THIRD QUARTER RESULTS

2019

MELIÃ HOTELS INTERNATIONAL

P&L AND KEY INDICATORS SUMMARY*

(Million Euros)	September 2019	September 2018*	% change
REVENUES	**1,388.1**	**1,414.1**	**-1.8%**
Revenues ex asset rotation	**1,385.7**	**1,389.7**	**-0.3%**
EBITDAR	392.6	425.1	-7.6%
EBITDA	**374.9**	**406.9**	**-7.9%**
EBITDA ex asset rotation	**373.0**	**387.4**	**-3.7%**
EBIT	183.7	228.7	-19.7%
TOTAL FINANCIAL PROFIT (LOSS)	(54.0)	(59.1)	-8.7%
EARNINGS BEFORE TAXES	138.4	177.4	-22.0%
NET PROFIT	**105.7**	**133.0**	**-20.5%**
NET PROFIT ATTRIBUTABLE	96.8	126.9	-23.7%
EPS (€)	0.42	0.55	-23.7%
REVPAR Owned & Leased (€)	**88.9**	**88.7**	**0.2%**
REVPAR Owned, Leased & Managed (€)	**71.1**	**71.8**	**-1.0%**
EBITDAR MARGIN (ex - capital gains)	28.2%	29.2%	-99 bps
EBITDA MARGIN (ex - capital gains)	26.9%	27.9%	-96 bps

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

- Despite the low performance of our hotels located in Dominican Republic, the solid strategy implemented has allowed O&L RevPAR for Q3 to be flat vs the same period last year.
- EBITDA excluding capital gains stood at +€373.0M (-3.7% vs 9M 2018).
- Our direct channel increased its penetration among customers and sales through melia.com rose by +1.7% in 9M, highlighting also the +10.6% growth of OTB sales and the evolution of MeliáPro, our digital B2B platform, which grew by +19.5%.
- The Corporate Sustainability Assessment prepared by the sustainable investment agency SAM named Meliá Hotels International the most Sustainable Hotel Company in the World in 2019. The Company achieved the highest possible rating in important areas such as Climate Strategy and the best rating in the industry in aspects such as Human Rights, Training and Talent Development, Code of Ethics and Risk Management.

Debt Management

- Net Financial Result improved by +8.7% vs the same period last year.
- Net Debt prior to IFRS 16 stood at €655.7M, an increase vs December 2018 by +€48.2M.
- Following the announcement of the share buy back program, up to a maximum amount of € 60 million, the leverage ratio Net Debt / EBITDA pre IFRS 16 will be at the end of the year, slightly above 2.0x.

Development strategy

- Our global portfolio stood at 329 hotels and around 84k rooms as of September 2019. Also, during the third quarter, we opened 4 new hotels (478 rooms) Q3 in China, Vietnam and Tanzania, all of them under management agreement, and disaffiliated 2 hotels (290 rooms), both of them located in Spain.
- Moreover, we signed 1 new hotel (987 rooms) in Bulgaria. Our global pipeline now consists of 57 hotels and over 14k rooms, of which around 90.0% have been signed under asset-light formulas.

Outlook 2019

- For the last quarter of the year in our EMEA hotels, the forecasts are positive, particularly regarding the performance of our hotels in Germany and Italy, and specifically in Milan, where we will add a new hotel, the Innside Torre Galfa. In Spain, we expect resorts hotels to perform better and we remain cautious about the situation in Catalonia due to the well known situation, we expect a positive impact from the "Climate Summit" that will finally be taking place in November in Madrid. In America, we continue to see a challenges of the business, mainly due to the performance of the hotels in Dominican Republic, due to the lack of MICE, in Mexico we see positive growth for the coming months. All in all, we estimate a slight growth in RevPAR for the quarter.

REPORT ON HOTELS OPERATION

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MELIÃ HOTELS INTERNATIONAL

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GLOBAL HOTELS

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	**1,203.0**	**1,213.9**	**-0.9%**
Owned	571.5	597.3	
Leased	631.5	616.6	
Of which Room Revenues	**779.7**	**774.5**	**0.7%**
Owned	317.8	321.8	
Leased	461.9	452.7	
EBITDAR Split	**328.5**	**345.2**	**-4.8%**
Owned	149.7	173.7	
Leased	178.8	171.5	
EBITDA Split	**310.9**	**328.2**	**-5.3%**
Owned	149.7	173.7	
Leased	161.2	154.5	
EBIT Split	**141.6**	**170.7**	**-17.0%**
Owned	99.7	127.0	
Leased	41.9	43.7	

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**232.1**	**246.9**	**-6.0%**
Third Parties Fees	38.7	39.9	
Owned & Leased Fees	73.9	75.6	
Other Revenues*	119.6	131.4	
Total EBITDA Management Model	**76.4**	**77.4**	**-1.3%**
Total EBIT Management Model	68.3	70.3	

* *Other Revenues in 9M 2019 include €103.4M of Corporate Revenues not directly attributable to any specific division. Idem in 9M 2018 data by €101.1M.*

OTHER HOTEL BUSINESS	9M 2019 €M	9M 2018 €M	% change
Revenues	**45.4**	**45.0**	**0.9%**
EBITDAR	2.1	2.9	
EBITDA	2.0	1.8	
EBIT	0.9	1.1	

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	71.8%	-1.9	123.8	2.9%	88.9	0.2%	66.3%	-2.0	107.2	2.0%	71.1	-1.0%
TOTAL HOTELS SAME STORE BASIS	74.5%	-0.6	124.8	1.1%	92.9	0.4%	67.7%	-1.0	105.3	0.6%	71.4	-0.8%
AMERICA	61.6%	-8.4	121.8	5.7%	75.1	-6.9%	61.3%	-4.3	110.1	4.6%	67.5	-2.2%
EMEA	73.2%	0.0	138.1	1.9%	101.0	1.9%	72.2%	-0.6	139.9	2.8%	101.0	2.0%
SPAIN	75.0%	-0.2	118.7	2.1%	89.1	1.8%	72.9%	-0.8	110.7	1.9%	80.8	0.8%
CUBA	-	-	-	-	-	-	53.0%	-5.1	80.6	-1.1%	42.7	-9.8%
ASIA	-	-	-	-	-	-	63.2%	3.6	73.5	1.3%	46.5	7.4%

* Available Rooms 9M 2019: 8,771.1k (vs 8,727.7k in 9M 2018) in O&L // 18,250.4k (versus 17,781.5 in 9M 2018) in O,L&M.

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
GLOBAL HOTELS	329	83,863	329	83,253	2	298	26	8,171	16	3,151	13	2,771	57	14,391
Management	129	38,397	129	37,556	1	153	19	5,797	12	2,560	12	2,661	44	11,171
Franchised	48	9,860	47	9,714	0	0	2	1,083	3	468	1	110	6	1,661
Owned	44	13,281	45	13,735	0	0	0	0	0	0	0	0	0	0
Leased	108	22,325	108	22,248	1	145	5	1,291	1	123	0	0	7	1,559

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	**305.5**	**326.4**	**-6.4%**
Owned	282.3	302.5	
Leased	23.2	23.9	
Of which Room Revenues	***137.3***	***143.9***	**-4.6%**
Owned	118.0	123.7	
Leased	19.3	20.3	
EBITDAR Split	**79.5**	**104.0**	**-23.5%**
Owned	73.1	98.7	
Leased	6.4	5.3	
EBITDA Split	**77.5**	**100.6**	**-22.9%**
Owned	73.1	98.7	
Leased	4.4	1.8	
EBIT Split	**47.3**	**73.4**	**-35.5%**
Owned	49.0	77.9	
Leased	-1.6	-4.5	

