

Joint venture to leverage strengths of Hyatt and Homeinns, create new hospitality brand aimed at meeting the evolving travel trends in China by offering a different premium travel experience in the upper-midscale segment

CHICAGO / SHANGHAI, CHINA (February 26, 2019) — [Hyatt Hotels Corporation](#) (NYSE: H) and BTG Hotels (Group) Co., Ltd. (Shanghai Stock Exchange: 600258) announced today affiliates of Hyatt and Homeinns Hotel Group (affiliated with BTG Hotels which is also named BTG Homeinns Hotels Group) have entered a strategic joint venture to create a new hospitality brand. The brand, to be named later, is aimed at meeting the evolving needs and aspirations of a growing number of young travelers in the upper-midscale segment in China, providing them with a seamless and premium travel experience.

In an unprecedented move expected to set a new benchmark for the local hospitality industry, the collective strengths of Hyatt's global experience in premium hospitality and BTG Homeinns' scale as one of China's largest hotel chains, is expected to position both companies to capitalize on China's expanding travel and tourism market. According to the Ministry of Culture and Tourism of The People's Republic of China, domestic tourism revenue saw a 13% increase last year, recording CNY5.05 trillion in revenue. As income levels continue to rise, China's middle class is seeking higher-quality offerings and travel experiences.

Under the joint venture, Hyatt and BTG Homeinns will create and launch a new hospitality brand positioned to compete in the currently underserved upper-midscale segment. In a bid to better serve the unique needs of Chinese consumers, the new and entirely homegrown hotel brand will be built specifically to meet Chinese travelers' preferences and growing expectations for a seamless, comfortable and convenient travel experience.

"There is a definite opportunity for us to make a mark in the growing upper-midscale segment," said David Sun, general manager of BTG Homeinns Hotels Group, chairman & chief executive officer of Homeinns Hotel Group. "The combination of Hyatt's expertise in premium hospitality with our local insight and vast network will ensure our collaboration will create opportunities and benefits for Chinese travelers as well as the overall hospitality industry."

"With 70 iconic hotels and a pipeline of more than 100 properties in Greater China, Hyatt is committed to a long-term strategy of purposeful growth in the region, said Stephen Ho, president of Greater China, global operations, Hyatt. "This collaboration is expected to provide Hyatt with deep China insights, build brand awareness and grow loyalty with a new set of travelers."

"All of our brands are positioned at the high end of every segment in which they operate, and this joint venture will be no different. Strengthening our representation in the underserved upper-midscale segment will advance our China commitment and is designed to deliver sustainable growth and value to all of our stakeholders. We look forward to bringing our brand of personalized hospitality and culture of care to more Chinese travelers," added Mr. Ho.

BTG Homeinns Hotels Group operates one of China's largest and fastest growing economy hotel chain – boasting a presence of about 3,900 hotels in more than 400 cities. In recent years, BTG Homeinns has invested in expanding its portfolio of midscale hotel brands to meet the growing demand amongst Chinese travelers seeking to upgrade their travel experience. It has developed a strong presence of about 600 midscale hotels across China, including its successful brands of Yitel Premium, Homeinnplus and Homeinn Selected.

"We believe a joint venture relationship, where both parties are invested in the brand and the ultimate outcome, will be the most strategic collaborative model to make an impactful entry into this complex and competitive market. Our goal is to pioneer a unique home-grown local brand with international backing that will serve as an important competitive advantage for both parties – a win-win situation for Homeinns, for Hyatt and for Chinese consumers," added Mr. Sun.

The joint venture is expected to unveil hotels under the new brand across gateway cities such as Shanghai, Beijing, Guangzhou, Shenzhen and other cities in China in the next five years. The new brand will be managed independently by a team of highly experienced hospitality experts.

The term "Hyatt" is used in this release for convenience to refer to Hyatt Hotels Corporation and/or one or more of its affiliates.

For further information:

About Hyatt Hotels Corporation

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a portfolio of 19 premier brands. As of December 31, 2018, the Company's portfolio included more than 850 properties in 60 countries across six continents. The Company's purpose to care for people so they can be their best informs its business decisions and growth strategy and is intended to attract and retain top colleagues, build relationships with guests and create value for shareholders. The Company's subsidiaries develop, own, operate, manage, franchise, license or provide services to hotels, resorts, branded

residences, vacation ownership properties, and fitness and spa locations, including under the **Park Hyatt®**, **Miraval®**, **Grand Hyatt®**, **Alila®**, **Andaz®**, **The Unbound Collection by Hyatt®**, **Destination®**, **Hyatt Regency®**, **Hyatt®**, **Hyatt Ziva™**, **Hyatt Zilara™**, **Thompson Hotels®**, **Hyatt Centric®**, **Hyatt House®**, **Hyatt Place®**, **Joie de Vivre®**, **tommie™**, **Hyatt Residence Club®** and **Exhale®** brand names, and operates the World of Hyatt® loyalty program that provides distinct benefits and exclusive experiences to its valued members. For more information, please visit www.hyatt.com.

