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NH | HOTEL GROUP

Free translation from the original in Spanish which prevails

In compliance with the provisions of Article 17 of Regulation (EU) 596/2014 of 16 April 2014 on Market Abuse and Article 228 of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, and its complementary regulations, NH Hotel Group, S.A. (hereinafter, "**NH Hotel Group**" or the "**Company**") hereby notifies the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) the following

RELEVANT EVENT

The Board of Director held today has approved the Public Periodical Information relating to the third quarter 2018. This information has been duly sent to the Spanish Stock Market Commission through CIFRADOC/CNMV.

The Company encloses Press Release, Presentation and Note of Results for analyst and investors, as well as conference call dial in for the conference regarding the results of the Company.

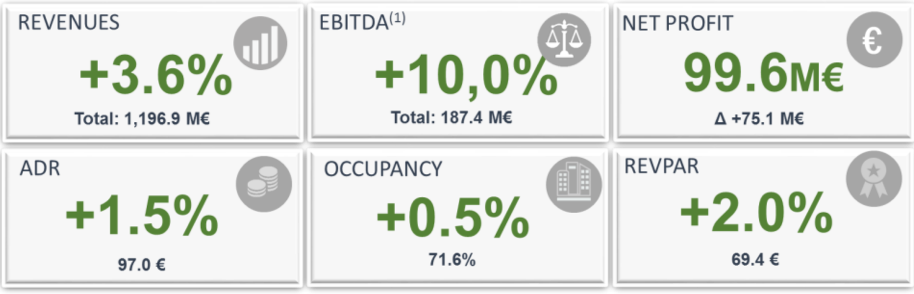
Madrid, 12 November 2018

Carlos Ulecia
General Counsel

- Period highlights: earnings growth, EBITDA expansion and solid cash flow generation -

NH HOTEL GROUP REPORTS NET PROFIT OF €100 MILLION,

UNDERPINNED BY BUSINESS GROWTH, ENHANCED EFFICIENCY, DELEVERAGING AND THE ASSET ROTATION STRATEGY



-9M18 results*-

- **Group revenue increased by 3.6% (+5.5% in constant currency terms) to €1.2 billion, driven by business momentum in Europe, which more than offset the impacts of adverse currency evolution in Latin America and the hotels under refurbishment in 2018**

- **Outperformance relative to its competitors in the main destinations where the Group operates fuelled growth in revenue per available room (RevPAR) of 2.0%, shaped mainly by growth in the ADR of 1.5%**

- **The effective combination of revenue growth and cost control drove EBITDA(1) to €187 million, up €17 million from the first nine months of 2017, implying a revenue growth-to-EBITDA(1) conversion ratio of 41%**

- **The reduction in interest expense on the back of the deleveraging effort led to significant growth in recurring net profit to €51 million, year-on-year growth of nearly 100%, such that bottom-line expansion considerably outpaced EBITDA(1) growth**

- **Reported net profit came in at a record €100 million, up €75 million year-on-year, underpinned by business momentum, improved efficiency and the contribution of the asset rotation initiatives undertaken in 2018**

- **Solid operating cash flow generation left the Group with a cash balance of €273 million, reducing net debt to €208 million**

(1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales
*Note: The income statement figures exclude the accounting impact of hyperinflation (IAS 29) outlined on page 4(*).

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-Positive guidance for 2018*-

- **Thanks to the favourable trend in the hotel business so far this year, combined with the positive outlook, the Company is in a position to reiterate its guidance for EBITDA(1) of €260 million this year and for a significant reduction in net financial debt leverage to 0.8-1.0x by year-end (initial objective announced at the beginning of the year: 1.0-1.2x)**

-Minor International-

- **The acceptance period for the public tender offer presented by Minor International closed with the latter holding 94.1% of the Company's share capital. Minor International is already working with NH Hotel Group on defining the new business plan and identifying synergies derived from the complementary nature of the two businesses with the aim of maximising shareholder value**

Madrid, 12 November 2018. Today, NH Hotel Group presented its earnings results for the first nine months of 2018. The results extend the Company's healthy performance in the first half of the year, and show a solid revenue growth, outperformance relative to its direct competitors in its main destinations, efficient cost control and the fruits of the efforts made to boost the Group's financial solvency.

NH Hotel Group's CEO, Ramón Aragonés, said "*Quarter after quarter we continue to beat the profitability and deleveraging guidance we had committed to, thus making the most of the improved business momentum and enhanced financial liquidity and evidencing our efficient business management. The solidity of our business model coupled with the potential for synergies via our new shareholder Minor International will allow us to face the upcoming years with greater guarantees of success.*"

-9M18 results*-

Consolidated revenue grew once again in the first nine months of the year, by 3.6% (+5.5% in constant currency terms), to **€1.2 billion**.

The year-on-year topline growth of €41 million was underpinned by strong hotel business momentum in Europe, with **Benelux, Italy and Central Europe standing out, where like-for-like revenue growth was 7.0%, 4.4% and 3.1%, respectively**. **Spain reported revenue growth of 0.7%**, despite a tough comp shaped by an exceptional performance last year on the back of one-off conferences in Madrid and market weakness in Barcelona this year. Excluding the latter effect, like-for-like revenue growth in Spain would have been 2.0%. Lastly, **Latin America was affected by exchange rate effects**, albeit registering like-for-like revenue growth of **16.1% in constant currency terms**.

(1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales
*Note: The income statement figures exclude the accounting impact of hyperinflation (IAS 29) outlined on page 4(*).

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The price management strategy deployed year-to-date has translated into growth in **revenue per available room (RevPAR) of 2.0%,** driven mainly by price growth of 1.5% and by an increase in occupancy of 0.5%.

The **Company once again outperformed its direct competitors in its main destinations as a whole,** specifically posting growth in its **RevPAR that was 1.7 percentage points higher** than that of its competitors.

9M18	% chg. in ADR		Relative chg. in	Relative chg. in	% chg. in RevPAR		Relative chg. in
	NH	Compset	ADR	occupancy	NH	Compset	RevPAR
Total NH	**2.6%**	**1.4%**	**1.1pp**	**0.5pp**	**4.8%**	**3.2%**	**1.7pp**
Spain	-1.7%	-2.7%	1.0pp	0.0pp	0.0%	-1.0%	1.0pp
Italy	5.4%	1.4%	4.0pp	2.9pp	8.5%	1.4%	7.1pp
Benelux	4.0%	4.8%	-0.9pp	2.0pp	8.8%	7.5%	1.2pp
Central Europe	4.0%	2.1%	1.9pp	-1.5pp	4.2%	3.9%	0.3pp

Key cities for which there is a market source for this metric
Source: STR/MKG/Fairmas (average growth for the peer group)

New destinations, asset quality and service innovation

In addition to **opening nine hotels in Europe and Latin America under the NH Collection and NH Hotels brands, nhow was also reinforced** during the reporting period by the inauguration of its first hotel in France (nhow Marseille) and the selection of Rome and Brussels as its next destinations. Those two new destinations join this avant-garde hotel concept's rich pipeline, which also includes establishments under development in London, Amsterdam, Frankfurt, Santiago de Chile and Lima.

In parallel, the Company continued to raise the quality of its asset portfolio during the period with the **refurbishment of 16 hotels** located in Germany, Austria, Spain, the Netherlands, Italy, the US and Colombia.

The **NH Collection** brand, with its 78 hotels and 12,344 rooms (21% of the portfolio) continues to demonstrate its full potential in terms of guest satisfaction and premium pricing (40% higher than the ADR obtained by the NH Hotels brand).

Elsewhere, the Company once again embraced pioneering technology in the hotel sector when it became the first European urban hotel chain to offer the combination of three innovative services - **Check-in Online, Choose Your Room and Check-out Online -** under its newly launched *FASTPASS* proposal.

The series of measures designed to improve its hotels and the services the Company provides, have translated into a continued **high level of perceived quality**, as is evident in the trend in the feedback left by guests on the various review sites (average score on Trip Advisor and Google Reviews: 8.4).

Efficient operating management and significant growth in profits

Thanks to the combination of growth in revenue and efficient management of operating expenses, the **Company delivered EBITDA(1) of €187 million, growth of €17 million or 10% year-on-year** and implying a **margin of 15.7%**. As a result, the ratio of incremental revenue-to-EBITDA(1) stood at 41%.

Stronger business momentum and lower finance costs on the back of lower indebtedness drove a significant **increase of €23.7 million, or nearly 100%, in recurring net profit to €50.7 million**, so that growth in the bottom line outpaced the increase in EBITDA(1).

Reported net profit amounted to a record €99.6 million, up €75.1 million from 9M17, boosted by higher after-tax gains on asset disposals in 9M18. Note that in the first quarter of this year, the Company closed an agreement for the sale and subsequent leaseback of the building that houses the NH Collection Barbizon Palace in Amsterdam.

NH Hotel Group's consolidated income statement*:

NH HOTEL GROUP P&L ACCOUNT

(€ million)	9M 2018*	9M 2017 (2)	Var.	
	€ m.	€ m.	€ m.	%
TOTAL REVENUES	1.196,9	1.155,7	41,2	3,6%
GROSS OPERATING PROFIT	435,9	406,4	29,5	7,2%
EBITDA BEFORE ONEROUS (1)	187,4	170,4	17,0	10,0%
NET RECURRING INCOME	50,7	27,1	23,7	87,5%
NET INCOME including Non-Recurring	99,6	24,4	75,1	N/A

***The income statement figures exclude the impact of IAS 29 accounting standard (regarding the financial reporting in hyperinflationary economies)**: The application of this standard impacts the Group's results in Argentina since 1 January 2018. Factoring in the impact of this accounting standard, total Group revenue amounts to €1.19 billion, EBITDA to €185.3 million and total net profit to €106.5 million.*

(1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales
(2) From Q2 2018, rebates from procurement have been reclassified as less cost of procurement instead of an income in the total revenue figure (Q1 2018 and 2017 figures also reclassified for comparison purposes)
*Note: The income statement figures exclude the accounting impact of hyperinflation (IAS 29) outlined on page 4(*)

Reduction in net financial debt

Solid operating cash flow generation and the asset rotation strategy carried out in the period left the Group with **a cash balance of €273 million**. This, coupled with the early conversion of the Group's €250 million of convertible bonds, enabled a **significant reduction in net financial debt to €208 million, down €447 million from year-end 2017** (€655 million).

Due to the change of control at the Company as a result of the takeover bid presented by Minor International, in early November, NH Hotel Group offered the holders of €400 million of bonds the option to redeem their bonds at 101% of nominal amount. Holders of bonds with a face value of €3.2 million took tendered their bonds.

-Positive guidance for 2018*-

The Group's healthy performance during the first nine months of the year combined with the positive outlook puts the Company in a position to reiterate its guidance for **EBITDA[(1)] of €260 million in FY18 and for a significant reduction in net financial debt leverage to 0.8-1.0x by year-end** (initial objective announced at the beginning of the year: 1.0-1.2x).

-Minor International takeover bid-

The period for accepting the public tender offer concluded on 22 October 2018, as a result of which Minor International currently owns 369.2 million NH Hotel Group shares, giving it an equity interest of 94.1%. Minor International has begun to work with NH Hotel Group on defining a new business plan and identifying synergies derived from the complementary nature of the two businesses with the aim of maximising shareholder value.

(1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales
*Note: The income statement figures exclude the accounting impact of hyperinflation (IAS 29) outlined on page 4(*).

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APPENDIX: Hotel business performance in 9M18 by market

RevPAR figures: like-for-like hotel data + hotels under refurbishment
EBITDA figures: recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales
**Note: The income statement figures exclude the accounting impact of hyperinflation (IAS 29) outlined on page 4(*).*

Spain reported revenue growth of 0.7%, despite a tough comp shaped by an exceptional performance last year and market weakness in Barcelona this year. Excluding the latter effect, like-for-like revenue growth in Spain would have been 2.0%. Note that revenue growth in Madrid was 0.8% notwithstanding the strong conference line-up in 2017. RevPAR in Spain contracted a slight 0.6% due to the drop in ADR (-1.0%) and the increase in occupancy (+0.4%). As a result, EBITDA in Spain amounted to €45.5 million in 9M18.

Benelux was the best-performing unit in 9M18, posting exceptional growth in RevPAR in Brussels (+14.3%), Amsterdam (+7.0%) and the secondary cities (+7.9%), so that RevPAR across the region rose by 8.1% (growth in the ADR and occupancy rate of 4.6% and 3.3%, respectively). Like-for-like revenue, including that of properties under refurbishment, totalled €258.2 million in 9M18, up €16.7 million year-on-year. EBITDA in the region was 12.6% higher at €52.3 million.

Italy also performed extremely well, reporting RevPAR growth of 4.7%, fuelled by price expansion of 3.2% and growth in the occupancy rate of 1.5%. The performances in Rome, Milan and the secondary cities stand out. Like-for-like revenue in this market, plus revenue at the hotels under refurbishment, totalled €217.1 million, up €7.8 million year-on-year. EBITDA in Italy was €7.3 million higher year-on-year at €48.3 million.

In **Central Europe**, RevPAR was 2.5% higher, shaped by price growth of 2.4% and stable occupancy (0.1%). Like-for-like revenue in this region increased by 3.5% to €283.5 million. EBITDA in Central Europe was €20.4 million (+16,3 %), up €2.9 million from 9M17.

The trend in **Latin America** was positive in constant currency terms: like-for-like revenue growth of 16.1%. The adverse impact of currency effects in Argentina, Colombia and Mexico are entirely responsible for the 8.6% contraction in RevPAR in this region. EBITDA in Latin America was €17.9 million, growth of 0.8% from 9M17.

About NH Hotel Group

NH Hotel Group (www.nhhotelgroup.com) is a world-leading urban hotel operator and a consolidated multinational player. It operates close to 400 hotels and almost 60,000 rooms in 29 markets across Europe, the Americas and Africa, including top city destinations such as Amsterdam, Barcelona, Berlin, Bogota, Brussels, Buenos Aires, Düsseldorf, Frankfurt, London, Madrid, Mexico City, Milan, Munich, New York, Rome and Vienna.