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**35.5**	**40.5**	**-12.3%**
Third Parties Fees	5.2	5.6	
Owned & Leased Fees	18.8	21.5	
Other Revenues	11.5	13.4	

MAIN STATISTICS

	OWNED & LEASED						OWNED. LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL AMERICA	61.6%	-8.4	121.8	5.7%	75.1	-6.9%	61.3%	-4.3	110.1	4.6%	67.5	-2.2%
TOTAL AMERICA SAME STORE BASIS	70.1%	-6.0	121.4	0.1%	85.2	-7.9%	66.2%	-2.7	107.4	1.6%	71.1	-2.4%
Brazil	-	-	-	-	-	-	60.3%	4.1	79.2	6.1%	47.8	13.8%
Mexico	68.8%	-6.7	123.1	5.1%	84.8	-4.2%	68.8%	-4.9	123.1	-0.5%	84.8	-7.1%
Dominican Republic	61.3%	-11.3	114.3	2.4%	70.0	-13.5%	61.3%	-11.3	114.3	2.4%	70.0	-13.5%
Rest of America	49.4%	-11.2	136.1	14.6%	67.2	-6.6%	55.9%	-6.4	123.1	12.4%	68.8	0.9%

* Available Rooms 9M 2019: 1,828.9k (vs 1,784.5k in 9M 2018) in O&L // 3,051.9k (vs 3,054.9k in 9M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 30/09/2019

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

Disaffiliations between 01/01/2019 – 30/09/2019

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

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL AMERICA	38	11,669	41	12,432	0	0	1	498	1	500	2	356	4	1,354
Management	18	4,428	22	5,020	0	0	1	498	1	500	2	356	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

- RevPAR in USD (owned, leased & managed) dropped by -7.3% vs Q3 2018 given the decrease in our operations.

- Total fee revenue in USD fell by -34.3% vs Q3 2018 given the lower owned and leased fees generated during the period, mainly due to the lower performance of our hotels in Dominican Republic.

- Melia.com sales drop by -4,8% in Q3 2019 vs the SPLY.

From an operational perspective, the third quarter in the Americas continues along the same lines as the previous quarter. On the one hand, Mexico continues to struggle with negative factors that have afflicted the destination since 2018, including insecurity and the sargassum crisis, causing some customers to cancel their bookings and leading to a decrease in rates that fed through to a -16% fall in RevPAR (USD). On the other hand, Punta Cana saw a decrease in flight capacity due to the sensational news broadcasted by some US media, and finally discredited by the US State Department, that caused a drop in confidence by the US market, affecting tour operation and direct channel sales. In the MICE segment there were significant group cancellations, although it is important to note that part of the cancelled business was channelled to other company hotels in the Caribbean, mainly to Mexico and Nassau. RevPAR (USD) decreased by -32% compared to 3Q 2018

In the United States, RevPAR (USD) fell by -4%. In New York trends remain unchanged, with continued improvements in direct sales, e-commerce and the MICE segment and a slight decline in corporate travel and tour operation. In Orlando, destination reports refer to decreases in occupancy for the entire destination due to an increase in vacation rentals and the impact of Hurricane Dorian, which affected demand.

Brazil, on the other hand, saw +14% growth in RevPAR (USD) due to an increase in both average rates and occupancy. This was mainly down to the month of July due the celebration of an important religious congress and major trade fairs such as ANDAV, Labace, Tecnocarne, CONARH, Equipotel and ABAV, all having a positive impact on the MICE segment.

OUTLOOK

The absence of group business and the US market continues to point towards major challenges in Punta Cana for the fourth quarter. Once the doubts about the security in the destination have been allayed, we expect a normalization of demand from USA, supported by the efforts of the local government and hoteliers to hasten the recover of the destination as soon as possible. Alternative markets such as Canada are pushing for reductions in rates, which they are achieving with some competitors, with the general impact being downward pressure on prices. Several strategies have been designed for Mexico, including a focus on the local market for dates with lower occupancy in the seasons that other markets do not usually travel. A recovery in demand and positive growth in bookings has been seen after the important Cancun Travel Mart event. We would like to emphasize the positive expectations of the Los Cabos region, with group reservations above the figures for the previous year. In Brazil, the outlook for 4Q is very encouraging, mainly due to trade fairs and congresses in October and first two weeks of December.

PORTFOLIO AND PIPELINE

We have not added any hotels in 3Q to our portfolio in the Americas and we do not expect to do so during the rest of the year.

Gran Meliá Iguazu pool

EMEA

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	**278.3**	**268.1**	**3.8%**
Owned	78.0	74.7	
Leased	200.3	193.4	
Of which Room Revenues	***203.7***	***194.8***	**4.6%**
Owned	54.7	51.8	
Leased	149.0	143.0	
EBITDAR Split	**73.0**	**68.1**	**7.2%**
Owned	20.7	17.2	
Leased	52.3	50.9	
EBITDA Split	**70.4**	**65.9**	**6.8%**
Owned	20.7	17.2	
Leased	49.7	48.7	
EBIT Split	**25.2**	**26.4**	**-4.2%**
Owned	13.9	12.6	
Leased	11.4	13.8	

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**20.9**	**21.7**	**-3.9%**
Third Parties Fees	1.1	0.8	
Owned & Leased Fees	16.2	14.5	
Other Revenues	3.6	6.4	

MAIN STATISTICS

	OWNED & LEASED						OWNED, LEASED & MANAGED					
	Occup.		ARR		RevPAR		Occup.		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
TOTAL EMEA	73.2%	0.0	138.1	1.9%	101.0	1.9%	72.2%	-0.6	139.9	2.8%	101.0	2.0%
TOTAL EMEA SAME STORE BASIS	73.0%	0.4	138.4	2.7%	101.0	3.3%	72.3%	0.1	140.2	3.0%	101.3	3.2%
Germany	71.8%	0.4	108.1	0.9%	77.6	1.5%	71.8%	0.4	108.1	0.9%	77.6	1.5%
France	76.1%	-6.0	168.9	-7.3%	128.5	-14.1%	76.1%	-6.0	168.9	-7.3%	128.5	-14.1%
United Kingdom	74.9%	0.3	175.4	5.0%	131.5	5.4%	71.6%	0.8	229.3	4.3%	164.2	5.5%
Italy	72.2%	0.9	223.7	3.3%	161.4	4.5%	75.3%	0.7	172.9	3.4%	130.2	4.4%
Rest of Europe	78.4%	1.3	153.1	9.5%	120.1	11.4%	67.1%	-4.8	156.6	15.1%	105.0	7.4%

* Available Rooms 9M 2019: 2,016.3k (vs 1,964.4k in 9M 2018) in O&L // 2,191.4k (versus 2,114.8k in 9M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 30/09/2019

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

Disaffiliations between 01/01/2019 – 30/09/2019

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

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL EMEA	83	15,844	81	15,331	1	145	8	2,829	10	1,806	3	608	22	5,388
Management	9	863	8	615	0	0	2	619	6	1,215	2	498	10	2,332
Franchised	31	7,518	31	7,518	0	0	2	1,083	3	468	1	110	6	1,661
Owned	7	1,397	7	1,397	0	0	0	0	0	0	0	0	0	0
Leased	36	6,066	35	5,801	1	145	4	1,127	1	123	0	0	6	1,395

EMEA 2019 THIRD QUARTER RESULTS

- RevPAR (owned, leased & managed) rose by +0.9% in the quarter vs the same period last year.
- Total fee revenue increased by +9.7% in Q3 vs the same period last year mainly due to the rise posted by owned and leased fees.
- Melia.com sales rose by +8.7% in the quarter vs Q3 2018.

