UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-34521

HYATT HOTELS CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**20-1480589**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
71 South Wacker Drive 12th Floor, Chicago, Illinois	**60606**
(Address of Principal Executive Offices)	**(Zip Code)**

(312) 750-1234
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 31, 2015 , there were 33,459,996 shares of the registrant's Class A common stock, $0.01 par value, outstanding and 109,628,962 shares of the registrant's Class B common stock, $0.01 par value, outstanding.

HYATT HOTELS CORPORATION
QUARTERLY REPORT ON FORM 10-Q
FOR THE PERIOD ENDED JUNE 30, 2015

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PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements.***

HYATT HOTELS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In millions of dollars, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
REVENUES:				
Owned and leased hotels	$ 540	$ 592	$ 1,049	$ 1,140
Management and franchise fees	112	103	217	192
Other revenues	9	23	16	44
Other revenues from managed properties	451	440	884	856
Total revenues	1,112	1,158	2,166	2,232
DIRECT AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES:				
Owned and leased hotels	391	430	775	845
Depreciation and amortization	76	83	155	178
Other direct costs	7	10	12	18
Selling, general, and administrative	73	80	167	167
Other costs from managed properties	451	440	884	856
Direct and selling, general, and administrative expenses	998	1,043	1,993	2,064
Net gains and interest income from marketable securities held to fund operating programs	1	8	9	12
Equity earnings (losses) from unconsolidated hospitality ventures	(23)	23	(29)	16
Interest expense	(17)	(18)	(34)	(37)
Asset impairments	—	(7)	—	(7)
Gains on sales of real estate	1	1	9	62
Other income (loss), net	4	(1)	(14)	(13)
INCOME BEFORE INCOME TAXES	80	121	114	201
PROVISION FOR INCOME TAXES	(40)	(46)	(52)	(70)
NET INCOME	40	75	62	131
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	(1)	—	(1)
NET INCOME ATTRIBUTABLE TO HYATT HOTELS CORPORATION	**$ 40**	**$ 74**	**$ 62**	**$ 130**
EARNINGS PER SHARE - Basic				
Net income	$ 0.28	$ 0.49	$ 0.43	$ 0.85
Net income attributable to Hyatt Hotels Corporation	$ 0.28	$ 0.48	$ 0.43	$ 0.84
EARNINGS PER SHARE - Diluted				
Net income	$ 0.27	$ 0.49	$ 0.42	$ 0.84
Net income attributable to Hyatt Hotels Corporation	$ 0.27	$ 0.48	$ 0.42	$ 0.83

See accompanying notes to condensed consolidated financial statements.

HYATT HOTELS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions of dollars)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Net income	$ 40	$ 75	$ 62	$ 131
Other comprehensive income (loss), net of taxes:				
Foreign currency translation adjustments, net of tax (benefit) expense of $(2) and $- for the three months ended and $(2) and $1 for the six months ended June 30, 2015 and 2014, respectively	8	12	(47)	13
Unrealized gains (losses) on available for sale securities, net of tax (benefit) expense of $4 and $(2) for the three months ended and $4 and $(1) for the six months ended June 30, 2015 and 2014, respectively	4	(3)	6	(6)
Other comprehensive income (loss)	12	9	(41)	7
COMPREHENSIVE INCOME	52	84	21	138
COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	(1)	—	(1)
COMPREHENSIVE INCOME ATTRIBUTABLE TO HYATT HOTELS CORPORATION	**$ 52**	**$ 83**	**$ 21**	**$ 137**

See accompanying notes to condensed consolidated financial statements.

HYATT HOTELS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions of dollars, except per share amounts)
(Unaudited)

	June 30, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 644	$ 685
Restricted cash	204	359
Short-term investments	80	130
Receivables, net of allowances of $15 and $13 at June 30, 2015 and December 31, 2014, respectively	343	274
Inventories	15	17
Prepaids and other assets	118	108
Prepaid income taxes	48	47
Deferred tax assets	31	26
Assets held for sale	—	63
Total current assets	1,483	1,709
Investments	331	334
Property and equipment, net	4,093	4,186
Financing receivables, net of allowances	20	40
Goodwill	132	133
Intangibles, net	546	552
Deferred tax assets	198	196
Other assets	1,039	993
TOTAL ASSETS	$ 7,842	$ 8,143
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 72	$ 9
Accounts payable	133	130
Accrued expenses and other current liabilities	458	468
Accrued compensation and benefits	109	120
Liabilities held for sale	—	3
Total current liabilities	772	730
Long-term debt	1,319	1,381
Other long-term liabilities	1,423	1,401
Total liabilities	3,514	3,512
Commitments and contingencies (see Note 10)		
EQUITY:		
Preferred stock, $0.01 par value per share, 10,000,000 shares authorized and none outstanding as of June 30, 2015 and December 31, 2014	—	—
Class A common stock, $0.01 par value per share, 1,000,000,000 shares authorized, 33,874,075 outstanding and issued at June 30, 2015, Class B common stock, $0.01 par value per share, 441,623,374 shares authorized, 109,628,962 shares issued and outstanding at June 30, 2015 and Class A common stock, $0.01 par value per share, 1,000,000,000 shares authorized, 37,676,490 outstanding and 37,712,763 issued at December 31, 2014, Class B common stock, $0.01 par value per share, 443,399,875 shares authorized, 111,405,463 shares issued and outstanding at December 31, 2014	1	2
Additional paid-in capital	2,297	2,621
Retained earnings	2,227	2,165
Treasury stock at cost, 0 shares and 36,273 shares at June 30, 2015 and December 31, 2014, respectively	—	(1)
Accumulated other comprehensive loss	(201)	(160)
Total stockholders' equity	4,324	4,627
Noncontrolling interests in consolidated subsidiaries	4	4
Total equity	4,328	4,631
TOTAL LIABILITIES AND EQUITY	$ 7,842	$ 8,143

See accompanying notes to condensed consolidated financial statements.

HYATT HOTELS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions of dollars)
(Unaudited)

	Six Months Ended	
	June 30, 2015	June 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 62	$ 131
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	155	178
Deferred income taxes	(7)	3
Asset impairments	—	7
Equity (earnings) losses from unconsolidated hospitality ventures and distributions received	41	23
Foreign currency losses	7	1
Gains on sales of real estate	(9)	(62)
Working capital changes and other	(65)	(28)
Net cash provided by operating activities	184	253
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of marketable securities and short-term investments	(297)	(214)
Proceeds from marketable securities and short-term investments	320	195
Contributions to investments	(27)	(61)
Capital expenditures	(122)	(111)
Proceeds from sales of real estate, net of cash disposed	86	316
Sales proceeds transferred to escrow as restricted cash	—	(232)
Sales proceeds transferred from escrow to cash and cash equivalents	143	306
Decrease in restricted cash	17	14
Other investing activities	(9)	(12)
Net cash provided by investing activities	111	201
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	11	14
Repayments of long-term debt	(1)	—
Repurchase of common stock	(344)	(149)
Repayment of capital lease obligation	—	(191)
Other financing activities	(10)	(11)
Net cash used in financing activities	(344)	(337)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	8	(6)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(41)	111
CASH AND CASH EQUIVALENTS—BEGINNING OF YEAR	685	454
Reclassification of cash and cash equivalents to assets held for sale	—	(12)
CASH AND CASH EQUIVALENTS—END OF PERIOD	$ 644	$ 553
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	$ 34	$ 38
Cash paid during the period for income taxes	$ 82	$ 105
Non-cash investing activities are as follows:		
Change in accrued capital expenditures	$ (4)	$ 1

See accompanying notes to condensed consolidated financial statements.

1. ORGANIZATION

Hyatt Hotels Corporation, a Delaware corporation, and its consolidated subsidiaries (collectively, "Hyatt Hotels Corporation") provide hospitality services on a worldwide basis through the development, management, franchising, licensing and ownership of hospitality related businesses. We develop, own, operate, manage, franchise, license or provide services to a portfolio of properties consisting of full service hotels, select service hotels, resorts and other properties, including timeshare, fractional and other forms of residential or vacation properties. As of June 30, 2015 , (i) we operated or franchised 289 full service hotels, comprising 115,358 rooms throughout the world, (ii) we operated or franchised 292 select service hotels, comprising 40,045 rooms, of which 276 hotels are located in the United States, and (iii) our portfolio of properties included 5 franchised all inclusive Hyatt-branded resorts, comprising 1,881 rooms. Our portfolio of properties operate in 51 countries around the world and we hold ownership interests in certain of these properties.

As used in these Notes and throughout this Quarterly Report on Form 10-Q , (i) the terms "Company," "HHC," "we," "us," or "our" mean Hyatt Hotels Corporation and its consolidated subsidiaries and (ii) the term "Hyatt portfolio of properties" or "portfolio of properties" refers to hotels and other properties that we develop, own, operate, manage, franchise, license or provide services to, including under our Park Hyatt, Andaz, Hyatt, Grand Hyatt, Hyatt Regency, Hyatt Centric, Hyatt Place, Hyatt House, Hyatt Ziva, Hyatt Zilara, Hyatt Residences and Hyatt Residential Club brands.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information, the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all information or footnotes required by GAAP for complete annual financial statements. As a result, this Quarterly Report on Form 10-Q should be read in conjunction with the Consolidated Financial Statements and accompanying Notes in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (the " 2014 Form 10-K ").

We have eliminated all intercompany transactions in our condensed consolidated financial statements. We consolidate entities for which we either have a controlling financial interest or are considered to be the primary beneficiary.

Management believes that the accompanying condensed consolidated financial statements reflect all adjustments, which are all of a normal recurring nature, considered necessary for a fair presentation of the interim periods.

2. RECENTLY ISSUED ACCOUNTING STANDARDS

Adopted Accounting Standards

In April 2014, the Financial Accounting Standards Board ("FASB") released Accounting Standards Update No. 2014-08 ("ASU 2014-08"), *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity* . ASU 2014-08 changes the requirements for reporting discontinued operations and expands the required disclosures surrounding discontinued operations. The provisions of ASU 2014-08 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2014. Early adoption was permitted for disposals that had not been reported in previously issued financial statements. We elected to early adopt ASU 2014-08 in the second quarter of 2014 and have no disposals which qualify as discontinued operations.

Future Adoption of Accounting Standards

In May 2014, the FASB released Accounting Standards Update No. 2014-09 ("ASU 2014-09"), *Revenue from Contracts with Customers (Topic 606).* ASU 2014-09 provides a single, comprehensive revenue recognition model for contracts with customers. In July 2015, the FASB voted to delay the effective date of ASU 2014-09 by one year, making it effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, with early adoption permitted as of the original effective date. The Company is currently evaluating the impact of adopting ASU 2014-09.

In June 2014, the FASB released Accounting Standards Update No. 2014-10 ("ASU 2014-10"), *Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation.* ASU 2014-10 removes the financial reporting distinction between development stage entities and other reporting entities from GAAP and it eliminates an exception provided in the consolidation guidance for development stage enterprises. The provisions of ASU 2014-10 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. When adopted, ASU 2014-10 is not expected to materially impact our condensed consolidated financial statements.

In August 2014, the FASB released Accounting Standards Update No. 2014-15 ("ASU 2014-15"), *Presentation of Financial Statements-Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern.* ASU 2014-15 provides guidance related to management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and the related footnote disclosures. The provisions of ASU 2014-15 are effective for annual periods ending after December 15, 2016, and interim periods within annual periods beginning after December 15, 2016. When adopted, ASU 2014-15 is not expected to materially impact our condensed consolidated financial statements.

In February 2015, the FASB released Accounting Standards Update No. 2015-01 ("ASU 2015-01"), *Income Statement - Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items.* ASU 2015-01 eliminates all requirements regarding the separate classification, presentation, and disclosure of extraordinary events and transactions. The provisions of ASU 2015-01 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. When adopted, ASU 2015-01 is not expected to materially impact our condensed consolidated financial statements.

In February 2015, the FASB released Accounting Standards Update No. 2015-02 ("ASU 2015-02"), *Consolidation (Topic 810): Amendments to the Consolidation Analysis* . ASU 2015-02 provides guidance related to management's evaluation of consolidation for certain legal entities. The provisions of ASU 2015-02 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. The Company is currently evaluating the impact of adopting ASU 2015-02.

In April 2015, the FASB released Accounting Standards Update No. 2015-03 ("ASU 2015-03"), *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* . ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The provisions of ASU 2015-03 are effective for fiscal years beginning after December 15, 2015, and the interim periods within those fiscal years. When adopted, ASU 2015-03 is not expected to materially impact our condensed consolidated financial statements.

3 . EQUITY AND COST METHOD INVESTMENTS

We have investments that are recorded under both the equity and cost methods. These investments are considered to be an integral part of our business and are strategically and operationally important to our overall results. Our equity and cost method investment balances recorded at June 30, 2015 and December 31, 2014 are as follows:

	June 30, 2015	December 31, 2014
Equity method investments	$ 308	$ 311
Cost method investments	23	23
Total investments	$ 331	$ 334

During the six months ended June 30, 2014 , a joint venture in which we held an ownership interest and which was classified as an equity method investment within our owned and leased hotels segment, sold the Hyatt Place Austin Downtown to a third party, for which we received proceeds of $ 28 million . The hotel was sold subject to a franchise agreement. We recorded a gain of $ 20 million , which has been recorded to equity earnings (losses) from unconsolidated hospitality ventures on our condensed consolidated statements of income.

During the three and six months ended June 30, 2015 , we recorded no impairment charges related to our unconsolidated hospitality ventures. During the three and six months ended June 30, 2014, we recorded $1 million and $2 million , respectively, in impairment charges in equity earnings (losses) from unconsolidated hospitality ventures related to two equity method investments.

The following table presents summarized financial information for all unconsolidated ventures in which we hold an investment that is accounted for under the equity method:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Total revenues	$ 301	$ 334	$ 545	$ 617
Gross operating profit	88	108	148	163
Income (loss) from continuing operations	(3)	32	(16)	16
Net income (loss)	(3)	32	(16)	16

4 . FAIR VALUE MEASUREMENT

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). GAAP establishes a valuation hierarchy for prioritizing the inputs that places greater emphasis on the use of observable market inputs and less emphasis on unobservable inputs. When determining fair value, an entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of the hierarchy are as follows:

Level One—Fair values based on unadjusted quoted prices in active markets for identical assets and liabilities;
Level Two—Fair values based on quoted market prices for similar assets and liabilities in active markets, quoted prices in inactive markets for identical assets and liabilities, and inputs other than quoted market prices that are observable for the asset or liability;

Level Three—Fair values based on inputs that cannot be corroborated by observable market data and reflect the use of significant management judgment. Valuation techniques could include the use of discounted cash flow models and similar techniques.

We have various financial instruments that are measured at fair value including certain marketable securities. We currently do not have non- financial assets or non- financial liabilities that are required to be measured at fair value on a recurring basis.

We utilize the market approach and income approach for valuing our financial instruments. The market approach utilizes prices and information generated by market transactions involving identical or similar assets and liabilities and the income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). For instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the classification of fair value assets and liabilities within the fair value hierarchy.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

As of June 30, 2015 and December 31, 2014 , we had the following financial assets and liabilities measured at fair value on a recurring basis:

	June 30, 2015	Cash and Cash Equivalents	Short-term Investments	Prepaids and Other Assets	Other Assets
Level One - Quoted Prices in Active Markets for Identical Assets					
Interest bearing money market funds	$ 33	$ 33	$ —	$ —	$ —
Mutual funds	343	—	—	—	343
Level Two - Significant Other Observable Inputs					
Time deposits	80	—	80	—	—
U.S. government obligations	127	—	—	23	104
U.S. government agencies	45	—	—	8	37
Corporate debt securities	142	—	—	26	116
Mortgage-backed securities	27	—	—	5	22
Asset-backed securities	30	—	—	5	25
Municipal and provincial notes and bonds	2	—	—	—	2
Level Three - Significant Unobservable Inputs					
Preferred shares	290	—	—	—	290
Total	$ 1,119	$ 33	$ 80	$ 67	$ 939

	December 31, 2014	Cash and Cash Equivalents	Short-term Investments	Prepaids and Other Assets	Other Assets
Level One - Quoted Prices in Active Markets for Identical Assets					
Interest bearing money market funds	$ 70	$ 70	$ —	$ —	$ —
Mutual funds	341	—	—	—	341
Level Two - Significant Other Observable Inputs					
Time deposits	130	—	130	—	—
U.S. government obligations	127	—	—	20	107
U.S. government agencies	34	—	—	5	29
Corporate debt securities	128	—	—	20	108
Mortgage-backed securities	23	—	—	4	19
Asset-backed securities	23	—	—	4	19
Municipal and provincial notes and bonds	3	—	—	—	3
Level Three - Significant Unobservable Inputs					
Preferred shares	280	—	—	—	280
Total	$ 1,159	$ 70	$ 130	$ 53	$ 906

During the three and six months ended June 30, 2015 and June 30, 2014 , there were no transfers between levels of the fair value hierarchy. Our policy is to recognize transfers in and transfers out as of the end of each quarterly reporting period.

Marketable Securities

Our portfolio of marketable securities consists of various types of money market funds, mutual funds, time deposits, fixed income securities, including U.S. government obligations, obligations of other U.S. government agencies, corporate debt securities, mortgage- backed securities, asset- backed securities, municipal and provincial notes and bonds, and preferred shares. We invest a portion of our cash balance into short- term interest bearing money market funds that have a maturity of less than ninety days. Consequently, the balances are recorded in cash and cash equivalents. The funds are held with open- ended registered investment companies and the fair value of the funds is classified as Level One as we are able to obtain market available pricing information on an ongoing basis. The fair value of our mutual funds were classified as Level One as they trade with sufficient frequency and volume to enable us to obtain pricing information on an ongoing basis. Time deposits are recorded at par value, which approximates fair value and are included within short-term investments and classified as Level Two. The remaining securities, other than our investment in preferred shares, were classified as Level Two due to the use and weighting of multiple market inputs being considered in the final price of the security. Market inputs include quoted market prices from active markets for identical securities, quoted market prices for identical securities in inactive markets, and quoted market prices in active and inactive markets for similar securities.

The impact to net income from total gains or losses included in net gains and interest income from marketable securities held to fund operating programs due to the change in unrealized gains or losses relating to assets still held at the reporting date was insignificant for the three and six months ended June 30, 2015 and June 30, 2014 .

Hyatt holds redeemable, convertible preferred shares in Playa Hotels and Resorts B.V. ("Playa"), which we have classified as an available for sale ("AFS") debt security and is included in other assets on our condensed consolidated balance sheets. The investment is remeasured quarterly to fair value and the changes are recorded through other comprehensive income (loss).

We estimated the fair value of the Playa preferred shares using an option pricing model. This model requires that we make certain assumptions regarding the expected volatility, term, risk-free interest rate over the expected term, dividend yield and enterprise value. Financial forecasts were used in the computation of the enterprise value using the income approach, based on assumed revenue growth rates and operating margin levels. The risks associated with achieving these forecasts were assessed in selecting the appropriate cost of capital. There is inherent uncertainty in our assumptions, and fluctuations in these assumptions will result in different estimates of fair value. Due to the lack of availability of market data, the preferred shares are classified as Level Three.

A summary of the significant assumptions used to estimate the fair value of our preferred investment in Playa as of June 30, 2015 and December 31, 2014 , is as follows:

	June 30, 2015	December 31, 2014
Expected term	0.50 years	0.75 years
Risk-free Interest Rate	0.11%	0.19%
Volatility	43.6%	43.9%
Dividend Yield	10%	10%

As of June 30, 2015 and December 31, 2014 , the cost or amortized cost value for our preferred investment in Playa was $271 million and the fair value of this AFS debt security was as follows:

	Fair Value Measurements at Reporting Date using Significant Unobservable Inputs (Level 3) - Preferred Shares	
	2015	2014
Fair value at January 1, recorded in other assets	$ 280	$ 278
Gross unrealized gains, recorded in other comprehensive income (loss)	2	—
Gross unrealized losses, recorded in other comprehensive income (loss)	—	(2)
Fair value at March 31, recorded in other assets	$ 282	$ 276
Gross unrealized gains, recorded in other comprehensive income (loss)	8	—
Gross unrealized losses, recorded in other comprehensive income (loss)	—	(5)
Fair value at June 30, recorded in other assets	$ 290	$ 271

There were no realized gains or losses on AFS debt securities for the three and six months ended June 30, 2015 and June 30, 2014 .

Other Financial Instruments

We estimated the fair value of financing receivables using a discounted cash flow analysis based on current market assumptions for similar types of arrangements. Based upon the availability of market data, we have classified our financing receivables as Level Three. The primary sensitivity in these calculations is based on the selection of appropriate interest and discount rates. Fluctuations in these assumptions will result in different estimates of fair value. For further information on financing receivables, see Note 5 .

We estimated the fair value of debt, excluding capital leases, which, as of June 30, 2015 and December 31, 2014 , consisted primarily of $250 million of 3.875% senior notes due 2016 (the "2016 Notes"), $196 million of 6.875% senior notes due 2019 (the "2019 Notes"), $250 million of 5.375% senior notes due 2021 (the "2021 Notes"), and $350 million of 3.375% senior notes due 2023 (the "2023 Notes" which, together with the 2016 Notes, the 2019 Notes, and the 2021 Notes are collectively referred to as the "Senior Notes"), bonds and other long- term debt. Our Senior Notes and bonds are classified as Level Two due to the use and weighting of multiple market inputs in the final price of the security. Market inputs include quoted market prices from active markets for identical securities, quoted market prices for identical securities in inactive markets, and quoted market prices in active and inactive markets for similar securities. We estimated the fair value of our other long- term debt instruments using a discounted cash flow analysis based on current market inputs for similar types of arrangements. Based upon the availability of market data, we have classified our other long- term debt as Level Three. The primary sensitivity in these calculations is based on the selection of appropriate discount rates. Fluctuations in these assumptions will result in different estimates of fair value.