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NH Collection Amsterdam Doelen

9M 2018 RESULTS PRESENTATION

NH | HOTEL GROUP

NH HOTELS   NH COLLECTION HOTELS   nhow HOTELS

12th of November 2018

Message from the CEO

NH | HOTEL GROUP

"Dear Shareholders,

*I am delighted to present another **solid set of results** in line with the performance of the first semester. The Group's positive operating trend continues with **revenue up +3.6%** despite 2018 reforms and currency evolution for the nine month period. **With constant FX, revenue grew +5.5%.***

***Solid revenue performance in Europe with a LFL growth of +3.6%** in the first nine months and in particular strong evolution in Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%) comparison affected by the remarkable growth of last year.*

***9M EBITDA increased by +€17m (+10%) reaching €187m.** Constant focus on efficiency leads to a +0.9 p.p. margin improvement up to 15.7%.*

***The solid operating cash flow generation allows to reach a cash position of €273m as of 30th September**, bringing down NFD to (€208m).*

***Net Recurring Income increased by +€24m** (higher that EBITDA growth) **reaching €51m**. Total Net Income amounted €100m, positively impacted by net capital gains from asset rotation.*

***Current strong trading in Q4 allow us to confirm the €260m EBITDA guidance for 2018**. The strong deleverage achieved has concluded the debt reduction process initiated in 2015, reaching a **net financial debt ratio between 0.8x and 1.0x at the end of 2018E** vs. 5.6x at the end of 2015.*

*Finally, regarding the **Tender Offer by Minor International Group, 88.85% of the shares addressed have tendered the Offer, reaching a 94.1% of the share capital of NH Hotel Group**. **Management team of NH has started to work with Minor International** to define the Strategic Plan of NH to unlock value-accretive benefits across both complementary businesses, **with the aim of maximizing shareholder value**."*

Ramón Aragonés
CEO, NH Hotel Group

Note: Hyperinflation accounting (IAS 29) not included in business performance figures. See page 3 for financial impacts

9M 2018 highlights

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- **9M: Revenue growth of +3.6% reaching €1,197m (+€41m). With constant FX, revenue grew +5.5%**
  - Sound performance in Europe, with a Revenue Like for Like ("LFL") growth of +3.6%
    - Strong performance in Benelux (+7.0%) and Italy (+4.4%)
  - RevPAR: +2.0%, 73% through ADR which grew (+1.5%; €97)
- **Q3: Revenue growth of +2.9% reaching €411m (+€12m). With constant FX, revenue grew +5.0%**
  - LFL Revenue: +4.3% with constant FX. Solid performance in Benelux (+6.4%) and Central Europe (+4.8%).
  - RevPAR: +2.0%, 85% through ADR which grew (+1.7%)
- **9M Recurring EBITDA[(1)] of €187m (+€17m; +10%) with a margin improvement of +0.9 p.p. to 15.7%**
  - 41% EBITDA conversion rate. Excluding perimeter changes and reforms, LFL conversion rate reached 62%
- **Significant Net Recurring Income growth in 9M (+€24m) reaching €51m** due to the business improvement and lower financial costs
- **Total Net Income reached €100m,** boosted by the higher contribution of net capital gains from asset rotation

- **Deleverage target achieved**
  - Net financial debt decreased to (€208m) as of 30th September 2018 from (€655m) as of 31st Dec. 2017
  - Solid cash position: €273m
  - Change of Control related to debt instruments:
    - Waiver from €250m RCF obtained by unanimity of lenders on 6 September 2018
    - €400m Bond 2023: NH offered 101% repurchase of all 2023 Bond. The tendered amount reached €3.2m of total nominal
- **Update of Financial targets (2018E)**
  - €260m EBITDA[(1)] confirmed
  - New range 0.8-1.0x net financial debt ratio vs prior 1.0-1.2x
- **Impacts since 1 January 2018 of the implementation of accounting standard IAS 29 regarding hyperinflation in Argentina vs. business performance of 9M 2018:**
  - Revenues: -€7.0m
  - EBITDA: -€2.0m
  - Total Net Income: +€7.0m, mainly explained by revaluation of fixed assets in Argentina
  - Balance Sheet: +€43m in net equity due to the historic revaluation of assets including deferred tax and minorities

Note: Hyperinflation accounting (IAS 29) not included in business performance figures

(1) Recurring EBITDA before onerous reversal and capital gains from asset disposals and excluding IAS 29 impact

Key financial metrics

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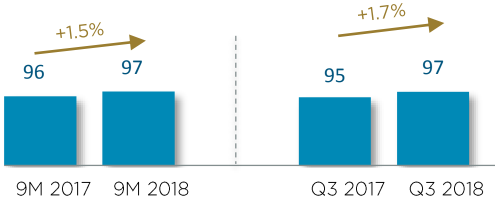
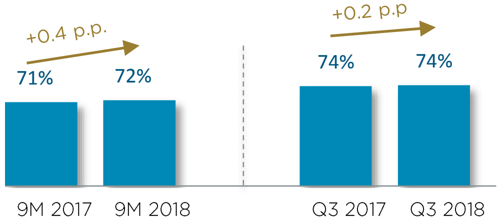
ADR (€)

- 9M: +1.5% price increase (+€1.4) reaching €97 contributing with 73% of RevPAR growth. Remarkable growth in Benelux (+4.2%) and Italy (+3.5%)
- Q3: +1.7% price increase (+€1.6; 85% of RevPAR growth). Notable growth in Central Europe (+5.7%)



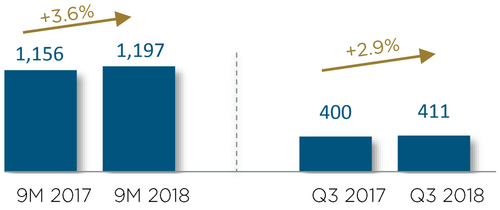
Occupancy (%)

- 9M: +0.5% activity increase (+0.4 p.p.) up to 72%. Strong demand growth in Benelux (+2.7%) boosted by Brussels recovery
- Q3: +0.3% activity increase (+0.2 p.p.) up to 74%



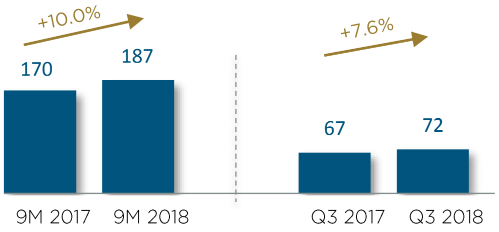
Revenues [1] (€m)

- 9M: +€41m revenue growth (+3.6%) despite 2018 reforms. Strong performance in Benelux and Italy
- Q3: +€12m (+2.9%). Solid growth in Benelux and Central Europe



Recurring EBITDA [2] (€m)

- 9M: +€17m (+10.0%) due to a 41% revenue conversion rate reaching €187m and a margin of 15.7% (+0.9 p.p.)
- Q3: +€5m (+7.6%) with a 17.6% margin (+0.8 p.p.)



Note: Hyperinflation accounting (IAS 29) not included in business performance figures

[1] From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 2017 figures also reclassified)

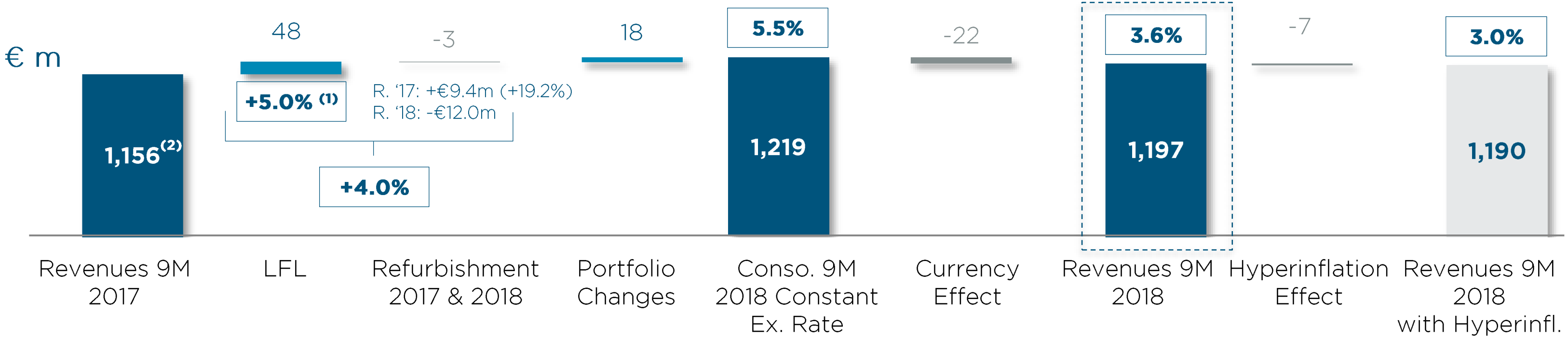
[2] Recurring EBITDA before onerous reversal and capital gains from asset disposals

Solid revenue performance in 9M 2018

- **Total Revenue growth of +3.6% reaching €1,197m (+€41m), despite 2018 reforms (-€12m) and the negative currency effect (-€22m). +5.5% revenue growth at constant exchange rate**
  - Revenue Like for Like ("LFL"): +5.0% with constant FX (+2.5% reported):
    - Sound performance in Europe with a growth of +3.6%. Strong performance in Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%; +2.0% excluding Barcelona) affected by the remarkable 9M 2017 LFL growth (+11%) and Barcelona evolution
  - Including the refurbished hotels, LFL&R grew +4.0% with constant FX (+2.0% reported)
    - 2017 refurbished hotels increased revenues by +€9.4m (+19.2%)
    - 2018 opportunity costs for renovations (-€12.0m): mainly from New York hotel (included in Spain B.U.), Central Europe and Italy
  - **Including hyperinflation** accounting effect (IAS 29) related to Argentina **revenue growth is +3.0%**

Revenue Split	Var. 9M 2018
Available Rooms	+1.9%
RevPAR	+2.0%
Room Revenue	+4.0%
Other Revenue	+1.8%
Total Hotel Revenue	**+3.4%**
Non Hotel Revenue*	+€1.7m
Total Revenue	**+3.6%**

* Other + Capex Payroll Capitalization



Growth Contribution +4.2% + -0.2% + +1.5% = +5.5% + -1.9% = +3.6% + -0.6% = +3.0%

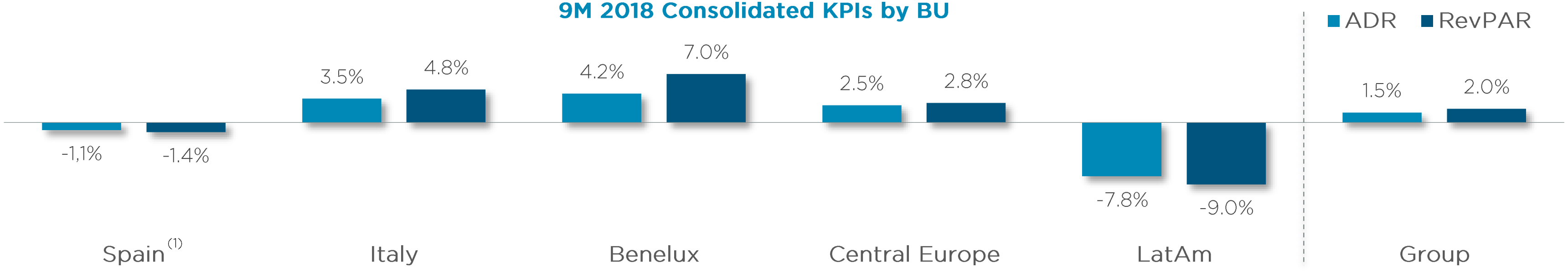
(1) On its 2017 own base. With real exchange rate growth is +2.5%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

RevPAR growth supported by ADR (73% contribution)

- **+2.0% RevPAR increase in 9M 2018, 73% through ADR**
  - Outstanding RevPAR growth in Benelux (+7.0%) and Italy (+4.8%)
  - ADR: +1.5% price increases (+€1.4) reaching €97. Remarkable growth in Benelux (+4.2%), Italy (+3.5%) and Central Europe (+2.5%). Spain affected by 2018 reforms and the remarkable 2017 evolution
  - Occupancy: +0.5% activity increase (+0.4 p.p.) reaching 71.6%. All regions increasing activity levels except LatAm (-1.5%) and Spain (-0.3%) highlighting the demand growth in Benelux (+2.7%) boosted by Brussels recovery
- **LFL (excluding reforms) RevPAR grew +2.7% in 9M**
  - Spain (0%): Madrid (flat) impacted by the strong congress calendar of 2017 and Barcelona (-6%) explained by the lower domestic leisure demand due to the political situation. Solid growth in secondary cities (+4%)
  - Italy (+5%): Excellent evolution of Rome (+10%), Milan (+4%) and secondary cities (+5%)
  - Benelux (+8%): Outstanding growth in Brussels (+14%; 75% through occupancy), Amsterdam (+7%) and Dutch secondary cities (+8%)
  - Central Europe (+3%): positive trade fair calendar in cities like Munich (+15%), Berlin (+13%) and Frankfurt (+9%). Secondary cities (+1%)
  - LatAm (-9%; real exchange rate): Buenos Aires -0.5%, Mexico DF -9% and Bogota -11%. All regions impacted by strong negative currency effect

9M 2018 Consolidated KPIs by BU



(1) Includes France and New York. Spain ADR -0.6% and RevPAR -0.5%

Focus on market share and quality

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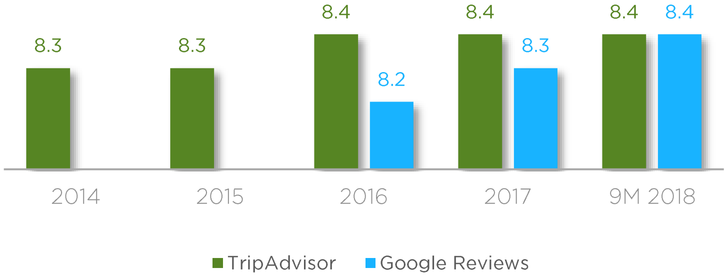
- **Relative RevPAR outperformance of +1.7 p.p. in top cities vs. competitors** through higher ADR (+1.1 p.p.) and relative occupancy (+0.5 p.p.)