Hotel performance in EMEA was moderately positive in 3Q, with differing results by country and the following highlights:

GERMANY/AUSTRIA/CZECH REPUBLIC

As anticipated, the third quarter was impacted by a trade fair schedule which was less favourable than the previous year, particularly in Munich and Berlin. We have also had some difficulties in the MICE segment in most of our key destinations that we partially offset with corporate travel and transient business with a consequent impact on average rates. RevPAR for the quarter fell by -1.8%. Sales through melia.com grew by +13.9%, one of the key factors behind the recovery from the impact of less group business.

UK

RevPAR (in GBP) for UK hotels in the third quarter grew by +2% on a comparable basis, the performance of the newly incorporated London Kensington hotel was positive, showing solid growth in spite of the renovation currently under way. We would like to highlight the performance of the Me London along this year, with a RevPAR (GBP) for the 9M of +11.5% vs SPLY.

FRANCE

The third quarter saw highs and lows in the city centre. Results for July and August were below the previous year after downward pressure on prices, but then September was one of the best months. RevPAR for the third quarter on a comparable basis grew by +0.4%.
This year the RevPAR is being pushed down by the addition of the Innside Charles de Gaulle, due to both the ongoing ramp-up of the hotel and the fact that average rates for hotels in the airport area is well below those in the centre of Paris. After only six months of operation, the hotel has achieved stable occupancy (79% in the third quarter) and continues to increase its average rate.

ITALY

A positive quarter for hotels in Italy, with RevPAR growth of +8.9% compared to the previous year and improvements in both occupancy and average rates. Highlights included the summer season in Milan, particularly in the Melia Milano which saw RevPAR increase by +21%. After several quarters of RevPAR decreases in Genoa, due to the effects of the Morandi Bridge disaster, followed by adjustments to the sales strategy, the hotel performance has been turned around with +5% growth in the third quarter. Rome, on the other hand, had a good start to the quarter but lacked the last-minute demand and presented similar numbers to the same period in the previous year.

OUTLOOK

For the fourth quarter of 2019, we are optimistic about Germany and expect medium single-digit growth, with Berlin and Munich recovering with respect to the third quarter. In the United Kingdom, in spite of the ongoing refurbishment in the Meliá White House to reposition the hotel and improve its ARR, and also in the London Kensington hotel, we expect to see continued moderate growth, Similar results are expected in our hotels in France. For the last quarter in Italy, we expect growth of a medium single digit in RevPAR similar to the third quarter thanks to the performance of the hotels in Milan, and the recovery of the Gran Meliá Rome.

PORTFOLIO AND PIPELINE

In 3Q 2019 we added a new hotel under a management contract: the Gran Meliá Arusha (Tanzania, 171 rooms). Over the rest of the year, we hope to add another hotel under a lease agreement, the Innside Torre Galfa (Milan, 145 rooms), that will help us to continue benefitting from the positive trend of the Milano market.

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	**619.2**	**619.4**	**0.0%**
Owned	211.2	220.1	
Leased	408.0	399.3	
Of which Room Revenues	***438.7***	***435.7***	**0.7%**
Owned	145.1	146.3	
Leased	293.7	289.4	
EBITDAR Split	**175.9**	**173.1**	**1.6%**
Owned	55.9	57.7	
Leased	120.1	115.4	
EBITDA Split	**163.0**	**161.7**	**0.8%**
Owned	55.9	57.7	
Leased	107.1	103.9	
EBIT Split	**69.1**	**71.0**	**-2.7%**
Owned	36.9	36.6	
Leased	32.2	34.4	

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**57.9**	**67.9**	**-14.7%**
Third Parties Fees	20.3	19.6	
Owned & Leased Fees	38.8	39.7	
Other Revenues	-1.2	8.6	

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	75.0%	-0.2	118.7	2.1%	89.1	1.8%	72.9%	-0.8	110.7	1.9%	80.8	0.8%
TOTAL SPAIN SAME STORE BASIS	76.5%	0.8	120.4	0.7%	92.1	1.7%	74.0%	-0.4	109.5	0.8%	81.0	0.2%
Resorts	76.3%	-0.4	114.9	-2.6%	87.7	-3.1%	75.2%	-1.5	108.5	-2.3%	81.6	-4.2%
Urban	73.8%	-0.1	122.5	7.1%	90.4	7.0%	72.8%	+0.6	119.2	6.6%	86.9	7.5%
Rest of Areas	-	-	-	-	-	-	59.0%	-3.6	77.8	5.4%	45.9	-0.7%

* Available Rooms 9M 2019: 4,925.8k (vs 4,978.7k in 9M 2018) in O&L // 8,145.5k (vs 8,063.4k in 9M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 30/09/2019

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

Disaffiliations between 01/01/2019 – 30/09/2019

Hotel	**Country / City**	**Contract**	**# Rooms**
Tryp Indalo Almería	Spain / Almería	Alquiler	186
Tryp Zaragoza	Spain / Zaragoza	Gestión	162
Tryp Valencia Azafata	Spain / Manises	Propiedad	128

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL SPAIN	149	36,565	152	37,049	0	0	5	1,710	0	0	3	600	8	2,310
Management	43	13,321	44	13,480	0	0	4	1,546	0	0	3	600	7	2,146
Franchised	15	2,056	15	2,056	0	0	0	0	0	0	0	0	0	0
Owned	21	5,478	22	5,615	0	0	0	0	0	0	0	0	0	0
Leased	70	15,710	71	15,898	0	0	1	164	0	0	0	0	1	164

SPAIN 2019 THIRD QUARTER RESULTS

- RevPAR (owned, leased & managed) grew by +2.3% in Q3 2019 vs SPLY, which is due to the +9.2% improvement in city hotels, with significant improvements in cities such as Barcelona, Valencia and Madrid, partially compensated by the performance of the Resort hotels with a RevPAR decrease by -1,0% over the quarter.
- Total fee revenue closed the period with a -1.2% decrease vs Q3 2018 thanks to the slow down in own and lease fees collected, due to the partial closure of some hotels in the Canary Islands due to renovations.
- Melia.com sales rose by +1.0% in the quarter vs the same period last year.

Highlights by area or city include:

Our Barcelona hotels improved RevPAR by +16.4%, mainly due to price increases and the impact of the ESMO Congress in September. The Meliá Sarrià hotel performed particularly well thanks to good group business that allowed it to improve its average rate.

Hotels in Valencia improved RevPAR by +15.62%. The Valencia Palacio de Congresos was behind part of the growth in the quarter with events such as Gravity and CRS (July), and EFIC (September), with the Meliá Valencia Hotel being the largest beneficiary.

The performance of our hotels in Madrid lead to RevPAR growth of +11.7%, thanks in part to the ERS Congress (European Respiratory) in September.

Results in southern Spain showed RevPAR growth of +4.6%. The Sol Sancti Petri and Gran Meliá Don Pepe hotels performed particularly well. Hotels in Andalusia saw growth of +2.14%. Resort hotels in the region increased RevPAR by +4.14% thanks to improvements in both occupancy and average rate. On the other hand, in city hotels RevPAR decreased by -3.7% due to the partial closure for renovation of the Meliá Lebreros Hotel in the quarter.

Hotels in the Balearic Islands saw RevPAR fall by -1.9% in the quarter compared to 3Q2018. In Mallorca RevPAR drop by -0,9%, city hotels were much in line with the previous year, while resort hotels confirmed the negative trend for the year with a decrease of -1.75%. Hotels in Ibiza fell by -6.57%, basically due to a fall in average rates caused by the rebranding and total renovation of numerous competing hotels.