The carrying amounts and fair values of our other financial instruments are as follows:

	Asset (Liability)				
	June 30, 2015				
	Carrying Value	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level One)	Significant Other Observable Inputs (Level Two)	Significant Unobservable Inputs (Level Three)
Financing receivables, net (current and long-term)					
Secured financing to hotel owners	$ 24	$ 29	$ —	$ —	$ 29
Unsecured financing to hotel owners	20	20	—	—	20
Debt, excluding capital lease obligations	(1,374)	(1,461)	—	(1,296)	(165)

	Asset (Liability)				
	December 31, 2014				
	Carrying Value	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level One)	Significant Other Observable Inputs (Level Two)	Significant Unobservable Inputs (Level Three)
Financing receivables, net (current and long-term)					
Secured financing to hotel owners	$ 26	$ 29	$ —	$ —	$ 29
Unsecured financing to hotel owners	15	14	—	—	14
Debt, excluding capital lease obligations	(1,373)	(1,479)	—	(1,319)	(160)

5 . FINANCING RECEIVABLES

We have divided our financing receivables, which include loans and other financing arrangements, into two portfolio segments based on their initial measurement, risk characteristics and our method for monitoring or assessing credit risk. These portfolio segments correspond directly with our assessed class of receivables and are as follows:

- Secured Financing to Hotel Owners—These financing receivables are senior secured mortgage loans and are collateralized by underlying hotel properties currently in operation. At June 30, 2015 and December 31, 2014 , these loans represent financing provided to certain franchisees for the renovation and conversion of certain franchised hotels. These franchisee loans accrue interest at fixed rates ranging between 5.0% and 5.5% . All secured financing to hotel owners financing receivables are scheduled to mature in 2015.
- Unsecured Financing to Hotel Owners—These financing receivables are primarily made up of individual unsecured loans and other types of financing arrangements provided to hotel owners. Our other financing receivables have stated maturities and interest rates. However, the expected repayment terms may be dependent on the future cash flows of the hotels and these instruments, therefore, are not considered loans as the repayment dates are not fixed or determinable. Because the other types of financing arrangements are not considered loans, we do not include them in our impaired loans analysis.

The two portfolio segments of financing receivables and their balances at June 30, 2015 and December 31, 2014 are as follows:

	June 30, 2015		December 31, 2014	
Secured financing to hotel owners	$	39	$	39
Unsecured financing to hotel owners		110		102
		149		141
Less allowance for losses		(105)		(100)
Less current portion included in receivables, net		(24)		(1)
Total long-term financing receivables, net	$	20	$	40

Allowance for Losses and Impairments

We individually assess all loans for impairment. In addition to loans, we include other types of financing arrangements in the unsecured financing to hotel owners portfolio which we do not assess individually for impairment. However, we regularly evaluate our reserves for these other types of financing arrangements and record provisions in the financing receivables allowance as necessary. Impairment charges for loans within both portfolios and reserves related to our other financing arrangements are recorded as provisions in the financing receivables allowance. We consider the provisions on all of our portfolio segments to be adequate based on the economic environment and our assessment of the future collectability of the outstanding loans.

The following tables summarize the activity in our financing receivables allowance for the three and six months ended June 30, 2015 and June 30, 2014 :

	Secured financing to hotel owners		Unsecured financing to hotel owners		Total	
Allowance at January 1, 2015	$	13	$	87	$	100
Provisions		—		2		2
Other Adjustments		—		(1)		(1)
Allowance at March 31, 2015	$	13	$	88	$	101
Provisions		2		2		4
Allowance at June 30, 2015	$	15	$	90	$	105

	Secured financing to hotel owners		Unsecured financing to hotel owners		Total	
Allowance at January 1, 2014	$	13	$	83	$	96
Provisions		—		2		2
Other Adjustments		—		1		1
Allowance at March 31, 2014	$	13	$	86	$	99
Provisions		—		1		1
Allowance at June 30, 2014	$	13	$	87	$	100

We routinely evaluate loans within financing receivables for impairment. To determine whether an impairment has occurred, we evaluate the collectability of both interest and principal. A loan is considered to be impaired when the Company determines that it is probable that we will not be able to collect all amounts due under the contractual terms. We do not record interest income for impaired loans unless cash is received, in which case the payment is recorded to other income (loss), net in the accompanying condensed consolidated statements of income.

An analysis of our loans included in secured financing to hotel owners and unsecured financing to hotel owners had the following impaired amounts at June 30, 2015 and December 31, 2014 , all of which had a related allowance recorded against them:

	Impaired Loans			
	June 30, 2015			
	Gross Loan Balance (Principal and Interest)	Unpaid Principal Balance	Related Allowance	Average Recorded Loan Balance
Secured financing to hotel owners	$ 39	$ 39	$ (15)	$ 39
Unsecured financing to hotel owners	52	36	(52)	52

	Impaired Loans			
	December 31, 2014			
	Gross Loan Balance (Principal and Interest)	Unpaid Principal Balance	Related Allowance	Average Recorded Loan Balance
Secured financing to hotel owners	$ 39	$ 39	$ (13)	$ 39
Unsecured financing to hotel owners	52	37	(52)	52

Interest income recognized on these impaired loans within other income (loss), net on our condensed consolidated statements of income for the three and six months ended June 30, 2015 and June 30, 2014 was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Secured financing to hotel owners	$ —	$ 1	$ 1	$ 1
Unsecured financing to hotel owners	—	—	—	—

Credit Monitoring

On an ongoing basis, we monitor the credit quality of our financing receivables based on payment activity.

- Past-due Receivables—We determine financing receivables to be past due based on the contractual terms of each individual financing receivable agreement.
- Non-Performing Receivables—Receivables are determined to be non-performing based upon the following criteria: (1) if interest or principal is more than 90 days past due for secured financing to hotel owners and unsecured financing to hotel owners or (2) if an impairment charge has been recorded for a loan or a provision established for our other financing arrangements. For the three and six months ended June 30, 2015 and June 30, 2014 , no interest income was accrued for secured financing to hotel owners and unsecured financing to hotel owners more than 90 days past due.

If a financing receivable is non-performing, we place the financing receivable on non- accrual status. We only recognize interest income when cash is received for financing receivables on non- accrual status. Accrual of interest income is resumed when the receivable becomes contractually current and collection doubts are removed.

The following tables summarize our aged analysis of past-due financing receivables by portfolio segment, the gross balance of financing receivables greater than 90 days past due and the gross balance of financing receivables on non- accrual status as of June 30, 2015 and December 31, 2014 :

Analysis of Financing Receivables

June 30, 2015

	Receivables Past Due	Greater than 90 Days Past Due	Receivables on Non-Accrual Status
Secured financing to hotel owners	$ —	$ —	$ 39
Unsecured financing to hotel owners*	3	3	89
Total	$ 3	$ 3	$ 128

Analysis of Financing Receivables

December 31, 2014

	Receivables Past Due	Greater than 90 Days Past Due	Receivables on Non-Accrual Status
Secured financing to hotel owners	$ —	$ —	$ 39
Unsecured financing to hotel owners*	3	3	87
Total	$ 3	$ 3	$ 126

* Certain of these receivables have been placed on non-accrual status and we have recorded allowances for these receivables based on estimates of future cash flows available for payment of these financing receivables. However, a majority of these payments are not past due.

6 . ACQUISITIONS AND DISPOSITIONS

We continually assess strategic acquisitions and dispositions to complement our current business. During the six months ended June 30, 2015 , we did not have any acquisitions.

Hyatt Regency Grand Cypress —During the three months ended June 30, 2014 , we exercised our purchase option under the capital lease to acquire the Hyatt Regency Grand Cypress hotel for $191 million .

Dispositions

Hyatt Regency Indianapolis —During the six months ended June 30, 2015 , we sold Hyatt Regency Indianapolis for $69 million , net of closing costs, to an unrelated third party, and entered into a long-term franchise agreement with the owner of the property. The sale resulted in a pre-tax gain of $8 million , which has been recognized in gains on sales of real estate on our condensed consolidated statements of income during the six months ended June 30, 2015 . The operating results and financial position of this hotel prior to the sale remain within our owned and leased hotels segment. As of December 31, 2014 , we had classified the assets and liabilities of this property as held for sale on our condensed consolidated balance sheets.

Land Held for Development —During the three months ended June 30, 2015 , we sold land and construction in progress for $14 million to an unconsolidated hospitality venture in which Hyatt has a 40% ownership interest. As of June 30, 2015 , we have received $12 million in cash proceeds and $2 million is recorded as a receivable on our condensed consolidated balance sheets. The assets prior to the sale remain within our owned and leased hotels segment.

A Hyatt House Hotel — During the three months ended June 30, 2015 , we sold a select service property for $5 million to an unrelated third party resulting in a $1 million pre-tax gain which has been recognized in gains on sales of real estate on our condensed consolidated statements of income during the three and six months ended June 30, 2015 . The operating results and financial position of this hotel prior to the sale remain within our owned and leased hotels segment.

Hyatt, Hyatt Place, Hyatt House 2014 —During the six months ended June 30, 2014 , we sold nine select service properties and one full service property for a total of $311 million , net of closing costs, to an unrelated third party. In connection with the sale, we transferred net cash and cash equivalents of $3 million , resulting in a net sales price of $308 million . We recorded a pre-tax gain of approximately $62 million for the six months ended June 30, 2014 . The properties will remain Hyatt-branded hotels for a minimum of 25 years under long-term agreements. The gain has been recognized in gains on sales of real estate on our condensed consolidated statements of income during the six months ended June 30, 2014 . The operating results and financial position of these hotels prior to the sale remain within our owned and leased hotels segment. See "Like-Kind Exchange Agreements" below, as proceeds from the sales have been used in a like-kind exchange.

As a result of certain of the above-mentioned dispositions, we have agreed to provide indemnifications to third-party purchasers for certain liabilities incurred prior to sale and for breach of certain representations and warranties made during the sales process, such as representations of valid title, authority, and environmental issues that may not be limited by a contractual monetary amount. These indemnification agreements survive until the applicable statutes of limitation expire, or until the agreed upon contract terms expire.

Like-Kind Exchange Agreements

Periodically, we enter into like-kind exchange agreements upon the disposition of certain properties. Pursuant to the terms of these agreements, the proceeds from the sales are placed into an escrow account administered by an intermediary. The proceeds are recorded to restricted cash on our condensed consolidated balance sheets and released once they are utilized as part of a like-kind exchange agreement or when a like-kind exchange agreement is not completed within the allowable time period.

In conjunction with the sale of five Hyatt Place properties during the year ended December 31, 2014 , we entered into like-kind exchange agreements with an intermediary. Pursuant to the like-kind exchange agreements, the combined net proceeds of $51 million from the sales of these hotels were placed into an escrow account administered by an intermediary. Accordingly, we classified net proceeds of $51 million related to the properties as restricted cash on our condensed consolidated balance sheets as of December 31, 2014 . During the six months ended June 30, 2015 , we released the net proceeds since the identified replacement property was not acquired in order to complete the exchange.

In conjunction with the sale of thirty-eight select service properties during the year ended December 31, 2014 , we entered into like-kind exchange agreements with an intermediary for twenty-seven of the select service hotels. In the fourth quarter of 2014, we utilized the net proceeds from twenty-one of the twenty-seven hotels as part of the like-kind exchange agreement to acquire the Park Hyatt New York. Accordingly, we classified net proceeds of $92 million related to the remaining six properties as restricted cash on our condensed consolidated balance sheets as of December 31, 2014 . During the six months ended June 30, 2015 , we released the net proceeds from restricted cash as the intermediary distributed these funds from escrow to complete the reverse like-kind exchange transaction in connection with the acquisition of Hyatt Regency Lost Pines Resort and Spa.

In conjunction with the sales of nine select service properties and one full service property during the six months ended June 30, 2014 , we entered into like-kind exchange agreements with an intermediary for seven of the select service hotels. During the six months ended June 30, 2014 , we recorded and released net proceeds of $232 million from restricted cash as they were utilized as part of the like-kind exchange agreement to acquire the Hyatt Regency Orlando.

In conjunction with the sale of Hyatt Key West during the year ended December 31, 2013, we entered into a like-kind exchange agreement with an intermediary. Pursuant to the like-kind exchange agreement, the $74 million net proceeds from the sale of this hotel were placed into an escrow account administered by an intermediary. During the six months ended June 30, 2014 , the net proceeds were released from restricted cash as they were utilized as part of the like-kind exchange agreement to acquire the Hyatt Regency Orlando.

7 . GOODWILL AND INTANGIBLE ASSETS

We review the carrying value of our goodwill and indefinite-lived brand intangible asset during our annual impairment test during the fourth quarter of each year using balances as of October 1 and at an interim date if indications of impairment exist by performing either a qualitative or quantitative assessment. When determining fair value, we utilize internally developed discounted future cash flow models, third party appraisals and, if appropriate, current estimated net sales proceeds from pending offers. We then compare the estimated fair value to our carrying value. If the carrying value of our goodwill is in excess of the fair value, we must determine our implied fair value of goodwill to evaluate if any impairment charge is necessary. If the carrying value of our indefinite-lived brand intangible asset is in excess of the fair value, an impairment charge is recognized in an amount equal to the excess. During the three and six months ended June 30, 2015 and June 30, 2014 , no impairment charges were recorded related to goodwill or our indefinite-lived brand intangible asset. Goodwill was $132 million and $133 million at

June 30, 2015 and December 31, 2014 , respectively. As of December 31, 2014, we classified $14 million of goodwill related to Hyatt Regency Indianapolis as held for sale on our condensed consolidated balance sheets. During the six months ended June 30, 2015 , we sold Hyatt Regency Indianapolis (see Note 6).

Definite-lived intangible assets primarily include management and franchise agreement intangibles, lease related intangibles and advanced booking intangibles. Management and franchise agreement intangibles are generally amortized on a straight- line basis over their contract terms, which range from approximately 5 to 40 years. Lease related intangibles are amortized on a straight- line basis over the lease term. Advanced booking intangibles are generally amortized on a straight- line basis over the period of the advanced booking. Definite-lived intangibles are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. There were no impairment charges related to definite-lived intangible assets during the three and six months ended June 30, 2015 and June 30, 2014 .

The following is a summary of intangible assets at June 30, 2015 and December 31, 2014 :

	June 30, 2015	Weighted-Average Useful Lives in Years	December 31, 2014
Management and franchise agreement intangibles	$ 519	25	$ 511
Lease related intangibles	144	111	143
Advanced booking intangibles	12	5	12
Brand intangible	7	—	7
Other	8	11	8
	690		681
Accumulated amortization	(144)		(129)
Intangibles, net	$ 546		$ 552

Amortization expense relating to intangible assets was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Amortization expense	$ 7	$ 7	$ 15	$ 15

8 . LIABILITIES

Other long-term liabilities at June 30, 2015 and December 31, 2014 consist of the following:

	June 30, 2015	December 31, 2014
Deferred gains on sales of hotel properties	$ 378	$ 383
Deferred compensation plans	343	341
Hyatt Gold Passport Fund	305	284
Guarantee liabilities (see Note 10)	94	110
Other	303	283
Total	$ 1,423	$ 1,401

Accrued expenses and other current liabilities includes $139 million and $132 million of liabilities related to the Hyatt Gold Passport Fund at June 30, 2015 and December 31, 2014 , respectively.

9 . INCOME TAXES

The effective income tax rates for the three months ended June 30, 2015 and June 30, 2014 , were 50.0% and 37.8% , respectively. The effective income tax rates for the six months ended June 30, 2015 and June 30, 2014 , were 45.6% and 34.7% , respectively.

For the three months ended June 30, 2015 , the effective tax rate differed from the U.S. statutory federal income tax rate of 35% primarily due to the effect of state taxes on operations and the effect of certain foreign joint venture losses that are not benefited. These items are partially offset by a benefit of $4 million (including $3 million of interest and penalties) related to the expiration of statutes of limitations in certain foreign locations and a benefit of $2 million related to a state legislative change enacted in the quarter. For the six months ended June 30, 2015 , the effective tax rate differs from the U.S. statutory federal income tax rate of 35% primarily due to the above-mentioned items, as well as a $2 million benefit for deferred tax adjustments to reflect the impact of regulations issued by the Internal Revenue Service in the first quarter of 2015.

For the three months ended June 30, 2014 , the effective tax rate differed from the U.S. statutory federal income tax rate of 35% primarily due to the impact of our earnings in locations with higher tax rates, partially offset by a benefit of $4 million (including $2 million of interest and penalties) related to the expiration of statutes of limitations in certain foreign locations and a benefit of $2 million related to the settlement of tax audits. For the six months ended June 30, 2014 , the effective tax rate differs from the U.S. statutory federal income tax rate of 35% primarily due to the above-mentioned items, as well as a $4 million benefit for the release of a valuation allowance of a foreign subsidiary and a benefit of $2 million related to a state legislative change enacted in the first quarter of 2014.

Unrecognized tax benefits were $51 million and $40 million at June 30, 2015 and December 31, 2014 , respectively, of which $18 million and $20 million , respectively, would impact the effective tax rate if recognized.

10 . COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, we enter into various commitments, guarantees, surety bonds, and letter of credit agreements, which are discussed below:

Commitments —As of June 30, 2015 , we are committed, under certain conditions, to lend or invest up to $223 million , net of any related letters of credit, in various business ventures.

Performance Guarantees —Certain of our contractual agreements with third-party owners require us to guarantee payments to the owners if specified levels of operating profit are not achieved by their hotels. At inception of a performance guarantee, we recognize a guarantee obligation liability for the fair value of our guarantee obligation, which we amortize into income using a systematic and rational risk-based approach over the term of the performance guarantee. To the extent we determine an obligation to fund under a guarantee is both probable and estimable, we record an expense for the separate contingent liability.

Our most significant performance guarantee relates to four managed hotels in France that we began managing in the second quarter of 2013 (“the four managed hotels in France”); that guarantee has a term of 7 years , with approximately 5 years remaining, and does not have an annual cap. The remaining maximum exposure related to our performance guarantees at June 30, 2015 was $429 million , of which €362 million ($403 million using exchange rates as of June 30, 2015) relates to the four managed hotels in France.

We had total net guarantee liabilities of $89 million and $111 million at June 30, 2015 and December 31, 2014 , respectively, which included $89 million and $103 million recorded in other long-term liabilities, $1 million and $8 million in accrued expenses and other current liabilities, and $1 million and $0 in receivables on our condensed consolidated balance sheets, respectively. Our total guarantee liabilities are comprised of the fair value of the guarantee obligation liabilities recorded upon inception, net of amortization and any separate contingent liabilities or receivables, net of cash payments. Performance guarantee expense or income and income from amortization of the guarantee obligation liabilities are recorded in other income (loss), net on the condensed consolidated statements of income, see Note 16 .

The following table details the total net performance guarantee liability (inclusive of the initial guarantee obligation liability, net of amortization and the contingent liability or receivable, net of cash payments):

	The Four Managed Hotels in France		Other Performance Guarantees		All Performance Guarantees	
	2015	2014	2015	2014	2015	2014
Beginning balance, January 1	$ 106	$ 123	$ 5	$ 6	$ 111	$ 129
Amortization of initial guarantee obligation liability into income	(2)	(2)	—	—	(2)	(2)
Performance guarantee (income) expense	16	15	—	2	16	17
Net (payments) receipts during the period	1	(5)	(1)	(3)	—	(8)
Foreign currency exchange (gain) loss	(13)	1	—	—	(13)	1
Ending balance, March 31	$ 108	$ 132	$ 4	$ 5	$ 112	$ 137
Amortization of initial guarantee obligation liability into income	(3)	(2)	—	—	(3)	(2)
Performance guarantee (income) expense	(1)	(3)	(1)	(1)	(2)	(4)
Net (payments) receipts during the period	(23)	(15)	1	1	(22)	(14)
Foreign currency exchange (gain) loss	4	(1)	—	—	4	(1)
Ending balance, June 30	$ 85	$ 111	$ 4	$ 5	$ 89	$ 116

Additionally, we enter into certain management contracts where we have the right, but not an obligation, to make payments to certain hotel owners if their hotels do not achieve specified levels of operating profit. If we choose not to fund the shortfall, the hotel owner has the option to terminate the management contract. As of June 30, 2015 and December 31, 2014 , there were no amounts recorded in accrued expenses and other current liabilities related to these performance test clauses.

Debt Repayment Guarantees —We have entered into various debt repayment guarantees primarily related to our unconsolidated hospitality ventures investments in certain properties. The maximum exposure under these agreements as of June 30, 2015 was $231 million . As of June 30, 2015 , we had a $5 million liability representing the carrying value of these guarantees recorded within other long-term liabilities on our condensed consolidated balance sheets with an offset to investments. Included within the $231 million in debt guarantees are the following:

Property Description	Maximum Guarantee Amount	Amount Recorded at June 30, 2015	Amount Recorded at December 31, 2014
Vacation ownership property	$ 63	$ —	$ —
Hotel property in Brazil	73	2	2
Hotel property in Hawaii	30	—	1
Hotel property in Minnesota	25	3	3
Hotel property in Colorado	15	—	1
Other	25	—	—
Total Debt Repayment Guarantees	$ 231	$ 5	$ 7

With respect to certain debt repayment guarantees related to unconsolidated hospitality venture properties, the Company has agreements with its respective partners that require each partner to pay a pro- rata portion of the guarantee amount generally based on each partner’s ownership percentage. With respect to certain debt repayment guarantees related to hotel and vacation ownership properties, the Company has agreements with third parties that allow the Company to fully recover from third parties any amounts we may be required to fund. Assuming successful enforcement of these types of agreements with our respective partners and third parties, our maximum exposure under the various debt repayment guarantees as of June 30, 2015 is $101 million .