9M 2018	ADR % var. NH	ADR % var. Comp.Set	"Relative" ADR Var.	"Rel." Occupancy Var.	"Rel." RevPAR Var.
Spain	-1.7%	-2.7%	1.0 p.p.	0.0 p.p.	1.0 p.p.
Italy	5.4%	1.4%	4.0 p.p.	2.9 p.p.	7.1 p.p.
Benelux	4.0%	4.8%	-0.9 p.p.	2.0 p.p.	1.2 p.p.
Central Europe	4.0%	2.1%	1.9 p.p.	-1.5 p.p.	0.3 p.p.
Total NH	**2.6%**	**1.4%**	**1.1 p.p.**	**0.5 p.p.**	**1.7 p.p.**

Source: STR/MKG/Fairmas Competitive Set Average Growth

- **Focus on quality**

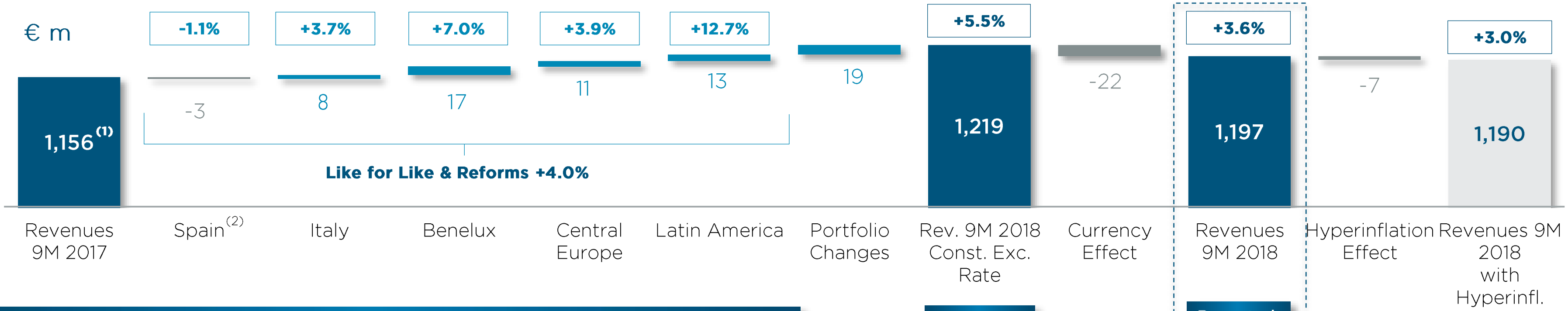


- Outstanding performance in Italy with a relative RevPAR of +7.1 p.p. explained by higher relative ADR and occupancy boosted by the excellent performance of Rome
- Good result in Benelux with a relative RevPAR of +1.2 p.p. as a result of higher relative occupancy
- Central Europe: +0.3 p.p. relative RevPAR variation due to higher ADR with main cities reporting positive evolution
- Spain: +1.0 p.p. relative RevPAR outperformance explained by lower ADR decrease and similar relative occupancy
- **Strong performance in:**
  - **Barcelona:** Relative ADR +1.1 p.p.; RevPAR +4.0 p.p.
  - **Amsterdam**: Relative RevPAR +2.7 p.p.; Occupancy +3.4 p.p.
  - **Munich:** Relative RevPAR +8.9 p.p.; Occupancy +6.8 p.p.
  - **Vienna:** Relative ADR +5.5 p.p.; RevPAR +5.7 p.p.
  - **Rome:** Relative ADR +8.0 p.p.; RevPAR +15.7 p.p.

- NH Hotel Group has focused its efforts on measuring quality using new sources of information and surveys with an important increase of both the volume of reviews and evaluations received

Sound revenue performance in all key markets

- **Spain:** positive +0.7% LFL growth (+2.0% excluding Barcelona) despite the remarkable 9M 2017 performance (+11% in LFL) and Barcelona (-4.4%) evolution. Madrid grew +0.8% despite by the strong congress calendar of 2017. Including reforms total revenue declined -1.1% mainly explained by NY refurbishment (-€6.7m)
- **Italy:** remarkable +4.4% growth in LFL with a strong performance of Rome (+9.5%). Sound growth in Milan (+4.5%) despite negative fair calendar in Q3. Including hotels under reform in Rome and Milan with an opportunity cost of -€2.4m, LFL&R grew +3.7%
- **Benelux:** outstanding +7.0% LFL growth partially driven by the recovery in Brussels (+13.1%). Strong performance in Amsterdam (+6.9%) and secondary cities (+4.9%). Total revenue +12.9% benefiting from the opening of 2 leased hotels in Brussels and 1 in Eindhoven
- **Central Europe:** Positive LFL increase (+3.1%) due to a slightly favorable trade fair calendar. Including the refurbished hotels in 2017 and the opportunity cost in 3 hotels under refurbishment in 2018 totaling -€4.9m, revenue increased +3.9% in LFL&R. Total revenue of +3.0% impacted by the exit of 1 hotel in 2017
- **LatAm:** +12.7% growth in LFL&R with constant exchange rate (-7.8% reported). By regions, Mexico increased revenues +5% at constant exchange rate and including the negative currency evolution (-8%) reported revenues decreased -3%. Argentina grew +52% in local currency and including the -64% currency evolution, reported figure is -7%. Hoteles Royal revenue decreased -2% in local currency and including the -6% currency evolution, reported figure is -7%



Revenue LFL	+0.7%	+4.4%	+7.0%	+3.1%	+16.1%
Total Revenue	-1.1%	+4.8%	+12.9%	+3.0%	+15.2%

Ex-Currency
+5.0%
+5.5%

Reported
+2.5%
+3.6%

(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

(2) Includes France and New York.

9M 2018 EBITDA increased +10%

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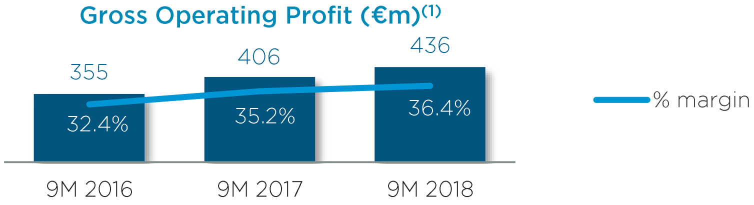
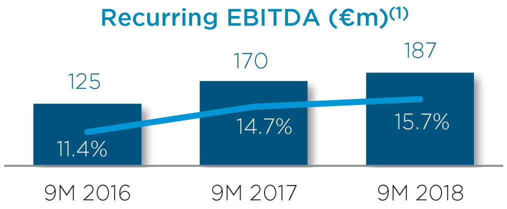
€ million / Recurring Activity	9M 2018 (1) €m.	9M 2017 €m.	VAR. €m.	VAR. %.	9M 2018 with Hyperinflation €m.	9M 2018 with Hyperinflation %.
TOTAL REVENUES	**1,196.9**	**1,155.7**	**41.2**	**3.6%**	1,190.0	3.0%
Staff Cost	(402.4)	(396.2)	(6.2)	1.6%		
Operating expenses	(358.7)	(353.1)	(5.6)	1.6%		
GROSS OPERATING PROFIT	**435.9**	**406.4**	**29.5**	**7.2%**		
Lease payments and property taxes	(248.5)	(236.0)	(12.4)	5.3%		
EBITDA BEFORE ONEROUS	**187.4**	**170.4**	**17.0**	**10.0%**	185.3	8.8%

- **Cost control** in 9M 2018 **despite the occupancy growth (+0.5%)**
  - +1.6% increase in **Payroll cost** and +1.6% in **Operating Expenses** due to new openings. Impact of perimeter changes (openings and closings) fully explains the increase of staff costs and Operating expenses
- Improvement in GOP of +€29.5m (+7.2%). GOP margin improved by +1.2 p.p. reaching 36.4% due to a sound conversion rate of 71%
- Lease payments and property taxes increased -€12.4m (+5.3%). Perimeter changes and 2017 reforms explain respectively 37% and 14% of the increase. Variable lease components explain 19% of the total increase
- **Recurring EBITDA before onerous in 9M 2018 reached €187.4m (+€17.0m; +10.0%)** with a 41% conversion rate from incremental revenue to EBITDA affected by new openings. Excluding perimeter changes and reforms, LFL conversion rate reached 62%. EBITDA margin improved by +0.9 p.p. to 15.7%.
  - **Including hyperinflation** accounting standard effect (IAS 29) **recurring EBITDA reached €185.3m** (+€15.0m; +8.8%)





(1) Excluding hyperinflation accounting effect (IAS 29)

Significant improvement in Net Recurring Income

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€ million	9M 2018 [(1)] €m.	9M 2017 €m.	VAR. €m.	VAR. %.
EBITDA BEFORE ONEROUS	**187.4**	**170.4**	**17.0** [1]	**10.0%**
Margin % of Revenues	15.7%	14.7%		0.9 p.p.
Onerous contract reversal provision	1.9	3.1	(1.2)	-39.2%
EBITDA AFTER ONEROUS	**189.2**	**173.4**	**15.8**	**9.1%**
Depreciation	(82.3)	(81.0)	(1.3) [2]	1.6%
EBIT	**107.0**	**92.5**	**14.5**	**15.7%**
Interest expense	(24.9)	(41.5)	16.6 [3]	-40.0%
Income from minority equity interest	(0.1)	0.0	(0.1)	N/A
EBT	**82.0**	**51.0**	**31.0**	**60.9%**
Corporate income tax	(29.0)	(21.2)	(7.8) [4]	36.6%
NET INCOME BEFORE MINORITIES	**53.0**	**29.7**	**23.3**	**78.3%**
Minorities interests	(2.3)	(2.7)	0.4	-14.9%
NET RECURRING INCOME	**50.7**	**27.1**	**23.7** [5]	**87.5%**
Non Recurring EBITDA[(2)]	101.4	8.8	92.6	N/A
Other Non Recurring items[(3)]	(52.5)	(11.4)	(41.1) [6]	N/A
NET INCOME INCLUDING NON-RECURRING	**99.6** [7]	**24.4**	**75.1**	**N/A**
TOTAL NET INCOME WITH HYPERINFLATION	**106.5** [8]	**24.4**	**82.1**	**N/A**

[(1)] Excludes hyperinflation accounting effect (IAS 29) unless it is included

[(2)] Includes gross capital gains from asset rotation

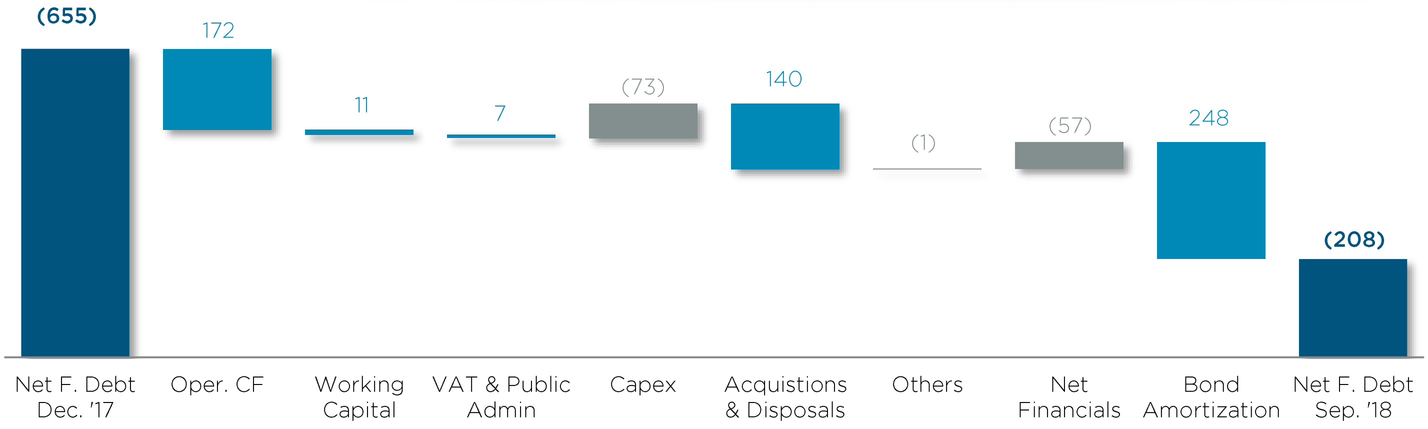
[(3)] Includes taxes from asset rotation

1. **Recurring EBITDA before onerous reached €187.4m (+€17.0m; +10.0%). Including hyperinflation** accounting standard (IAS 29) **recurring EBITDA reached €185.3m**
2. **Depreciation:** increase of -€1.3m due to 2017-2018 repositioning capex
3. **Financial Expenses:** decrease of +€16.6m mainly due to:

- Refinancing April 2017 (TAP €115m 2023 Bond & €150m 2019 Bond repayment): +€1.7m net coupon savings and +€3.2m in arranging expenses savings
- Full redemption 2019 Bond in Nov. 2017 (€100m): net coupon savings +€5.1m
- Early redemption convertible bond: coupon savings (+€3.9m) and write off equity portion & arranging expenses reported as financial expense (-€0.9m). Annual cash savings €10m from 2019
- The rest is mainly explained by the dollarization of cash balances in Argentina, which given the depreciation of ARS versus USD, generates a financial income

4. **Taxes:** The higher Corporate Income Tax (-€7.8m) is mainly explained by a better EBT performance (-€8.6m) partially compensated by lower adjustment for non-deductible financial expenses (+€0.7m)
5. **Net Recurring Income:** significant growth of +€23.7m (higher than EBITDA growth) reaching €50.7m due to business improvement and lower financials (€56.5m including hyperinflation accounting standard effect (IAS 29))
6. **Non Recurring Items:** mainly net capital gains from asset rotation (+€66m), partially offset by accelerated depreciation (-€12m) due to repositioning capex investments and redundancy payments of the efficiency plan (-€3m)
7. **Total Net Income reached €99.6m**, +€75.1m higher than in 9M 2017, affected by the higher contribution of net capital gains from asset rotation
8. **Including hyperinflation** accounting standard (IAS 29) **Total Net Income of €106.5m** positively affected by the revaluation of fixed assets in Argentina

Cash Flow Evolution



Financial Position: 30th September 2018
Gross Financial Debt: (€482m)
Cash: €273m
Net Financial Debt: (€208m)(1)

Treasury Stock in Balance Sheet not included in cash position
Number of shares: 0.6m

- **(+) Operating Cash Flow:** +€172.0m, including -€12.6m of credit card expenses and taxes paid of -€18.9m (excluding -€23.5m CIT Barbizon)
- **(+) Working Capital:** strong working capital management with focus on overdue recovery and DSR
- **(-) Capex payments:** -€73.5m in 9M 2018 due to the deployment of the capex throughout the year (2018 guidance c.€125m. Estimated final figure to be lower due to some calendar payments between the end of the year and beginning 2019)
- **(-) Other:** payment of severance and legal provisions
- **(+) Acquisitions & Disposals:** mainly +€130.6m Barbizon S&LB in Q1 (net of €23.5m taxes paid in 9M. €9m pending to be paid in Q4). The rest corresponds to other asset rotation transactions and second payment of Hesperia contract
- **(-) Net Financials & Dividends:** -€57.2m, including -€16.9m net interest expense and -€39.8m dividend payment (-€0.6m minority dividend)
- **Early Redemption Convertible Bond (€250m)** in June 2018. €1.7m paid in cash

(1) NFD excluding accounting adjustments arrangement expenses €15.7m, accrued interest -€7.9m and (2) IFRS 9 adjustment €7.7m. Including these accounting adjustments, the Adj. NFD would be (€193m) at 30th September 2018 and (€637m) at 31st Dec. 2017

(2) IFRS 9: The new IFRS 9 regulation about Accounting Treatment of Financial Assets and Liabilities has become enforceable on the 1st of January 2018. The application of this accounting rule as a result of the better refinancing conditions achieved in 2017, compared with the previous conditions, has involved an impact in NH Hotel Group of €8.6m as of the 1st of January 2018 (€7.7m as of 30th September 2018 as per the financial expense)