The Canary Islands is the destination that saw the biggest decrease, falling by -11.0% compared to 3Q2019. The negative trend in the island continues due to the recovery of destinations such as Turkey, Egypt and Tunisia thanks to support from German tour operators and with a consequent negative impact on flight capacity to the Canary Islands.

OUTLOOK

For the fourth quarter we expect a general low single-digit improvement in RevPAR thanks to improvements in both occupancy and average rates in resort hotels. In spite of the fact that city hotels have contributed very positively to regional RevPAR improvement this year, in 4Q their situation is expected to be less positive due to a slight fall in occupancy compared to 4Q2018, with an impact mainly in Catalonia, the recent riots have created a great deal of uncertainty around performance in the quarter. In Madrid despite to the fact that there will be no repeat of the CPHI congress - the biggest pharmaceutical industry event in the world - that took place in October 2018, we would highlight the celebration of the "Climate Summit" in November. In the Balearic Islands, we have seen an increase in demand from groups for events in 2020, with a positive impact on our hotels near the seafront promenade in Palma and also those in Calviá. In Canary Islands the bankruptcy of Thomas Cook has had a minor impact since the MHI's early booking policy has worked very well and last-minute sales are picking up through other operators and direct channels, with bookings currently 4% up on the previous year. After the recent World Travel Market in London, and despite uncertainties caused by the upcoming elections in the UK and Brexit, early bookings for summer 2020 are above the previous year, with the market adjusting more quickly than expected to the Thomas Cook bankruptcy .

PORTFOLIO AND PIPELINE

No new hotels have been added to our portfolio in Spain over the quarter and we have disaffiliated 2 hotels, that were not considered strategic : the Tryp Azafata (Valencia, 128 rooms) was sold and the management agreement for the Tryp Zaragoza (Zaragoza, 162 rooms) was terminated. During the Q4 we will reopen the Innside Zaragoza (old Meliá Zaragoza) after an important refurbishment and rebranding.

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	***N.A.***	***N.A***	**-**
Owned	-	-	-
Leased	-	-	-
Of which Room Revenues	***N.A.***	***N.A.***	**-**
Owned	-	-	-
Leased	-	-	-

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**9.7**	**10.4**	**-6.9%**
Third Parties Fees	8.1	9.7	
Owned & Leased Fees	-	-	
Other Revenues	1.6	0.7	

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	-	-	-	-	-	-	53.0%	-5.1	80.6	-1.1%	42.7	-9.8%
TOTAL CUBA SAME STORE BASIS	-	-	-	-	-	-	54.7%	-3.0	79.3	-4.8%	43.4	-9.7%

* Available Rooms 9M 2019: 3,573.1k (vs 3,285.7k in 9M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 30/09/2019

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

Disaffiliations between 01/01/2019 – 30/09/2019

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

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		2020		2021		Onwards		TOTAL	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
TOTAL CUBA	35	14,371	34	13,425	0	0	4	923	0	0	0	0	4	923
Management	35	14,371	34	13,425	0	0	4	923	0	0	0	0	4	923
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 THIRD QUARTER RESULTS

- RevPAR in USD (managed) was impacted by already known circumstances and posted a drop of -10.7% in the quarter vs Q3 2018.
- Total fee revenue in USD fell by -13.0% in the quarter vs the same period last year due to a number of aspects that will be discussed below.
- Melia.com sales in room nights rose by +1% in Q3 2019 vs SPLY, due to a more dynamic management of rates, participation in all global, regional and private campaigns on melia.com, and particularly to the contribution from Melia Internacional Varadero, a hotel that has seen remarkable online sales since opening.

In line with the first half of the year, tourism in Cuba remained subject to tensions in the third quarter. The measures taken by the Trump administration continued to affect the group business known as "People to People". These measures also affected on shipping companies responsible for transporting fuel to Cuba, creating problems with fuel supplies that hindered hotel operations.

This context led to a deterioration in average rates in USD of -3.5% compared to the same period in the previous year. This downward pressure on rates was most prevalent in Havana, Cienfuegos, Jardines del Rey and Santiago de Cuba.

Occupancy fell by almost -3.6 percentage points compared to the same quarter in the previous year, with the most affected destinations being Cayo Largo, Camaguey, Santiago de Cuba, Varadero and Havana.

Results for the quarter also continued to be impacted by significant partial reforms in several hotels, including the renovation of Paradisus Varadero, part of the Sol Rio de Luna y Mares resort, and the Melia Las Américas, as well as the continued remodelling and extension of the Hotel Sirenas and Sol Santa Maria.

On the positive side, it is worth highlighting a certain market recovery as Canada, Argentina, Italy and Chile, as well as significant growth in the domestic market.

OUTLOOK

The bankruptcy of Thomas Cook is the most significant factor that will impact the region in 4Q2019, especially affecting markets in the United Kingdom and Germany, due to the lack of flights.
An impact is also expected from recent decisions by Trivago to withdraw a large number of Cuban hotels from their sales channels due to the application of Title III of the Helms Burton Act. All these circumstances point towards a medium single-digit decrease in RevPAR compared to the previous year, with Holguin, Cayo Largo and Havana being the destinations most affected.

PORTFOLIO AND PIPELINE

In this quarter we have not added any new hotels to our portfolio. The property owners remain focused on continuing to improve our hotel facilities through renovations and repositioning. At the end of the year, the reopening of the Sirenas Hotel is scheduled under the new name of Sol Varadero Beach, with 356 fully renovated rooms under a new concept for Cuba.


Meliá Internacional Varadero Classic Room sea view

FINANCIAL INDICATORS

HOTELS OWNED & LEASED	9M 2019 €M	9M 2018 €M	% change
Total aggregated Revenues	***N.A.***	***N.A***	**-**
Owned	-	-	-
Leased	-	-	-
Of which Room Revenues	***N.A.***	***N.A.***	**-**
Owned	-	-	-
Leased	-	-	-

MANAGEMENT MODEL	9M 2019 €M	9M 2018 €M	% change
Total Management Model Revenues	**4.8**	**5.4**	**-10.8%**
Third Parties Fees	4.0	4.1	
Owned & Leased Fees	-	-	
Other Revenues	0.8	1.2	

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	-	-	-	-	-	-	63.2%	3.6	73.5	1.3%	46.5	7.4%
TOTAL ASIA SAME STORE BASIS	-	-	-	-	-	-	64.1%	3.4	71.4	2.4%	45.7	8.1%
China	-	-	-	-	-	-	70.2%	4.7	65.2	-5.8%	45.8	1.0%
Southeast Asia	-	-	-	-	-	-	61.0%	3.3	76.6	3.7%	46.7	9.6%

* Available Rooms 9M 2019: 1,288.4k (vs 1,262.7k in 9M 2018) in O,L&M.

CHANGES IN PORTFOLIO

Openings between 01/01/2019 – 30/06/2019

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

Disaffiliations between 01/01/2019 – 30/06/2019

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

FUTURE DEVELOPMENT

	Current Portfolio				Pipeline									
	9M 2019		2018 YE		2019		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	1	153	8	2,211	5	845	5	1,207	19	4,416
Management	24	5,414	21	5,016	1	153	8	2,211	5	845	5	1,207	19	4,416
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 THIRD QUARTER RESULTS

- RevPAR in USD (managed) increased by +2.6% vs SPLY.
- Total fee revenue in USD posted a slight decline of -3.2% in the period vs Q3 2018.
- Melia.com sales grew by +0.4% in the quarter vs the same period last year.