Self Insurance —The Company obtains commercial insurance for potential losses for general liability, workers' compensation, automobile liability, employment practices, crime, property and other miscellaneous coverages. A portion of the risk is retained on a self insurance basis primarily through a U.S. based and licensed captive insurance company that is a wholly owned subsidiary of Hyatt and generally insures our deductibles and retentions. Reserve requirements are established based on actuarial projections of ultimate losses. Losses estimated to be paid within twelve months are $26 million and $24 million as of June 30, 2015 and December 31, 2014 , respectively, and are classified within accrued expenses and other current liabilities on the condensed consolidated balance sheets, while losses expected to be payable in later periods are $65 million and $63 million as of June 30, 2015 and December 31, 2014 , respectively, and are included in other long-term liabilities on the condensed consolidated balance sheets. At June 30, 2015 , standby letters of credit amounting to $7 million had been issued to provide collateral for the estimated claims, which are guaranteed by us. For further discussion, see the "Letters of Credit" section of this footnote.

Collective Bargaining Agreements —At June 30, 2015 , approximately 25% of our U.S. based employees were covered by various collective bargaining agreements, generally providing for basic pay rates, working hours, other conditions of employment and orderly settlement of labor disputes. Generally, labor relations have been maintained in a normal and satisfactory manner, and we believe that our employee relations are satisfactory.

Surety Bonds —Surety bonds issued on our behalf totaled $23 million as of June 30, 2015 and primarily relate to workers' compensation, taxes, licenses, and utilities related to our lodging operations.

Letters of Credit —Letters of credit outstanding on our behalf as of June 30, 2015 totaled $56 million , the majority of which relate to our ongoing operations. The $56 million letters of credit outstanding do not reduce the available capacity under our revolving credit facility.

Capital Expenditures —As part of our ongoing business operations, significant expenditures are required to complete renovation projects that have been approved.

Other —We act as general partner of various partnerships owning hotel properties subject to mortgage indebtedness. These mortgage agreements generally limit the lender's recourse to security interests in the assets financed and/or other assets of the partnership(s) and/or the general partner(s) thereof.

In conjunction with financing obtained for our unconsolidated hospitality ventures, we may provide standard indemnifications to the lender for loss, liability or damage occurring as a result of our actions or actions of the other hospitality venture owners.

We are subject, from time to time, to various claims and contingencies related to lawsuits, taxes, and environmental matters, as well as commitments under contractual obligations. Many of these claims are covered under current insurance programs, subject to deductibles. We reasonably recognize a liability associated with commitments and contingencies when a loss is probable and reasonably estimable. Although the ultimate liability for these matters cannot be determined at this point, based on information currently available, we do not expect that the ultimate resolution of such claims and litigation will have a material effect on our condensed consolidated financial statements.

11. EQUITY

Stockholders' Equity and Noncontrolling Interests — The following table details the equity activity for the six months ended June 30, 2015 and June 30, 2014 , respectively.

	Stockholders' equity	Noncontrolling interests in consolidated subsidiaries	Total equity
Balance at January 1, 2015	$ 4,627	$ 4	$ 4,631
Net income	62	—	62
Other comprehensive income (loss)	(41)	—	(41)
Repurchase of common stock	(344)	—	(344)
Directors compensation	1	—	1
Employee stock plan issuance	2	—	2
Share based payment activity	17	—	17
Balance at June 30, 2015	**$ 4,324**	**$ 4**	**$ 4,328**
Balance at January 1, 2014	$ 4,769	$ 8	$ 4,777
Net income	130	1	131
Other comprehensive income (loss)	7	—	7
Repurchase of common stock	(150)	—	(150)
Directors compensation	1	—	1
Employee stock plan issuance	2	—	2
Share based payment activity	11	—	11
Other	1	(1)	—
Balance at June 30, 2014	**$ 4,771**	**$ 8**	**$ 4,779**

Accumulated Other Comprehensive Loss — The following table details the accumulated other comprehensive loss activity for the three and six months ended June 30, 2015 and June 30, 2014 , respectively.

	Balance at April 1, 2015	Current period other comprehensive income (loss) before reclassification	Amount Reclassified from Accumulated Other Comprehensive Loss	Balance at June 30, 2015
Foreign currency translation adjustments	$ (210)	$ 8	$ —	$ (202)
Unrealized gains on AFS securities	8	4	—	12
Unrecognized pension cost	(5)	—	—	(5)
Unrealized losses on derivative instruments	(6)	—	—	(6)
Accumulated Other Comprehensive Loss	**$ (213)**	**$ 12**	**$ —**	**$ (201)**

	Balance at January 1, 2015	Current period other comprehensive income (loss) before reclassification	Amount Reclassified from Accumulated Other Comprehensive Loss	Balance at June 30, 2015
Foreign currency translation adjustments	$ (155)	$ (47)	$ —	$ (202)
Unrealized gains on AFS securities	6	6	—	12
Unrecognized pension cost	(5)	—	—	(5)
Unrealized losses on derivative instruments	(6)	—	—	(6)
Accumulated Other Comprehensive Loss	**$ (160)**	**$ (41)**	**$ —**	**$ (201)**

	Balance at April 1, 2014	Current period other comprehensive income (loss) before reclassification	Amount Reclassified from Accumulated Other Comprehensive Loss	Balance at June 30, 2014
Foreign currency translation adjustments	$ (61)	$ 12	$ —	$ (49)
Unrealized gains (losses) on AFS securities	3	(3)	—	—
Unrecognized pension cost	(5)	—	—	(5)
Unrealized losses on derivative instruments	(7)	—	—	(7)
Accumulated Other Comprehensive Loss	**$ (70)**	**$ 9**	**$ —**	**$ (61)**

	Balance at January 1, 2014	Current period other comprehensive income (loss) before reclassification	Amount Reclassified from Accumulated Other Comprehensive Loss	Balance at June 30, 2014
Foreign currency translation adjustments	$ (62)	$ 13	$ —	$ (49)
Unrealized gains (losses) on AFS securities	6	(6)	—	—
Unrecognized pension cost	(5)	—	—	(5)
Unrealized losses on derivative instruments	(7)	—	—	(7)
Accumulated Other Comprehensive Loss	**$ (68)**	**$ 7**	**$ —**	**$ (61)**

Share Repurchase — During 2014 and 2013 the Company's board of directors authorized the repurchase of up to $700 million and $400 million , respectively, of the Company's common stock. These repurchases may be made from time to time in the open market, in privately negotiated transactions, or otherwise, including pursuant to a Rule 10b5-1 plan, at prices that the Company deems appropriate and subject to market conditions, applicable law and other factors deemed relevant in the Company's sole discretion. The common stock repurchase program applies to the Company’s Class A common stock and/or the Company’s Class B common stock. The common stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares of common stock and the program may be suspended or discontinued at any time. On July 30, 2015, the Company's board of directors authorized the repurchase of up to an additional $400 million of the Company's common stock.

During the six months ended June 30, 2015 and June 30, 2014 , the Company repurchased 5,879,003 and 2,735,798 shares of common stock, respectively. These shares were repurchased at a weighted-average price of $58.56 and $54.92 per share, respectively, for an aggregate purchase price of $344 million and $150 million , respectively, excluding related expenses that were insignificant in both periods. Of the $150 million aggregate purchase price during the six months ended June 30, 2014 , $149 million was settled in cash during the period. The shares repurchased during the six months ended June 30, 2015 represented approximately 4% of the Company's total shares of common stock outstanding as of December 31, 2014 . The shares repurchased during the six months ended June 30, 2014 represented approximately 2% of the Company's total shares of common stock outstanding as of December 31, 2013 . The shares of Class A common stock that were repurchased on the open market were retired and returned to the status of authorized and unissued while the shares of Class B common stock that were repurchased were retired and the total number of authorized Class B shares was reduced by the number of shares repurchased. As of June 30, 2015 , we had $100 million remaining under the share repurchase authorization. See Note 17 for further details regarding the 2015 share repurchase plan.

Treasury Stock Retirement — During the six mo nths ended June 30, 2015 , the Company retired 195,423 shares of treasury stock. These shares were retired at a weighted-average price of $43.41 resulting in an $8 million reduction in treasury stock. The retired shares of treasury stock were returned to the status of authorized and unissued.

12 . STOCK-BASED COMPENSATION

As part of our Long- Term Incentive Plan, we award Stock Appreciation Rights ("SARs"), Restricted Stock Units ("RSUs") and Performance Vested Restricted Stock ("PSSs") to certain employees. Compensation expense and unearned compensation figures within this footnote exclude amounts related to employees of our managed hotels as this expense has been and will continue to be reimbursed by our third-party hotel owners and is recorded in other revenues from managed properties and other costs from managed properties on our condensed consolidated statements of income. Compensation expense related to these awards for the three and six months ended June 30, 2015 and June 30, 2014 are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Stock appreciation rights	$ 1	$ 3	$ 8	$ 5
Restricted stock units	3	6	12	11
Performance vested restricted stock	1	1	2	2

Stock Appreciation Rights —Each vested SAR gives the holder the right to the difference between the value of one share of our Class A common stock at the exercise date and the value of one share of our Class A common stock at the grant date. Vested SARs can be exercised over their life as determined by the plan. All SARs have a 10 -year contractual term, are settled in shares of our Class A common stock and are accounted for as equity instruments.

During the six months ended June 30, 2015 , the Company granted 461,378 SARs to employees with a weighted-average grant date fair value of $21.36 . The fair value of each SAR was estimated on the grant date using the Black- Scholes- Merton option- valuation model.

Restricted Stock Units —The Company grants both RSUs that may be settled in stock and RSUs that may be settled in cash. Each vested stock- settled RSU will be settled with a single share of our Class A common stock. The value of the stock-settled RSUs is based on the closing stock price of our Class A common stock as of the grant date. We record compensation expense for RSUs over the requisite service period of the individual grantee. In certain situations we also grant cash- settled RSUs which are recorded as a liability instrument. The liability and related expense for cash- settled RSUs is insignificant as of, and for the three and six months ended, June 30, 2015 . During the six months ended June 30, 2015 , the Company granted a total of 433,963 RSUs (an insignificant portion of which are cash- settled RSUs) to employees which, with respect to stock- settled RSUs, had a weighted-average grant date fair value of $56.65 .

Performance Vested Restricted Stock —The Company has granted PSSs to certain executive officers. The number of PSSs that will ultimately vest with no further restrictions on transfer depends upon the performance of the Company at the end of the applicable three year performance period relative to the applicable performance target. During the six months ended June 30, 2015 , the Company granted to its executive officers a total of 146,902 PSSs, which vest in full if the maximum performance metric is achieved. The PSSs had a weighted-average grant date fair value of $56.27 . The performance period is three years beginning January 1, 2015 and ending December 31, 2017. The PSSs will vest at the end of the performance period only if the performance threshold is met; there is no interim performance metric.

Our total unearned compensation for our stock- based compensation programs as of June 30, 2015 was $4 million for SARs, $25 million for RSUs and $5 million for PSSs, which will be recorded to compensation expense over the next four years with respect to SARs and RSUs, with a limited portion of the RSU awards extending to five years , and over the next two years with respect to PSSs.

13 . RELATED-PARTY TRANSACTIONS

In addition to those included elsewhere in the Notes to the condensed consolidated financial statements, related- party transactions entered into by us are summarized as follows:

Leases —Our corporate headquarters have been located at the Hyatt Center in Chicago, Illinois, since 2005. A subsidiary of the Company holds a master lease for a portion of the Hyatt Center and has entered into sublease agreements with certain related parties. Future expected sublease income for this space from related parties is $7 million .

Legal Services —A partner in a law firm that provided services to us throughout the six months ended June 30, 2015 and June 30, 2014 , is the brother- in- law of our Executive Chairman. We incurred $1 million of legal fees with this firm for the three months ended June 30, 2015 and June 30, 2014 , respectively. We incurred $1 million and $2 million of legal fees with this firm for the six months ended June 30, 2015 and June 30, 2014 , respectively. Legal fees, when expensed, are included in selling, general, and administrative expenses. As of June 30, 2015 and December 31, 2014 , we had insignificant amounts due to the law firm.

Other Services —A member of our board of directors is a partner in a firm whose affiliates previously owned hotels, which were sold during the first quarter of 2015, from which we recorded no amounts and $1 million of management and franchise fees during the three months ended June 30, 2015 and June 30, 2014 , respectively. We recorded insignificant and $2 million of management and franchise fees during the six months ended June 30, 2015 and June 30, 2014 , respectively. As of June 30, 2015 and December 31, 2014 , we had no receivables and insignificant receivables due from these properties, respectively.

Equity Method Investments —We have equity method investments in entities that own properties for which we provide management and/or franchise services and receive fees. We recorded fees of $7 million and $9 million for the three months ended June 30, 2015 and June 30, 2014 , respectively. We recorded fees of $12 million and $16 million for the six months ended June 30, 2015 and June 30, 2014 , respectively. As of June 30, 2015 and December 31, 2014 , we had receivables due from these properties of $10 million and $11 million , respectively. In addition, in some cases we provide loans (see Note 5) or guarantees (see Note 10) to these entities. Our ownership interest in these equity method investments generally varies from 24% to 70% . See Note 3 for further details regarding these investments.

Class B Share Repurchase —During the three months ended June 30, 2015 , we repurchased 1,026,501 shares of Class B common stock at a weighted-average price of $58.45 per share, for an aggregate purchase price of approximately $60 million . The shares repurchased represented approximately 0.7% of the Company's total shares of common stock outstanding prior to the repurchase. During the six months ended June 30, 2015 , we repurchased 1,776,501 shares of Class B common stock at a weighted-average price of $58.91 per share, for an aggregate purchase price of approximately $105 million . The shares repurchased represented approximately 1% of the Company's total shares of common stock outstanding prior to the repurchase. The shares of Class B common stock were repurchased from trusts and limited partnerships owned indirectly by trusts held for the benefit of certain Pritzker family members in privately-negotiated transactions and were retired, thereby reducing the total number of shares outstanding and reducing the shares of Class B common stock authorized and outstanding by the repurchased share amount.

14 . SEGMENT INFORMATION

Our reportable segments are components of the business which are managed discretely and for which discrete financial information is reviewed regularly by the chief operating decision maker to assess performance and make decisions regarding the allocation of resources. Our chief operating decision maker is the Chief Executive Officer. We define our reportable segments as follows:

- ***Owned and leased hotels*** —This segment derives its earnings from owned and leased hotel properties located predominantly in the United States but also in certain international locations and for purposes of segment Adjusted EBITDA, includes our pro rata share of the Adjusted EBITDA of our unconsolidated hospitality ventures, based on our ownership percentage of each venture.

- ***Americas management and franchising*** —This segment derives its earnings primarily from a combination of hotel management and licensing of our portfolio of brands to franchisees located in the United States, Latin America, Canada and the Caribbean. This segment's revenues also include the reimbursement of costs incurred on behalf of managed hotel property owners and franchisees with no added margin. These costs relate primarily to payroll costs at managed properties where the Company is the employer. These revenues and costs are recorded on the lines other revenues from managed properties and other costs from managed properties, respectively. The intersegment revenues relate to management fees that are collected from the Company's owned hotels, which are eliminated in consolidation.

- ***ASPAC management and franchising*** —This segment derives its earnings primarily from a combination of hotel management and licensing of our portfolio of brands to franchisees located in Southeast Asia, as well as China, Australia, South Korea and Japan. This segment's revenues also include the reimbursement of costs incurred on behalf of managed hotel property owners and franchisees with no added margin. These costs relate primarily to reservations, marketing and IT costs. These revenues and costs are recorded on the lines other revenues from managed properties and other costs from managed properties, respectively. The intersegment revenues relate to management fees that are collected from the Company's owned hotels, which are eliminated in consolidation.

- ***EAME/SW Asia management*** —This segment derives its earnings primarily from hotel management of our portfolio of brands located primarily in Europe, Africa, the Middle East and India, as well as countries along the Persian Gulf, the Arabian Sea, and Nepal. This segment's revenues also include the reimbursement of costs incurred on behalf of managed hotel property owners with no added margin. These costs relate primarily to reservations, marketing and IT costs. These revenues and costs are recorded on the lines other revenues from managed properties and other costs from managed properties, respectively. The intersegment revenues relate to management fees that are collected from the Company's owned hotels, which are eliminated in consolidation.

Our chief operating decision maker evaluates performance based on each segment's revenue and Adjusted EBITDA. We define Adjusted EBITDA as net income attributable to Hyatt Hotels Corporation plus our pro- rata share of unconsolidated hospitality ventures Adjusted EBITDA before equity earnings (losses) from unconsolidated hospitality ventures; asset impairments; gains on sales of real estate; other income (loss), net ; net income attributable to noncontrolling interests; depreciation and amortization; interest expense; and provision for income taxes.

The table below shows summarized consolidated financial information by segment. Included within corporate and other are unallocated corporate expenses, our vacation ownership business prior to the sale in the fourth quarter of 2014, license fees related to Hyatt Residence Club, and our co- branded credit card.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Owned and leased hotels (a)				
Owned and leased hotels revenues	$ 540	$ 592	$ 1,049	$ 1,140
Adjusted EBITDA	140	157	264	282
Depreciation and amortization	68	77	139	163
Americas management and franchising				
Management and franchise fees revenues	96	92	184	167
Other revenues from managed properties	416	398	816	777
Intersegment revenues (b)	21	24	40	45
Adjusted EBITDA	81	79	150	135
Depreciation and amortization	4	4	9	9
ASPAC management and franchising				
Management and franchise fees revenues	23	20	44	41
Other revenues from managed properties	21	19	40	35
Intersegment revenues (b)	1	—	1	1
Adjusted EBITDA	12	11	23	22
Depreciation and amortization	1	—	1	—
EAME/SW Asia management				
Management and franchise fees revenues	17	19	33	37
Other revenues from managed properties	14	13	28	25
Intersegment revenues (b)	3	4	6	7
Adjusted EBITDA	9	10	15	21
Depreciation and amortization	2	1	3	3
Corporate and other				
Revenues	10	33	19	63
Adjusted EBITDA	(32)	(26)	(73)	(57)
Depreciation and amortization	1	1	3	3
Eliminations (b)				
Revenues	(25)	(28)	(47)	(53)
Adjusted EBITDA	—	—	—	—
Depreciation and amortization	—	—	—	—
TOTAL				
Revenues	$ 1,112	$ 1,158	$ 2,166	$ 2,232
Adjusted EBITDA	210	231	379	403
Depreciation and amortization	76	83	155	178

(a) In conjunction with our regular assessment of impairment indicators in the second quarter of 2014, we identified property and equipment whose carrying value exceeded its fair value and as a result recorded a $7 million impairment charge to asset impairments on our condensed consolidated statements of income in the three and six months ended June 30, 2014 .

(b) Intersegment revenues are included in the management and franchise fees revenues and eliminated in Eliminations.

The table below shows summarized consolidated balance sheet information by segment:

Total Assets	June 30, 2015	December 31, 2014
Owned and leased hotels	$ 5,789	$ 5,682
Americas management and franchising	1,313	1,165
ASPAC management and franchising	110	106
EAME/SW Asia management	181	184
Corporate and other	3,694	4,030
Eliminations (a)	(3,245)	(3,024)
TOTAL	**$ 7,842**	**$ 8,143**

(a) Segment assets include intercompany and investments in subsidiaries which are eliminated in Eliminations.

The table below provides a reconciliation of our consolidated Adjusted EBITDA to EBITDA and a reconciliation of EBITDA to net income attributable to Hyatt Hotels Corporation for the three and six months ended June 30, 2015 and June 30, 2014 .