Strong deleverage achieved & Rating improvement

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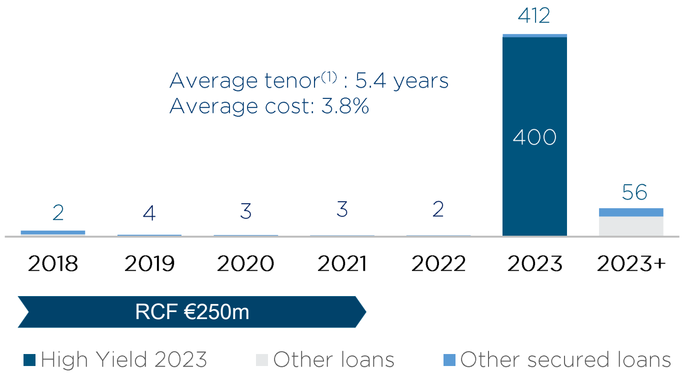
Debt Maturity Profile
30th September 2018: Gross debt (€482m)



- **Change of Control clauses:**
  - €250m RCF: Waiver obtained by unanimity of lenders on September 6th. Maturity preserved in 2021
  - €400m Bond 2023: NH has offered bond-holders to repurchase all outstanding 2023 Bond at 101% of principal amount. The tendered amount reached €3.2m of total nominal

Rating Improvement

Rating	NH	2023 Bond
S&P	B ⬆	BB-
Fitch	B+ ⬆	BB
Moody's	B1	Ba3

⬆ Positive Outlook

S&P Global

- On March 23rd, S&P **revised the outlook on NH Hotel Group to positive from stable**

FitchRatings

- On March 28th, Fitch **upgraded the Corporate rating to 'B+' from 'B', and maintained the Positive Outlook**. Secured debt rating also upgraded from 'BB-' to 'BB'

Moody's

- On May 11th, Moody´s **upgraded the corporate family rating of NH Hotel Group to 'B1' from 'B2'** and changed the outlook from positive to stable

(1) Excluding subordinated debt (2023+)

Tender offer by Minor International Group

- **Addressed to the entire share capital** of NH excluding the shares owned by Minor International (46.4%)
- **Acceptance period:** 8th October – 22nd October
- **Tender Results acceptance (26th October):** 187.3 million shares, representing 88.85% of the shares addressed
- **Settlement:** 31st October

After the Tender Offer Minor International owns 369.2 million shares of NH Hotel Group representing 94.1% of the share capital constituted by 392.2 million shares

- Management team of NH has started to work with Minor International to define the Strategic Plan of NH to unlock value-accretive benefits across both complementary businesses, with the aim of maximizing shareholder value

Change of Control: Hesperia Management Contract

Management Agreement	▪ On March 2017 NH signed a Framework Agreement with Grupo Inversor Hesperia S.A. (GIHSA) to manage 28 hotels in Spain (~4,000 rooms) for 9 years ▪ Investment by NH: €38.6m (€31m net investment due to the €7m compensation received for the early termination of the previous contract). Calendar of payments: • €17m on the date of signature • €10m on April 2018 • €11.6m on April 2019 (not disbursed) ▪ Change of Control clause incorporated in the Framework Management, with a right for NH to recover the non-amortized investment
Resolution	▪ Notification of termination sent by GIHSA on 4th September 2018 due to the expected change of control as a result of the Tender Offer by Minor International Group ▪ Contract resolution signed on 31st October 2018 with effective resolution date 30th November 2018
Compensation	▪ Return of Net Price Amount amounting €20.1m (guarantee granted within Framework Agreement signed in 2017) and withdrawal of the third payment (€11.6m on April 2019). ▪ Payment expected 30th November 2018 ▪ This Net Price return (€20.1m), together with the management fees received since 2017 (€7.5m in 2017 and €7.0m in 2018E) and Hesperia Brand repurchase (€1.4m), will allow NH to make profitable the investment made in 2017 & 2018

Annex

- Q3 Revenue:
    - Per Perimeter
    - Per B.U.
- Q3 RevPAR
- Q3 P&L

NH Collection Madrid Gran Vía

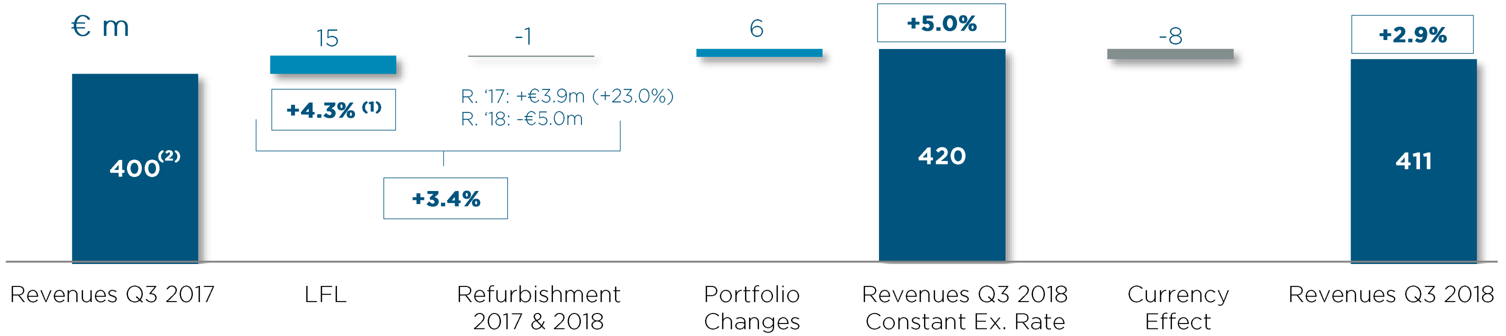
Note: Hyperinflation accounting (IAS 29) not included in business performance figures. See page 3 for financial impacts

Revenue performance in Q3 2018

- **Total Revenue growth of +2.9% reaching €411m (+€12m), despite 2018 reforms (-€5m) and the negative currency effect (-€8m). +5.0% revenue growth at constant exchange rate**
  - Revenue Like for Like ("LFL"): +4.3% with constant FX (+1.7% reported):
    - Sound performance in Europe with a growth of +2.3%. Strong performance in Benelux (+6.4%) and Central Europe (+4.8%). Italy grew +2.0% despite the negative fair calendar in Milan and Spain (-3.2%) explained by the remarkable Q3 2017 LFL growth (+12%, strong congress calendar in Madrid) and Barcelona situation
  - Including the refurbished hotels, LFL&R grew +3.4% with constant FX (+1.3% reported)
    - 2017 refurbished hotels increased revenues by +€3.9m (+23.0%)
    - 2018 opportunity costs for renovations (-€5.0m): mainly from New York hotel (included in Spain B.U.) and Central Europe

Revenue Split	Var. Q3 2018
Available Rooms	+1.5%
RevPAR	+2.0%
Room Revenue	+3.6%
Other Revenue	+0.4%
Total Hotel Revenue	**+2.8%**
Non Hotel Revenue*	+€0.6m
Total Revenue	**+2.9%**

* Other + Capex Payroll Capitalization



Growth Contribution	+3.6%	+	-0.3%	+	+1.6%	=	+5.0%	+	-2.0%	=	+2.9%

Note: Hyperinflation accounting (IAS 29) not included in business performance figures

(1) On its 2017 own base. With real exchange rate growth is +1.7%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

Revenue performance by markets

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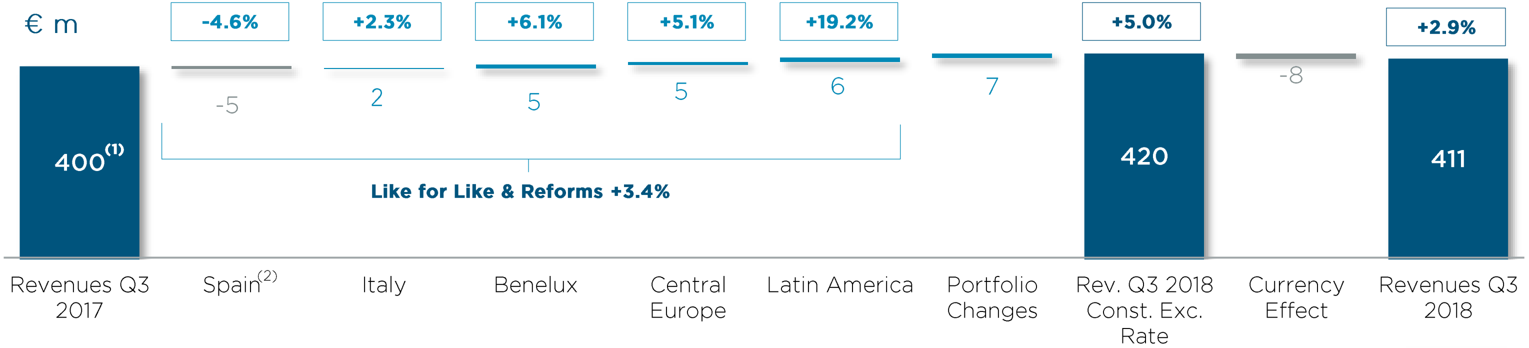
- **Spain:** -3.2% evolution on a LFL basis explained by the remarkable Q3 2017 LFL growth (+12%). Madrid declined -3.6% due to strong congress calendar in Sept. 2017 and Barcelona -8.0% due to the situation. Including reforms total revenue declined -4.6% mainly explained by NY refurbishment (-€2.5m)
- **Italy:** +2.0% growth in LFL with a strong performance in Rome (+9.0%) and secondary cities (+3.2%). Milan (-3.5%) negatively affected by the trade fair calendar in September. Including reforms and changes of perimeter total revenue grew +4.4%
- **Benelux:** outstanding LFL Revenue growth of +6.4% partially driven by the recovery in Brussels (+12.7%). Strong performance in Amsterdam (+5.9%) and secondary cities (+3.4%). Total revenue +10.9% benefiting from the opening of 2 leased hotels in Brussels and 1 in Eindhoven
- **Central Europe:** strong +4.8% LFL revenue growth due to a slightly favorable trade fair calendar and warm summer. Including the refurbished hotels in 2017 and the opportunity cost in 2 hotels under refurbishment in Q3 totaling -€2.6m, revenue increased +5.1% in LFL&R.
- **LatAm:** +19.2% growth in LFL&R with constant exchange rate (-4.8% reported). By regions, Mexico increased revenues +9% at constant exchange rate and including the negative currency evolution (-5%) reported revenues increased +4%. Argentina grew +69% in local currency and including the -85% currency evolution, reported figure is -9%. Hoteles Royal revenue decreased -4% with a flat currency evolution



	Spain	Italy	Benelux	Central Europe	Latin America	Ex-Currency	Reported
Revenue LFL	-3.2%	+2.0%	+6.4%	+4.8%	+25.2%	+4.3%	+1.7%
Total Revenue	-4.6%	+4.4%	+10.9%	+5.3%	+21.1%	+5.0%	+2.9%

Note: Hyperinflation accounting (IAS 29) not included in business performance figures

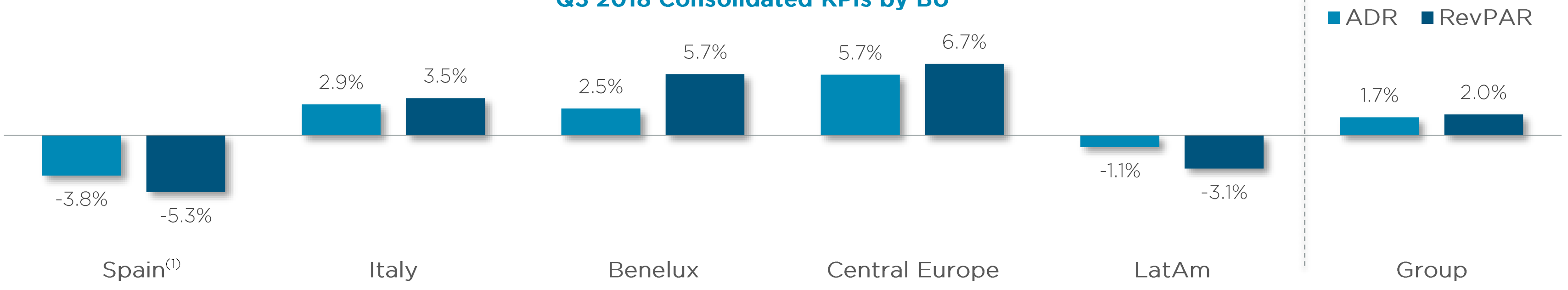
(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

(2) Includes France and New York.

RevPAR growth supported by ADR (85% contribution)

- **+2.0% RevPAR increase in Q3 2018, 85% through ADR**
  - Highlighting RevPAR growth in Central Europe (+6.7%), Benelux (+5.7%) and Italy (+3.5%)
  - ADR: +1.7% price increases (+€1.6) reaching €97. Remarkable growth in Central Europe (+5.7%) and Italy (+2.9%). Spain affected by 2018 reforms and the remarkable 2017 evolution
  - Occupancy: +0.3% activity increase (+0.2 p.p.) with strong demand growth in Benelux (+3.2%) due to Brussels recovery
- **LFL (excluding reforms) RevPAR grew +2.4%**
  - Spain (-4%): explained by the remarkable Q3 2017 (+15%). Madrid (-6%) negatively impacted by a relevant congress in September 2017, Barcelona (-11%) explained by the lower domestic leisure demand and secondary cities (+1%)
  - Italy (+3%): Good performance of Rome (+8%) and secondary cities (+5%). Milan (-4%) negatively affected by the trade fair calendar
  - Benelux (+8%): Outstanding performance in Brussels (+13%; due to higher occupancy), Amsterdam (+6%) and Dutch secondary cities (+6%)
  - Central Europe (+6%): Munich +20%, Berlin +14%, Frankfurt +7% and secondary cities (+4%) due to the favorable trade fair calendar and warm summer
  - LatAm (-2%; real exchange rate): Buenos Aires +8%, Mexico DF -7% and Bogota +5%. Argentina and Mexico impacted by strong negative currency effect

Q3 2018 Consolidated KPIs by BU



(1) Includes France and New York. Spain ADR -3.4% and RevPAR -4.8%

Significant improvement in Net Recurring Income

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€ million	Q3 2018 [1] €m.	Q3 2017 €m.	VAR. €m.	VAR. %.
TOTAL REVENUES	**411.5**	**399.8**	**11.7** [1]	**2.9%**
Staff Cost	(135.1)	(133.7)	(1.4)	1.0%
Operating expenses	(121.0)	(120.2)	(0.8)	0.7%
GROSS OPERATING PROFIT	**155.4**	**145.9**	**9.5** [2]	**6.5%**
Lease payments and property taxes	(83.0)	(78.6)	(4.4)	5.6%
EBITDA BEFORE ONEROUS	**72.4**	**67.3**	**5.1** [3]	**7.6%**
Margin % of Revenues	17.6%	16.8%		0.8 p.p.
Onerous contract reversal provision	0.6	1.0	(0.4)	-43.3%
EBITDA AFTER ONEROUS	**73.0**	**68.3**	**4.7**	**6.9%**
Depreciation	(27.7)	(27.1)	(0.6)	2.1%
EBIT	**45.3**	**41.2**	**4.1**	**10.0%**
Interest expense	(4.6)	(12.0)	7.4	-61.6%
Income from minority equity interest	(0.0)	(0.0)	0.0	N/A
EBT	**40.7**	**29.2**	**11.5**	**39.4%**
Corporate income tax	(12.1)	(9.8)	(2.3)	24.0%
NET INCOME BEFORE MINORITIES	**28.6**	**19.4**	**9.2**	**47.1%**
Minorities interests	(0.8)	(1.0)	0.2	-19.0%
NET RECURRING INCOME	**27.8** [4]	**18.4**	**9.3**	**50.6%**
Non Recurring EBITDA	15.0	(1.1)	16.1	N/A
Other Non Recurring items	(7.5)	(0.5)	(7.0)	N/A
NET INCOME including non-recurring	**35.2** [5]	**16.8**	**18.4**	**109.6%**