In China, hotel operating revenues (USD) increased by +7.6% compared to 3Q2018, while GOP grew by +15%. RevPAR (in USD), however, decreased by -3.55%, affected by the devaluation of the CNY compared to the USD in 2019. Highlights included the performance of the Gran Meliá Xian after the completion of reforms and the more stable performance of the Meliá Shanghai Hongqiao and Innside Zhengzhou hotels in their third year of operation.

In Vietnam, RevPAR (in USD) grew by +6.9% compared to 3Q2018 in line with operating revenues. Highlights included the Meliá Hanoi, where despite major reforms that have affected the MICE segment, the hotel has continued to grow revenues by +3.4%. A similar result was achieved at the Meliá Danang Beach Resort, where despite reforms and the declining Korean market, the hotel grew in both revenues and GOP. The Sol Beach House Phu Quoc continues to perform strongly thanks to the increased demand for travel to the island.

In Indonesia, all the hotels except the Gran Meliá Jakarta saw a positive performance in both revenues and profitability, especially in hotels that are ramping up operations such as the INNSiDE Yogyakarta, Sol House Bali Kuta and Sol House Bali Legian. In Myanmar, Meliá Yangon continued the trend seen in previous quarters, in which it continues to improve revenues in spite of increased competition in the area. Finally, in Malaysia, the Meliá Kuala Lumpur has managed to improve its results in both of the last two quarters after the fall in demand witnessed in the city in the first quarter of the year.

OUTLOOK

In 4Q2019, we expect to consolidate the positive trend seen in China while seeing little significant change in performance in Vietnam, Myanmar and Malaysia. After the presidential election in Indonesia, we expect growing demand, particularly in the MICE segment, with a positive impact on cities such as Jakarta, Makassar and Yogyakarta. Our hotels in Bali will also begin their high season.

PORTFOLIO AND PIPELINE

Three new hotels have been added to our portfolio in the third quarter of the year, all under management agreements: INNSiDE Saigon Central (Vietnam, 69 rooms), The Hoi An Historic Hotel managed by Meliá (Vietnam, 150 rooms) and the Meliá Shanghai Parkside (China, 88 rooms), which will help us strengthen our presence and positioning in two important countries with high growth potential. For the remainder of 2019, we expect the consolidation of the Meliá Ho Tram Beach Resort (Vietnam, 245 rooms), which opened in March 2019.

OTHER NON HOTEL BUSINESSESS

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CLUB MELIÁ & THE CIRCLE

In this third quarter of 2019 we have continued to consolidate our sales activities in The Grand Reserve in the Dominican Republic through sales of our Circle by Melia product, both from the Dominican Republic and from Mexico, where we have seen a positive performance thanks to acceptance of the product by guests and members in the region.

The main sales indicators are positive. We have added 11% more families to our membership base in spite of an 18% decrease in the arrival of customers likely to buy our product after reduced hotel occupancy in Punta Cana due to concerns in international markets, and a situation in Mexico where hotel occupancy and average rates were affected by the sargassum crisis and general insecurity in the country. The average price per contract sold increased by +1% and sales to customers that visit our Circle rooms grew by +5%, leading to +12% growth in net sales compared to 3Q2018.

Despite the decrease in tourist arrivals in the Dominican Republic, positive sales figures reflect success in attracting new customers and migrating and extending sales to existing members. The conversion rate from potential customers to new members grew by +2%, the average contract price grew by +11%, and efficiency as measured by sales volume per customer visiting our Circle room grew by +6% .

Sales activity in Mexico had positive results due to the addition of the new Circle by Melia product in June, increasing conversion rates from potential customers to new members by +18% and generating +28% growth in the number of families joining the Circle member base. Net sales grew by +12% and efficiency as measured by sales per customer visiting our Circle room also grew by +4%.

The consolidation of sales of the Circle by Meliá product in the two regions makes us optimistic about 4Q2019, and we expect to maintain growth in both our customer and member base and in net sales. We will continue to optimise business processes and focus on maximising sales in our Circle rooms. We understand that occupancy in both destinations remains uncertain and that hotel rates are expected to fall in Mexico, with a consequent impact on the profile of potential buyers, however we believe that the flexibility of our product and the wide price range on offer will allow us to adapt to market conditions in each region.

REAL ESTATE

In 3Q2019 we sold the Tryp Azafata hotel (Valencia, 128 rooms) for €8.3 million, generating an EBITDA capital gains of €1.9 million. This compares with the sale in 3Q2018 of 3 hotels in Spain that generated capital gains of €6.9 million.

During the quarter we have also renegotiated the long leasehold on the Meliá White House hotel which was due to reach maturity in 15 years. The new contract extends the maturity to 125 years and will involve an outlay of GBP92 million, of which 10% was paid on signature of the new agreement, with the remaining 90% due in 2020. At the end of September the amount recognized in the liabilities caused by the application of IFRS 16 amounts to €213.3 million, (including the 90% of the initial disbursement due in 2020).

FINANCIAL STATEMENTS

3

MELIÃ HOTELS INTERNATIONAL

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 declined by -0.3% vs 9M 2018, mainly affected by the performance of our America Division.

Total Operating Costs rose by +0.7% vs the same period last year.

All theses figures have been impacted by the evolution of the exchange rates, mostly due the USD vs EUR performance.

EBITDA

EBITDA Excluding Capital Gains stood at +€373M (-3.7% vs 9M 2018), while EBITDA margins excluding capital gains deteriorated by -96 bps.

Depreciation and Amortization costs increased by +7.3% vs the same period last year due to exchange rates, the impact of IFRS 16 and new openings.

Operating Profit (EBIT)

Operating Profit Excluding Capital Gains stood at +€181.8M, representing a decline of -13.1% vs 9M 2018.

Result from entities valued by the equity method in the period was of +€8.6M, increase by +€0.8M vs 9M 2018

Effective tax rate for the period stood at 23.6%, which compares with the 25.0% satisfied in 9M 2018.

Net Profit

Net Profit in 9M 2019 was +€105.7M, thus representing a -20.5% (-€27.3M) decline vs the same period last year, which was affected by higher capital gains and the decline of the performance in some destinations, mainly Dominican Republic and Canary Islands.

EPS for the period stood at +€0.42, which compares with the +€0.55 reported in 9M 2018.