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Adjusted EBITDA	**$ 210**	**$ 231**	**$ 379**	**$ 403**
Equity earnings (losses) from unconsolidated hospitality ventures	(23)	23	(29)	16
Asset impairments	—	(7)	—	(7)
Gains on sales of real estate	1	1	9	62
Other income (loss), net (see Note 16)	4	(1)	(14)	(13)
Net income attributable to noncontrolling interests	—	(1)	—	(1)
Pro rata share of unconsolidated hospitality ventures Adjusted EBITDA	(19)	(25)	(42)	(45)
EBITDA	**173**	**221**	**303**	**415**
Depreciation and amortization	(76)	(83)	(155)	(178)
Interest expense	(17)	(18)	(34)	(37)
Provision for income taxes	(40)	(46)	(52)	(70)
Net income attributable to Hyatt Hotels Corporation	**$ 40**	**$ 74**	**$ 62**	**$ 130**

15 . EARNINGS PER SHARE

The calculation of basic and diluted earnings per share, including a reconciliation of the numerator and denominator, are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Numerator:				
Net income	$ 40	$ 75	$ 62	$ 131
Net income attributable to noncontrolling interests	—	(1)	—	(1)
Net income attributable to Hyatt Hotels Corporation	$ 40	$ 74	$ 62	$ 130
Denominator:				
Basic weighted average shares outstanding	144,273,897	154,226,718	145,784,133	154,836,156
Share-based compensation	1,229,753	994,516	1,286,333	980,039
Diluted weighted average shares outstanding	145,503,650	155,221,234	147,070,466	155,816,195
Basic Earnings Per Share:				
Net income	$ 0.28	$ 0.49	$ 0.43	$ 0.85
Net income attributable to noncontrolling interests	—	(0.01)	—	(0.01)
Net income attributable to Hyatt Hotels Corporation	$ 0.28	$ 0.48	$ 0.43	$ 0.84
Diluted Earnings Per Share:				
Net income	$ 0.27	$ 0.49	$ 0.42	$ 0.84
Net income attributable to noncontrolling interests	—	(0.01)	—	(0.01)
Net income attributable to Hyatt Hotels Corporation	$ 0.27	$ 0.48	$ 0.42	$ 0.83

The computations of diluted net income per share for the three and six months ended June 30, 2015 and June 30, 2014 do not include the following shares of Class A common stock assumed to be issued as stock- settled SARs because they are anti-dilutive.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Stock-settled SARs	13,600	41,500	8,000	44,500

16 . OTHER INCOME (LOSS), NET

The table below provides a reconciliation of the components in other income (loss), net , for the three and six months ended June 30, 2015 and June 30, 2014 , respectively.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Guarantee liability amortization	$ 3	$ 2	$ 5	$ 4
Performance guarantee income (expense)	2	4	(14)	(13)
Interest income	2	3	4	5
Foreign currency losses	—	(1)	(7)	(1)
Provisions on hotel loans	(2)	—	(2)	—
Cost method investment income	—	—	—	1
Realignment costs	—	(6)	—	(6)
Transaction costs	—	(3)	—	(3)
Other	(1)	—	—	—
Other income (loss), net	**$ 4**	**$ (1)**	**$ (14)**	**$ (13)**

17 . SUBSEQUENT EVENT

On July 30, 2015, the Company's board of directors authorized the repurchase of up to an additional $400 million of the Company's common stock. These repurchases may be made from time to time in the open market, in privately negotiated transactions, or otherwise, including pursuant to a Rule 10b5-1 plan, at prices that the Company deems appropriate and subject to market conditions, applicable law and other factors deemed relevant in the Company's sole discretion. The common stock repurchase program applies to the Company’s Class A common stock and/or the Company’s Class B common stock. The common stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares of common stock and the program may be suspended or discontinued at any time. From July 1, 2015 through July 31, 2015, the Company repurchased 430,659 shares of common stock at a weighted average price of $57.02 per share, for an aggregate purchase price of approximately $25 million . As of July 31, 2015, the Company had approximately $475 million remaining under its repurchase authorization.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations.***

This quarterly report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements about the Company's plans, strategies, financial performance, prospects or future events 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, but are not limited to: the factors discussed in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K; 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; 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, 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 guarantees in favor of our third party owners; the impact of hotel renovations; our ability to successfully execute our common stock repurchase program; 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, including the entry of new competitors in the lodging business; relationships with associates and labor unions and changes in labor laws; financial condition of, and our relationships with, third-party property owners, franchisees and hospitality venture partners; if our third-party owners, franchisees or development partners are unable 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; failure to successfully complete proposed transactions (including the failure to satisfy closing conditions or obtain required approvals); unforeseen terminations of our management or franchise agreements; changes in federal, state, local or foreign tax law; 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 and the markets where we operate; cyber risks and information technology failures; outcomes of legal proceedings; and violations of regulations or laws related to our franchising business. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements speak only as of the date they are made, and 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 laws. 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.

The following discussion should be read in conjunction with the Company's Condensed Consolidated Financial Statements and accompanying Notes, which appear elsewhere in this Quarterly Report on Form 10-Q.

Executive Overview

We are a global hospitality company engaged in the development, operation, management, franchising, licensing and ownership of a portfolio of properties, including hotels, resorts and residential and vacation ownership properties around the world. As of June 30, 2015 , our worldwide property portfolio consisted of 618 properties (160,205 rooms and units), including:

- 253 managed properties (85,835 rooms), all of which we operate under management agreements with third-party property owners;
- 257 franchised properties (41,730 rooms), all of which are owned by third parties that have franchise agreements with us and are operated by third parties;
- 33 owned properties (17,300 rooms) (including 1 consolidated hospitality venture), 1 capital leased property (171 rooms), and 7 operating leased properties (2,411 rooms), all of which we manage;

- 20 managed properties and 10 franchised properties owned or leased by unconsolidated hospitality ventures (7,956 rooms);
- 5 all inclusive resorts (1,881 rooms), all of which are owned and operated by an unconsolidated hospitality venture that has franchise agreements with us;
- 16 vacation ownership properties (1,038 units), all of which are licensed by Interval Leisure Group ("ILG") under the Hyatt Residence Club brand and operated by third-parties; and
- 16 residential properties (1,883 units), which consist of branded residences and serviced apartments. We manage all of the serviced apartments and those branded residential units that participate in a rental program with an adjacent Hyatt-branded hotel.

We report our consolidated operations in U.S. dollars and manage our business within four reportable segments as described below:

- Owned and leased hotels, which consists of our owned and leased full service and select service hotels and, for purposes of segment Adjusted EBITDA, our pro rata share of the Adjusted EBITDA of our unconsolidated hospitality ventures, based on our ownership percentage of each venture;

- Americas management and franchising, which consists of our management and franchising of properties located in the United States, Latin America, Canada and the Caribbean;

- ASPAC management and franchising, which consists of our management and franchising of properties located in Southeast Asia, as well as China, Australia, South Korea, and Japan; and

- EAME/SW Asia management, which consists of our management of properties located primarily in Europe, Africa, the Middle East, India and Nepal, as well as countries along the Persian Gulf and the Arabian Sea.

The results of our unallocated corporate overhead, our vacation ownership business prior to the sale in the fourth quarter of 2014, license fees related to Hyatt Residence Club, and Hyatt co-branded credit card are reported within corporate and other. See Note 14 for further discussion of our segment structure.

During the three months ended June 30, 2015 , we announced several transactions that are consistent with our goal to expand our brands. We opened our first two hotels under our new Hyatt Centric brand: Hyatt Centric The Loop Chicago and Hyatt Centric South Beach Miami. The Hyatt Centric brand is a full service lifestyle brand designed for business and leisure travelers. We opened Grand Hyatt Playa del Carmen Resort, marking the first Grand Hyatt in Mexico. We opened twelve select service hotels, including ten hotels in the United States, one hotel in Armenia and our first Hyatt Place hotel in Africa.

Our financial performance for the quarter ended June 30, 2015 reflects a decrease in our consolidated revenues of $46 million , or 4% , compared to the quarter ended June 30, 2014 . Owned and leased hotels revenues for the quarter ended June 30, 2015 decreased by $52 million compared to the quarter ended June 30, 2014 , which included net unfavorable currency impacts of $17 million . The decrease in owned and leased hotels revenues was driven by a decrease of $60 million in non-comparable hotels, including $3 million in net unfavorable currency impacts, due to dispositions in 2014 and 2015. See "—Segment Results" below for a discussion of the non-comparable owned and leased hotels' activity. These decreases were partially offset by increased comparable owned and leased hotels revenues of $8 million , which included $14 million in net unfavorable currency impacts. The increase in comparable hotels revenues during the three months ended June 30, 2015 was primarily driven by revenue growth at our United States comparable full service hotels, which was due to improved transient average daily rate ("ADR") and demand, group ADR, and food and beverage revenues.

Our management and franchise fees for the quarter ended June 30, 2015 increased $9 million compared to the quarter ended June 30, 2014 . Fee increases were primarily due to increased franchise and management fees from new and converted hotels and improved performance at existing hotels in the Americas. Other fee revenues also increased as a result of amortization of deferred gains from hotels sold subject to long-term management agreements. The increase in fees in the ASPAC management and franchising segment was primarily driven by an increase in incentive and other fees. These increases were partially offset by decreased management fee revenues in the EAME/SW Asia management segment, primarily from properties in Europe due to impacts from the stronger U.S. dollar and decreased performance at certain properties in the Middle East.

Our consolidated Adjusted EBITDA for the second quarter of 2015 decreased by $21 million compared to the second quarter of 2014 . The decrease was primarily driven by our owned and leased hotels segment and corporate and other which had Adjusted EBITDA decreases of $17 million and $6 million , respectively. The decrease in owned and leased hotels segment Adjusted EBITDA included net unfavorable currency impacts of $3 million. See "Non-GAAP Measure Reconciliation" below for an explanation of how we use Adjusted EBITDA, why we present it and material limitations on its usefulness.

Comparable full service Revenue per Available Room ("RevPAR") within our Americas management and franchising segment increased 6.3% (or 7.3% excluding the unfavorable effects of currency) during the three months ended June 30, 2015 compared to the three months ended June 30, 2014 . The improvement in RevPAR was primarily driven by improved transient ADR and increased group ADR and demand. Group booking activity increased during the quarter, representing the tenth consecutive quarter of year over year increases. Group booking activity and pace continues to reflect strength due to increased demand from corporate and association groups. Comparable select service RevPAR within our Americas management and franchising segment increased 7.2% during the three months ended June 30, 2015 compared to the same period in the prior year, driven primarily by increased ADR.

Comparable RevPAR in our ASPAC management and franchising segment decreased 4.2% (or increased 2.2% excluding the unfavorable effects of currency) for the quarter ended June 30, 2015 compared to the quarter ended June 30, 2014 . Excluding the unfavorable currency impacts, the increase in RevPAR was primarily driven by increased occupancy in most areas within the region and increased ADR in west China, Japan and Macau.

Our EAME/SW Asia management segment had comparable full service RevPAR declines of 13.2% (or a decrease of 0.2% excluding the unfavorable effects of currency) for the three months ended June 30, 2015 compared to the three months ended June 30, 2014 . Excluding the unfavorable currency impacts, the decrease in RevPAR was driven by decreased ADR and occupancy in the Middle East partially offset by improved ADR in Europe and improved occupancy in India.

Selling, general, and administrative expenses, excluding the impact of the rabbi trust, for the quarter ended June 30, 2015 decreased $2 million compared to the quarter ended June 30, 2014 . The $2 million decrease in costs includes an $8 million decrease due to the sale of our vacation ownership business in the fourth quarter of 2014. Excluding both rabbi trust and the impact from the sale of our vacation ownership business, selling, general, and administrative costs increased $6 million in the three months ended June 30, 2015 compared to the three months ended June 30, 2014 , which was primarily driven by a $2 million increase in professional fees and a $2 million increase in marketing costs.

As of June 30, 2015 , we had $644 million in cash and cash equivalents. At June 30, 2015 , we had available credit facilities with banks for various corporate purposes. The amount of undrawn borrowing availability as of June 30, 2015 was approximately $1.5 billion .

Results of Operations

Three and Six Months Ended June 30, 2015 Compared with Three and Six Months Ended June 30, 2014

Consolidated Results

	Three Months Ended June 30,			
(In millions, except percentages)	**2015**	**2014**	**Better / (Worse)**	
REVENUES:				
Total revenues	$ 1,112	$ 1,158	$ (46)	(4)%
DIRECT AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES:				
Owned and leased hotels	391	430	39	9 %
Depreciation and amortization	76	83	7	8 %
Other direct costs	7	10	3	30 %
Selling, general, and administrative	73	80	7	9 %
Other costs from managed properties	451	440	(11)	(3)%
Direct and selling, general, and administrative expenses	998	1,043	45	4 %
Net gains and interest income from marketable securities held to fund operating programs	1	8	(7)	(88)%
Equity earnings (losses) from unconsolidated hospitality ventures	(23)	23	(46)	(200)%
Interest expense	(17)	(18)	1	6 %
Asset impairments	—	(7)	7	100 %
Gains on sales of real estate	1	1	—	— %
Other income (loss), net	4	(1)	5	500 %
INCOME BEFORE INCOME TAXES	80	121	(41)	(34)%
PROVISION FOR INCOME TAXES	(40)	(46)	6	13 %
NET INCOME	40	75	(35)	(47)%
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	(1)	1	100 %
NET INCOME ATTRIBUTABLE TO HYATT HOTELS CORPORATION	**$ 40**	**$ 74**	**$ (34)**	**(46)%**

(In millions, except percentages)	Six Months Ended June 30, 2015	2014	Better / (Worse)	
REVENUES:				
Total revenues	$ 2,166	$ 2,232	$ (66)	(3)%
DIRECT AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES:				
Owned and leased hotels	775	845	70	8 %
Depreciation and amortization	155	178	23	13 %
Other direct costs	12	18	6	33 %
Selling, general, and administrative	167	167	—	— %
Other costs from managed properties	884	856	(28)	(3)%
Direct and selling, general, and administrative expenses	1,993	2,064	71	3 %
Net gains and interest income from marketable securities held to fund operating programs	9	12	(3)	(25)%
Equity earnings (losses) from unconsolidated hospitality ventures	(29)	16	(45)	(281)%
Interest expense	(34)	(37)	3	8 %
Asset impairments	—	(7)	7	100 %
Gains on sales of real estate	9	62	(53)	(85)%
Other income (loss), net	(14)	(13)	(1)	(8)%
INCOME BEFORE INCOME TAXES	114	201	(87)	(43)%
PROVISION FOR INCOME TAXES	(52)	(70)	18	26 %
NET INCOME	62	131	(69)	(53)%
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—	(1)	1	100 %
NET INCOME ATTRIBUTABLE TO HYATT HOTELS CORPORATION	**$ 62**	**$ 130**	**$ (68)**	**(52)%**

Revenues . Consolidated revenues for the three months ended June 30, 2015 decreased $46 million , or 4% , compared to the three months ended June 30, 2014 , which included $22 million in net unfavorable foreign currency impacts, and an $11 million increase in other revenues from managed properties. Consolidated revenues for the six months ended June 30, 2015 decreased $66 million , or 3% , compared to the six months ended June 30, 2014 , which included $38 million in net unfavorable foreign currency impacts, and a $28 million increase in other revenues from managed properties.

Other revenues from managed properties includes a decrease in gains of $4 million and $3 million resulting from changes in the underlying assets held for our benefit programs funded through a rabbi trust for the three and six months ended June 30, 2015 compared to the three and six months ended June 30, 2014 , respectively. These gains are offset in other costs from managed properties, thus having no net impact to our earnings. Excluding these amounts, other revenues from managed properties increased $15 million , or 3% , in the three months ended June 30, 2015 compared to the three months ended June 30, 2014 and increased $31 million , or 4% , in the six months ended June 30, 2015 compared to the six months ended June 30, 2014 . The increases in other revenues from managed properties for the three and six months ended June 30, 2015 compared to the three and six months ended June 30, 2014 were due to a higher volume of reimbursements paid to us by our managed properties for increased participation in our Gold Passport program, increased payroll and related benefits expense, increased marketing expense and increased technology costs, which was driven in part by new hotel openings and previously owned hotels that have been sold subject to long-term management agreements. These increases were partially offset by a decrease in reimbursements due to the sale of our vacation ownership business in 2014.

Owned and leased hotels revenues decreased $52 million and $91 million for the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $17 million and $30 million in net unfavorable currency impacts, respectively. Non-comparable owned and leased hotels revenues decreased $60 million and $117 million in the three and six months ended June 30, 2015 , compared to the three and six months ended June 30, 2014 , respectively, which included $3 million and $4 million , respectively, in net unfavorable currency impacts. These decreases in non-comparable owned and leased hotels revenues were driven by dispositions during 2014 and 2015. See "—Segment Results" below for a discussion of the non-comparable owned and leased hotels activity.

Comparable owned and leased hotels revenues increased $8 million and $26 million during the three and six month periods ended June 30, 2015 , respectively, compared to the same periods in the prior year, which includes net unfavorable foreign currency impacts of $14 million and $26 million , respectively. The increases during the three and six months ended June 30, 2015 were primarily driven by increases of $20 million and $47 million, respectively, at our full service hotels in the United States, partially offset by decreases of $12 million and $21 million, respectively, at our international hotels. These decreases in comparable international hotels were driven by unfavorable net currency impacts of $14 million and $26 million , respectively. For the three months ended June 30, 2015 , revenue growth at our United States comparable full service hotels was driven by improved transient ADR and demand, group ADR, and food and beverage revenues. For the six months ended June 30, 2015 revenue growth at our United States comparable full service hotels was driven by improved ADR and demand in both group and transient as well as higher food and beverage revenues.

Management and franchise fees increased $9 million and $25 million during the three and six month periods ending June 30, 2015 , respectively, when compared to the same periods in the prior year, which included $5 million and $8 million in net unfavorable currency impacts, respectively.

Included in consolidated management and franchise fees for the three months ended June 30, 2015 and June 30, 2014 were the following:

	Three Months Ended June 30,			
(in millions, except percentages)	**2015**	**2014**	**Better / (Worse)**	
Base management fees	$ 49	$ 48	$ 1	2%
Incentive management fees	30	28	2	7%
Franchise fees	22	17	5	29%
Other fee revenues	11	10	1	10%
Total management and franchise fees	**$ 112**	**$ 103**	**$ 9**	**9%**

Included in consolidated management and franchise fees for the six months ended June 30, 2015 and June 30, 2014 were the following:

	Six Months Ended June 30,			
(in millions, except percentages)	**2015**	**2014**	**Better / (Worse)**	
Base management fees	$ 93	$ 89	$ 4	4%
Incentive management fees	60	55	5	9%
Franchise fees	43	31	12	39%
Other fee revenues	21	17	4	24%
Total management and franchise fees	**$ 217**	**$ 192**	**$ 25**	**13%**

The increases in franchise fees were primarily driven by new and converted hotels and improved performance at existing hotels in the Americas. The increases in management fees were largely driven by full service hotels in the United States which benefited from improved group ADR and demand, transient ADR, and food and beverage revenues. The increases in other fee revenues were driven by the amortization of deferred gains from hotels sold subject to long-term management agreements. These increases were partially offset by decreased management fee revenues in the EAME/SW Asia management segment, primarily from properties in Europe due to impacts from the stronger U.S. dollar and decreased performance at certain properties in the Middle East.

Other revenues decreased $14 million and $28 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods ended June 30, 2014 . The decreases were primarily driven by a $17 million and $33 million decrease, respectively, related to the sale of our vacation ownership business during the fourth quarter of 2014, which was partially offset by increased revenues of $3 million and $5 million , respectively, related to our co-branded credit card.

The table below provides a breakdown of revenues by segment for the three and six months ended June 30, 2015 and June 30, 2014 . For further discussion of segment revenues for the periods presented, please refer to "—Segment Results" below.

(in millions, except percentages)	Three Months Ended June 30, 2015	2014	Better / (Worse)	
Owned and leased hotels	$ 540	$ 592	$ (52)	(9)%
Americas management and franchising	512	490	22	4 %
ASPAC management and franchising	44	39	5	13 %
EAME/SW Asia management	31	32	(1)	(3)%
Corporate and other	10	33	(23)	(70)%
Eliminations	(25)	(28)	3	11 %
Consolidated revenues	**$ 1,112**	**$ 1,158**	**$ (46)**	**(4)%**

(in millions, except percentages)	Six Months Ended June 30, 2015	2014	Better / (Worse)	
Owned and leased hotels	$ 1,049	$ 1,140	$ (91)	(8)%
Americas management and franchising	1,000	944	56	6 %
ASPAC management and franchising	84	76	8	11 %
EAME/SW Asia management	61	62	(1)	(2)%
Corporate and other	19	63	(44)	(70)%
Eliminations	(47)	(53)	6	11 %
Consolidated revenues	**$ 2,166**	**$ 2,232**	**$ (66)**	**(3)%**

Owned and leased hotels expense . Owned and leased hotels expense decreased $39 million and $70 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 .

Non-comparable owned and leased hotels expense decreased $37 million and $78 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year, due to the sale of four full service hotels and 52 select service hotels in 2014 and the sale of one full service hotel and one select service hotel in 2015. Comparable owned and leased hotels expense was flat and increased $10 million in the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year, the increase in the six month comparable period was primarily driven by increased rent expense at certain properties and higher commissions. Additionally, expenses recognized with respect to our employee benefit programs funded through a rabbi trust decreased $2 million for both the three and six months ended June 30, 2015 compared to the same periods in 2014. In each reporting period, changes in these expenses are fully offset within net gains and interest income from marketable securities held to fund operating programs, thus having no net impact to our earnings.

Depreciation and amortization expense . Depreciation and amortization expense decreased by $7 million and $23 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . The decreases were driven by non-comparable hotel depreciation expense due primarily to hotels sold during 2014 and 2015, partially offset by acquired or newly opened hotels.

Other direct costs . Other direct costs, which includes costs associated with our vacation ownership business prior to the sale in the fourth quarter of 2014 and our co-branded credit card, decreased $3 million and $6 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . These decreases were primarily due to the sale of our vacation ownership business, partially offset by increased costs related to our co-branded credit card.

Selling, general, and administrative expenses. Selling, general, and administrative expenses decreased $7 million and were flat in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . Included in selling, general, and administrative expenses is the financial performance of the investment securities held in a rabbi trust to fund certain benefit programs. The financial performance of these investments resulted in a decrease in costs of $5 million and $1 million for the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . These expenses are offset in net gains and interest income from marketable securities held to fund operating programs, thus having no net impact to our earnings.

