52.6	-3.3%
TOTAL	70.8%	-1.2	122.8	2.3%	86.9	0.6%	65.2%	-1.5	105.8	1.6%	69.0	-0.7%

MAIN STATISTICS BY KEY COUNTRIES

	OWNED & LEASED						OWNED. LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
AMERICA	61.0%	-6.0	119.0	2.5%	72.5	-6.7%	55.3%	-4.3	94.4	0.7%	52.2	-6.5%
Dominican Republic	60.2%	-6.1	107.5	-3.8%	64.8	-12.5%	60.2%	-6.1	107.5	-3.8%	64.8	-12.5%
Mexico	68.2%	-5.5	121.0	4.2%	82.5	-3.6%	68.2%	-3.6	121.0	-1.3%	82.5	-6.3%
USA	78.2%	-0.6	158.0	0.4%	123.6	-0.4%	78.2%	-0.6	158.0	0.4%	123.6	-0.4%
Venezuela	17.7%	-24.3	105.2	34.3%	18.6	-43.4%	17.7%	-24.3	105.2	34.3%	18.6	-43.4%
Cuba	-	-	-	-	-	-	50.7%	-5.2	79.9	-1.1%	40.5	-10.3%
Brazil	-	-	-	-	-	-	61.0%	4.1	79.5	5.9%	48.5	13.5%
ASIA	-	-	-	-	-	-	64.4%	4.4	73.8	1.5%	47.5	8.9%
Indonesia	-	-	-	-	-	-	63.1%	3.0	69.4	4.4%	43.8	9.6%
China	-	-	-	-	-	-	71.1%	4.9	65.1	-5.3%	46.3	1.6%
Vietnam	-	-	-	-	-	-	63.8%	5.3	98.1	-0.2%	62.6	8.8%
EUROPE	73.4%	0.1	123.6	2.2%	90.7	2.3%	71.9%	-0.2	115.3	2.1%	82.9	1.8%
Austria	80.2%	3.4	143.9	7.4%	115.4	12.2%	80.2%	3.4	143.9	7.4%	115.4	12.2%
Germany	72.4%	0.3	111.1	2.0%	80.4	2.4%	72.4%	0.3	111.1	2.0%	80.4	2.4%
France	77.1%	-4.6	165.2	-10.6%	127.3	-15.6%	77.1%	-4.6	165.2	-10.6%	127.3	-15.6%
United Kingdom	75.9%	0.2	177.8	3.2%	134.9	3.4%	75.9%	0.3	175.7	2.0%	133.3	2.4%
Italy	71.8%	1.3	216.5	2.4%	155.4	4.2%	71.3%	1.7	220.9	3.3%	157.6	5.9%
Spain	73.2%	0.1	116.8	2.3%	85.5	2.4%	72.6%	0.1	110.6	1.6%	80.4	1.7%
Resorts	74.3%	0.2	111.1	-2.5%	82.6	-2.3%	73.7%	-0.2	104.2	-2.3%	76.8	-2.6%
Urban	72.2%	0.0	122.2	6.8%	88.2	6.8%	71.4%	0.4	118.7	6.5%	84.7	7.1%
TOTAL	70.8%	-1.2	122.8	2.3%	86.9	0.6%	65.2%	-1.5	105.8	1.6%	69.0	-0.7%

MAIN STATISTICS BY DIVISION AND EXCHANGE RATES

FINANCIAL INDICATORS SUMMARY Q4 2019

	HOTELS OWNED & LEASED										MANAGEMENT MODEL					
	Aggregated Revenues		Room Revenues		EBITDAR		EBITDA		EBIT		Third Parties Fees		Owned & Leased Fees		Other Revenues	
	€	% change	€	% change	€	% change	€	% change	€	% change	€	% change	€	% change	€	% change
America	86.0	-2.8%	38.4	-6.7%	14.4	-31.3%	13.7	-33.8%	2.8	-59.3%	2.0	9.0%	4.4	-12.6%	1.9	-54.1%
EMEA	104.8	4.2%	74.6	5.0%	32.2	7.9%	30.6	7.2%	14.7	2.1%	0.3	54.7%	6.4	9.9%	1.7	-58.4%
Spain	151.6	0.2%	103.3	0.2%	30.5	-1.2%	30.0	-0.6%	(1.3)	441.5%	4.5	-11.4%	9.0	2.9%	2.2	-36.7%
Cuba	-		-		-		-		-		1.9	-16.2%	0.0		0.6	-68.6%
Asia	-		-		-		-		-		1.8	13.1%	0.0		0.4	-41.8%
TOTAL	342.4	0.6%	216.4	0.5%	77.1	-5.6%	74.3	-6.5%	16.2	-22.7%	10.5	-4.1%	19.8	1.0%	6.7	-52.4%