% change Q3 19 vs Q3 18	Q3 2019	Q3 2018	(Million Euros)	9M 2019	9M 2018	% change 9M 19 vs 9M 18
			Revenues split			
	560.7	578.7	Total HOTELS	1,480.5	1,505.7	
	86.9	98.0	Management Model	232.1	246.9	
	458.8	468.2	Hotel Business Owned & Leased	1,203.0	1,213.9	
	15.0	12.6	Other Hotel Business	45.4	45.0	
	4.4	14.0	Real Estate Revenues	8.8	32.5	
	22.4	16.4	Club Meliá Revenues	65.7	56.0	
	24.5	25.6	Overheads	82.9	78.4	
	612.1	634.8	Total Revenues Aggregated	1,638.0	1,672.6	
	(93.4)	(99.9)	Eliminations on consolidation	(249.9)	(258.6)	
-3.0%	**518.8**	**534.9**	**Total Consolidated Revenues**	**1,388.1**	**1,414.1**	**-1.8%**
	(56.0)	(52.9)	Raw Materials	(152.7)	(149.5)	
	(143.5)	(142.7)	Personnel Expenses	(402.4)	(401.8)	
	(152.2)	(153.7)	Other Operating Expenses	(440.3)	(437.7)	
0.7%	**(351.7)**	**(349.3)**	**Total Operating Expenses**	**(995.4)**	**(989.0)**	**0.7%**
-10.0%	**167.0**	**185.6**	**EBITDAR**	**392.6**	**425.1**	**-7.6%**
	(9.0)	(9.7)	Rental Expenses	(17.7)	(18.2)	
-10.1%	**158.1**	**175.9**	**EBITDA**	**374.9**	**406.9**	**-7.9%**
	(30.9)	(28.5)	Depreciation and Amortisation	(92.9)	(86.5)	
	(32.8)	(32.9)	Depreciation and Amortisation (ROU)	(98.2)	(91.7)	
-17.5%	**94.4**	**114.4**	**EBIT (OPERATING PROFIT)**	**183.7**	**228.7**	**-19.7%**
	(8.9)	(8.9)	Financial Expense	(24.7)	(23.0)	
	(9.5)	(10.5)	Rental Financial Expense	(28.3)	(33.4)	
	1.6	1.3	Other Financial Results	7.2	6.5	
	(3.3)	(4.9)	Exchange Rate Differences	(8.2)	(9.3)	
-12.9%	**(20.1)**	**(23.1)**	**Net Financial Profit/(Loss)**	**(54.0)**	**(59.1)**	**-8.7%**
	7.2	9.0	Profit / (loss) from Associates and JV	8.6	7.8	
-18.8%	**81.4**	**100.3**	**Profit before taxes and minorities**	**138.4**	**177.4**	**-22.0%**
	(19.2)	(25.1)	Taxes	(32.7)	(44.3)	
-17.3%	**62.2**	**75.2**	**Group net profit/(loss)**	**105.7**	**133.0**	**-20.5%**
	9.0	6.7	Minorities	8.9	6.2	
-22.2%	**53.3**	**68.5**	**Profit/(loss) of the parent company**	**96.8**	**126.9**	**-23.7%**

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FINANCIAL RESULTS & DEBT

Financial results

Net Financial Result improved by +8.7% vs the same period last year as a result of the following:

a) Increase in Financial Expenses of -€1.7M given the integration of Adprotel in Q2 2018 and the Me Cabo in Q1 2019.
b) Slight rise in Other Financial Results of +€0.7M.
c) Decline in Rental Financial Expenses of +€5.1M mainly due the decline in liabilities as time passes by for rentals.
d) Decrease in Exchange Rates Differences of -€1.1M.

Q3 2019	Q3 2018	Item	9M 2019	9M 2018
-3.3	-4.9	Exchange Rates Differences	-8.2	-9.3
-9.5	-10.5	Rental Financial Expense	-28.3	-33.4
-8.9	-8.9	Financial Expense	-24.7	-23.0
1.6	1.3	Other Financial Results	7.2	6.5
(20.1)	**(23.1)**	**Net Financial Income/(Loss)**	**(54.0)**	**(59.1)**

Debt and Cash Flow

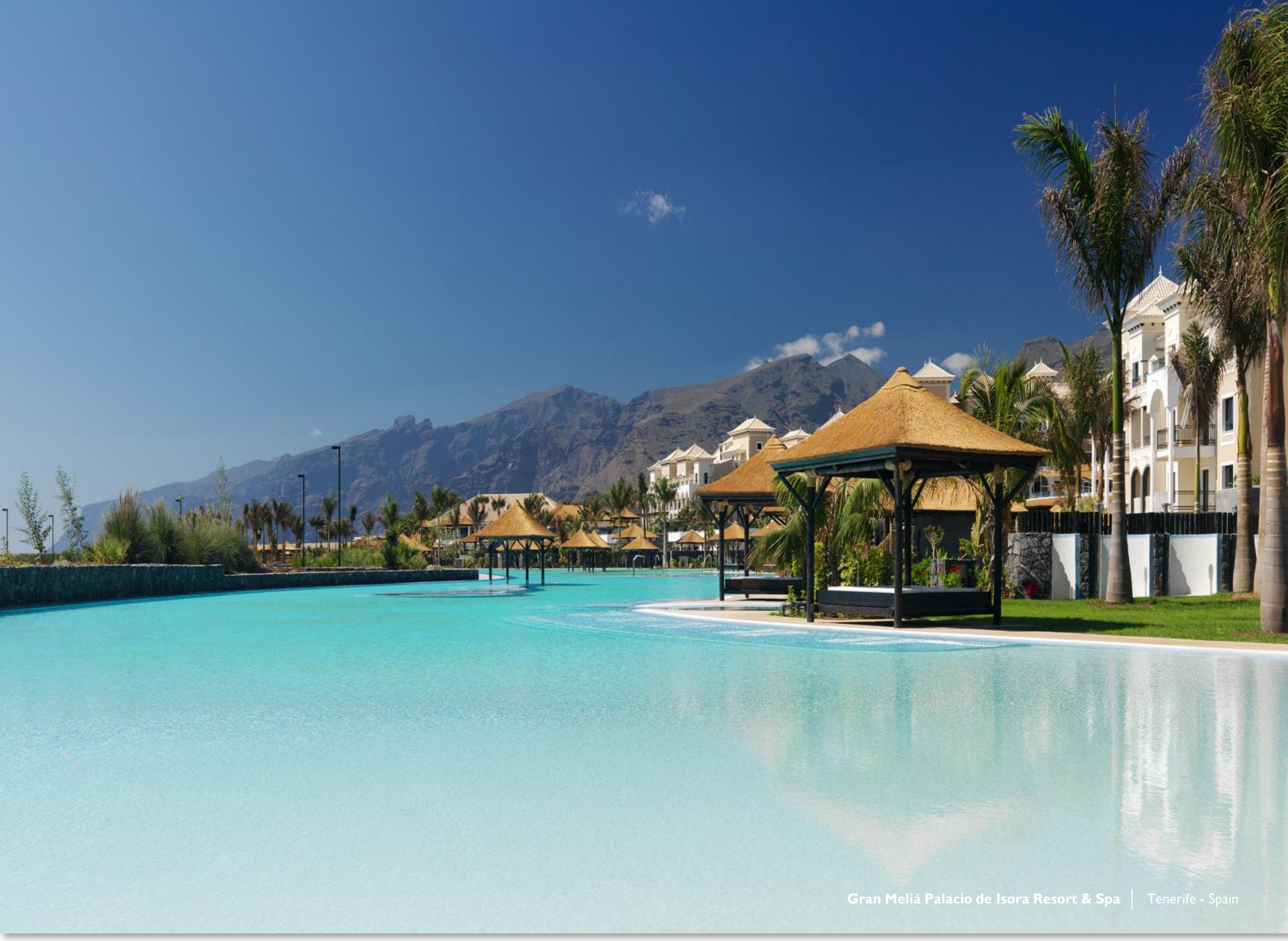
Net Debt Prior to IFRS 16 stood at +€655.7M as of September 2018, which represents a +€48.2M increase vs December 2018. Considering the impact of rentals, Net Debt increase by +€213.7M during the period to +€2,096.2M due to the renegotiation of the long leasehold on the Meliá White House Hotel. Finally, and following the announcement of the share buy back program, up to a maximum amount of € 60 million, the leverage ratio Net Debt / EBITDA pre IFRS 16 will be at the end of the year, slightly above 2.0x.

The maturity profile of current debt is shown below.