Excluding the rabbi trust amounts, selling, general, and administrative costs decreased $2 million , or 3% , and increased $1 million , or 1% , in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . The $2 million decrease in costs in the three month period includes an $8 million decrease due to the sale of our vacation ownership business. Excluding both rabbi trust and the impact from the sale of our vacation ownership business, selling, general, and administrative costs increased $6 million , or 9%, in the three months ended June 30, 2015 compared to the three months ended June 30, 2014 . The $6 million increase in costs was primarily driven by a $2 million increase in professional fees and a $2 million increase in marketing costs. For the six month period, the $1 million increase in costs includes a $16 million decrease due to the sale of our vacation ownership business. Excluding both rabbi trust and the impact from the sale of our vacation ownership business, selling, general, and administrative costs increased $17 million , or 12%, in the six months ended June 30, 2015 compared to the six months ended June 30, 2014 , which was driven by an $11 million increase in payroll and related costs, primarily due to stock based compensation expense recognized in connection with stock grants made to certain individuals, which were expensed in full upon grant, and a $4 million increase in professional fees.

Net gains and interest income from marketable securities held to fund operating programs. Net gains and interest income from marketable securities held to fund operating programs includes securities held to fund our benefit programs funded through a rabbi trust and securities held to fund our Gold Passport program. These securities in total generated net gains of $1 million and $8 million for the three months ended June 30, 2015 and June 30, 2014 , respectively, which were primarily attributable to the marketable securities held to fund our benefit programs funded through a rabbi trust. These gains are driven by the market performance of the underlying securities. The gains and losses on securities held in the rabbi trust are offset by our owned and leased hotels expense for our hotel colleagues and by our selling, general, and administrative expenses for our corporate colleagues and personnel supporting our business segments, having no net impact on our earnings. Of the $7 million decrease in the underlying securities in the three months ended June 30, 2015 compared to the three months ended June 30, 2014 , $5 million was offset in selling, general, and administrative expenses and $2 million was offset in owned and leased hotels expense.

Net gains from marketable securities held to fund our Gold Passport program and related to our owned and leased hotels were flat in both the three months ended June 30, 2015 and the three months ended June 30, 2014 . The gains and losses on securities held to fund our Gold Passport program and related to our owned and leased hotels are offset by corresponding changes to our owned and leased hotels revenues, thus having no net impact on our earnings.

During the six months ended June 30, 2015 and June 30, 2014 , marketable securities held to fund operating programs generated net gains of $9 million and $12 million , respectively. Marketable securities held to fund our benefit programs funded through a rabbi trust resulted in net gains of $8 million and $11 million during the six months ended June 30, 2015 and June 30, 2014 , respectively. These gains are driven by the market performance of the underlying securities. The gains on securities held in the rabbi trust are offset by our owned and leased hotels expense for our hotel staff and by our selling, general and administrative expenses for our corporate staff and personnel supporting our business segments, having no net impact on our earnings. The change in the underlying securities in the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was a $3 million decrease, resulting in a $1 million decrease offset in selling, general and administrative expenses and a $2 million decrease offset in owned and leased hotels expense.

Marketable securities held to fund our Gold Passport program and related to our owned and leased hotels generated a net gain of $1 million in both the six months ended June 30, 2015 and the six months ended June 30, 2014 . The gains and losses on securities held to fund our Gold Passport program and related to our owned and leased hotels are offset by corresponding changes to our owned and leased hotels revenues, thus having no net impact on our earnings.

Equity earnings (losses) from unconsolidated hospitality ventures . Equity losses from unconsolidated hospitality ventures were $23 million and $29 million in the three and six months ended June 30, 2015 , respectively, compared to equity earnings from unconsolidated hospitality ventures of $23 million and $16 million in the three and six months ended June 30, 2014 , respectively. The three and six month periods ended June 30, 2015 included $28 million and $33 million of equity losses, respectively, related to two foreign joint ventures. Such losses are attributable to the following, among other items: (i) foreign currency losses recorded by one of our joint ventures which holds loans denominated in a currency other than its functional currency, resulting in losses due to currency volatility during the period, and (ii) operating and non-operating losses related to one of our joint ventures driven primarily by interest, tax, and other nonrecurring expenses recorded during the period. Additionally, the three and six months ended June 30, 2014 included $20 million in gains on the sale of a hotel by a joint venture in which we held an interest. These decreases were partially offset by a $4 million and $1 million increase in distributions in the three and six months ended June 30, 2015, respectively, compared to the three and six months ended June 30, 2014.

We hold investments in certain foreign unconsolidated hospitality ventures that have a functional currency other than the U.S. dollar, which results in currency translation adjustments recorded to our condensed consolidated balance sheets. During the second half of 2015, we anticipate selling an entity that holds an interest in one of our foreign currency denominated unconsolidated hospitality ventures. Upon sale or substantial liquidation of the entity, we would be required to release the accumulated currency translation loss, which is estimated to be approximately $20 million based on current exchange rates and would be recorded through equity earnings (losses) from unconsolidated hospitality ventures on our condensed consolidated statements of income.

Interest expense . Interest expense decreased $1 million and $3 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . The decreases in interest expense were primarily due to a reduction in interest expense on the Hyatt Regency Grand Cypress capital lease, for which we exercised our purchase option during 2014.

Asset impairments . Asset impairments are recorded as necessary based on our regular evaluation of impairment indicators. There were no asset impairment charges recognized in the three and six months ended June 30, 2015 . During the three and six months ended June 30, 2014 , we recognized $7 million in asset impairment charges, related to property and equipment within our owned and leased hotels segment.

Gains on sales of real estate . Gains on sales of real estate were $1 million and $9 million in the three and six months ended June 30, 2015 , respectively, compared to gains on sales of real estate of $1 million and $62 million in the three and six months ended June 30, 2014 , respectively. During the three months ended June 30, 2015 , we sold a Hyatt House property for $5 million to an unrelated third party, resulting in a $1 million pre-tax gain. During the six months ended June 30, 2015 , we sold Hyatt Regency Indianapolis for $69 million , net of closing costs, to an unrelated third party resulting in a pre-tax gain of $8 million , and entered into a long-term franchise agreement with the owner of the property. During the six months ended June 30, 2014 , we sold nine select service hotels and one full service hotel to an unrelated third party for a combined $311 million, net of closing costs, and we recorded a pre-tax gain of $62 million in the six months ended June 30, 2014, of which $1 million was recorded during the three months ended June 30, 2014 due to post-closing adjustments. We recognize the gains on sales of real estate on our condensed consolidated statements of income in the period of sale when we have concluded we do not retain significant continuing involvement with the hotel.

Other income (loss), net . Other income (loss), net increased $5 million and decreased $1 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . The table below provides a breakdown of other income (loss), net , for the three and six months ended June 30, 2015 and June 30, 2014 :

	Three Months Ended June 30,			
(in millions)	**2015**	**2014**	**Better / (Worse)**	
Guarantee liability amortization	$ 3	$ 2	$ 1	50 %
Performance guarantee income (expense) (1)	2	4	(2)	(50)%
Interest income	2	3	(1)	(33)%
Foreign currency losses	—	(1)	1	100 %
Provisions on hotel loans	(2)	—	(2)	(100)%
Realignment costs (2)	—	(6)	6	100 %
Transaction costs (3)	—	(3)	3	100 %
Other	(1)	—	(1)	(100)%
Other income (loss), net	**$ 4**	**$ (1)**	**$ 5**	**500 %**

(1) Primarily driven by the four managed hotels in France as profit was above the operating profit threshold for the three months ended June 30, 2015 and June 30, 2014 . However, for the six months ended June 30, 2015 and June 30, 2014 , profit is below the operating profit threshold. See Note 10 for further details.

(2) Amounts represent separation, recruiting and relocation costs incurred associated with the realignment of key management positions.

(3) Represents transaction costs incurred in connection with the sale of Hyatt Residential Group.

	Six Months Ended June 30,			
(in millions)	**2015**	**2014**	**Better / (Worse)**	
Guarantee liability amortization	$ 5	$ 4	$ 1	25 %
Performance guarantee income (expense) (1)	(14)	(13)	(1)	(8)%
Interest income	4	5	(1)	(20)%
Foreign currency losses	(7)	(1)	(6)	(600)%
Provisions on hotel loans	(2)	—	(2)	(100)%
Cost method investment income	—	1	(1)	(100)%
Realignment costs (2)	—	(6)	6	100 %
Transaction costs (3)	—	(3)	3	100 %
Other income (loss), net	**$ (14)**	**$ (13)**	**$ (1)**	**(8)%**

(1) Includes $16 million and $15 million expense in the first quarter of 2015 and 2014 , respectively, as we were required to pay the owner of the four managed hotels in France in accordance with our agreement. In the second quarters of 2015 and 2014 , we outperformed the operating profit threshold and recorded $1 million and $3 million, respectively, of income for the four managed hotels in France. See Note 10 for further details.

(2) Amounts represent separation, recruiting and relocation costs incurred associated with the realignment of key management positions.

(3) Represents transaction costs incurred in connection with the sale of Hyatt Residential Group.

Provision for income taxes. Our effective income tax rate was 50.0% and 37.8% for the three months ended June 30, 2015 and June 30, 2014 , respectively, and 45.6% and 34.7% for the six months ended June 30, 2015 and June 30, 2014 , respectively.

For the three months ended June 30, 2015 , the effective tax rate was higher than the U.S. statutory federal income tax rate of 35% primarily due to the effect of state taxes on operations and the effect of certain foreign joint venture losses that are not benefited. These items are partially offset by a benefit of $4 million (including $3 million of interest and penalties) related to the expiration of statutes of limitations in certain foreign locations and a benefit of $2 million related to a state legislative change enacted in the quarter. For the six months ended June 30, 2015 , our effective tax rate was higher than the U.S. statutory federal income tax rate of 35% primarily due to the above-mentioned items, as well as a $2 million benefit for deferred tax adjustments to reflect the impact of regulations issued by the Internal Revenue Service in the first quarter of 2015.

For the three months ended June 30, 2014 , the effective tax rate was higher than the U.S. statutory federal income tax rate of 35% primarily due to the impact of our earnings in locations with higher tax rates, partially offset by a benefit of $4 million (including $2 million of interest and penalties) related to the expiration of statutes of limitations in certain foreign locations and a benefit of $2 million related to the settlement of tax audits. For the six months ended June 30, 2014 , the effective tax rate was lower than the U.S. statutory federal income tax rate of 35% primarily due to the above-mentioned items, as well as a $4 million benefit for the release of a valuation allowance of a foreign subsidiary and a benefit of $2 million related to a state legislative change enacted in the first quarter of 2014.

Segment Results

We evaluate segment operating performance using segment revenue and segment Adjusted EBITDA, as described in Note 14 . The segment results presented below are presented before intersegment eliminations.

Owned and Leased Hotels . Revenues decreased $52 million and $91 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $17 million and $30 million in net unfavorable currency impacts.

Comparable hotels revenues increased $8 million and $26 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $14 million and $26 million , respectively, in net unfavorable currency impacts. The increases during the three and six months ended June 30, 2015 were primarily driven by a $20 million and $47 million increase, respectively, at our full service hotels in the United States, partially offset by a $12 million and $21 million decrease, respectively, at our international hotels. The decreases in comparable international hotels were driven by unfavorable net currency impacts of $14 million and $26 million , respectively. For the three months ended June 30, 2015 , revenue growth at our United States comparable full service hotels was driven by improved transient ADR and demand, group ADR, and food and beverage revenues. For the six months ended June 30, 2015 revenue growth at our United States comparable full service hotels was driven by improved ADR and demand in both group and transient as well as higher food and beverage revenues.

Comparable RevPAR at our owned and leased hotels in the three and six months ended June 30, 2015 increased by 1.5% (or 4.8% excluding the net unfavorable currency impacts) and 2.6% (or 5.6% excluding the net unfavorable currency impacts), respectively, compared to the three and six months ended June 30, 2014 . Excluding the unfavorable currency impacts, these increases were primarily driven by improved ADR.

Non-comparable owned and leased hotels revenues decreased $60 million and $117 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $3 million and $4 million in net unfavorable currency impacts.

The decreases in non-comparable owned and leased hotels revenues were driven by the following activity, in order of significance:

- sale of four full service hotels and 52 select service hotels in 2014; and
- sale of one full service hotel in 2015.

These decreases in revenues were partially offset by the following activity:

- the acquisition of a full service hotel from an unconsolidated hospitality venture in 2014; and
- one full service and one select service hotel opening in 2014.

During the three months ended June 30, 2015 , we removed one property that was sold during the period from the comparable owned and leased hotels results. During the six months ended June 30, 2015 , we removed two properties that were sold during the period from the comparable owned and leased hotels results.

(Comparable Owned and Leased Hotels)	Three Months Ended June 30, RevPAR 2015	2014	Better / (Worse)	Occupancy 2015	2014	Change in Occ % pts	ADR 2015	2014	Better / (Worse)
Total Owned and Leased Hotels	$ 172	$ 169	1.5%	79.4%	79.2%	0.2%	$ 216	$ 214	1.2%

(in millions except percentages)	Three Months Ended June 30, 2015		2014		Better / (Worse)		
Segment Revenues	$	540	$	592	$	(52)	(8.8)%
Segment Adjusted EBITDA	$	140	$	157	$	(17)	(10.8)%

(Comparable Owned and Leased Hotels)	Six Months Ended June 30, RevPAR 2015	2014	Better / (Worse)	Occupancy 2015	2014	Change in Occ % pts	ADR 2015	2014	Better / (Worse)
Total Owned and Leased Hotels	$ 168	$ 164	2.6%	77.4%	76.5%	0.9%	$ 218	$ 214	1.4%

(in millions except percentages)	Six Months Ended June 30, 2015		2014		Better / (Worse)		
Segment Revenues	$	1,049	$	1,140	$	(91)	(8.0)%
Segment Adjusted EBITDA	$	264	$	282	$	(18)	(6.4)%

Adjusted EBITDA decreased by $17 million (including $3 million in net unfavorable currency impacts) and $18 million (including $5 million in net unfavorable currency impacts) in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , respectively. Adjusted EBITDA at our comparable owned and leased properties increased $7 million and $15 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in 2014 , which included $2 million and $3 million net unfavorable currency impacts. For the three months ended June 30, 2015, increases were primarily due to improved transient ADR and demand, group ADR, and food and beverage revenues at our hotels in the United States. For the six months ended June 30, 2015, increases were primarily due to improved ADR and demand in both group and transient as well as higher food and beverage revenues at our hotels in the United States, partially offset by increased rent expense at certain properties and higher commissions. Adjusted EBITDA at our non-comparable hotels decreased $18 million and $30 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in 2014 , primarily due to dispositions, and partially offset by openings and acquisitions during 2014 and 2015.

Adjusted EBITDA at our unconsolidated hospitality venture hotels decreased $6 million and $3 million during the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $1 million and $2 million net unfavorable currency impacts. The decrease in the three months ended June 30, 2015 was primarily driven by sales of four hotels by unconsolidated hospitality ventures in 2014 in which we held an equity interest, certain nonrecurring expenses at one joint venture, partially offset by improved performance at a venture that operates in a resort market. The decrease in the six months ended June 30, 2015 was primarily driven by sales of four hotels by unconsolidated hospitality ventures in 2014 in which we held an equity interest and weaker performance in certain international markets which was partially offset by improved performance and hotel openings at two ventures that operate in resort markets.

Americas management and franchising . Americas management and franchising segment revenues increased by $22 million and $56 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $2 million and $2 million net unfavorable currency impacts. Other revenues from managed properties increased by $18 million and $39 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . These increases in other revenues from managed properties were due to a higher volume of reimbursements paid to us by our managed properties for increased participation in our Gold Passport program, increased payroll and related benefits expense, increased marketing expense and increased technology costs. The increased volume of reimbursements was also driven in part by new hotel openings and owned hotels that have been sold subject to long-term management agreements.

Management, franchise and other fees increased by $4 million and $17 million during the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . Franchise fees increased $5 million and $12 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year, primarily driven by new and converted hotels and improved performance at existing hotels. Management fees increased $1 million and $4 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year, largely driven by full service hotels in the United States which benefited from improved group ADR and demand, transient ADR, and food and beverage revenues. Other fee revenues decreased $2 million and increased $1 million in the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year. The three month period in the prior year included termination fees of $5 million which drove the decrease in other fee revenues during the three months ended June 30, 2015 compared to the same period in the prior year and was partially offset by the amortization of deferred gains from hotels sold subject to long-term management agreements. The increase in other fee revenues during the six months ended June 30, 2015 compared to the same period in the prior year was driven by the amortization of deferred gains from hotels sold subject to long-term management agreements.

Our full service hotels comparable RevPAR improved 6.3% (or 7.3% excluding the unfavorable currency impacts) and 6.9% (or 7.8% excluding the unfavorable currency impacts) in the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year. The increases were primarily due to increased transient ADR and group ADR and demand. Comparable RevPAR at our select service hotels in the three and six months ended June 30, 2015 increased by 7.2% and 8.6% , respectively, compared to the three and six months ended June 30, 2014 , driven primarily by increased ADR.

During the three months ended June 30, 2015 , we removed no properties from the comparable Americas full service systemwide hotels and no properties from the comparable Americas select service systemwide hotels. During the six months ended June 30, 2015 , we removed one property that left the chain from the comparable Americas full service systemwide hotels and no properties from the comparable Americas select service systemwide hotels.

	Three Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
Americas Full Service	$ 158	$ 149	6.3%	79.9%	78.9%	1.0%	$ 198	$ 188	5.0%
Americas Select Service	105	98	7.2%	81.2%	80.7%	0.5%	130	122	6.6%

	Three Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management, Franchise and Other Fees	$ 96	$ 92	$ 4	4.3%
Other Revenues from Managed Properties	416	398	18	4.5%
Total Segment Revenues	$ 512	$ 490	$ 22	4.5%
Segment Adjusted EBITDA	$ 81	$ 79	$ 2	2.5%

	Six Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
Americas Full Service	$ 149	$ 140	6.9%	76.1%	74.8%	1.3%	$ 196	$ 187	5.1%
Americas Select Service	100	92	8.6%	77.4%	76.7%	0.7%	129	120	7.6%

	Six Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management, Franchise and Other Fees	$ 184	$ 167	$ 17	10.2%
Other Revenues from Managed Properties	816	777	39	5.0%
Total Segment Revenues	$ 1,000	$ 944	$ 56	5.9%
Segment Adjusted EBITDA	$ 150	$ 135	$ 15	11.1%

Adjusted EBITDA increased by $2 million and $15 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included net unfavorable currency impacts of $2 million in both periods, due to the aforementioned $4 million and $17 million increase in management, franchise and other fees. The increase in management, franchise and other fees was partially offset by an increase in selling, general and administrative expenses of $2 million in both the three and six months ended June 30, 2015 , compared to the three and six months ended June 30, 2014 , primarily due to increased professional fees.

ASPAC management and franchising. ASPAC management and franchising segment revenues increased by $5 million and $8 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $1 million and $2 million in net unfavorable currency impacts. The increase included a $2 million and $5 million increase in other revenues from managed properties in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 .

Management, franchise and other fees increased $3 million in both the three and six months ended June 30, 2015 , compared to the same periods in the prior year. The increase in the three months ended June 30, 2015 was primarily driven by an increase in incentive and other fees, while the increase in the six months ended June 30, 2015 was primarily driven by increased base and incentive fees.

During the three and six months ended June 30, 2015 , comparable full service RevPAR decreased 4.2% (or increased 2.2% excluding the unfavorable currency impacts) and decreased 2.2% (or increased 4.0% excluding the unfavorable currency impacts), respectively, compared to the three and six months ended June 30, 2014 . Excluding the aforementioned unfavorable currency impacts, the increase in comparable full service RevPAR during the three and six months ended June 30, 2015 was driven by increased occupancy in most areas within the region and increased ADR in west China, Japan and Macau.

During the three months ended June 30, 2015 , we removed no properties from the comparable ASPAC full service systemwide hotels. During the six months ended June 30, 2015 , we removed two properties from the comparable ASPAC full service systemwide hotels, one property that left the chain and one property as a result of a significant renovation.

	Three Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
ASPAC Full Service	$ 148	$ 154	(4.2)%	69.0%	67.0%	2.0%	$ 215	$ 230	(6.9)%

	Three Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management, Franchise and Other Fees	$ 23	$ 20	$ 3	15.0%
Other Revenues from Managed Properties	21	19	2	10.5%
Total Segment Revenues	$ 44	$ 39	$ 5	12.8%
Segment Adjusted EBITDA	$ 12	$ 11	$ 1	9.1%

	Six Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
ASPAC Full Service	$ 148	$ 151	(2.2)%	67.9%	65.7%	2.2%	$ 217	$ 230	(5.4)%

	Six Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management, Franchise and Other Fees	$ 44	$ 41	$ 3	7.3%
Other Revenues from Managed Properties	40	35	5	14.3%
Total Segment Revenues	$ 84	$ 76	$ 8	10.5%
Segment Adjusted EBITDA	$ 23	$ 22	$ 1	4.5%

Adjusted EBITDA increased $1 million in both the three and six months ended June 30, 2015 , compared to the three and six months ended June 30, 2014 , which included $1 million and $2 million net unfavorable currency impacts. The increases during the three and six months ended June 30, 2015 compared to the three and six months ended June 30, 2014 were driven by the aforementioned increase in management, franchise and other fees partially offset by an increase in selling, general and administrative expenses of $2 million during both the three and six months ended June 30, 2015 , compared to the three and six months ended June 30, 2014 , primarily due to increased payroll and related costs.

EAME/SW Asia management. EAME/SW Asia management segment revenues decreased $1 million in both the three and six months ended June 30, 2015 , compared to the three and six months ended June 30, 2014 , including $2 million and $4 million in net unfavorable currency impacts, respectively. Other revenues from managed properties increased $1 million and $3 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 .

