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 EVENTS

FIRST.- The Company has presented today to its Board of Directors the conclusions of the valuation for its fully-owned assets conducted by Jones Lang LaSalle (JLL), the firm specialized in Hotel & Hospitality Investment Consultancy Services. The valuation sets a market value of the assets as of June 30, 2018 and comprises the following:

a.- The assets consolidated in the Financial Statements using the full consolidation method. These assets, whose definitive valuation has been concluded, are valued at €3,758 million euros.

b.- The assets that are owned by associates and joint ventures that are accounted for using the equity method. In this case, the valuation is adjusted to consider the equity stake of the Company on each of the associates and JVs, and amounts to €628 million, as the valuation exercise is still in progress. Once concluded, predictably by the end of September, and only if there is a significant difference with the current figures, the Company will report to the market the definitive results.

A highly detailed presentation explaining the valuation is attached.

SECOND.- At the same time, the Company reports that on July 26, 2018, it signed an agreement by which it acquired the 50.0% of Proyectos Corporativos Noah II, S.L.(PCNII). The incorporation has been made through a capital increase.

PCNII owns the following assets:

- 50.0% of the company Adprotel Strand, S.L., current owner of the Me London hotel, a strategic asset for Meliá, located in London, United Kingdom, with 157 rooms and that the Company operates under a lease agreement since 2012. At the time of acquisition of such shareholding in PCNII, Meliá already owned the remaining 50.0% of the shares of Adprotel Strand, S.L.

- The following hotels: Sol Pelícanos Ocas (794 rooms, located in Benidorm, Spain) and Palma Bellver by Meliá (384 rooms, located in Palma, Balearic Islands). Meliá will keep operating both hotels under lease contracts.

Total amount satisfied by Meliá was EIGHTY-FOUR million three hundred thousand euros (€84,300,000).

As a result of this deal, Adprotel Strand, S.L. will be fully integrated into Meliá's Financial Statements by the consolidation method, thus resulting in the corresponding business combination and incorporating additional bank debt for a total amount of £60.7 million (British Pounds).

Meliá reiterates and keeps its strong commitment to close the year with a Net Debt/EBITDA leverage ratio of 2.0x.