About BTG Homeinns Hotels Group

BTG Homeinns Hotels Group, with an official name of BTG Hotels (Group) Co., Ltd on the stock exchange market, is a well-known hotel group in China which is committed to leading the public travel accommodation through professional and passionate work to satisfy the diverse personal needs of guests. BTG Homeinns Hotels Group consists of nearly 20 brand series and nearly 40 products with accommodation as its core. As of the end of Sept. 2018, BTG Homeinns Hotels (Group) Co., Ltd. operates about 3,900 hotels in more than 400 cities across the country, covering full range of hotel businesses, including Upscale Business Chain Hotels, Midscale & Upper Midscale Chain Hotels, Economy Chain Hotels, Hotels & Resorts, Long-stay Apartments and Hotel Alliance.

About Homeinns Hotel Group

Homeinns Hotel Group operates one of the China's largest and fastest growing economy hotel chains. It was a formerly NASDAQ listed company and now is a subsidiary of BTG Homeinns Hotels Group. It is developed from a company of merely 22 hotels to a hotel giant with more than 3,000 hotels. In April 2016, Homeinns Hotel Group merged with BTG Hotels Group and became a subsidiary of newly founded BTG Homeinns Hotels Group.

Forward-Looking Statement

Forward-Looking Statements in this press release, which are not historical facts, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements related to the companies' strategic joint venture relationship, branding initiatives, growth plans, objectives, goals, expectations, beliefs, business strategies, future events, business conditions, business trends and expectations, and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, among others, general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the rate and the pace of economic recovery following economic downturns; levels of spending in business and leisure segments as well as consumer confidence; declines in occupancy and average daily rate ("ADR"); limited visibility with respect to future bookings; loss of key personnel; hostilities, or fear of hostilities, including future terrorist attacks, that affect travel; travel-related accidents; natural or man-made disasters such as earthquakes, tsunamis, tornadoes, hurricanes, floods, wildfires, oil spills, nuclear incidents, and global outbreaks of pandemics or contagious diseases or fear of such outbreaks; our ability to successfully achieve certain levels of operating profits at hotels that have performance tests or guarantees in favor of our third-party owners; the impact of hotel renovations and redevelopments; risks associated with our capital allocation plans and common stock repurchase program and other forms of shareholder capital return, including the risk that our common stock repurchase program could increase volatility and fail to enhance shareholder value; our intention to pay a quarterly cash dividend and the amounts thereof, if any; the seasonal and cyclical nature of the real estate and hospitality businesses; changes in distribution arrangements, such as through internet travel intermediaries; changes in the tastes and preferences of our customers; relationships with colleagues and labor unions and changes in labor laws; the financial condition of, and our relationships with, third-party property owners, franchisees, and hospitality venture partners; the possible inability of third-party owners, franchisees, or development partners to access capital necessary to fund current operations or implement our plans for growth; risks associated with potential acquisitions and dispositions and the introduction of new brand concepts; the timing of acquisitions and dispositions, and our ability to successfully integrate completed acquisitions with existing operations; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); our ability to successfully execute on our strategy to expand our management and franchising business while at the same time reducing our real estate asset base within targeted timeframes and at expected values; declines in the value of our real estate assets; unforeseen terminations of our management or franchise agreements; changes in federal, state, local, or foreign tax law; the impact of changes in the tax code as a result of the Tax Cuts and Jobs Act of 2017 and uncertainty as to how some of those changes may be applied; increases in interest rates and operating costs; foreign exchange rate fluctuations or currency restructurings; lack of acceptance

of new brands or innovation; general volatility of the capital markets and our ability to access such markets; changes in the competitive environment in our industry, including as a result of industry consolidation, and the markets where we operate; Hyatt's ability to successfully grow the World of Hyatt loyalty program; cyber incidents and information technology failures; outcomes of legal or administrative proceedings; and violations of regulations or laws related to our franchising business; and other risks discussed in Hyatt's filings with the SEC, including Hyatt's annual report on Form 10-K, which filings are available from the SEC. We caution you not to place undue reliance on any forward-looking statements, which are made only as of the date of this press release. We do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

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