Management and other fees decreased by $2 million and $4 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 . The decreases during the three and six months ended June 30, 2015 were due to a $2 million and $3 million decrease in incentive fees and a $1 million and $2 million decrease in base fees, respectively, primarily driven by properties in Europe due to impacts from the stronger U.S. dollar and decreased performance at certain properties in the Middle East.

During the three and six months ended June 30, 2015 , comparable full service RevPAR decreased 13.2% (or decreased 0.2% excluding unfavorable currency impacts) and decreased 10.8% (or increased 0.6% excluding unfavorable currency impacts), respectively, compared to the same periods in the prior year. Excluding the unfavorable currency impacts, the decrease in comparable full service RevPAR during the three months ended June 30, 2015 was driven by decreased ADR and occupancy in the Middle East partially offset by improved ADR in Europe and improved occupancy in India. Excluding the unfavorable currency impacts, the increase in comparable full service RevPAR during the six months ended June 30, 2015 was driven by improved ADR in Europe and improved occupancy in India, partially offset by decreased ADR and occupancy in the Middle East.

During the three and six months ended June 30, 2015 , we removed one property that experienced a partial closure from the comparable EAME/SW Asia full service systemwide hotel results.

	Three Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
EAME/SW Asia Full Service	$ 141	$ 163	(13.2)%	66.8%	66.8%	—%	$ 212	$ 244	(13.2)%

	Three Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management and Other Fees	$ 17	$ 19	$ (2)	(10.5)%
Other Revenues from Managed Properties	14	13	1	7.7 %
Total Segment Revenues	$ 31	$ 32	$ (1)	(3.1)%
Segment Adjusted EBITDA	$ 9	$ 10	$ (1)	(10.0)%

	Six Months Ended June 30,								
	RevPAR			Occupancy			ADR		
(Comparable Systemwide Hotels)	2015	2014	Better / (Worse)	2015	2014	Change in Occ % pts	2015	2014	Better / (Worse)
EAME/SW Asia Full Service	$ 138	$ 154	(10.8)%	65.9%	65.3%	0.6%	$ 209	$ 237	(11.6)%

	Six Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)	
Segment Revenues				
Management and Other Fees	$ 33	$ 37	$ (4)	(10.8)%
Other Revenues from Managed Properties	28	25	3	12.0 %
Total Segment Revenues	$ 61	$ 62	$ (1)	(1.6)%
Segment Adjusted EBITDA	$ 15	$ 21	$ (6)	(28.6)%

Adjusted EBITDA decreased $1 million and $6 million in the three and six months ended June 30, 2015 , respectively, compared to the three and six months ended June 30, 2014 , which included $2 million and $3 million net unfavorable currency impacts. The decrease in Adjusted EBITDA during the three months ended June 30, 2015 was driven by the aforementioned $2 million decrease in management and other fees, partially offset by a $1 million decrease in selling, general, and administrative costs, primarily driven by bad debt recoveries in the three months ended June 30, 2015 compared to bad debt expense in the three months ended June 30, 2014. The decrease in Adjusted EBITDA during the six months ended June 30, 2015 was driven by the aforementioned $4 million decrease in management and other fees and a $2 million increase in selling, general, and administrative costs, primarily driven by an increase in payroll and related costs.

Corporate and other. Corporate and other includes unallocated corporate expenses, the results of our vacation ownership business prior to the sale in the fourth quarter of 2014, license fees related to Hyatt Residence Club, and the results of our co-branded credit card. Corporate and other revenues decreased $23 million and $44 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in 2014 . The decreases were primarily due to $17 million and $33 million decreases in other revenues and $10 million and $19 million decreases in other revenues from managed properties during the three and six month periods, respectively, both due to the sale of our vacation ownership business. These decreases were partially offset by a $3 million and $5 million increase in growth of our co-branded credit card program and $1 million and $3 million in license fees related to Hyatt Residence Club recorded during the three and six months ended June 30, 2015 .

	Three Months Ended June 30,				Six Months Ended June 30,			
(in millions except percentages)	2015	2014	Better / (Worse)		2015	2014	Better / (Worse)	
Corporate and other revenues	$ 10	$ 33	$ (23)	(69.7)%	$ 19	$ 63	$ (44)	(69.8)%
Corporate and other Adjusted EBITDA	$ (32)	$ (26)	$ (6)	(23.1)%	$ (73)	$ (57)	$ (16)	(28.1)%

Adjusted EBITDA decreased $6 million and $16 million during the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year. These decreases were driven by the aforementioned $23 million and $44 million decrease in corporate and other revenues which were partially offset by decreases in other costs from managed properties, selling, general and administrative costs and other direct costs. Other costs from managed properties and selling, general and administrative costs and other direct costs decreased $23 million and $45 million during the three and six months ended June 30, 2015, respectively, compared to the same periods in the prior year due to the sale of our vacation ownership business. Excluding the impact of the sale of our vacation ownership business, selling, general and administrative costs increased $3 million and $12 million in the three and six months ended June 30, 2015 , respectively, compared to the same periods in the prior year, primarily due to increased payroll and related costs and professional fees. The increase in payroll and related costs in the six months ended June 30, 2015 compared to the same period in the prior year was primarily due to stock based compensation expense. Direct costs increased $2 million and $4 million in the three and six months ended June 30, 2015, respectively, compared to the same periods in the prior year from our co-branded credit card program.

Eliminations . Eliminations of $25 million and $47 million for the three and six months ended June 30, 2015 , respectively, and eliminations of $28 million and $53 million for the three and six months ended June 30, 2014 , respectively, primarily represent fees charged by our management and franchising segments to our owned and leased hotels segment for managing their operations.

Non-GAAP Measure Reconciliation

We use the term Adjusted EBITDA throughout this quarterly report. Adjusted EBITDA, as we define it, is a non-GAAP measure. We define consolidated Adjusted EBITDA as net income attributable to Hyatt Hotels Corporation plus our pro-rata share of unconsolidated hospitality ventures Adjusted EBITDA using our ownership percentage of each venture, adjusted to exclude the following items:

- equity earnings (losses) from unconsolidated hospitality ventures;
- asset impairments;
- gains on sales of real estate;
- other income (loss), net ;
- net income attributable to noncontrolling interests;
- depreciation and amortization;
- interest expense; and
- provision for income taxes.

We calculate consolidated Adjusted EBITDA by adding the Adjusted EBITDA of each of our reportable segments to corporate and other Adjusted EBITDA.

Our board of directors and executive management team focus on Adjusted EBITDA as a key performance and compensation measure both on a segment and on a consolidated basis. Adjusted EBITDA assists us in comparing our performance over various reporting periods on a consistent basis because it removes from our operating results the impact of items that do not reflect our core operating performance both on a segment and on a consolidated basis. Our President and Chief Executive Officer, who is our chief operating decision maker, also evaluates the performance of each of our reportable segments and determines how to allocate resources to those segments, in significant part, by assessing the Adjusted EBITDA of each segment. In addition, the compensation committee of our board of directors determines the annual variable compensation for certain members of our management based in part on consolidated Adjusted EBITDA, segment Adjusted EBITDA or some combination of both.

We believe Adjusted EBITDA is useful to investors because it provides investors the same information that we use internally for purposes of assessing our operating performance and making compensation decisions.

Adjusted EBITDA is not a substitute for net income attributable to Hyatt Hotels Corporation, net income, cash flows from operating activities or any other measure prescribed by GAAP. There are limitations to using non-GAAP measures such as Adjusted EBITDA. Although we believe that Adjusted EBITDA can make an evaluation of our operating performance more consistent because it removes items that do not reflect our core operations, other companies in our industry may define Adjusted EBITDA differently than we do. As a result, it may be difficult to use Adjusted EBITDA or similarly named non-GAAP measures that other companies may use to compare the performance of those companies to our performance. Because of these limitations, Adjusted EBITDA should not be considered as a measure of the income generated by our business or discretionary cash available to us to invest in the growth of our business. Our management compensates for these limitations by reference to our GAAP results and using Adjusted EBITDA supplementally. See our condensed consolidated statements of income and condensed consolidated statements of cash flows in our condensed consolidated financial statements included elsewhere in this quarterly report.

The following table sets forth Adjusted EBITDA by segment for the three and six months ended June 30, 2015 and June 30, 2014 .

	Three Months Ended June 30,			
(in millions, except percentages)	**2015**	**2014**	**Better / (Worse)**	
Owned and leased hotels	$ 140	$ 157	$ (17)	(10.8)%
Americas management and franchising	81	79	2	2.5 %
ASPAC management and franchising	12	11	1	9.1 %
EAME/SW Asia management	9	10	(1)	(10.0)%
Corporate and other	(32)	(26)	(6)	(23.1)%
Consolidated Adjusted EBITDA	**$ 210**	**$ 231**	**$ (21)**	**(9.1)%**

	Six Months Ended June 30,			
(in millions, except percentages)	**2015**	**2014**	**Better / (Worse)**	
Owned and leased hotels	$ 264	$ 282	$ (18)	(6.4)%
Americas management and franchising	150	135	15	11.1 %
ASPAC management and franchising	23	22	1	4.5 %
EAME/SW Asia management	15	21	(6)	(28.6)%
Corporate and other	(73)	(57)	(16)	(28.1)%
Consolidated Adjusted EBITDA	**$ 379**	**$ 403**	**$ (24)**	**(6.0)%**

The table below provides a reconciliation of our consolidated Adjusted EBITDA to EBITDA and a reconciliation of EBITDA to net income attributable to Hyatt Hotels Corporation for the three and six months ended June 30, 2015 and June 30, 2014 :

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2015**	**2014**	**2015**	**2014**
Adjusted EBITDA	**$ 210**	**$ 231**	**$ 379**	**$ 403**
Equity earnings (losses) from unconsolidated hospitality ventures	(23)	23	(29)	16
Asset impairments	—	(7)	—	(7)
Gains on sales of real estate	1	1	9	62
Other income (loss), net	4	(1)	(14)	(13)
Net income attributable to noncontrolling interests	—	(1)	—	(1)
Pro rata share of unconsolidated hospitality ventures Adjusted EBITDA	(19)	(25)	(42)	(45)
EBITDA	**173**	**221**	**303**	**415**
Depreciation and amortization	(76)	(83)	(155)	(178)
Interest expense	(17)	(18)	(34)	(37)
Provision for income taxes	(40)	(46)	(52)	(70)
Net income attributable to Hyatt Hotels Corporation	**$ 40**	**$ 74**	**$ 62**	**$ 130**

Liquidity and Capital Resources

Overview

We finance our business primarily with existing cash, short-term investments and cash generated from our operations. As part of our business strategy, we also recycle capital by using net proceeds from dispositions to support our acquisitions and new investment opportunities. When appropriate, we borrow cash under our revolving credit facility or from other third-party sources, and may also raise funds by issuing debt or equity securities as necessary. We maintain a cash investment policy that emphasizes preservation of capital. At June 30, 2015 and December 31, 2014 , we had cash and cash equivalents and short-term investments of $724 million and $815 million , respectively. We believe that our cash position, short-term investments and cash from operations, together with borrowing capacity under our revolving credit facility and our access to the capital markets, will be adequate to meet all of our funding requirements and capital deployment objectives for the foreseeable future.

We may, from time to time, seek to retire or purchase additional amounts of our outstanding equity and/or debt securities through cash purchases and/or exchanges for other securities, in open market purchases, privately negotiated transactions or otherwise, including pursuant to a Rule 10b5-1 plan. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. During the six months ended June 30, 2015 , we continued to make purchases of our common stock under our approved repurchase program. During the three and six months ended June 30, 2015 , we repurchased $157 million and $344 million of the Company's common stock, respectively. The common stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares of common stock and the program may be suspended or discontinued at any time. See Note 11 to our condensed consolidated financial statements for further details of our existing repurchase program. As of June 30, 2015 , we had $100 million remaining under the share repurchase authorization. On July 30, 2015, the Company's board of directors authorized the repurchase of up to an additional $400 million of the Company's common stock. See Note 17 for further details regarding the 2015 share repurchase plan.

During the six months ended June 30, 2015 , we sold Hyatt Regency Indianapolis for a net sales price of $69 million. We entered into a long-term franchise agreement with the purchaser.

During the three months ended June 30, 2015 , we sold land and construction in progress for $14 million to an unconsolidated hospitality venture in which Hyatt has a 40% ownership interest. Also during the three months ended June 30, 2015 , we sold a Hyatt House hotel for a net sales price of $5 million .

Our current expectation for the performance guarantee related to the four managed hotels in France is that payments under the performance guarantee in 2015 will not have a significant impact on our liquidity and capital resources. See Note 10 to our condensed consolidated financial statements for further information.

Sources and Uses of Cash

At June 30, 2015 and December 31, 2014 , we had cash and cash equivalents of $644 million and $685 million , respectively. Additionally, we had short-term investments in certificates of deposit of $80 million and $130 million as of June 30, 2015 and December 31, 2014 , respectively.

	Six Months Ended June 30,	
(in millions)	**2015**	**2014**
Cash provided by (used in):		
Operating activities	$ 184	$ 253
Investing activities	111	201
Financing activities	(344)	(337)
Effect of changes in exchange rate on cash and cash equivalents	8	(6)
Net (decrease) increase in cash and cash equivalents	(41)	111
Cash and cash equivalents - beginning of year	685	454
Cash and cash equivalents classified as assets held for sale	—	(12)
Cash and cash equivalents - end of period	$ 644	$ 553

Cash Flows from Operating Activities

Cash flows provided by operating activities totaled $184 million in the six months ended June 30, 2015 , compared to $253 million in the same period last year. In 2015, the timing of certain accruals, prepaids, and distributions received from unconsolidated hospitality ventures had a negative impact on working capital and operating cash flows. This was partially offset by the positive impact from the timing of income tax payments due to prepaid federal income taxes in 2014.

Cash Flows from Investing Activities

Cash flows provided by investing activities totaled $111 million in the six months ended June 30, 2015 compared to $201 million in the same period last year. Specific activity in each period was as follows:

During the six months ended June 30, 2015 :

- We sold Hyatt Regency Indianapolis for approximately $69 million.
- We sold land and construction in progress for approximately $14 million, of which $12 million has been received.
- We sold a Hyatt House hotel for approximately $5 million.
- We released $143 million from escrow to cash and cash equivalents related to release of proceeds from like-kind exchanges.
- Capital expenditures were $122 million (see "Capital Expenditures" below).
- We invested $27 million in unconsolidated hospitality ventures.
- We sold a net total of $23 million of marketable securities and short-term investments.
- We released $17 million from restricted cash related to the development of a hotel in Brazil.

During the six months ended June 30, 2014 :

- We sold nine select service properties and one full service property for $308 million, net of closing costs and cash transferred, of which $232 million was classified as restricted cash in anticipation of consummation of a like-kind exchange agreement and was released upon the completion of the like-kind exchange.
- We released $74 million from restricted cash in conjunction with the 2013 sale of Hyatt Key West and the consummation of a like-kind exchange agreement.
- Capital expenditures were $111 million (see "Capital Expenditures" below).
- We invested $61 million in investments which includes $48 million in unconsolidated hospitality ventures.
- We purchased a net total of $19 million of marketable securities and short-term investments.

Cash Flows from Financing Activities

Cash flows used in financing activities totaled $344 million in the six months ended June 30, 2015 compared to $337 million in the six months ended June 30, 2014 .

During the six months ended June 30, 2015 , the Company repurchased 5,879,003 shares of common stock for an aggregate purchase price of $344 million . During the six months ended June 30, 2014 , the Company repurchased 2,735,798 shares of common stock for an aggregate purchase price of $150 million of which $149 million was settled in cash during the period.

During the six months ended June 30, 2014, the Company exercised its purchase option to acquire the Hyatt Regency Grand Cypress hotel for $191 million.

During the six months ended June 30, 2015 and June 30, 2014 , we did not draw on our revolving credit facility. During the six months ended June 30, 2015 and June 30, 2014, we drew $11 million and $14 million, respectively, on a construction loan for the development of a hotel in Brazil.

The following is a summary of our debt to capital ratios:

(in millions, except percentages)	June 30, 2015	December 31, 2014
Consolidated debt (1)	$ 1,391	$ 1,390
Stockholders' equity	4,324	4,627
Total capital	5,715	6,017
Total debt to total capital	24.3%	23.1%
Consolidated debt (1)	1,391	1,390
Less: Cash and cash equivalents and short-term investments	724	815
Net consolidated debt (cash and short-term investments)	$ 667	$ 575
Net debt to total capital	11.7%	9.6%

(1) Excludes approximately $670 million and $638 million of our share of unconsolidated hospitality venture indebtedness as of June 30, 2015 and December 31, 2014 , respectively, substantially all of which is non-recourse to us.

Capital Expenditures

We routinely make capital expenditures to enhance our business. We classify our capital expenditures into maintenance, enhancements to existing properties and investment in new properties.

During the six months ended June 30, 2015 and June 30, 2014 , we had total capital expenditures of $122 million and $111 million , respectively. Maintenance expenditures were $54 million and $38 million for the six months ended June 30, 2015 and June 30, 2014 , respectively, with the increase driven by increased technology spending and increased spending at full service properties, partially offset by decreased spending related to owned select service hotels driven by dispositions during 2014. Expenditures related to investments in new properties were $48 million and $41 million for the six months ended June 30, 2015 and June 30, 2014 , respectively. This increase is driven by construction spending on our development of a hotel in Brazil, partially offset by decreased spending related to owned select service hotels driven by dispositions during 2014. Enhancements to existing properties were $20 million and $32 million for the six months ended June 30, 2015 and June 30, 2014 , respectively. The decrease is primarily driven by decreased spending at owned select service hotels driven by dispositions during 2014 and decreased renovation activity at international full service properties. We have been and will continue to be prudent with respect to our capital spending, taking into account our cash flow from operations.

Senior Notes

The table below sets forth the outstanding principal balance of our Senior Notes. Interest on the Senior Notes is payable semi-annually.

Description	Principal Amount (in millions)
2016 Notes	$ 250
2019 Notes	196
2021 Notes	250
2023 Notes	350
Total	$ 1,046

We are in compliance with all applicable covenants under the indenture governing our Senior Notes as of June 30, 2015 .

Revolving Credit Facility

On January 6, 2014, we entered into a Second Amended and Restated Credit Agreement with a syndicate of lenders that amended and restated our prior revolving credit facility to extend the facility's expiration from September 9, 2016 to January 4, 2019. The revolving credit facility is intended to provide financing for working capital and general corporate purposes, including commercial paper back-up and permitted investments and acquisitions.

There were no borrowings under the revolving credit facility during the six months ended June 30, 2015 and June 30, 2014 . There was no outstanding balance on this credit facility at June 30, 2015 , or at December 31, 2014 . At December 31, 2014 , however, we had $9 million in outstanding undrawn letters of credit that we issued under our revolving credit facility (which reduces the availability thereunder by the corresponding amount). As of June 30, 2015 , we had available borrowing capacity of approximately $1.5 billion .

We are in compliance with all applicable covenants under the revolving credit facility as of June 30, 2015 .

Letters of Credit

We issue letters of credit either under the revolving credit facility or directly with financial institutions. We had a total of $56 million and $65 million in letters of credit outstanding at June 30, 2015 and December 31, 2014 , respectively. We had letters of credit issued directly with financial institutions of $56 million at June 30, 2015 and December 31, 2014 . The letters of credit issued directly with financial institutions had weighted-average fees of 94 basis points at June 30, 2015 . The range of maturity on these letters of credit was up to one year as of June 30, 2015 .

Other Debt Obligations

We are in compliance with all applicable covenants under all other debt instruments as of June 30, 2015 .

Critical Accounting Policies and Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect reported amounts and related disclosures. We have discussed those estimates that we believe are critical and require the use of complex judgment in their application in our 2014 Form 10-K . Since the date of our 2014 Form 10-K , there have been no material changes to our critical accounting policies or the methodologies or assumptions we apply under them.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk.***

We are exposed to market risk primarily from changes in interest rates and foreign currency exchange rates. In certain situations, we seek to reduce earnings and cash flow volatility associated with changes in interest rates and foreign currency exchange rates by entering into financial arrangements to provide a hedge against a portion of the risks associated with such volatility. We continue to have exposure to such risks to the extent they are not hedged. We enter into derivative financial arrangements to the extent they meet the objectives described above, and we do not use derivatives for trading or speculative purposes. At June 30, 2015 , we were a party to hedging transactions, including the use of derivative financial instruments, as discussed below.

Interest Rate Risk

In the normal course of business, we are exposed to the impact of interest rate changes due to our borrowing activities. Our objective is to manage the risk of interest rate changes on the results of operations, cash flows, and the market value of our debt by creating an appropriate balance between our fixed and floating- rate debt. We enter into interest rate derivative transactions from time to time, including interest rate swaps, in order to maintain a level of exposure to interest rate variability that the Company deems acceptable. As of June 30, 2015 and December 31, 2014 , we held no interest rate swap contracts.

Foreign Currency Exposures and Exchange Rate Instruments

We transact business in various foreign currencies and utilize foreign currency forward contracts to offset our exposure associated with the fluctuations of certain foreign currencies. These foreign currency exposures typically arise from intercompany loans and other intercompany transactions.