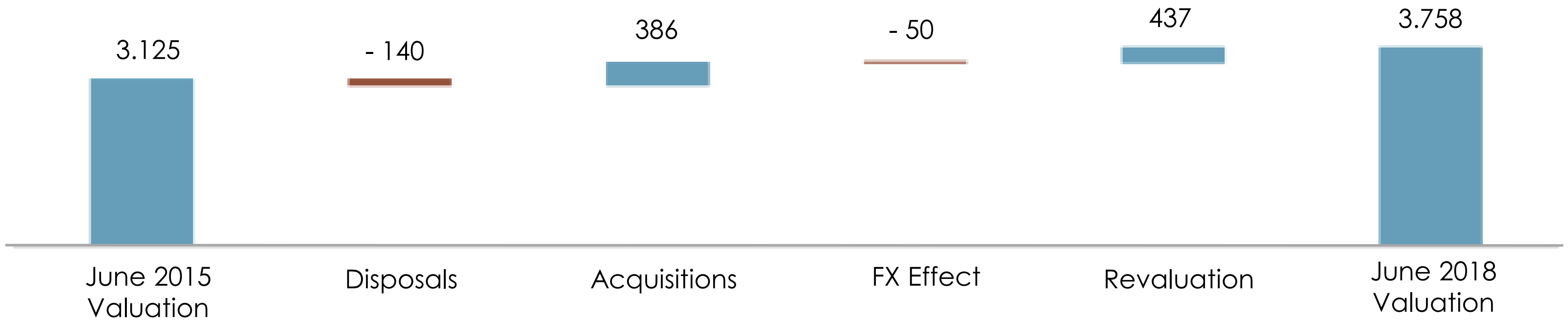
Palma, July 30, 2018

ASSETS VALUATION 2018

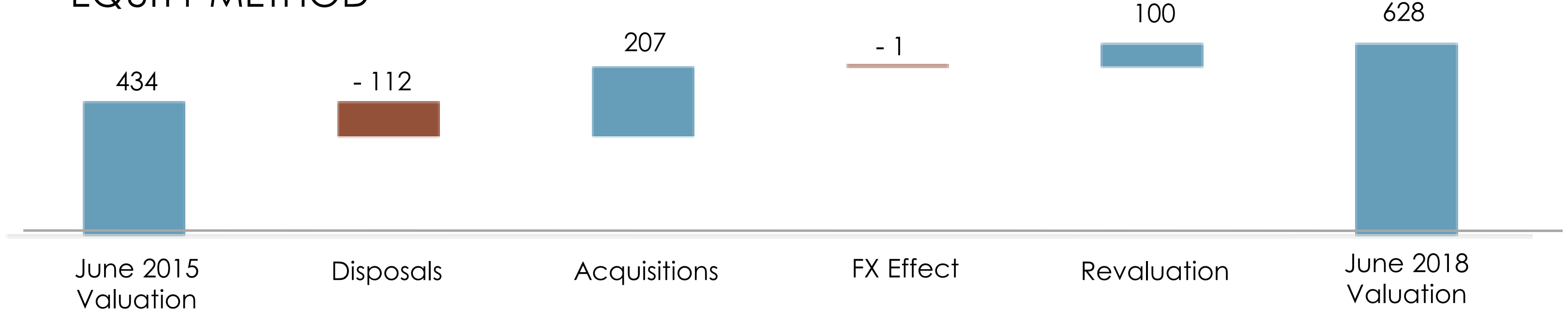
JULY 2018*

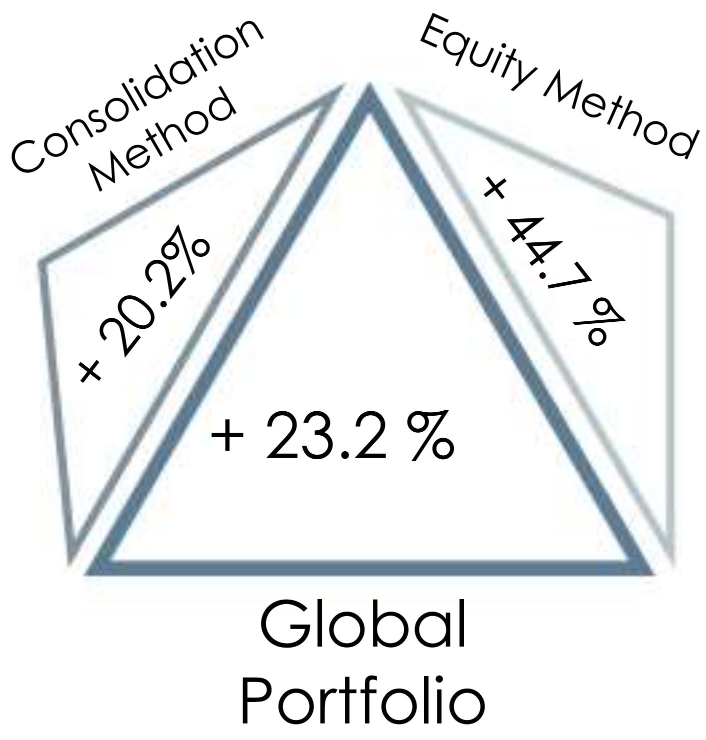
* *This valuation considers the impact of the 2 transactions closed after June, 30 (Sale of 3 hotels and integration of ME London into our Financial Statements by the consolidation method)*

CONSOLIDATION METHOD



EQUITY METHOD





CONSOLIDATION METHOD

ASSETS	€3,758M
• Value of Fully-Owned Hotels	€3,632M
• Total Rooms	14,323
• Average Price per Room	€253,588
• % change Price per Room since 2015	+ 36.8%
• Discount Rate / Exit Yield	10.68% / 7.58%

Total value of fully-owned assets increased by +14.88% on a same store basis vs June 2015 valuation.

EQUITY METHOD

ASSETS €628M

Total value of assets integrated into our Financial Statements by the equity method is estimated increase by +31.15% on a same store basis vs June 2015 valuation.

*Final valuation made by JLL will be concluded by late September.

HOTELS VALUATION PER ROOM

	Type	2015	2018	% change
Hotels LATAM		213,504	243,043	13.8%
Hotels Spain	Urban	204,193	243,611	19.3%
	Resort	113,337	211,310	86.4%
Hotels Europe		312,231	415,674	33.1%
TOTAL HOTELS VALUATION		**185,314**	**253,588**	**36.8%**

TOTAL ASSETS VALUATION: CONSOLIDATION AND EQUITY METHOD

Our best estimate points to an increase of +16.49% on a same store basis vs June 2015 valuation, reaching a total portfolio value of €4,386M.