1. **Revenue** grew +2.9% reaching €411.5m (+€11.7m)
2. **GOP:** cost control allows to report a growth of +€9.5m in the third quarter reaching a margin of 38%
3. **EBITDA:** recurring EBITDA growth of +7.6% reaching €72.4m, which represents an increase of +€5.1m compared to Q3 2017. EBITDA margin improved +0.8 p.p. reaching 17.6%
4. **Net Recurring Income:** significant growth of +€9.3m (higher than EBITDA growth) reaching €27.8m due to the business improvement and lower financial costs
5. **Total Net Income** reached €35.2m, positively impacted by the contribution of net capital gains from asset rotation

[1] Excludes hyperinflation accounting effect (IAS 29)

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SALES AND RESULTS
Third Quarter 2018

12th November 2018

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9M 2018 Main Financial Aspects [(1)]

- **Revenue growth of +3.6%** (+5.5% at constant rates), **reaching €1.197m** (+€41m) in the first nine months of the year, despite 2018 renovations (-€12m) and negative currency impacts (-€22m).
  - In the **like-for-like** ("LFL") perimeter, excluding refurbishments and perimeter changes, revenue grew +2.5% (+5.0% at constant rates):
    - Strong evolution in Europe, with growth of +3.6%. It is worth noting the positive performance of Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%; +2.0% excluding Barcelona) was affected by the robust LFL growth in 2017 (+11%) and the situation in Barcelona.
    - Latin America was adversely affected by currency.
  - Above-market relative RevPAR growth of +1.7 p.p. in top cities, on the relative increase of ADR (+1.1 p.p.) and higher relative occupancy (+0.5 p.p.), supported by perceived quality improvements.
  - **Including hyperinflation accounting effect (IAS 29) revenue growth is +3.0%.**
  - **Q3: revenue grew +2.9%** (+5.0% at constant exchange rates) **reaching €411m** (+€12m). LFL growth in Europe was +2.3% on the strong evolution of Benelux (+6.4%) and Central Europe (+4.8%). Italy performed well (+2.0%), despite the negative impact trade fair calendar in Milan in September. Difficult comparison in Spain (-3.2%) due to a remarkable Q3 2017 LFL performance (+12%; schedule of congresses in Madrid) and the situation in Barcelona.

- **Increase in RevPAR of +2.0% in the first nine months, with ADR growth** (+1.5%; +€1.4) accounting for 73% of the RevPAR increase; **occupancy** rose +0.5% to 71.6%. It is worth noting the RevPAR growth in Benelux (+7.0%) and Italy (+4.8%). Spain had a difficult comparison (strong schedule of congresses in 2017 and the situation in Barcelona) and LatAm was adversely affected by currency.
  - **Q3:** RevPAR grew +2.0% with an 85% contribution from prices (ADR +1.7%); the occupancy rate remained stable (+0.3%). Strong RevPAR performance in Central Europe (+6.7%) and Benelux (+5.7%).

- Revenue growth together with cost controls allowed to close the first nine months of the year with **Recurring EBITDA[(2)] growth of +10%, reaching €187m,** which represents an **increase of +€17m and a margin of 15.7%** (+0.9 p.p.). **The conversion rate of incremental revenue to EBITDA is 41%**. Excluding refurbishments and perimeter changes, the LFL conversion rate reached 62%.
  - **Including hyperinflation accounting effect (IAS 29) Recurring EBITDA reached €185.3m.**
  - **Q3:** EBITDA[(2)] grew +7.6%, an increase of +€5m to €72m, while margin improved +0.8 p.p. to 17.6%.

- **Significant increase in Recurring Net Income** (+€24m, and higher than EBITDA growth), **reaching €51m in the first nine months** on business improvements and lower financial costs due to a reduction in financial indebtedness.

- **Total Net Income reached €100m,** an improvement of +€75m compared to the same period in 2017. The comparison is positively affected by the higher net capital gains from asset rotation.
  - **Total Net Income including hyperinflation accounting effect (IAS 29) would reach €106.5m.**

- **Reduction of net financial debt to €208m** (compared to €655m as of 31 Dec. 2017), following the early conversion of the Convertible Bond (€250m) in June 2018, the favourable **operating cash flow generation,** and the contribution from asset rotation strategy.

(1) Business performance figures exclude hyperinflation accounting (IAS 29) impact explained in p. 3 and p. 10.

(2) Recurring EBITDA before onerous reversal and capital gains from asset disposals and excluding IAS 29 impact

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- **Implementation of accounting standard IAS 29** (detail of financial information with impacts in annex p. 16):

  The following is an explanation of the effect on the Group's results as of 30 September 2018 on financial reporting in hyperinflationary economies. The application of this standard impacts the Group's results in Argentina and its effects on business figures from 1st January 2018 are:
  - Revenue: -€7.0m
  - Recurring EBITDA: -€2.0m
  - Total Net Income: +€7.0m, mainly explained by the revaluation of fixed assets in Argentina
  - Balance Sheet: +€43m in net equity due to the historic revaluation of assets in Argentina partly reduced by deferred tax and minorities

- **Minor International Group Takeover Bid:**

  - Offer targeting all of NH share capital, excluding shares owned by Minor International (46.4%).
  - Acceptance period: 8th October – 22nd October.
  - Offer results (26th October): acceptance of 187.3 million shares, representing 88.85% of the targeted shares.
  - Settlement: 31st October.
  - After the tender offer, Minor International holds 369.2 million shares of NH Hotel Group, representing 94.1% of the share capital comprised of 392.2 million shares.
  - Management team of NH has started to work with Minor International to define the new Strategic Plan of NH identifying synergies across both complementary businesses, with the aim of maximizing shareholder value.

- **Resolution of the management contract of Grupo Inversor Hesperia S.A. (GIHSA) due to change of control:**

  - Management contract signed in March 2017 for 28 hotels (c. 4,000 rooms) in Spain for a duration of nine years. Investment of €38.6m (€31m net investment due to the compensation of €7m received for the early termination of the previous contract). Payment schedule: €17m on the signing date, €10m in April 2018, and €11.6m in April 2019 (not disbursed).
  - Resolution: notification sent by GIHSA on 4th September 2018 due to the expected change in control resulting from the Minor International takeover bid. Contract resolution signed on 31st October 2018 with an effective resolution date of 30th November 2018.
  - Compensation: €20.1m net price return (guarantee granted in 2017) and withdrawal of NH's third payment (€11.6m) in April 2019. Reimbursement expected the 30th November 2018.
  - The net price return (€20.1m) together with the management fees received since 2017 (€7.5m in 2017 and €7m in 2018E) and the buyback of the Hesperia brand (€1.4m), allows NH to make profitable the investment made in 2017 & 2018.

2018 Outlook

- We confirm our target of **€260m EBITDA(1) and update the reduction in the net financial debt ratio to 0.8-1.0x by 31st December 2018** compared to the initial 1.0-1.2x target.

(1) Recurring EBITDA before onerous reversal and capital gains from asset disposals and excluding IAS 29 impact

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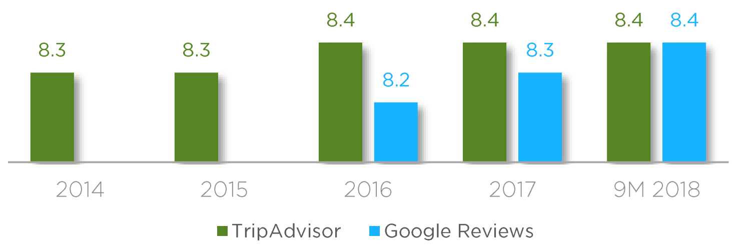
Other Highlights

- **Repositioning Plan:** In the first nine months of 2018 the following hotels are affected by refurbishments: NHC Palacio de Castellanos, NH Málaga, NH Plaza de Armas, NH Balboa, NH Imperial Playa, NH Madrid Paseo de la Habana and NH Jolly Madison Towers in the BU of Spain. NHC Milano Porta Nuova, NH Pontevecchio and NHC Roma Centro in Italy. NH Schiphol in Benelux and NH Berlin Alexanderplatz, NHC Frankfurt City, NHC München Bavaria and NH Vienna Airport, in Central Europe and NHC Bogotá WTC Royal in Latin America. The opportunity cost, as lower revenues due to the refurbishments was -€12.0m compared with the first nine months of 2017, mainly due to the refurbishments of hotels in New York, Germany and Italy.

- **Brand:** NH had 384 hotels and 59,602 rooms as of 30th September 2018, of which 78 hotels and 12,344 rooms are NH Collection (21% of the portfolio), showing in the first nine months of the year their potential both in terms of prices (+40% higher price; ADR NH Collection €124 vs ADR NH €89) and quality (with improvements also in non-refurbished hotels). NH Hotel Group focuses on quality measurement using new sources of information and surveys, thus significantly increasing both the volume of reviews and the evaluations received.



- **Pricing & Revenue Management:** Higher relative RevPAR growth of +1.7 p.p. in the main cities compared to our competitors, through higher ADR (+1.1 p.p.) and occupancy (+0.5 p.p.):
  - Outstanding growth in Italy with a relative RevPAR of +7.1 p.p. on higher ADR and occupancy, driven by the favourable performance of Rome.
  - Good results in Benelux with a 1.2 p.p. higher increase in relative RevPAR on higher occupancy.
  - Central Europe: +0.3 p.p. variation in relative RevPAR on higher ADR with the main cities showing a positive trend.
  - Spain: +1 p.p. relative RevPAR on the lower decline in ADR and similar occupancy trends.

9M 2018	ADR % var.		"Relative" ADR	"Relative" Occupancy	RevPAR % var.		"Relative" RevPAR
	NH	Compset	Var.	Var.	NH	Compset	Var.
Total NH	**2.6%**	**1.4%**	**1.1 p.p.**	**0.5 p.p.**	**4.8%**	**3.2%**	**1.7 p.p.**
Spain	-1.7%	-2.7%	1.0 p.p.	0.0 p.p.	0.0%	-1.0%	1.0 p.p.
Italy	5.4%	1.4%	4.0 p.p.	2.9 p.p.	8.5%	1.4%	7.1 p.p.
Benelux	4.0%	4.8%	-0.9 p.p.	2.0 p.p.	8.8%	7.5%	1.2 p.p.
Central Europe	4.0%	2.1%	1.9 p.p.	-1.5 p.p.	4.2%	3.9%	0.3 p.p.

- **Asset Rotation:**
  - In February 2018, the sale and leaseback of the NH Collection Amsterdam Barbizon Palace Hotel was recorded for a gross amount of €155.5m and an estimated net post-tax cash of c.€122m. Taxes will be paid during the course of 2018.
  - In addition, three hotels with 381 rooms were signed in the first nine months of 2018, two of which are leased in Hannover and Hamburg under the NH brand, and the third one under a management contract in Havana with the NH Collection brand.

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Q3 RevPAR evolution (1):

***Note:** The "Like for Like plus Refurbishments" (LFL&R) criteria includes hotels renovated in 2017 and 2018*

NH HOTEL GROUP REVPAR Q3 2018/2017

	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2018	2017	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Spain & Others LFL & R (2)	11,052	11,300	74.7%	75.6%	-1.2%	93.3	96.7	-3.6%	69.7	73.1	-4.7%
B.U. Spain Consolidated (2)	11,587	11,745	74.7%	75.9%	-1.6%	93.4	97.1	-3.8%	69.8	73.7	-5.3%
Italy LFL & R	7,181	7,185	72.7%	72.0%	0.9%	123.3	120.5	2.3%	89.6	86.8	3.3%
B.U. Italy Consolidated	7,325	7,185	72.4%	72.0%	0.6%	124.0	120.5	2.9%	89.8	86.8	3.5%
Benelux LFL & R	8,214	8,209	78.0%	75.0%	3.9%	107.1	103.6	3.4%	83.5	77.7	7.4%
B.U. Benelux Consolidated	8,914	8,366	77.3%	74.9%	3.2%	105.8	103.2	2.5%	81.8	77.3	5.7%
Central Europe LFL & R	11,792	11,819	79.5%	79.0%	0.7%	88.2	83.7	5.4%	70.1	66.1	6.1%
B.U. Central Europe Consolidated	12,056	12,056	79.6%	78.8%	1.0%	88.0	83.3	5.7%	70.0	65.7	6.7%
Total Europe LFL & R	38,239	38,513	76.5%	75.8%	0.9%	100.0	98.2	1.8%	76.5	74.5	2.7%
Total Europe Consolidated	39,882	39,352	76.3%	75.9%	0.6%	99.8	98.0	1.8%	76.2	74.4	2.4%
Latinamerica LFL & R	5,236	5,236	61.9%	63.8%	-3.1%	71.5	71.4	0.2%	44.3	45.5	-2.6%
Latinamerica Consolidated	5,568	5,425	61.2%	62.6%	-2.2%	70.6	71.4	-1.1%	43.2	44.6	-3.1%
NH Hotels LFL & R	43,475	43,749	74.7%	74.4%	0.5%	97.2	95.5	1.8%	72.7	71.0	2.3%
Total NH Consolidated	45,450	44,777	74.5%	74.3%	0.3%	96.9	95.3	1.7%	72.2	70.8	2.0%

(1) Does not include IAS 29 impact

(2) Includes France and NY

- **+2% increase in RevPAR** with an **85% contribution from prices** (ADR +1.7%; +€1.6) and virtually stable occupancy levels (+0.3%). Very good trends in Central Europe and Benelux. Difficult comparison in Spain (strong calendar of conferences in 2017 and Barcelona evolution), while LatAm was affected by currency.
- Remarkable **RevPAR growth** in:
  - **Central Europe**: +6.7% on an increase in prices of +5.7% and activity of +1.0%, helped by a better trade fair calendar and a warmer summer. Outstanding LFL trends in Munich (+20%), Berlin (+14%), Frankfurt (+7%) and secondary cities (+4%).
  - **Benelux**: +5.7% on an increase in prices of +2.5% and activity of 3.2%, due to strong LFL trends in Brussels (+13%, on higher occupancy), Amsterdam (+6%), and secondary cities in the Netherlands (+6%).
  - **Italy**: +3.5% on an increase in prices of +2.9% and +0.6% in occupancy, driven by good LFL performance in Rome (+8%) and secondary cities (+5%). Milan (-4%) was adversely affected by the schedule of fairs in September.
- **Spain** experienced a -5.3% decline in consolidated RevPAR on a difficult comparison to the same quarter in 2017 (LFL RevPAR +15%). Madrid fell -6% due to the celebration of a relevant congress in September 2017 and the situation in Barcelona (-11%). Secondary cities experienced +1% growth in the quarter.
- With regard to the Group's **activity level** in the third quarter, occupancy increased **+0.3% (+0.2 p.p.).** It is worth noting the growth in Benelux (+3.2%; +2.4 p.p.) on the recovery of Brussels. Meanwhile, occupancy fell -2.2% (-1.4 p.p.) in LatAm and -1.6% (-1.2 p.p.) in Spain on a difficult comparison with the previous year.