Debt maturity profile[1] (€ millions)

1) Excluding credit facilities

INNSiDE Berlin Mitte CRAFTERIE Local Cuisine & Cocktails

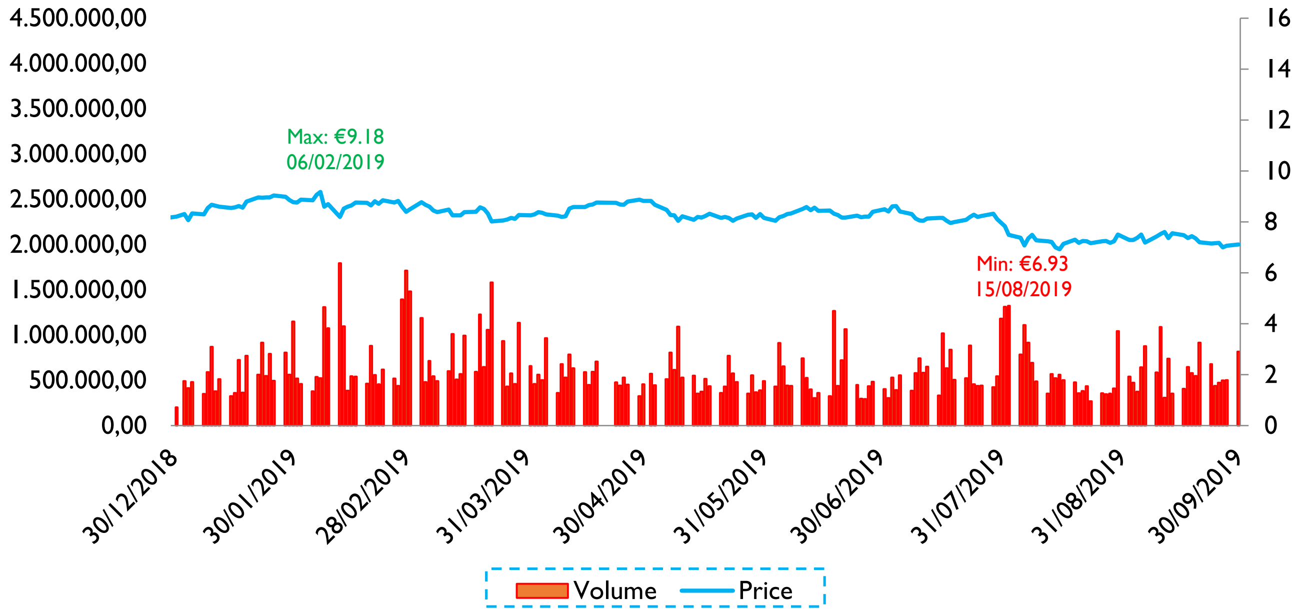


MELIÁ IN THE STOCK MARKET

4

STOCK MARKET

Over the third quarter of the year, Meliá' share price declined by -15.2%, underperforming the Ibex 35 Index (+0.5%). On a year-to-date basis, our shares dropped by -13.3%, underperforming the Ibex 35 Index (+8.3%).



	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019
Average daily volume (*thousand shares*)	729.1	544.3	597.7	-	**623.7**
Meliá performance	+0.8%	+1.5%	-15.2%	-	**-13.3%**
Ibex 35 performance	+8.2%	-0.5%	+0.5%	-	**+8.3%**

	September 2019	2018
Number of shares (*millions*)	229.70	229.70
Average daily volume (*thousands shares*)	623.69	724.36
Maximum share price (*euros*)	9.18	12.66
Minimum share price (*euros*)	6.93	7.96
Last Price (*euros*)	7.12	8.21
Market capitalization (*million euros*)	1,635.46	1,885.84
Dividend (*euros*)	0.18	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 21, 2019, Meliá shares buy-back program up to a maximum of 8,500,000 shares

Gran Meliá Rome Villa Agrippina | Italy

APPENDIX

5

MELIÃ HOTELS INTERNATIONAL

9M 2019	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**1,480.5**	**8.8**	**65.7**	**82.9**	**1,638.0**	**(249.9)**	**1,388.1**
Expenses	1,073.5	4.4	55.0	112.4	1,245.3	(249.9)	995.4
EBITDAR	407.0	4.4	10.7	(29.5)	392.6	(0.0)	392.6
Rentals	17.7	0.0	0.0	(0.0)	17.7	(0.0)	17.7
EBITDA	**389.3**	**4.4**	**10.7**	**(29.5)**	**374.9**	**0.0**	**374.9**
D&A	82.4	0.2	0.7	9.6	92.9	0.0	92.9
D&A (ROU)	96.0	0.0	0.0	2.3	98.2	0.0	98.2
EBIT	210.9	4.2	10.0	(41.3)	183.7	0.0	183.7

9M 2018	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**1,505.7**	**32.5**	**56.0**	**78.4**	**1,672.6**	**(258.6)**	**1,414.1**
Expenses	1,080.3	9.4	52.7	105.1	1,247.6	(258.6)	989.0
EBITDAR	425.5	23.0	3.2	(26.7)	425.1	0.0	425.1
Rentals	18.2	0.0	0.0	(0.0)	18.2	0.0	18.2
EBITDA	**407.3**	**23.0**	**3.2**	**(26.7)**	**406.9**	**(0.0)**	**406.9**
D&A	75.3	(0.9)	1.3	10.8	86.5	0.0	86.5
D&A (ROU)	89.8	0.0	0.0	1.9	91.7	0.0	91.7
EBIT	242.2	23.9	2.0	(39.4)	228.7	(0.0)	228.7

Q3 2019	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**560.7**	**4.4**	**22.4**	**24.5**	**612.1**	**(93.4)**	**518.8**
Expenses	388.5	0.7	21.1	34.8	445.1	(93.4)	351.7
EBITDAR	172.2	3.7	1.4	(10.2)	167.0	(0.0)	167.0
Rentals	9.0	0.0	0.0	(0.0)	9.0	(0.0)	9.0
EBITDA	**163.2**	**3.7**	**1.4**	**(10.2)**	**158.1**	**0.0**	**158.1**
D&A	27.4	0.1	0.1	3.3	30.9	(0.0)	30.9
D&A (ROU)	32.1	0.0	0.0	0.7	32.8	0.0	32.8
EBIT	103.7	3.6	1.3	(14.3)	94.4	0.0	94.4

Q3 2018	Total Hotels	Real Estate	Club Meliá	Overheads	Total Aggregated	Eliminations On Consolidation	Total Consolidated
Revenues	**578.7**	**14.0**	**16.4**	**25.6**	**634.8**	**(99.9)**	**534.9**
Expenses	390.9	5.6	16.9	35.9	449.2	(99.9)	349.3
EBITDAR	187.9	8.4	(0.4)	(10.3)	185.6	0.0	185.6
Rentals	9.7	0.0	0.0	(0.0)	9.7	0.0	9.7
EBITDA	**178.2**	**8.4**	**(0.4)**	**(10.3)**	**175.9**	**0.0**	**175.9**
D&A	25.9	(1.1)	0.2	3.5	28.5	0.0	28.5
D&A (ROU)	31.7	0.0	0.0	1.2	32.9	0.0	32.9
EBIT	120.5	9.5	(0.6)	(15.0)	114.4	(0.0)	114.4


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	64.9%	-11.2	136.7	4.7%	88.7	-10.6%	56.1%	-14.3	132.6	3.2%	74.4	-17.7%
ME by Melia	66.9%	-6.5	288.6	4.3%	192.9	-4.9%	67.4%	1.9	265.1	2.0%	178.6	4.9%
Gran Meliá	53.1%	-7.2	245.3	15.3%	130.3	1.5%	55.0%	-5.4	207.1	10.3%	113.8	0.4%
Meliá	74.1%	0.4	127.2	2.4%	94.3	2.9%	65.3%	-0.6	106.6	2.0%	69.6	1.1%
Innside	71.0%	-1.3	118.7	-1.9%	84.3	-3.6%	69.1%	0.6	109.5	-3.1%	75.7	-2.3%
Tryp by Wyndham	73.5%	0.0	91.5	6.2%	67.3	6.1%	68.0%	0.4	80.6	3.7%	54.7	4.3%
Sol	78.5%	-0.5	80.2	-1.5%	62.9	-2.2%	73.6%	-1.8	83.8	0.3%	57.4	-3.0%
TOTAL	71.8%	-1.9	123.8	2.9%	88.9	0.2%	66.3%	-2.0	107.2	2.0%	71.1	-1.0%