RESULTS OF THE VALUATION

€ millions		Type	2015	2018	% change
HOTELS	America		1,257	1,630	29.7%
	Spain	Urban	696	718	3.2%
		Resorts	623	679	9.0%
	Rest of Europe		407	605	48.6%
TOTAL HOTELS			2,983	3,632	21.7%
REAL ESTATE	America		59	42	-29.4%
	Europe		9	13	52.0%
TOTAL REAL ESTATE			68	55	-18.7%
OTHER ASSETS	America		52	51	-2,6%
	Europe		22	21	-7.8%
TOTAL OTHER ASSETS			74	72	-4,2%
TOTAL ASSETS CONSOLIDATION METHOD			3,125	3,758	20.2%
TOTAL ASSETS EQUITY METHOD			434	628	44.8%

VALUATION PERIMETER

JLL estimated the market value, as of June 30, 2018, of those hotels and real estate assets reported in Meliá's Consolidated Balance Sheet.

ASSETS INTEGRATED BY THE CONSOLIDATION METHOD

A total of 73 assets and 14,323 rooms (-11% vs 2015) have been valued.

AMERICA	**Hotel**	**16**
	Real Estate	**2**
	Other Assets	**2**
Total America		**20**
EUROPE	**Hotel**	**36**
	Real Estate	**3**
	Other Assets	**3**
Total Europe		**42**
TOTAL		**62**

The valuation does not include the value of lease and management contracts, with the exception of Meliá White House y Meliá Champs Elysees, as both are long-term leases, nor the value of our brands (intangible assets).

ASSETS INTEGRATED BY THE EQUITY METHOD

At the moment, there are 37 hotel assets and 12,596 rooms in the process of being valued.

- Regarding these assets, this valuation includes the market value attributed to the equity stake held by Meliá on each of them.
- This valuation is still ongoing and therefore the figure reported is an estimate. In this regard, we expect that the difference between the estimated and the real figure will move in a range of +-10%.

VALUATION CRITERIA

1. When determining the value of the assets, JLL followed the methodology used by the Royal Institute of Chartered Surveyors (RICS).

2. In mostly of the cases, the valuation method used by JLL has been the Discounted Cash Flow Method, as hotel investments are generally valued on the basis of future income potential.

3. In certain instances, other valuation methodologies have been used, such as Multiples or Residual Value, with the latter being used usually to value plots of land, offices and commercial premises.

4. Notwithstanding the valuation criteria used, the result of the valuation has been also compared with other relevant information, such as stabilized yields or value per room.

METHODOLOGY

DISCOUNTED CASH FLOW

- To estimate the market value of each hotel, financial projections for a 5-year period have been discounted by using the DCF methodology.
- Net Cash Flow in year 5 has been used to forecast the next 5 years by applying a growth rate that considers both hotel's expectations and the expected inflation rate.
- Cash Flow in year 11 has been capitalized by applying an exit multiple which depends on historical transactions, expected returns and other factors (location, size of the hotel, age, current maintenance status, etc.)

DISCOUNT RATE USED:

LOCATION	COUNTRY	DISCOUNT RATE	EXIT YIELD
America	Brazil	30,00%	-
	Mexico	12,50%	9,50%
	Peru	12,00%	9,00%
	Puerto Rico	12,00%	9,00%
	Dominican Republic	14,06%	10,06%
Total America		**14,31%**	**9,73%**
Europe	Spain	9,42%	7,08%
	France	7,47%	5,21%
	Italy	7,07%	5,25%
	United Kigdom	7,13%	4,88%
Total Europe		**8,91%**	**6,61%**
Total		10,68%	7,58%

COMPARABLE TRANSACTIONS

- In some cases, the valuation is not easily supported by the standard DCF methodology.
- The Comparable Transactions method estimates the market value of a given asset based on an analysis of recent market transactions that involved similar assets, as well as information regarding current average price per room.
- This valuation method considers the balance between demand and supply at the time of the valuation.

RESIDUAL VALUE

- This is the method typically used to estimate the market value of urban and developable land.
- The methodology consists of estimating the price that it could be paid by a given asset taking into consideration both the gross development value and the total cost of the project, and taking into account the profit margins considered by the market once considered the characteristics of the asset and the risk of the project.
- In development projects, this method has been used assuming that the assets will be developed for a hotel or mixed use.

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