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9M RevPAR evolution [(1)]:

- **+2.0% increase in RevPAR** with a **73% contribution from prices** (ADR +1.5%; +€1.4) and a +0.5% boost in **occupancy**. It is worth noting the growth in Benelux (+7.0%) and Italy (+4.8%). Difficult comparison in Spain (strong trade fair calendar in 2017 and the situation in Barcelona), while LatAm was adversely affected by the currency evolution.

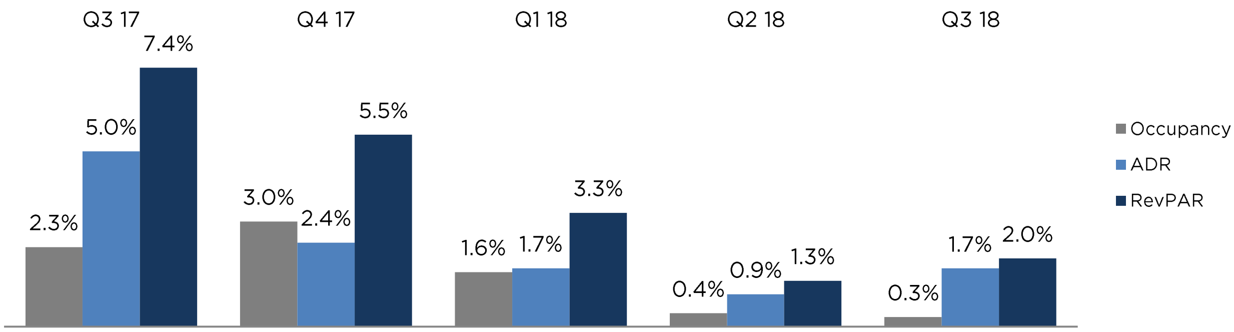
NH HOTEL GROUP REVPAR 9M 2018/2017

	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2018	2017	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Spain & Others LFL & R [(2)]	11,025	11,263	74.4%	74.1%	0.4%	93.7	94.6	-1.0%	69.7	70.1	-0.6%
B.U. Spain Consolidated [(2)]	11,604	11,746	74.1%	74.3%	-0.3%	93.5	94.6	-1.1%	69.3	70.3	-1.4%
Italy LFL & R	7,152	7,156	70.6%	69.5%	1.5%	120.9	117.1	3.2%	85.3	81.5	4.7%
B.U. Italy Consolidated	7,235	7,156	70.4%	69.5%	1.3%	121.2	117.1	3.5%	85.4	81.5	4.8%
Benelux LFL & R	8,213	8,200	73.1%	70.8%	3.3%	109.7	104.9	4.6%	80.2	74.2	8.1%
B.U. Benelux Consolidated	8,896	8,328	72.7%	70.7%	2.7%	108.8	104.4	4.2%	79.1	73.9	7.0%
Central Europe LFL & R	11,889	11,656	74.0%	73.9%	0.1%	87.8	85.7	2.4%	65.0	63.4	2.5%
B.U. Central Europe Consolidated	12,061	11,893	74.1%	73.8%	0.3%	87.5	85.4	2.5%	64.8	63.0	2.8%
Total Europe LFL & R	38,279	38,275	73.3%	72.5%	1.1%	100.2	98.0	2.2%	73.4	71.1	3.3%
Total Europe Consolidated	39,797	39,124	73.1%	72.5%	0.8%	99.9	97.7	2.3%	73.1	70.9	3.1%
Latinamerica LFL & R	5,236	5,223	61.5%	62.6%	-1.8%	71.6	77.1	-7.1%	44.1	48.2	-8.6%
Latinamerica Consolidated	5,538	5,373	60.5%	61.4%	-1.5%	71.1	77.1	-7.8%	43.0	47.3	-9.0%
NH Hotels LFL & R	43,515	43,498	71.9%	71.3%	0.8%	97.2	95.8	1.5%	69.9	68.3	2.3%
Total NH Consolidated	45,335	44,496	71.6%	71.2%	0.5%	97.0	95.6	1.5%	69.4	68.0	2.0%

(1) Does not include IAS 29 impact

(2) Includes France and NY

Evolution of Consolidated Ratios by quarter:



Consolidated Ratios	Occupancy					ADR					RevPAR				
% Var	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
Spain [(2)]	2.2%	3.0%	1.2%	-0.4%	-1.6%	13.3%	5.7%	4.8%	-2.6%	-3.8%	15.8%	8.9%	6.1%	-3.0%	-5.3%
Italy	-2.6%	2.6%	3.2%	0.3%	0.6%	8.7%	7.5%	6.5%	2.4%	2.9%	5.9%	10.3%	9.9%	2.8%	3.5%
Benelux	5.2%	5.6%	2.6%	2.2%	3.2%	7.4%	5.4%	6.4%	4.2%	2.5%	13.0%	11.3%	9.1%	6.5%	5.7%
Central Europe	4.7%	1.8%	2.1%	-0.2%	1.0%	-2.9%	-2.9%	-2.6%	2.9%	5.7%	1.7%	-1.2%	-0.6%	2.7%	6.7%
TOTAL EUROPE	2.8%	3.1%	2.0%	0.3%	0.6%	5.7%	3.4%	3.4%	1.7%	1.8%	8.7%	6.6%	5.5%	2.0%	2.4%
Latin America real exc. rate	-1.4%	2.8%	-1.9%	0.0%	-2.2%	-2.8%	-5.9%	-13.1%	-8.1%	-1.1%	-4.2%	-3.3%	-14.8%	-7.9%	-3.1%
NH HOTEL GROUP	**2.3%**	**3.0%**	**1.6%**	**0.4%**	**0.3%**	**5.0%**	**2.4%**	**1.7%**	**0.9%**	**1.7%**	**7.4%**	**5.5%**	**3.3%**	**1.3%**	**2.0%**

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RECURRING HOTEL ACTIVITY *								
(€ million)	2018 Q3	2017 Q3(3)	DIFF. 18/17	%DIFF.	2018 9M	2017 9M(3)	DIFF. 18/17	%DIFF.
SPAIN (1)	100.4	105.2	(4.8)	(4.6%)	303.6	306.9	(3.3)	(1.1%)
ITALY	74.7	73.0	1.7	2.3%	217.1	209.3	7.8	3.7%
BENELUX	89.7	84.5	5.1	6.1%	258.2	241.6	16.7	6.9%
CENTRAL EUROPE	100.1	95.4	4.7	4.9%	283.5	273.9	9.6	3.5%
AMERICA	30.9	32.5	(1.5)	(4.8%)	92.2	99.9	(7.7)	(7.8%)
TOTAL RECURRING REVENUE LFL&R	**395.8**	**390.7**	**5.2**	**1.3%**	**1,154.6**	**1,131.6**	**23.0**	**2.0%**
OPENINGS, CLOSINGS & OTHERS	**15.6**	**9.1**	**6.5**	**71.7%**	**42.4**	**24.1**	**18.3**	**75.7%**
RECURRING REVENUES	**411.5**	**399.8**	**11.7**	**2.9%**	**1,196.9**	**1,155.7**	**41.2**	**3.6%**
	0.00	0.00	0.00	0.0%				
SPAIN (1)	63.0	65.7	(2.8)	(4.2%)	189.7	193.3	(3.5)	(1.8%)
ITALY	44.5	44.8	(0.3)	(0.6%)	130.5	130.5	0.0	0.0%
BENELUX	54.8	53.4	1.4	2.6%	162.4	156.5	5.9	3.8%
CENTRAL EUROPE	62.1	60.8	1.3	2.1%	184.1	179.4	4.6	2.6%
AMERICA	21.3	23.2	(2.0)	(8.5%)	65.2	72.4	(7.2)	(10.0%)
RECURRING OPEX LFL&R	**245.6**	**248.0**	**(2.4)**	**(0.9%)**	**731.9**	**732.1**	**(0.2)**	**(0.0%)**
OPENINGS, CLOSINGS & OTHERS	**10.5**	**6.0**	**4.5**	**76.0%**	**29.2**	**17.2**	**12.0**	**69.7%**
RECURRING OPERATING EXPENSES (2)	**256.1**	**253.9**	**2.2**	**0.9%**	**761.1**	**749.3**	**11.8**	**1.6%**
SPAIN (1)	37.4	39.5	(2.1)	(5.2%)	113.9	113.7	0.2	0.2%
ITALY	30.2	28.3	2.0	6.9%	86.6	78.9	7.7	9.8%
BENELUX	34.9	31.2	3.7	12.0%	95.8	85.1	10.8	12.6%
CENTRAL EUROPE	38.0	34.6	3.5	10.0%	99.4	94.4	5.0	5.3%
AMERICA	9.6	9.2	0.4	4.6%	27.0	27.5	(0.5)	(1.9%)
RECURRING GOP LFL&R	**150.2**	**142.7**	**7.5**	**5.3%**	**422.7**	**399.5**	**23.2**	**5.8%**
OPENINGS, CLOSINGS & OTHERS	**5.1**	**3.1**	**2.0**	**63.6%**	**13.2**	**6.9**	**6.3**	**90.9%**
RECURRING GOP	**155.4**	**145.9**	**9.5**	**6.5%**	**435.9**	**406.4**	**29.5**	**7.2%**
SPAIN (1)	22.8	22.1	0.7	3.0%	68.4	67.3	1.1	1.6%
ITALY	12.5	12.4	0.1	0.9%	38.2	37.8	0.5	1.2%
BENELUX	14.8	12.9	1.9	14.9%	43.5	38.6	4.9	12.7%
CENTRAL EUROPE	26.1	26.1	0.1	0.3%	79.0	76.9	2.2	2.8%
AMERICA	3.1	3.1	0.0	1.4%	9.1	9.8	(0.7)	(6.7%)
RECURRING LEASES&PT LFL&R	**79.4**	**76.5**	**2.8**	**3.7%**	**238.2**	**230.3**	**7.9**	**3.4%**
OPENINGS, CLOSINGS & OTHERS	**3.6**	**2.1**	**1.6**	**75.8%**	**10.3**	**5.7**	**4.5**	**79.6%**
RECURRING RENTS AND PROPERTY TAXES	**83.0**	**78.6**	**4.4**	**5.6%**	**248.5**	**236.0**	**12.4**	**5.3%**
SPAIN (1)	14.7	17.4	(2.7)	(15.7%)	45.5	46.3	(0.9)	(1.8%)
ITALY	17.7	15.8	1.8	11.7%	48.3	41.1	7.3	17.7%
BENELUX	20.1	18.3	1.8	9.9%	52.3	46.5	5.9	12.6%
CENTRAL EUROPE	11.9	8.5	3.4	39.6%	20.4	17.6	2.9	16.3%
AMERICA	6.5	6.1	0.4	6.2%	17.9	17.7	0.1	0.8%
RECURRING EBITDA LFL&R	**70.9**	**66.2**	**4.7**	**7.1%**	**184.5**	**169.2**	**15.3**	**9.0%**
OPENINGS, CLOSINGS & OTHERS	**1.5**	**1.1**	**0.4**	**40.6%**	**2.9**	**1.2**	**1.7**	**144.7%**
RECURRING EBITDA EX. ONEROUS PROVISION	**72.4**	**67.3**	**5.1**	**7.6%**	**187.4**	**170.4**	**17.0**	**10.0%**

(*) Business figures exclude the IAS 29 accounting standard on financial reporting in hyperinflationary economies
(1) The New York hotel and France are included in the Business Unit of Spain
(2) For the allocation of central costs, the distribution criterion used is the GOP level of each business unit
(3) From Q2 2018, rebates from procurement have been reclassified as less cost of procurement instead of an income in the total revenue figure (Q1 2018 and 2017 figures also reclassified for comparison purposes)

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Recurring Results by Business Unit (LFL&R basis)

Spain B.U. (*):

- Q3: -4.7% decline in RevPAR in Q3, given the difficult comparison with the same period in 2017, a relevant congress that took place in September 2017 in Madrid, in addition to Barcelona evolution.
- 9M: -0.6% decline in RevPAR despite a difficult comparison with the previous year. ADR fell -1.0% and occupancy +0.4%. It is worth noting the evolution of RevPAR LFL in secondary cities (+3.8%). Madrid had a stronger trade fair calendar in 2017 and Barcelona had negative evolution since October 2017.
  - LFL revenue achieved positive growth of +0.7% (+2.0% excluding Barcelona), despite an excellent 9M 2017 performance (+11% LFL revenue) and the situation in Barcelona (-4.4%). Madrid grew +0.8% despite the strong trade fair calendar in 2017. Including refurbishments, total revenue fell -1.1% primarily due to New York (-€6.7m).
  - Operating expenses declined -1.8% (-€3.5m) in the first nine months.
  - GOP rose +0.2% (+€0.2m) to €113.9m, while lease payments increased by +€1.1m (+1.6%).
  - All in, in the first nine months of the year, EBITDA decreased -1.8% (-€0.9m) to €45.5m with a stable margin (-0.1 p.p.) of 15.0%.

(*) Includes the New York hotel and France

Italy B.U.:

- Q3: +3.3% RevPAR growth in the third quarter on an increase of +2.3% in prices (71% weight) and +0.9% in occupancy, achieving a revenue growth of +2.3%, despite being a quarter in which Milan was negatively affected by a relevant fair that took place in September 2017.
- 9M: +4.7% RevPAR growth in the first nine months with ADR up +3.2% (+€3.7) and occupancy up +1.5%. Outstanding performance of RevPAR LFL in Rome (+9.7%), secondary cities (+4.8%), and Milan (+4.4%).
  - The foregoing allows for LFL revenue growth of +4.4% with a strong performance in Rome (+9.5%). Solid growth in Milan (+4.5%) despite the schedule of fairs in the third quarter. Including the -€2.4m opportunity cost to renovate two hotels in Rome and Milan, LFL&R revenue growth was +3.7% (+€7.8m).
  - Operating expenses remained stable in the first nine months, while GOP grew +9.8% (+€7.7m) to €86.6m.
  - Subsequently, 9M EBITDA improved +€7.3m (+17.7%) to €48.3m, with a margin increase of +2.6 p.p. to 22.3%.