The U.S. dollar equivalent of the notional amount of the outstanding forward contracts, the majority of which relate to intercompany loans, with terms of less than one year, is as follows (in U.S. dollars):

(in millions)	June 30, 2015	December 31, 2014
Pound Sterling	$ 170	$ 171
Canadian Dollar	69	72
Korean Won	35	32
Swiss Franc	9	10
Total notional amount of forward contracts	$ 283	$ 285

We intend to offset the gains and losses related to our intercompany loans and transactions with gains or losses on our foreign currency forward contracts such that there is a negligible effect on net income. The effects of these derivative instruments within other income (loss), net on our condensed consolidated financial statements was a loss of $10 million and a gain of $4 million for the three and six months ended June 30, 2015 , respectively. For the three and six months ended June 30, 2014 , the effect of these derivative instruments was a loss of $6 million and $8 million , respectively. We expect to continue this practice relating to our intercompany loans and transactions, and we will continue to manage the risks associated with other transactional and translational foreign currency volatility within our business.

ITEM 4. ***Controls and Procedures.***

Disclosure Controls and Procedures. The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission ("SEC") rules and forms. In accordance with Rule 13a-15(b) of the Exchange Act, as of the end of the period covered by this quarterly report, an evaluation was carried out under the supervision and with the participation of the Company's management, including its Principal Executive Officer and Principal Financial Officer, of the effectiveness of its disclosure controls and procedures. Based on that evaluation, the Company's Principal Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this quarterly report, were effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and is accumulated and communicated to the Company's management, including the Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting. There has been no change in the Company's internal control over financial reporting during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings.*

We are involved in various claims and lawsuits arising in the normal course of business, including proceedings involving tort and other general liability claims, workers' compensation and other employee claims, intellectual property claims and claims related to our management of certain hotel properties. Most occurrences involving liability, claims of negligence and employees are covered by insurance with solvent insurance carriers. We recognize a liability when we believe the loss is probable and reasonably estimable. We currently believe that the ultimate outcome of such lawsuits and proceedings will not, individually or in the aggregate, have a material effect on our consolidated financial position, results of operations or liquidity.

Item 1A. *Risk Factors.*

At June 30, 2015 , there have been no material changes from the risk factors previously disclosed in response to Item 1A. to Part I of our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 .

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds.*

Issuer Purchases of Equity Securities

The following table sets forth information regarding the Company's purchases of shares of Class A and Class B common stock during the quarter ended June 30, 2015 :

	Total Number of Shares Purchased (1)	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased under the Program
April 1 to April 30, 2015	747,804	$ 58.85	747,804	$ 212,769,611
May 1 to May 31, 2015	1,534,170	$ 58.52	1,534,170	$ 122,985,187
June 1 to June 30, 2015	404,400	$ 57.24	404,400	$ 99,839,059
Total	2,686,374	$ 58.42	2,686,374	

(1) On December 11, 2014, we announced the approval of an expansion of our share repurchase program pursuant to which we are authorized to purchase up to an additional $400 million of Class A and Class B common stock in the open market, in privately negotiated transactions, or otherwise, including pursuant to a Rule 10b5-1 plan. The repurchase program does not have an expiration date. As of June 30, 2015 , the Company had approximately $100 million remaining under the share repurchase authorization. On July 30, 2015, the Company's board of directors authorized the repurchase of up to an additional $400 million of the Company's common stock. As of July 31, 2015, the Company had approximately $475 million remaining under its repurchase authorization . See Note 17 for further details regarding the share repurchase plan.

Item 3. ***Defaults Upon Senior Securities.***

None.

Item 4. ***Mine Safety Disclosures.***

Not Applicable.

Item 5. ***Other Information.***

None.

Item 6. ***Exhibits.***

Exhibit Number	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation of Hyatt Hotels Corporation
3.2	Amended and Restated Bylaws of Hyatt Hotels Corporation (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-34521) filed with the Securities and Exchange Commission on September 11, 2014)
31.1	Certification of the Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Hyatt Hotels Corporation

Date: August 4, 2015

By: /s/ Mark S. Hoplamazian
Mark S. Hoplamazian
President and Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the undersigned, in his capacity as the principal financial officer of the registrant.

Hyatt Hotels Corporation

Date: August 4, 2015

By: /s/ Atish Shah
Atish Shah
Senior Vice President, Interim Chief Financial Officer
(Principal Financial Officer)

Exhibit 3.1

AMENDED & RESTATED

CERTIFICATE OF INCORPORATION

OF

HYATT HOTELS CORPORATION

(Under Sections 242 and 245 of the Delaware General Corporation Law)

It is hereby certified that:

1. The name of the corporation (hereinafter called the " Corporation ") is HYATT HOTELS CORPORATION.

2. The Certificate of Incorporation of the Corporation was originally filed under the name "Global Hyatt, Inc." with the Secretary of State of the State of Delaware on August 4, 2004.

3. This Amended and Restated Certificate of Incorporation of the Corporation has been duly adopted by the Board of Directors and stockholders of the Corporation in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware and by the written consent of its stockholders in accordance with Section 228 of the General Corporation Law of the State of Delaware.

4. The Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

ARTICLE I

NAME

The name of this corporation (the " Corporation ") is: Hyatt Hotels Corporation.

ARTICLE II

ADDRESS OF REGISTERED OFFICE;
NAME OF REGISTERED AGENT

The address of the Corporation's registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, County of New Castle, Delaware 19808. The name of the Corporation's registered agent at such address is Corporation Service Company.

ARTICLE III

PURPOSE

The purpose of the Corporation is to engage in any lawful activity for which corporations may be organized under the General Corporation Law of the State of Delaware, as amended (the " DGCL ").

ARTICLE IV

CAPITAL STOCK

Section 1. Authorized Shares . The total number of shares of stock which the Corporation is authorized to issue is 1,510,000,000 shares, of which 1,000,000,000 shares shall be shares of Class A Common Stock, par value $0.01 per share (the " Class A Common Stock "), 500,000,000 shares shall be shares of Class B Common Stock, par value $0.01 per share (the " Class B Common Stock ", and together with the Class A Common Stock, the " Common Stock "), and 10,000,000 shares shall be shares of Preferred Stock, par value $0.01 per share (" Preferred Stock ").

Upon this Amended and Restated Certificate of Incorporation becoming effective pursuant to the DGCL (the " Effective Time "), each share of the Corporation's Common Stock, par value $0.01 per share, issued and outstanding immediately prior to the Effective Time (the " Old Common Stock ") (a) that is then held of record by any holder specified in the resolutions duly adopted by the Board of Directors on October 9, 2009 (the " Specified Holders ") will automatically be reclassified into one share of Class A Common Stock and (b) that is then held of record by any holder other than a Specified Holder will automatically be reclassified into one share of Class B Common Stock. Each certificate that theretofore represented shares of Old Common Stock shall thereafter represent such number of shares of Class A Common Stock or Class B Common Stock, as applicable, into which the shares of Old Common Stock represented by such certificate have been reclassified.

Section 2. Common Stock . The Class A Common Stock and the Class B Common Stock shall have the following powers, designations, preferences and rights and qualifications, limitations and restrictions:

(a) Voting Rights .

(i) Except as otherwise provided herein or by applicable law, the holders of Class A Common Stock and Class B Common Stock shall at all times vote together as a single class on all matters (including election of directors) submitted to a vote of the stockholders of the Corporation.

(ii) Each holder of Class A Common Stock shall be entitled to one vote for each share of Class A Common Stock held of record by such holder as of the applicable record date on any matter that is submitted to a vote of the stockholders of the Corporation.

(iii) Each holder of Class B Common Stock shall be entitled to ten votes for each share of Class B Common Stock held of record by such holder as of the applicable record date on any matter that is submitted to a vote of the stockholders of the Corporation.

Notwithstanding the foregoing, except as otherwise required by applicable law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate filed with the Secretary of State establishing the terms of a series of Preferred Stock in accordance with Section 3 of this Article IV) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series of Preferred Stock are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to applicable law or this Amended and Restated Certificate of Incorporation (including any certificate filed with the Secretary of State establishing the terms of a series of Preferred Stock in accordance with Section 3 of this Article IV).

(b) Dividends and Distributions . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock outstanding at any time, the holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to share equally, on a per share basis, in such dividends and other distributions of cash, property or shares of stock of the Corporation as may be declared by the Board of Directors from time to time with respect to the Common Stock out of assets or funds of the Corporation legally available therefor; provided , however , that in the event that such dividend is paid in the form of Common Stock or rights to acquire Common Stock, the holders of Class A Common Stock shall receive shares of Class A Common Stock or rights to acquire shares of Class A Common Stock, as the case may be, and the holders of shares of Class B Common Stock shall receive shares of Class B Common Stock or rights to acquire shares of Class B Common Stock, as the case may be.

(c) Liquidation, etc . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock outstanding at any time, in the event of a voluntary or involuntary liquidation, dissolution, distribution of assets or winding up of the Corporation, the holders of Class A Common Stock and the holders of Class B Common Stock shall be entitled to share equally, on a per share basis, in all assets of the Corporation of whatever kind available for distribution to the holders of Common Stock.

(d) Subdivision or Combination . If the Corporation in any manner subdivides or combines the outstanding shares of one class of Common Stock, the outstanding shares of the other class of Common Stock will be subdivided or combined in the same manner.

(e) Equal Status . Except as expressly provided in this Article IV, shares of Class A Common Stock and Class B Common Stock shall have the same rights and privileges and rank equally, share ratably and be identical in all respect as to all matters. In any merger, consolidation, reorganization or other business combination, the consideration received per share by the holders of the Class A Common Stock and the holders of the Class B Common Stock in such merger, consolidation, reorganization or other business combination shall be identical; provided , however , that if such consideration consists, in whole or in part, of shares of capital stock of, or other equity interests in, the Corporation or any other corporation, partnership, limited liability company or other entity, then the powers, designations, preferences and relative, common, participating, optional or other special rights and qualifications, limitations and restrictions of such shares of capital stock or other equity interests may differ to the extent that the powers, designations, preferences and relative, common, participating, optional or other special rights and qualifications, limitations and restrictions of the Class A Common Stock and Class B Common Stock differ as provided herein (including, without limitation, with respect to the voting rights and conversion provisions hereof); and provided further , that, if the holders of the Class A Common Stock or the holders of the Class B Common Stock are granted the right to elect to receive one of two or more alternative forms of consideration, the foregoing provision shall be deemed satisfied if holders of the other class are granted identical election rights. Any consideration to be paid to or received by holders of Class A Common Stock or holders of Class B Common Stock pursuant to any employment, consulting, severance, non-competition or other similar arrangement approved by the Board of Directors, or any duly authorized committee thereof, shall not be considered to be "consideration received per share" for purposes of the foregoing provision, regardless of whether such consideration is paid in connection with, or conditioned upon the completion of, such merger, consolidation, reorganization or other business combination.

(f) Conversion .

(i) As used in this Section 2(f), the following terms shall have the following meanings:

(1) " 2007 Investors " shall mean Madrone Capital, LLC, The Goldman Sachs Group, Inc. and Mori Building Capital Investment LLC, and their respective "Affiliates" (as defined in the 2007 Stockholders' Agreement).

(2) " 2007 Stockholders' Agreement " shall mean that certain Global Hyatt Corporation 2007 Stockholders' Agreement, dated as of August 28, 2007, by and among the Corporation and the 2007 Investors signatory thereto, as amended from time to time.

(3) " Agreement Relating to Stock " shall mean that certain Agreement Relating to Stock, dated as of August 28, 2007, between and among each of Thomas J. Pritzker, Marshall E. Eisenberg and Karl J. Breyer, not individually but in their capacity as trustees, and the other parties signatory thereto, as amended from time to time.

(4) " Foreign Global Hyatt Agreement " shall mean that certain Amended and Restated Foreign Global Hyatt Agreement, dated as of October 1, 2009, between and among the parties signatory thereto, as amended from time to time.

(5) " Global Hyatt Agreement " shall mean that certain Amended and Restated Global Hyatt Agreement, dated as of October 1, 2009, between and among each of Thomas J. Pritzker, Marshall E. Eisenberg and Karl J. Breyer, not individually but in their capacity as trustees, and the other parties signatory thereto, as amended from time to time.

(6) " Permitted Transfer " shall mean:

(a) the Transfer of any share or shares of Class B Common Stock to one or more Permitted Transferees of the Registered Holder of such share or shares of Class B Common Stock, or to one or more other Registered Holders and/or Permitted Transferees of such other Registered Holders, or the subsequent Transfer of any share or shares of Class B Common Stock by any such transferee to the Registered Holder and/or one or more other Permitted Transferees of the Registered Holder; provided , however , that for so long as the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, as applicable, remains in effect, any such Transfer of any share or shares of Class B Common Stock held by (i) any Person that is party to, or any other Person directly or indirectly controlled by any one or more Persons that are party to, or otherwise bound by (including Persons who execute a joinder to, and thereby become subject to the provisions of) the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, as applicable, or (ii) with respect to the Foreign Global Hyatt Agreement, any Person directly or indirectly controlled by any one or more non-United States situs trusts which are for the benefit of one or more Pritzkers (even though such Person is not party to the Foreign Global Hyatt Agreement), shall not be a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6)(a) unless, in connection with such Transfer, the transferee (and, in the case of a transferee that is a trust, the requisite number of trustees necessary to bind the trust) (to the extent not already party thereto) executes a joinder to, and thereby becomes subject to the provisions of, as applicable, the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock;

(b) the grant of a revocable proxy to an officer or officers or a director or directors of the Corporation at the request of the Board of Directors in connection with actions to be taken at an annual or special meeting of stockholders;

(c) the pledge of a share or shares of Class B Common Stock that creates a security interest in such pledged share or shares pursuant to a bona fide loan or indebtedness transaction, in each case with a third party lender that makes such loan in the ordinary course of its business, so long as the Registered Holder of such pledged share or shares or one or more Permitted Transferees of the Registered Holder continue to exercise exclusive Voting Control over such pledged share or shares; provided , however , that a foreclosure on such pledged share or shares or other action that would result in a Transfer of such pledged share or shares to the pledgee shall not be a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6)(c);

(d) the Transfer of any share or shares of Class B Common Stock held by any Registered Holder that is a 2007 Investor, to any Affiliate of such Registered Holder to the extent that a Transfer to such Affiliate is permitted by, and completed solely in accordance with the terms and conditions of, the 2007 Stockholders' Agreement; provided , however , that such Transfer by a 2007 Investor shall not be a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6)(d) unless, in connection with such Transfer, the transferee (to the extent not already party thereto) executes a joinder to, and thereby becomes subject to the provisions of, the 2007 Stockholders' Agreement;

(e) the existence or creation of a power of appointment or authority that may be exercised with respect to a share or shares of Class B Common Stock held by a trust; provided , however, that the Transfer of such share or shares of Class B Common Stock upon the exercise of such power of appointment or authority shall not be a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6)(e); and

(f) any Transfer approved in advance by the Board of Directors, or a majority of the independent directors serving thereon, upon a determination that such Transfer is consistent with the purposes of the foregoing provisions of this definition of "Permitted Transfer", so long as such Transfer otherwise complies with the provisions of Sections 2(f)(i)(6)(a) or 2(f)(i)(6)(d) of this Article IV, as applicable, requiring transferees (to the extent not already party thereto) to execute joinders to, and thereby become subject to the provisions of, the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, as applicable.

For the avoidance of doubt, the direct Transfer of any share or shares of Class B Common Stock by a Registered Holder to any other Person shall qualify as a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6), if such Transfer could have been completed indirectly through one or more transactions involving more than one Transfer, so long as each Transfer in such transaction or transactions would otherwise have qualified as a "Permitted Transfer" within the meaning of this Section 2(f)(i)(6). For the further avoidance of doubt, a Transfer may qualify as a “Permitted Transfer” within the meaning of this Section 2(f)(i)(6) under any one or more than one of the clauses of this Section 2(f)(i)(6) as may be applicable to such Transfer, without regard to any proviso in, or requirement of, any other clause(s) of this Section 2(f)(i)(6).

(7) “Permitted Transferee” shall mean:

(a) with respect to any Pritzker:

(i) one or more other Pritzkers; and

(ii) the Pritzker Foundation, and/or any of the eleven private charitable foundations to which the Pritzker Foundation transferred a portion of its assets in September 2002, so long as a majority of the board of directors or similar governing body of such private charitable foundation is comprised of Pritzkers;

(b) with respect to any natural person:

(i) his or her lineal descendants who are Pritzkers (such persons are referred to as a person's "Related Persons");

(ii) a trust or trusts for the sole current benefit of such natural person and/or one or more of such natural person's Related Persons; provided, however, that a trust shall qualify as a "Permitted Transferee" notwithstanding that a remainder interest in such trust is for the benefit of any Person other than such natural person and/or one or more of such natural person's Related Persons, until such time as such trust is for the current benefit of such Person;

(iii) one or more corporations, partnerships, limited liability companies or other entities so long as all of the equity interests in such entities are owned, directly or indirectly, by such natural person and/or one or more of such natural person's Related Persons, and such natural person and/or one or more of such natural person's Related Persons have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation, partnership, limited liability company or other entity; and

(iv) the guardian or conservator of any such natural person who has been adjudged disabled, incapacitated, incompetent or otherwise unable to manage his or her own affairs by a court of competent jurisdiction, in such guardian's or conservator's capacity as such, and/or the executor, administrator or personal representative of the estate of any such Registered Holder who is deceased, in such executor's, administrator's or personal representative's capacity as such;

(c) with respect to any trust:

(i) one or more current beneficiaries of such trust who are Pritzkers, any Permitted Transferee of any such current beneficiary and/or any appointee of a power of appointment exercised with respect to such trust, if such appointee is a Pritzker; provided , however , that any Person holding a remainder interest in such trust shall not be a “Permitted Transferee” of such trust unless such Person is a Pritzker or a Permitted Transferee of any current beneficiary who is a Pritzker;

(ii) any other trust so long as the current beneficiaries of such other trust are Pritzkers, and/or any other trust for the benefit of an appointee of a power of appointment exercised with respect to such trust, if such appointee is a Pritzker; provided , however , that such other trust shall qualify as a "Permitted Transferee" notwithstanding that a remainder interest in such other trust is for the benefit of any Person other than a Pritzker until such time as such other trust is for the current benefit of such Person;

(iii) any current trustee or trustees of such trust in the capacity as trustee of such trust, and any successor trustee or trustees in the capacity as trustee of such trust; and

(iv) one or more corporations, partnerships, limited liability companies or other entities so long as all of the equity interests in such entities are owned, directly or indirectly, by such trust and/or one or more Permitted Transferees of such trust, and such trust and/or one or more Permitted Transferees of such trust have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation, partnership, limited liability company or other entity;

(d) with respect to any corporation, partnership, limited liability company or other entity (a “ Corporate Person ”), other than the 2007 Investors:

(i) the shareholders, partners, members or other equity holders of such Corporate Person, as applicable, who are Pritzkers, in accordance with their respective rights and interests therein, and/or any Permitted Transferee of any such shareholders, partners, members or other equity holders;

(ii) any other corporation, partnership, limited liability company or other entity so long as all of the equity interests in such other corporation, partnership, limited liability company or other entity are owned, directly or indirectly, by such Corporate Person and/or one or more Permitted Transferees of such Corporate Person, and such Corporate Person and/or one or more Permitted Transferees of such Corporate Person has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such other corporation, partnership, limited liability company or other entity; and

(iii) any other corporation, partnership, limited liability company or other entity so long as such other corporation, partnership, limited liability company or other entity owns, directly or indirectly, all of the equity interests of such Corporate Person, and such other corporation, partnership, limited liability company or other entity has sole dispositive power and exclusive Voting Control with respect to the equity interests of such Corporate Person;

(e) with respect to any bankrupt or insolvent Person, the trustee or receiver of the estate of such bankrupt or insolvent Person, in such trustee's or receiver's capacity as such; and

(f) with respect to any Person that holds Class B Common Stock as the guardian or conservator of any Person who has been adjudged disabled, incapacitated, incompetent or otherwise unable to manage his or her own affairs, or as the executor, administrator or personal representative of the estate of any deceased Person, or as the trustee or receiver of the estate of a bankrupt or insolvent Person, (i) any Permitted Transferee of such disabled, incapacitated, incompetent, deceased, bankrupt or insolvent Person or (ii) in the event that such disabled, incapacitated, incompetent, deceased, bankrupt or insolvent Person is a 2007 Investor, an Affiliate of such 2007 Investor.

For the avoidance of doubt, the “Permitted Transferees” of any Person within the meaning of this Section 2(f)(i)(7) may be determined under any one or more than one of the clauses of this Section 2(f)(i)(7), if such clauses are applicable to such Person. For the further avoidance of doubt, references to a "trust" shall mean the trust or the trustee or trustees of such trust acting in such capacity, as the context may require.

With respect to a share or shares of Class B Common Stock held by a 2007 Investor, following the "Restriction Expiration Date" (as defined in the 2007 Stockholders' Agreement), the "Permitted Transferee" of any 2007 Investor shall be determined for purposes of Sections 2(f)(i)(7)(b) and 2(f)(i)(7)(c) of this Article IV without regard to any references to Pritzkers contained therein.

(8) " Person " shall mean any natural person, trust, corporation, partnership, limited liability company or other entity.

(9) " Pritzker " shall mean the Pritzker family members, who are the lineal descendants of Nicholas J. Pritzker, deceased, and spouses or surviving spouses of such descendants, any trust that is a Permitted Transferee of any of the foregoing, and any other Person that is a Permitted Transferee of any of the foregoing.