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	61.6%	-8.4	121.8	5.7%	75.1	-6.9%	56.8%	-4.9	95.3	1.7%	54.1	-6.3%
Dominican Republic	61.3%	-11.3	114.3	2.4%	70.0	-13.5%	61.3%	-11.3	114.3	2.4%	70.0	-13.5%
Mexico	68.8%	-6.7	123.1	5.1%	84.8	-4.2%	68.8%	-4.9	123.1	-0.5%	84.8	-7.1%
USA	77.9%	-1.5	150.5	1.9%	117.2	0.0%	77.9%	-1.5	150.5	1.9%	117.2	0.0%
Venezuela	17.8%	-24.7	118.2	52.7%	21.1	-36.0%	17.8%	-24.7	118.2	52.7%	21.1	-36.0%
Cuba	-	-	-	-	-	-	53.0%	-5.1	80.6	-1.1%	42.7	-9.8%
Brazil	-	-	-	-	-	-	60.3%	4.1	79.2	6.1%	47.8	13.8%
ASIA	-	-	-	-	-	-	63.2%	3.6	73.5	1.3%	46.5	7.4%
Indonesia	-	-	-	-	-	-	61.6%	1.4	69.7	7.4%	42.9	9.9%
China	-	-	-	-	-	-	70.2%	4.7	65.2	-5.8%	45.8	1.0%
Vietnam	-	-	-	-	-	-	63.8%	5.6	96.4	-4.1%	61.5	5.2%
EUROPE	74.5%	-0.2	124.2	2.2%	92.5	1.9%	72.8%	-0.7	116.9	2.2%	85.0	1.2%
Austria	78.8%	3.8	141.0	11.1%	111.0	16.7%	78.8%	3.8	141.0	11.1%	111.0	16.7%
Germany	71.8%	0.4	108.1	0.9%	77.6	1.5%	71.8%	0.4	108.1	0.9%	77.6	1.5%
France	76.1%	-6.0	168.9	-7.3%	128.5	-14.1%	76.1%	-6.0	168.9	-7.3%	128.5	-14.1%
United Kingdom	74.9%	0.3	175.4	5.0%	131.5	5.4%	75.3%	0.7	172.9	3.4%	130.2	4.4%
Italy	72.2%	0.9	223.7	3.3%	161.4	4.5%	71.6%	0.8	229.3	4.3%	164.2	5.5%
Spain	75.0%	4.0	109.2	2.5%	81.9	8.3%	67.9%	-1.8	100.5	2.5%	68.3	-0.1%
Resorts	69.2%	-1.4	95.4	-4.6%	66.0	-6.5%	66.1%	-3.0	88.7	-1.6%	58.7	-5.9%
Urban	70.9%	-0.6	119.9	7.2%	85.0	6.3%	70.3%	-0.3	115.2	6.7%	81.0	6.3%
TOTAL	71.8%	-1.9	123.8	2.9%	88.9	0.2%	66.3%	-2.0	107.2	2.0%	71.1	-1.0%

MAIN STATISTICS BY DIVISION AND EXCHANGE RATES

FINANCIAL INDICATORS SUMMARY Q3 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	75.3	-17.8%	35.4	-2.0%	7.8	-65.3%	7.3	-66.5%	(3.8)	-129.4%	1.7	-7.8%	3.6	-30.9%	1.0	-80.1%
EMEA	96.4	2.4%	72.0	3.3%	27.0	1.5%	26.1	0.5%	11.9	-6.2%	0.5	19.2%	5.7	8.9%	0.5	-80.7%
Spain	287.1	1.6%	207.1	1.7%	100.0	1.3%	92.3	2.0%	60.8	5.9%	9.8	4.4%	18.8	-3.9%	(0.8)	-128.9%
Cuba	-		-		-		-		-		1.1	-8.3%	0.0		0.0	-96.9%
Asia	-		-		-		-		-		1.7	2.4%	0.0		0.3	-36.8%
TOTAL	458.8	-2.0%	314.6	1.6%	134.7	-8.8%	125.7	-9.1%	68.9	-17.2%	14.8	2.0%	28.1	-6.3%	1.0	-91.2%

MAIN STATISTICS BY DIVISION Q3 2019

	OWNED & LEASED						OWNED. LEASED & MANAGED					
	Occupancy		ARR		RevPAR		Occupancy		ARR		RevPAR	
	%	p.p. change	€	% change	€	% change	%	p.p. change	€	% change	€	% change
America	58.9%	-6.2	102.2	1.9%	60.3	-12.3%	61.2%	-1.0	95.2	-0.4%	58.3	-2.1%
EMEA	77.6%	+1.0	136.0	-1.1%	105.5	0.1%	77.1%	0.9	139.5	-0.3%	107.6	0.9%
Spain	82.8%	+0.1	131.5	1.3%	109.0	2.3%	81.1%	1.1	124.7	1.0%	101.2	2.3%
Cuba	-	-	-	-	-	-	45.4%	-3.6	69.2	1.9%	31.4	-5.6%
Asia	-	-	-	-	-	-	70.1%	2.5	76.2	4.7%	53.4	8.5%
TOTAL	77.3%	-0.0	128.3	0.6%	99.2	0.0%	70.2%	-0.5	112.6	0.8%	79.0	0.1%

9M 2019 EXCHANGE RATES

	9M 2019	9M 2018	9M 2019 VS 9M 2018
1 foreign currency = X €	Average Rate	Average Rate	% Change
Sterling (GBP)	1.1324	1.1312	+0.1%
American Dollar	0.8901	0.8379	+5.9%

Q3 2019 EXCHANGE RATES

	Q3 2019	Q3 2018	Q3 2019 VS Q3 2018
1€ = X foreign currency	Average Rate	Average Rate	% Change
Sterling (GBP)	1.1086	1.1206	-1.1%
American Dollar	0.8992	0.8602	+4.3%

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 9M 2019 P&L statement.

	September 2019 After IFRS 16	IFRS 16	September 2019 Before IFRS 16
EBITDA	**374,919**	**(145,360)**	**229,559**
Depreciation and amortization	(92,930)	-	(92,930)
Depreciation and amortization (ROU)	(98,243)	98,243	-
EBIT (OPERATING PROFIT)	**183,746**	**(47,117)**	**70,205**
Financial Expense	(24,716)	-	(24,716)
Rental Financial Expense	(28,310)	28,310	-
Other Financial Results	7,215	-	7,215
Exchange Rate Differencese	(8,193)	-	(8,193)
Total financial profit/(loss)	**(54,004)**	**28,310**	**(25,694)**
Profit / (loss) from Associates and JV	8,644	-	8,644
Profit before taxes and minorities	**138,385**	**(18,806)**	**119,578**
Taxes	(32,658)	4,438	(28,220)
Group net profit/(loss)	**105,726**	**(14,368)**	**91,358**
Minorities	8,939	0,691	9,630
Profit/(loss) of the Parent Company	**96,787**	**(15,059)**	**81,728**

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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.

Flow Through

Flow Through is calculated by dividing the changes in EBITDA by the changes in revenues over any given period. It is a financial metric related to margins closely monitored by Management that indicates out of the total incremental revenue of the business, how much goes down to EBITDA.