Benelux B.U.:

- Q3: +7.4% RevPAR growth in the third quarter on an increase of +3.4% in prices and +3.9% in occupancy. (Brussels continues to recover and increased demand in Dutch Conference Centres). Revenues grew +6.1% on the outstanding performance of Brussels, Amsterdam and Dutch secondary cities.
- 9M: Strong RevPAR growth of +8.1% on an increase of +4.6% in prices and +3.3% in occupancy. It is worth noting the RevPAR LFL growth of Brussels (+14.3%, 75% on higher occupancy), Amsterdam (+7.0%) and secondary cities in the Netherlands (+7.9%).
  - This led to a strong LFL&R revenue growth of +6.9% (+€16.7m), given the positive performance of Brussels (+13.1%), Amsterdam (+6.9%) and secondary cities (+4.9%).
  - Operating expenses in the first nine months increased +3.8% (+€5.9m) on higher activity levels.

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  - Thus, GOP in the first nine months grew +12.6% (+€10.8m), while leases rose +€5.9m (+12.6%) explained by the leaseback of the hotel sold in Amsterdam early in the year.
  - Subsequently, EBITDA climbed +12.6% (+€5.9m) to €52.3m, representing a margin of 20.3% (+1.0 p.p.).

Central Europe B.U.:

- Q3: +6.1% RevPAR growth in Q3 on an increase of +5.4% in prices (88% weight) and +0.7% in occupancy up to 79.5%. Strong LFL revenue growth in the quarter (+4.8%) due to a slightly favourable calendar of fairs and a warmer summer. Including the hotels refurbished in 2017 and the opportunity cost of -€2.6m for two hotels under refurbishment in 2018, revenue rose +4.9% (+€4.7m) in LFL&R.
- 9M: +2.5% RevPAR growth in the first nine months with ADR up +2.4% (95% weight) and occupancy practically stable (+0.1%). Good performance in top cities.
  - LFL&R revenue grew +3.5% (+€9.6m) on a slightly favourable calendar of fairs and despite the -€4.9m opportunity cost to renovate three hotels during the year.
  - Operating expenses rose +2.6% in the first nine months (+€4.6m), mainly due to the higher cost of the hotels renovated in 2017. GOP grew +5.3% (+€5m) to €99.4m.
  - In the first nine months of the year, EBITDA improved +16.3% (+€2.9m) to €20.4m.

Americas B.U. (1):

- Q3: -2.6% decline in RevPAR in the third quarter, explained by the strong negative currency evolution in Argentina (-85%) and Mexico (-5%). At constant exchange rates, LFL&R revenue growth of the BU reached +19.2% in Q3, and with real exchange rates, revenue fell -4.8% with no impact on EBITDA.
- 9M: -8.6% decline in RevPAR in the first nine months, due entirely to negative currency evolution with no impact on EBITDA:
  - By region, Mexico shows revenue growth of +5.3% in local currency. Taking currency evolution into account (-8%), revenue fell -2.8% at real exchange rates.
  - In Argentina, revenue increased +52% at constant rates, due primarily to a hike in average prices resulting from hyperinflation. Including the negative currency impact (-64%), reported revenue is -7.3%.
  - In Hoteles Royal, revenue fell -1.6% in local currency and including the -6% currency devaluation, revenue fell -7.2%.

(1) Does not include IAS 29 impact in Argentina

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Consolidated Income Statement

NH HOTEL GROUP P&L ACCOUNT (1)

(€ million)	Q3 2018	Q3 2017 (4)	Var.		9M 2018	9M 2017 (4)	Var.		9M 2018 with Hyperinflation (5)
	€ m.	€ m.	€ m.	%	€ m.	€ m.	€ m.	%	
TOTAL REVENUES	**411.5**	**399.8**	**11.7**	**2.9%**	**1,196.9**	**1,155.7**	**41.2**	**3.6%**	**1,190.0**
Staff Cost	(135.1)	(133.7)	(1.4)	1.0%	(402.4)	(396.2)	(6.2)	1.6%	
Operating expenses	(121.0)	(120.2)	(0.8)	0.7%	(358.7)	(353.1)	(5.6)	1.6%	
GROSS OPERATING PROFIT	**155.4**	**145.9**	**9.5**	**6.5%**	**435.9**	**406.4**	**29.5**	**7.2%**	
Lease payments and property taxes	(83.0)	(78.6)	(4.4)	5.6%	(248.5)	(236.0)	(12.4)	5.3%	
EBITDA BEFORE ONEROUS	**72.4**	**67.3**	**5.1**	**7.6%**	**187.4**	**170.4**	**17.0**	**10.0%**	**185.3**
Margin % of Revenues	17.6%	16.8%		0.8 p.p.	15.7%	14.7%		0.9 p.p.	
Onerous contract reversal provision	0.6	1.0	(0.4)	(43.3%)	1.9	3.1	(1.2)	(39.2%)	
EBITDA AFTER ONEROUS	**73.0**	**68.3**	**4.7**	**6.9%**	**189.2**	**173.4**	**15.8**	**9.1%**	
Depreciation	(27.7)	(27.1)	(0.6)	2.1%	(82.3)	(81.0)	(1.3)	1.6%	
EBIT	**45.3**	**41.2**	**4.1**	**10.0%**	**107.0**	**92.5**	**14.5**	**15.7%**	
Interest expense	(4.6)	(12.0)	7.4	(61.6%)	(24.9)	(41.5)	16.6	(40.0%)	
Income from minority equity interests	(0.0)	(0.0)	0.0	(53.7%)	(0.1)	0.0	(0.1)	N/A	
EBT	**40.7**	**29.2**	**11.5**	**39.4%**	**82.0**	**51.0**	**31.0**	**60.9%**	
Corporate income tax	(12.1)	(9.8)	(2.3)	24.0%	(29.0)	(21.2)	(7.8)	36.6%	
NET INCOME before minorities	**28.6**	**19.4**	**9.2**	**47.1%**	**53.0**	**29.7**	**23.3**	**78.3%**	
Minority interests	(0.8)	(1.0)	0.2	(19.0%)	(2.3)	(2.7)	0.4	(14.9%)	
NET RECURRING INCOME	**27.8**	**18.4**	**9.3**	**50.6%**	**50.7**	**27.1**	**23.7**	**87.5%**	
Non Recurring EBITDA (2)	15.0	(1.1)	16.1	N/A	101.4	8.8	92.6	N/A	
Other Non Recurring items (3)	(7.5)	(0.5)	(7.0)	N/A	(52.5)	(11.4)	(41.1)	N/A	
NET INCOME including Non-Recurring	**35.2**	**16.8**	**18.4**	**109.6%**	**99.6**	**24.4**	**75.1**	**N/A**	**106.5**

(1) Excludes hyperinflation accounting effect (IAS 29) unless explicit indication
(2) Includes gross capital gains from asset rotation
(3) Includes taxes from asset rotation
(4) From Q2 2018, rebates from procurement have been reclassified as less cost of procurement instead of an income in the total revenue figure (Q1 2018 and 2017 figures also reclassified for comparison purposes)
(5) Includes the application of accounting standard on hyperinflation (IAS 29) in Argentina since January 1, 2018

9M 2018 Comments:

- **Revenue growth of +3.6%** (+5.5% at constant rates), **reaching €1.197m** (+€41m) in the first nine months of the year, despite 2018 renovations (-€12m) and negative currency impacts (-€22m).
  - In the **like-for-like** ("LFL") perimeter, excluding refurbishments and perimeter changes, revenue grew +2.5% (+5.0% at constant rates):
    - Strong evolution in Europe, with growth of +3.6%. It is worth noting the positive performance of Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%; +2.0% excluding Barcelona) was affected by the robust LFL growth in 2017 (+11%) and the situation in Barcelona.
    - Latin America was adversely affected by currency.
  - **Including hyperinflation accounting effect (IAS 29) revenue growth is +3.0%.**

- **Evolution of costs:** cost controls in the first nine months despite higher occupancy (+0.5%).
  - **Personnel costs** rose +1.6% (-€6.2m). The effect of perimeter changes (openings and closings) explains the entirety of the increase.
  - **Other direct operating costs** rose +1.6% (-€5.6m), due to perimeter changes.

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- **GOP improvement of +€29.5m (+7.2%)**. GOP margin improved +1.2 p.p. in the first nine months, reaching 36.4% with a conversion rate of 71%.

- **Leases and property taxes** climbed -€12.4m (+5.3%). Perimeter changes (openings and closings) account for 37% of the total increase, the hotels renovated in 2017 account for 14%, and the variable components of contracts account for 19% of the variation.

- Revenue growth and cost controls allowed to close the first nine months of the year with **Recurring EBITDA[(1)] growth of +10%, reaching €187m,** which represents an **increase of +€17m and a margin of 15.7%** (+0.9 p.p.). The **conversion rate of incremental revenue to EBITDA is 41%**. Excluding refurbishments and perimeter changes the LFL conversion rate reached 62%.
  - **Including hyperinflation accounting effect (IAS 29), Recurring EBITDA reached €185.3m** (+€15m; +8.8%).

- **Depreciations**: -€1.3m increase due to the repositioning investments in 2017 and 2018.

- **Financial costs:** -€16.6m reduction explained mainly by:
  - Refinancing April 2017 (TAP €115m 2023 Bond & €150m 2019 Bond repayment): +€1.7m net coupon savings and +€3.2m savings in arrangement costs.
  - Repayment of the 2019 Bond in November 2017 (€100m): +€5.1m net coupon savings.
  - Early redemption of the Convertible Bond: coupon savings (+€3.9m) and (-€0.9m) for accounting write-off of the equity portion and arrangement costs. Annual cash savings of €10m from 2019.
  - The rest is mainly explained by the dollarization of cash balances in Argentina, which given the depreciation of ARS versus USD, generates a financial income.

- **Corporate tax:** the higher amount of corporate taxes (-€7.8m) is largely due to the improved performance of EBT (-€8.6m), partially offset by a lower adjustment of non-deductible financial expenses (+€0.7m).

- **Significant increase in Recurring Net Income** (+€23.7m and higher than EBITDA growth) **reached €50.7m in the first nine months** on business improvements and lower financial costs.

- **Total Net Income reached €99.6m,** an improvement of +€75.1m compared to the same period in 2017. The comparison is positively affected by the higher net capital gains from asset rotation.

  - **Including the hyperinflation accounting effect (IAS 29), Total Net Income is €106.5m.** The positive impact is the result of the financial income from the appreciation of fixed assets in Argentina.

Q3 2018 Comments [(1)]:

- **Revenue growth of +2.9%** (+5% at constant rates) **reaching €411m** (+€12m), despite 2018 renovations and the negative currency impact in the quarter.
  - In the **like-for-like** ("LFL") perimeter, excluding refurbishments and perimeter changes, revenue grew +1.7% (+4.3% at constant rates):
    - Solid evolution in Europe, with growth of +2.3%. It is worth noting the positive performance of Benelux (+6.4%) and Central Europe (+4.8%). Italy also performed well (+2.0%) despite the lower trade fair calendar in Milan in September. Spain (-3.2%) had a difficult LFL comparison with Q3 2017 (+12%; schedule of congresses in Madrid) and the situation in Barcelona.

(1) Does not include IAS 29 impact

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- Latin America was adversely affected by currency.

➢ Effective cost controls enabled **Recurring EBITDA to grow 7.6% to €72.4m**, representing an increase of +€5.1m with a **margin of 17.6%** (+0.8 p.p.).

➢ **Significant increase in recurring net profit of +€9.3m** (higher than EBITDA growth), reaching €27.8m, on business improvements and lower financial costs.

➢ **Total net profit reached €35.2m** in the third quarter on the positive effect of net gains from asset turnover.

Financial Debt and Liquidity

As of 30/09/2018	Maximum			Repayment schedule								
Data in Euro million	Available	Availability	Drawn	2018	2019	2020	2021	2022	2023	2024	2025	Rest
Senior Credit Facilities												
Senior Secured Notes due 2023	400.0	-	400.0	-	-	-	-	-	400.0	-	-	-
Senior Secured RCF due in 2021	250.0	250.0	-	-	-	-	-	-	-	-	-	-
Total debt secured by the same Collateral	**650.0**	**250.0**	**400.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**400.0**	**0.0**	**0.0**	**0.0**
Other Secured loans [1]	33.2	-	33.2	0.8	2.8	2.6	2.5	2.1	6.1	1.3	0.9	14.0
Total secured debt	**683.2**	**250.0**	**433.2**	**0.8**	**2.8**	**2.6**	**2.5**	**2.1**	**406.1**	**1.3**	**0.9**	**14.0**
Unsecured loans and credit facilities [2]	108.7	100.2	8.5	1.6	1.2	0.3	-	-	5.4	-	-	-
Subordinated loans	40.0	-	40.0	-	-	-	-	-	-	-	-	40.0
Total unsecured debt	**148.7**	**100.2**	**48.5**	**1.6**	**1.2**	**0.3**	**0.0**	**0.0**	**5.4**	**0.0**	**0.0**	**40.0**
Total Gross Debt	**831.9**	**350.2**	**481.7**	**2.4**	**3.9**	**2.9**	**2.5**	**2.1**	**411.5**	**1.3**	**0.9**	**54.0**
Cash and cash equivalents [3]			**(273.3)**									
Net debt			**208.4**									
Arranging loan expenses			(15.7)	(0.8)	(3.1)	(3.2)	(3.2)	(2.8)	(2.2)	(0.0)	(0.0)	(0.3)
Accrued interests			7.9	7.9								
IFRS 9 [4]			(7.7)	(0.3)	(1.2)	(1.4)	(1.6)	(1.8)	(1.5)			
Total adjusted net debt			**192.9**									

[1] Bilateral mortgage loans.

[2] Comprises debt facilities with amortization schedule. The availability amount comprises: 62.5M€ under credit facilities and 37.8M€ under NY capex loan to be drawn up to 25 July 2020.

[3] Not included in cash position. As of 30 September 2018, the Company had 600,000 treasury shares in its balance sheet. Treasury stock calculated with the price as of 30/09/18 (€6.285 per share) totals 3.8M€.

[4] The new IFRS 9 regulation about Accounting Treatment of Financial Assets and Liabilities has become enforceable on the 1st of January 2018. The application of this accounting rule has involved an impact in the Balance of NH Hotel Group on the 1st of January of €8.6 million, as lower debt amount (registered against the Reserves, according to the rule), as a consequence of 2017 improved refinancing conditions, compared to the ones previously existing (€7.7M by 30/09/18 as per the financial expense registered in Q3).

➢ **Reduction of net financial debt to €208m (compared to €655m as of 31 Dec. 2017)** following the early redemption of the Convertible Bond (€250m) in June 2018, the favourable **operating cash flow generation** and the contribution of the asset rotation strategy.