(10) " Registered Holder " shall mean (a) the registered holder of any share or shares of Class B Common Stock immediately prior to the consummation of the initial public offering of shares of Class A Common Stock (the " IPO "), (b) the initial registered holder of any share or shares of Class B Common Stock that are originally issued by the Corporation after the consummation of the IPO, and (c) any Person that becomes the registered holder of any share or shares of Class B Common Stock as a result of a Permitted Transfer in accordance with this Section 2(f).

(11) " Transfer " of a share or shares of Class B Common Stock shall mean any direct or indirect sale, exchange, assignment, transfer, conveyance, gift, hypothecation or other transfer or disposition (including, without limitation, the granting or exercise of a power of appointment or a proxy, attorney in fact, power of attorney or otherwise) of such share or shares or any legal or beneficial interest in such share or shares, whether or not for value and whether voluntary or involuntary or by operation of law. A "Transfer" shall include, without limitation, a transfer of a share or shares of Class B Common Stock to a broker or other nominee (regardless of whether or not there is a corresponding change in beneficial ownership), and the transfer of, or entering into any agreement, arrangement or understanding with respect to, Voting Control over a share or shares of Class B Common Stock. Any sale, exchange, assignment, transfer, conveyance, gift, hypothecation or other transfer or disposition by any Person that is not a Pritzker (other than a 2007 Investor) of less than 5% of the equity interests of any other Person that holds shares of Class B Common Stock, shall not be deemed to result in a "Transfer" of such shares of Class B Common Stock within the meaning of this Section (2)(f)(i)(11). In addition, the existence of, the joinder of any Person to and agreement to become subject to the provisions of, or the voting of shares of Class B Common Stock in accordance with, the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, shall not be deemed to result in a "Transfer" of shares of Class B Common Stock within the meaning of this Section (2)(f)(i)(11).

(12) " Voting Control " shall mean, with respect to a share or shares of Class B Common Stock, the power, whether exclusive or shared, revocable or irrevocable, to vote or direct the voting of such share or shares of Class B Common Stock, by proxy, voting agreement or otherwise.

(ii) Each share of Class B Common Stock shall be convertible into one fully paid and non-assessable share of Class A Common Stock at the option of the holder thereof at any time, and from time to time, upon written notice to the transfer agent of the Corporation.

(iii) Subject to Section 2(f)(vii) of this Article IV, a share of Class B Common Stock shall automatically, without any further action on the part of the Corporation, any holder of Class B Common Stock or any other party, convert into one fully paid and non-assessable share of Class A Common Stock upon a Transfer of such share, other than a Permitted Transfer; provided , however , that each share of Class B Common Stock transferred to a Permitted Transferee or an Affiliate of a 2007 Investor pursuant to a Permitted Transfer shall automatically convert into one fully paid and non-assessable share of Class A Common Stock if any event occurs, or any state of facts arises or exists, that causes such Person to no longer qualify, as applicable, as a "Permitted Transferee" within the meaning of Section 2(f)(i)(7) of this Article IV or as an "Affiliate" of such 2007 Investor as defined in Section 2(f)(i)(1) of this Article IV.

(iv) For so long as the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, as applicable, remains in effect, each share of Class B Common Stock held by (a) any trust that is party to, or any other Person directly or indirectly controlled by any one or more trusts that are party to, or otherwise bound by (including any trust who executes, or whose trustees execute, a joinder to, and thereby become subject to the provisions of) the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, as applicable, or (b) with respect to the Foreign Global Hyatt Agreement, any Person directly or indirectly controlled by any one or more non-United States situs trusts which are for the benefit of one or more Pritzkers (even though such Person is not party to the Foreign Global Hyatt Agreement), shall automatically, without any further action on the part of the Corporation, any holder of Class B Common Stock or any other party, convert into one fully paid and non-assessable share of Class A Common Stock upon any change in the trustees of any such trust that is a Pritzker (in the case of clause (a)) or any such non-United States situs trusts that are Pritzkers (in the case of clause (b)) unless, in connection therewith, the requisite number of trustees necessary to bind such trust (to the extent not already party thereto) execute a joinder to, and thereby become subject to the provisions of, as applicable, the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock.

(v) Each share of Class B Common Stock shall automatically, without any further action on the part of the Corporation, any holder of Class B Common Stock or any other party, convert into one fully paid and non-assessable share of Class A Common Stock if, as of the record date for determining the stockholders entitled to vote at any annual or special meeting of the stockholders of the Corporation, the aggregate number of shares of Common Stock owned, directly or indirectly, by the Registered Holders is less than fifteen percent of the aggregate number of outstanding shares of Common Stock.

(vi) The Board of Directors, or any duly authorized committee thereof, may, from time to time, establish such policies and procedures relating to the conversion of a share or shares of Class B Common Stock into a share or shares of Class A Common Stock and the general administration of this dual class common stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may request or require that holders of a share or shares of Class B Common Stock furnish affidavits or other proof to the Corporation as it may deem necessary or advisable to verify the ownership of such share or shares of Class B Common Stock and to confirm that an automatic conversion into a share or shares of Class A Common Stock has not occurred. If the Board of Directors, or a duly authorized committee thereof, determines that a share or shares of Class B Common Stock have been inadvertently Transferred in a Transfer that is not a Permitted Transfer, or any other event shall have occurred, or any state of facts arisen or come into existence, that would inadvertently cause the automatic conversion of such shares into Class A Common Stock pursuant to Section 2(f)(iii) of this Article IV, and the Registered Holder shall have cured or shall promptly cure such inadvertent Transfer or the event or state of facts that would inadvertently cause such automatic conversion, then the Board of Directors, or a duly authorized committee thereof, may determine that such share or shares of Class B Common Stock shall not have been automatically converted into Class A Common Stock pursuant to Section 2(f)(iii) of this Article IV.

(vii) In the event of a conversion of a share or shares of Class B Common Stock into a share or shares of Class A Common Stock pursuant to this Section 2, such conversion shall be deemed to have been made (a) in the event of a voluntary conversion pursuant to Section 2(f)(ii) of this Article IV, at the close of business on the business day on which written notice of such voluntary conversion is received by the transfer agent of the Corporation, (b) in the event of an automatic conversion upon a Transfer or if any other event occurs, or any state of facts arises or exists, that would cause an automatic conversion pursuant to Section 2(f)(iii) of this Article IV, at the time that the Transfer of such share or shares occurred or at the time that such other event occurred, or state of facts arose, as applicable, (c) in the event of an automatic conversion of shares upon the failure of the new trustee or trustees to assume the obligations under, as applicable, the 2007 Stockholders' Agreement, the Global Hyatt Agreement, the Foreign Global Hyatt Agreement or the Agreement Relating to Stock, at the time such new trustee or trustees become such, and (d) in the event of an automatic conversion of all shares of Class B Common Stock pursuant to Section 2(f)(v) of this Article IV, at the close of business on the record date on which the Registered Holders own less than the requisite percentage of outstanding shares of Common Stock. Upon any conversion of a share or shares of Class B Common Stock to a share or shares of Class A Common Stock, subject only to rights to receive any dividends or other distributions payable in respect of such share or shares of Class B Common Stock with a record date prior to the date of such conversion, all rights of the holder of a share or shares of Class B Common Stock shall cease and such Person shall be treated for all purposes as having become the registered holder of such share or shares of Class A Common Stock. Shares of Class B Common Stock that are converted into shares of Class A Common Stock as provided in this Section 2 shall be retired and may not be reissued.

(g) Reservation of Stock . The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of Class B Common Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock into shares of Class A Common Stock.

(h) Limitation on Future Issuance. Except as otherwise provided in or contemplated by Sections 2(b), 2(d) or 2(e) of this Article IV, the Corporation shall not issue additional shares of Class B Common Stock after the Effective Time.

Section 3. Preferred Stock. The Board of Directors is authorized, subject to limitations prescribed by law, to provide by resolution or resolutions for the issuance of a share or shares of Preferred Stock in one or more series and, by filing a certificate of designation pursuant to the DGCL setting forth a copy of such resolution or resolutions, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and the qualifications, limitations, and restrictions thereof. The authority of the Board of Directors with respect to the Preferred Stock and any series shall include, but not be limited to, determination of the following:

(a) the number of shares constituting any series and the distinctive designation of that series;

(b) the dividend rate on the shares of any series, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(c) whether any series shall have voting rights, in addition to the voting rights provided by applicable law, and, if so, the number of votes per share and the terms and conditions of such voting rights;

(d) whether any series shall have conversion privileges and, if so, the terms and conditions of conversion, including provision for adjustment of the conversion rate upon such events as the Board of Directors shall determine;

(e) whether the shares of any series shall be redeemable and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) whether any series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(g) the rights of the shares of any series in the event of voluntary or involuntary dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series; and

(h) any other powers, preferences, rights, qualifications, limitations, and restrictions of any series.

Notwithstanding the provisions of Section 242(b)(2) of the DGCL, the number of authorized shares of Preferred Stock and Common Stock may, without a class or series vote, be increased or decreased (but not below the number of shares thereof then outstanding) from time to time by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock, voting together as a single class.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Powers of the Board. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by this Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

Section 2. Classification of the Board. Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, effective upon the Effective Time, the directors of the Corporation shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. The Board of Directors may assign members of the Board of Directors already in office to such classes as of the Effective

Time. The term of office of the initial Class I directors shall expire at the first regularly-scheduled annual meeting of the stockholders following the Effective Time; the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Effective Time; and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Effective Time. Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, at each annual meeting of stockholders, commencing with the first regularly-scheduled annual meeting of stockholders following the Effective Time, each of the successors elected to replace the directors of a class whose term shall have expired at such annual meeting shall be elected to hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified.

Section 3. Number of Directors . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, (a) the total number of directors constituting the entire Board of Directors shall consist of not less than five nor more than fifteen members, with the precise number of directors to be determined from time to time exclusively by a vote of a majority of the entire Board of Directors, and (b) if the number of directors is changed, any increase or decrease shall be apportioned among such classes of directors in such manner as the Board of Directors shall determine so as to maintain the number of directors in each class as nearly equal as possible, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

Section 4. Removal of Directors . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock with respect to any directors elected by the holders of such series and except as otherwise required by applicable law, any or all of the directors of the Corporation may be removed from office only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding capital stock entitled to vote generally in the election of directors, voting together as a single class.

Section 5. Vacancies . Except as may be provided in a resolution or resolutions providing for any series of Preferred Stock with respect to any directors elected (or to be elected) by the holders of such series, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors may be filled only by the Board of Directors (and not by the stockholders), acting by majority of the remaining directors then in office, although less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next election of the class of directors to which such directors have been appointed and until their successors are elected and qualified.

Section 6. Bylaws . The Board of Directors shall have the power to adopt, amend, alter, change or repeal any and all Bylaws of the Corporation. In addition, the stockholders of the Corporation may adopt, amend, alter, change or repeal any and all Bylaws of the Corporation by the affirmative vote of the holders of at least eighty percent of the voting power of the Corporation's then outstanding capital stock entitled to vote, voting together as a single class (notwithstanding the fact that a lesser percentage may be specified by applicable law).

Section 7. Elections of Directors . Elections of directors need not be by ballot unless the Bylaws of the Corporation shall so provide.

Section 8. Officers . Except as otherwise expressly delegated by resolution of the Board of Directors, the Board of Directors shall have the exclusive power and authority to appoint and remove officers of the Corporation.

ARTICLE VI

STOCKHOLDERS

Section 1. Actions by Consent . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any written consent in lieu of a meeting by such stockholders.

Section 2. Special Meetings of Stockholders . Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock, special meetings of stockholders of the

Corporation may be called only by the Chairman of the Board of Directors or by the Secretary upon direction of the Board of Directors pursuant to a resolution adopted by a majority of the entire Board of Directors.

ARTICLE VII

DIRECTOR LIABILITY

A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as it presently exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right arising prior to the time of such amendment, modification or repeal.

ARTICLE VIII

INDEMNIFICATION

Section 1. Right of Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 3 of this Article VIII, the Corporation shall be required to indemnify a Covered Person in connection with a Proceeding (or part thereof) commenced by such Covered Person only if the commencement of such Proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors.

Section 2. Prepayment of Expenses. The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any Proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VIII or otherwise.

Section 3. Claims. If a claim for indemnification (following the final disposition of the Proceeding with respect to which indemnification is sought, including any settlement of such Proceeding) or advancement of expenses under this Article VIII is not paid in full within thirty days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by applicable law. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under this Article VIII and applicable law.

Section 4. Non-exclusivity of Rights. The rights conferred on any Covered Person by this Article VIII shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, any other provision of this Amended and Restated Certificate of Incorporation, the Bylaws of the Corporation, or any agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. Amendment or Repeal. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this Article VIII after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6. Other Indemnification and Advancement of Expenses . This Article VIII shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

ARTICLE IX

SECTION 203

The Corporation elects not to be governed by Section 203 of the DGCL.

ARTICLE X

AMENDMENT

The Corporation hereby reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation in any manner permitted by the DGCL and all rights and powers conferred upon stockholders and/or directors herein are granted subject to this reservation. Except as may be provided in a resolution or resolutions of the Board of Directors providing for any series of Preferred Stock, any such amendment, alteration, change or repeal shall require the affirmative vote of both (a) sixty-six and 2/3rds percent of the entire Board of Directors and (b) eighty percent of the voting power of the Corporation's then outstanding capital stock entitled to vote, voting together as a single class (notwithstanding the fact that a lesser percentage may be specified by applicable law). Any vote of stockholders required by this Article X shall be in addition to any other vote that may be required by applicable law, the Bylaws of the Corporation or any agreement with a national securities exchange or otherwise.

IN WITNESS WHEREOF, Hyatt Hotels Corporation has caused this Amended and Restated Certificate of Incorporation to be executed by its duly authorized officer this 4th day of November, 2009

HYATT HOTELS CORPORATION

By: /s/ Harmit J. Singh
Harmit J. Singh
Chief Financial Officer

CERTIFICATE OF RETIREMENT
OF
38,000,000 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 38,000,000 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 38,000,000 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009 provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 38,000,000 shares of Class B Common Stock that converted into 38,000,000 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the effective date of the filing of this Certificate of Retirement, the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 38,000,000 shares, such that the total number of authorized shares of the Corporation shall be 1,472,000,000, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 462,000,000 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 11th day of December, 2009.

HYATT HOTELS CORPORATION

By: /s/ Susan T. Smith

Susan T. Smith

General Counsel, Senior Vice President and Secretary

CERTIFICATE OF RETIREMENT
OF
539,588 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 539,588 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 539,588 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended by a certificate of retirement of 38,000,000 shares of Class B Common Stock filed with the Secretary of State of the State of Delaware on December 11, 2009, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 539,588 shares of Class B Common Stock that converted into 539,588 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the effective date of the filing of this Certificate of Retirement, the Certificate of Incorporation of the Corporation shall be further amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 539,588 shares, such that the total number of authorized shares of the Corporation shall be 1,471,460,412, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 461,460,412 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 14th day of September, 2010.

HYATT HOTELS CORPORATION

By: /s/ Harmit J. Singh

Harmit J. Singh

Executive Vice President, Chief Financial Officer

CERTIFICATE OF RETIREMENT
OF
8,987,695 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 8,987,695 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 8,987,695 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 8,987,695 shares of Class B Common Stock that converted into 8,987,695 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 8,987,695 shares, such that the total number of authorized shares of the Corporation shall be 1,462,472,717, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 452,472,717 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 18th day of May, 2011.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
863,721 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 863,721 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 863,721 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.
2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.
3. The Board of Directors of the Corporation has adopted resolutions retiring the 863,721 shares of Class B Common Stock that converted into 863,721 shares of Class A Common Stock.
4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 863,721 shares, such that the total number of authorized shares of the Corporation shall be 1,461,608,996, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 451,608,996 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 14th day of February, 2012.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,000,000 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 1,000,000 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 1,000,000 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,000,000 shares of Class B Common Stock that converted into 1,000,000 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,000,000 shares, such that the total number of authorized shares of the Corporation shall be 1,461,472,717, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 451,472,717 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 27th day of September, 2012.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,623,529 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 1,623,529 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 1,623,529 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,623,529 shares of Class B Common Stock that converted into 1,623,529 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,623,529 shares, such that the total number of authorized shares of the Corporation shall be 1,458,985,467, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 448,985,467 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 13 day of December, 2012.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,556,713 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 1,556,713 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 1,556,713 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,556,713 shares of Class B Common Stock that converted into 1,556,713 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,556,713 shares, such that the total number of authorized shares of the Corporation shall be 1,457,428,754, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 447,428,754 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 12th day of February, 2013.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,498,019 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 1,498,019 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 1,498,019 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,498,019 shares of Class B Common Stock that converted into 1,498,019 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,498,019 shares, such that the total number of authorized shares of the Corporation shall be 1,455,930,735, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 445,930,735 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 10th day of May, 2013.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
295,072 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 295,072 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 295,072 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 295,072 shares of Class B Common Stock that converted into 295,072 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 295,072 shares, such that the total number of authorized shares of the Corporation shall be 1,455,635,663, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 445,635,663 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 30th day of May, 2013.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,113,788 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), HEREBY CERTIFIES as follows:

1. 1,113,788 outstanding shares of Class B Common Stock, par value $0.01 per share ("Class B Common Stock"), of the Corporation have been converted into 1,113,788 shares of Class A Common Stock, par value $0.01 per share ("Class A Common Stock"), of the Corporation.
2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.
3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,113,788 shares of Class B Common Stock that converted into 1,113,788 shares of Class A Common Stock.

Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,113,788 shares, such that the total number of authorized shares of the Corporation shall be 1,454,521,875, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 444,521,875 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 13th day of June, 2013.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Rena Hozore Reiss

Executive Vice President, General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,122,000 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the " Corporation "), HEREBY CERTIFIES as follows:

1. 1,122,000 outstanding shares of Class B Common Stock, par value $0.01 per share (" Class B Common Stock "), of the Corporation have been converted into 1,122,000 shares of Class A Common Stock, par value $0.01 per share (" Class A Common Stock "), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,122,000 shares of Class B Common Stock that converted into 1,122,000 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,122,000 shares, such that the total number of authorized shares of the Corporation shall be 1,453,399,875, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 443,399,875 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 5th day of November, 2014.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss
Rena Hozore Reiss
Executive Vice President, General

CERTIFICATE OF RETIREMENT
OF
750,000 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the " Corporation "), HEREBY CERTIFIES as follows:

1. 750,000 outstanding shares of Class B Common Stock, par value $0.01 per share (" Class B Common Stock "), of the Corporation have been converted into 750,000 shares of Class A Common Stock, par value $0.01 per share (" Class A Common Stock "), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 750,000 shares of Class B Common Stock that converted into 750,000 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 750,000 shares, such that the total number of authorized shares of the Corporation shall be 1,452,649,875, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 442,649,875 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 25th day of February, 2015.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss
Name: Rena Hozore Reiss
Title: Executive Vice President,
General Counsel and Secretary

CERTIFICATE OF RETIREMENT
OF
1,026,501 SHARES OF CLASS B COMMON STOCK
OF
HYATT HOTELS CORPORATION

Pursuant to Section 243(b)
of the General Corporation Law
of the State of Delaware

Hyatt Hotels Corporation, a corporation organized and existing under the laws of the State of Delaware (the " Corporation "), HEREBY CERTIFIES as follows:

1. 1,026,501 outstanding shares of Class B Common Stock, par value $0.01 per share (" Class B Common Stock "), of the Corporation have been converted into 1,026,501 shares of Class A Common Stock, par value $0.01 per share (" Class A Common Stock "), of the Corporation.

2. The Amended and Restated Certificate of Incorporation of the Corporation filed with the Secretary of State of the State of Delaware on November 4, 2009, as amended, provides that any shares of Class B Common Stock which are converted into shares of Class A Common Stock shall be retired and may not be reissued by the Corporation.

3. The Board of Directors of the Corporation has adopted resolutions retiring the 1,026,501 shares of Class B Common Stock that converted into 1,026,501 shares of Class A Common Stock.

4. Accordingly, pursuant to the provisions of Section 243(b) of the General Corporation Law of the State of Delaware, upon the filing of this Certificate of Retirement the Certificate of Incorporation of the Corporation shall be amended so as to reduce the total authorized number of shares of the capital stock of the Corporation by 1,026,501 shares, such that the total number of authorized shares of the Corporation shall be 1,451,623,374, such shares consisting of 1,000,000,000 shares designated Class A Common Stock, 441,623,374 shares designated Class B Common Stock, and 10,000,000 shares designated Preferred Stock, par value $0.01 per share.

Signature page follows.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Retirement to be signed by its duly authorized officer, this 13th day of May, 2015.

HYATT HOTELS CORPORATION

By: /s/ Rena Hozore Reiss

Name: Rena Hozore Reiss

Title: Executive Vice President,
General Counsel

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark S. Hoplamazian, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hyatt Hotels Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2015

/s/ Mark S. Hoplamazian

Mark S. Hoplamazian
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Atish Shah, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hyatt Hotels Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2015

/s/ Atish Shah
Atish Shah
Senior Vice President, Interim Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hyatt Hotels Corporation (the “Company”) on Form 10-Q for the quarter ended June 30, 2015 , as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 4, 2015

/s/ Mark S. Hoplamazian
Mark S. Hoplamazian
President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as a part of this report or on a separate disclosure document.

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Hyatt Hotels Corporation (the “Company”) on Form 10-Q for the quarter ended June 30, 2015 , as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 4, 2015	/s/ Atish Shah
	Atish Shah
	Senior Vice President, Interim Chief Financial Officer
	(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as a part of this report or on a separate disclosure document.