MAIN STATISTICS BY DIVISION Q4 2019

	OWNED & LEASED						OWNED. LEASED & MANAGED					
	Occupancy		ARR		RevPAR		Occupancy		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
America	59.1%	1.1	109.7	-7.9%	64.8	-6.3%	59.5%	2.2	104.6	-3.3%	62.3	0.4%
EMEA	75.6%	0.3	143.4	4.4%	108.4	0.5%	73.4%	-0.6	144.0	-0.5%	105.7	-1.4%
Spain	66.8%	0.9	109.5	3.1%	73.1	4.5%	67.5%	1.7	97.9	1.8%	66.1	4.5%
Cuba	-	-	-	-	-	-	44.4%	-5.1	77.4	-1.1%	34.3	-11.3%
Asia	-	-	-	-	-	-	67.9%	6.7	74.2	1.3%	50.4	12.4%
TOTAL	67.3%	0.9	119.2	0.4%	80.3	1.8%	61.9%	0.1	100.9	0.1%	62.5	0.3%

12M 2019 EXCHANGE RATES

	12M 2019	12M 2018	12M 2019 VS 12M 2018
1 foreign currency = X €	Average Rate	Average Rate	% Change
Sterling (GBP)	1.1394	1.1302	+0.8%
American Dollar	0.8934	0.8477	+5.1%

Q4 2019 EXCHANGE RATES

	Q4 2019	Q4 2018	Q4 2019 VS Q4 2018
1€ = X foreign currency	Average Rate	Average Rate	% Change
Sterling (GBP)	1.1614	1.1273	+2.9%
American Dollar	0.9038	0.8767	+3.0%

IMPACT OF IFRS 16 IN OUR FINANCIAL STATEMENTS

On January 1, 2019, the new rule regarding leases included in the IFRS 16 came into force. This new rule brought significant changes to the composition of our assets and liabilities, as well as in the structure of our consolidated P&L. In this regard, in order to facilitate a proper comparison, the table included below reflects the main impacts of the new standard in our consolidated 12M 2019 P&L statement.

Million Euros	December 2019 After IFRS 16	IFRS 16	December 2019 Before IFRS 16
EBITDA	**477.910**	**(190.475)**	**287.435**
Depreciation and amortization	(122.329)		(122.329)
Depreciation and amortization (ROU)	(137.713)	137.713	0.00
Bargain Purchase	4.926		4.926
EBIT (OPERATING PROFIT)	**222.794**	**(52.762)**	**170.032**
Exchange Rate Differences	(33.069)		(33.069)
Financial Expense	(41.381)	41.381	0.00
Rental Financial Expense	14.417		14.417
Other Financial Results	(12.753)		(12.753)
Total financial profit/(loss)	**(72.786)**	**41.381**	**(31.405)**
Profit / (loss) from Associates and JV	6.303		6.303
Profit before taxes and minorities	**156.312**	**(11.380)**	**144.931**
Taxes	(34.632)	2.521	(32.111)
Group net profit/(loss)	**121.679**	**(8.859)**	**112.820**
Minorities	8.781	(0.533)	8.248
Profit/(loss) of the Parent Company	**112.898**	**(8.326)**	**104.572**

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DEFINITIONS

EBITDA and EBITDA ex capital gains

Earnings before interest expense, taxes and depreciation and amortization ("EBITDA"), presented herein, reflects income (loss) from continuing operations, net of taxes, excluding interest expense, a provision for income taxes and depreciation and amortization.

EBITDA ex capital gains, presented herein, is calculated as EBITDA, as previously defined, further adjusted to exclude certain items, including gains, losses and expenses in connection with asset dispositions for both consolidated and unconsolidated investments.

EBITDAR and EBITDA ex capital gains margins

EBITDAR margin represents EBITDAR as a percentage of total revenues excluding capital gains generated in asset dispositions at revenue level.

EBITDA ex capital gains margin represents EBITDA ex capital gains as a percentage of total revenues excluding capital gains generated in asset dispositions at revenue level.

Net Debt

Net Debt, presented herein, is a financial measure that the Company uses to evaluate its financial leverage. Net Debt is calculated as long-term debt, including current maturities, plus short-term debt; reduced by cash and cash equivalents. Net Debt may not be comparable to a similarly titled measure of other companies.

Net Debt to EBITDA Ratio

Net debt to EBITDA ratio, presented herein, is a financial measure and is included as it is frequently used by securities analysts, investors and other interested parties to compare the financial condition of companies. Net Debt to EBITDA ratio may not be comparable to a similarly titled measure of other companies.

Occupancy

Occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels for a given period. It measures the utilization of the hotels' available capacity. Management uses occupancy to gauge demand at a specific hotel or group of hotels in a given period. Occupancy levels also help management determine achievable average daily rate levels as demand for hotel rooms increases or decreases.

Average Room Rate (ARR)

ARR represents hotel room revenue divided by total number of room nights sold for a given period. It measures average room price attained by a hotel, and ARR trends provide useful information concerning the pricing environment and the nature of the customer base of a hotel or group of hotels. ARR is a commonly used performance measure in the industry, and management uses ARR to assess pricing levels that the Company is able to generate by type of customer, as changes in rates have a different effect on overall revenues and incremental profitability than changes in occupancy, as described above.

Revenue per Available Room (RevPAR)

RevPAR is calculated by dividing hotel room revenue by total number of room nights available to guests for a given period. Management considers RevPAR to be a meaningful indicator of the Company's performance as it provides a metric correlated to two primary and key drivers of operations at a hotel or group of hotels: occupancy and ARR. RevPAR is also a useful indicator in measuring performance over comparable periods for comparable hotels.