➢ As of 30th September 2018, the company had cash amounting to €273.3m and available credit lines amounting to €312.5m, €250m of which correspond to the long-term syndicated credit facility signed in September 2016 (maturity 2021).

➢ Change of Control clauses:
- €250m syndicated credit facility: Waiver obtained by unanimity of lenders on 6th September 2018. Maturity preserved in 2021.
- €400m Bond 2023: NH has offered bond-holders to repurchase all outstanding 2023 Bond at 101% of principal amount. The tendered amount reached €3.2m of total nominal.

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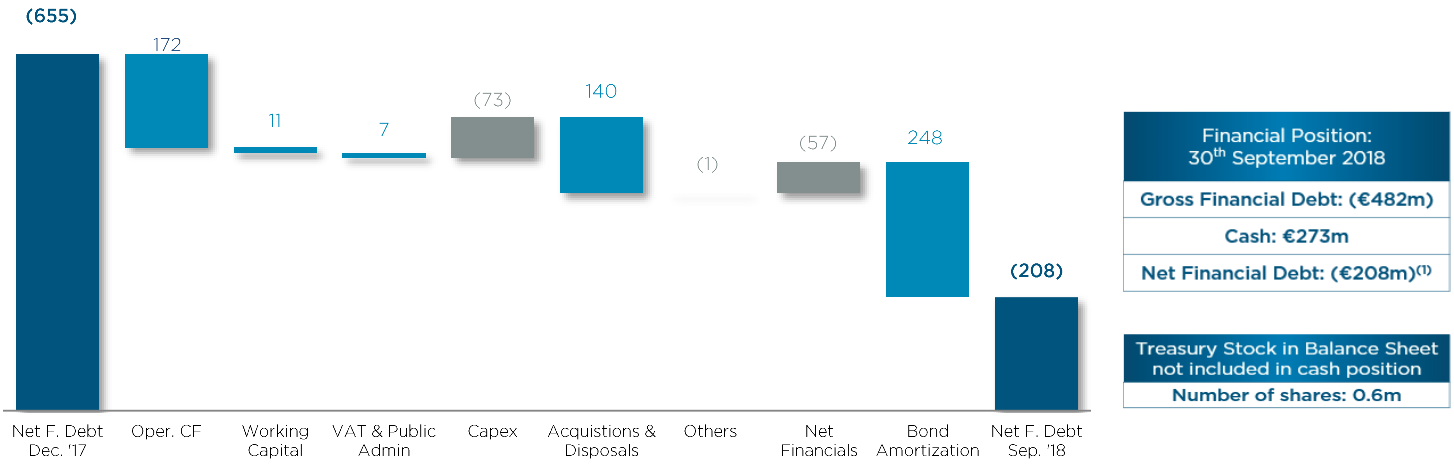
9M 2018 Net Financial Debt Evolution



(1) Net Financial Debt excluding accounting adjustments arrangement expenses €15.7m, accrued interest -€7.9m and (2) IFRS 9 adjustment €7.7m. Including these accounting adjustments, the Adj. NFD would be (€193m) at 30th September 2018 and (€637m) at 31st Dec. 2017

(2) The new IFRS 9 regulation about Accounting Treatment of Financial Assets and Liabilities has become enforceable on the 1st January 2018. The application of this accounting rule as a result of the better refinancing conditions achieved in 2017, compared with the previous conditions, has involved an impact in NH Hotel Group of €8.6m as of the 1st January 2018 (€7.7m as of 30th September 2018 as per the financial expense)

Cash flow generation in the first nine months of the year:

- (+) Operating cash flow: +€172m, including -€12.6m of credit card expenses and -€18.9m in taxes (excluding -€23.5m from Barbizon income tax).
- (+) Working capital: solid recovery in accounts receivable together with a reduction in the average payment period, offset by strong revenue growth.
- (-) Capex payments: -€73.5m in the first nine months of 2018 (2018 guidance of roughly €125m although the figure may be reduced by the schedule of payments deferred to early 2019).
- (+) Acquisitions and Disposals: +€130.6m from the Barbizon sale and leaseback transaction in Q1, net of taxes (€23.5m paid in the first nine months and €9m pending payment in Q4). The remainder corresponds to other asset rotation transactions and to the second payment on the Hesperia contract.
- (-) Other: payment of legal provisions.
- (-) Net financial cash flows and dividends: -€57.2m that includes -€16.9m from net financial costs and -€39.8m from dividend payments (-€0.6m to minority shareholders).
- (+) Early redemption of the convertible bond (€250m) in June 2018. €1.7m paid in cash.

Appendix

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Appendix I: In accordance with the Directives published by the ESMA in relation to Alternative Performance Measures (APMs), below it has been defined and reconciled the APMs used by the Group within the Results Publication of 9 months of 2018.

In addition, the abridged consolidated financial statements as at 30 September 2018 are shown below which include the effects of the application of IAS 29 "Financial information in hyperinflaction economies " that concern the incorporation of the consolidated financial statements of the business unit of Argentina:

NH HOTEL GROUP, S.A. AND SUBSIDIARIES

ABRIDGED CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2018 AND 31 DECEMBER 2017

(Thousand Euros)

	30/09/2018 *	31/12/2017 **		30/09/2018 *	31/12/2017 **
NON-CURRENT ASSETS:					
Goodwill	112,732	111,684	**TOTAL EQUITY**	**1,484,703**	**1,151,976**
Intangible assets	145,539	151,083			
Property, plant and equipment	1,612,153	1,583,164	**NON-CURRENT LIABILITIES**		
Investments accounted for using the equity method	9,335	9,419	Debt instruments and other marketable securities	382,857	387,715
Non-current financial investments-	75,153	75,895	Debts with credit institutions	74,281	71,246
Loans and accounts receivable not available for trading	*63,761*	*65,154*	Other financial liabilities	710	12,481
Other non-current financial investments	*11,392*	*10,741*	Other non-current liabilities	44,937	38,976
Deferred tax assets	135,974	137,996	Provisions for contingencies and charges	50,477	50,413
Other non-current assets	16,497	16,448	Deferred tax liabilities	178,699	167,433
Total non-current assets	**2,107,383**	**2,085,689**	**Total non-current liabilities**	**731,961**	**728,264**
CURRENT ASSETS:			**CURRENT LIABILITIES:**		
Non-current assets classified as held for sale	43,427	109,166	Liabilities associated with non-current assets classified as held for sale	2,690	2,377
Inventories	9,895	9,809	Debt instruments and other marketable securities	3,967	246,195
Trade receivables	135,757	132,582	Debts with credit institutions	5,080	11,724
Non-trade receivables-	46,361	42,786	Other financial liabilities	12,380	11,618
Tax receivables	*29,396*	*23,743*	Trade and other payables	259,581	222,951
Other non-trade debtors	*16,965*	*19,043*	Tax payables	79,666	45,860
Cash and cash equivalents	273,306	80,249	Provisions for contingencies and charges	7,431	8,971
Other current assets	12,715	11,423	Other current liabilities	41,384	41,768
Total current assets	**521,461**	**386,015**	**Total current liabilities**	**412,179**	**591,464**
TOTAL ASSETS	**2,628,844**	**2,471,704**	**NET ASSETS AND LIABILITIES**	**2,628,844**	**2,471,704**

(*) IAS 29 adjustment included

(**) Presented for comparison purpose only. IAS 29 adjusted

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NH HOTEL GROUP, S.A. AND SUBSIDIARIES

CONSOLIDATED COMPREHENSIVE PROFIT AND LOSS STATEMENT AT 30 SEPTEMBER 2018 AND 30 SEPTEMBER 2017

(Thousands of euros)

	30/09/2018*	30/09/2017**
Revenues	1,183,818	1,150,615
Other operating income	4,267	9,533
Net gains on disposal of non-current assets	2,073	9,781
Procurements	(54,419)	(56,019)
Staff costs	(311,770)	(316,322)
Depreciation and amortisation charges	(85,579)	(83,818)
Net Profits/(Losses) from asset impairment	3,311	1,916
Other operating expenses	(623,453)	(605,265)
Variation in the provision for onerous contracts	*1,855*	*3,053*
Other operating expenses	*(625,308)*	*(608,318)*
Gains on financial assets and liabilities and other	(1,281)	3
Profit (Loss) from entities valued through the equity method	(265)	3
Financial income	2,678	1,868
Change in fair value of financial instruments		(7)
Financial expenses	(27,106)	(55,511)
Net exchange differences (Income/(Expense))	2,513	(5,689)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	**94,787**	**51,088**
Income tax	(38,676)	(24,071)
PROFIT FOR THE PERIOD - CONTINUING	**56,111**	**27,017**
Profit (loss) for the year from discontinued operations net of tax	54,494	127
PROFIT FOR THE PERIOD	**110,605**	**27,144**
Exchange differences	3,678	(16,390)
Income and expenses recognised directly in equity	**3,678**	**(16,390)**
TOTAL COMPREHENSIVE PROFIT	**114,283**	**10,754**
Profit / (Loss) for the year attributable to:		
Parent Company Shareholders	106,657	24,467
Non-controlling interests	3,948	2,677
Comprehensive Profit / (Loss) attributable to:		
Parent Company Shareholders	111,049	10,138
Non-controlling interests	3,234	616
	0.29	**0.07**

(*) IAS 29 adjustment included

(**) Presented for comparison purpose only. Unaudited balances

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NH HOTEL GROUP, S.A. AND SUBSIDIARIES

ABRIDGED CONSOLIDATED CASH FLOW STATEMENTS PRODUCED IN THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2018 AND 2017

(Thousands of euros)

	30.09.2018	30.09.2017 (*)
1. OPERATING ACTIVITIES		
Consolidated profit (loss) before tax:	**82,347**	**51,088**
Adjustments:		
Depreciation of tangible and amortisation of intangible assets (+)	84,769	83,818
Impairment losses (net) (+/-)	(3,311)	(1,916)
Allocations for provisions (net) (+/-)	(1,855)	(3,053)
Gains/Losses on the sale of tangible and intangible assets (+/-)	(2,073)	(9,781)
Gains/Losses on investments valued using the equity method (+/-)	62	(3)
Financial income (-)	(2,693)	(1,868)
Financial expenses and variation in fair value of financial instruments (+)	43,843	55,518
Net exchange differences (Income/(Expense))	(3,660)	5,689
Profit (loss) on disposal of financial investments	1,281	(3)
Other non-monetary items (+/-)	4,708	2,785
Adjusted profit (loss)	**203,418**	**182,274**
Net variation in assets / liabilities:		
(Increase)/Decrease in inventories	(86)	(23)
(Increase)/Decrease in trade debtors and other accounts receivable	(5,313)	(6,888)
(Increase)/Decrease in other current assets	50	5,476
Increase/(Decrease) in trade payables	16,611	3,089
Increase/(Decrease) in other current liabilities	6,918	5,877
Increase/(Decrease) in provisions for contingencies and expenses	(2,203)	(3,723)
(Increase)/Decrease in non-current assets	484	64
Increase/(Decrease) in non-current liabilities	1,681	*565*
Income tax paid	(42,401)	(12,993)
Total net cash flow from operating activities (I)	**179,159**	**173,718**
2. INVESTMENT ACTIVITIES		
Finance income	**231**	**794**
Investments (-):		
Group companies, joint ventures and associates	(1,000)	(20,265)
Tangible and intangible assets and investments in property	(83,466)	(70,687)
Non-current financial investments	(671)	-
	(85,137)	**(90,952)**
Disinvestment (+):		
Group companies, joint ventures and associates	85	62
Tangible and intangible assets and investments in property	20,843	32,692
	154,168	
	175,096	**32,754**
Total net cash flow from investment activities (II)	**90,190**	**(57,404)**
3. FINANCING ACTIVITIES		
Dividends paid out (-)	(39,765)	(17,738)
Interest paid on debts (-)	(29,695)	(45,334)
Financial expenses for means of payment	(12,594)	(12,094)
Interest paid on debts and other interest	(17,101)	(33,240)
Variations in (+/-):		
Equity instruments		
	-	
	-	
	-	
- Treasury shares	-	
Debt instruments:		
- Bonds and other tradable securities (+)	-	115,000
- Bonds and other tradable securities (+)	(1,700)	(150,000)
- Loans from credit institutions (+)	6,340	
- Loans from credit institutions (-)	(10,157)	(9,823)
- Other financial liabilities (+/-)	(1,405)	(353)
Total net cash flow from financing activities (III)	**(76,382)**	**(108,248)**
4. GROSS INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)	192,967	8,066
5. Effect of exchange rate variations on cash and cash equivalents (IV)	181	-
6. Effect of variations in the scope of consolidation (V)	(96)	(51)
7. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III-IV+VI)	193,052	8,015
8. Cash and cash equivalents at the start of the financial year	**80,249**	**136,733**
9. Cash and cash equivalents at the end of the financial year (7+8)	**273,301**	**144,748**

(**) Presented for comparison purposes only. Unaudited balances.

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A) Definitions

EBITDA: Result before tax of continuing operations and before: net result from the disposal of non-current assets, depreciation, net loss from asset impairment, the result on disposal of financial investments, the result of entities valued by the equity method, financial income, change in the fair value of financial instruments, financing costs (except for credit card costs, which are considered to be operating cost) and net exchange differences. This APM is used to measure the purely operating results of the Group.

RevPAR: The result of multiplying the average daily price for a specific period by the occupancy in that period. This APM is used for comparison of average income per hotel room with other companies in the sector.

Average Daily Rate (ADR): The ratio of total room revenue for a specific period divided by the rooms sold in that specific period. This APM is used to compare average hotel room prices with those of other companies in the sector.

LFL&R (Like for like with refurbishments): We define LFL with refurbishments as the group of fully operated hotels in a 24-month period plus the refurbishments made in the last two years. It excludes those hotels that have just been opened or closed and that have therefore not been fully operational for 24 months. This APM is used to analyse operating results for the year in a manner comparable with those of previous periods excluding the impact of hotel refurbishments.

Below it has been provided a breakdown of the "Total Revenues" line split into "LFL and refurbishments" and "Openings, closings and other effects" to illustrate the above explanation:

		9M 2018	9M 2017
		M €.	**M €.**
Total revenues	A+B	**1,196.9**	**1,155.7**
Total recurring revenue LFL & Refurbishment	A	997.8	973.7
Openings, closing & others	B	199.1	182.0

It has been provided a reconciliation for the "Total Revenues" line in Point II for the period of nine months ended 30 September 2018.

Net Financial Debt: Gross financial debt less cash and other equivalent liquid assets, excluding accounting adjustments for the portion of the convertible bond treated as equity, arrangement expenses and accrued interest. Gross financial debt includes both non-current liabilities and current obligations for bonds and other negotiable securities and debt to lending institutions.

Capex: Investments made on assets for improvement and development that have meant a cash outflow during the year. Obtained from the investments in fixed and intangible assets and property investments shown on the statement of cash flows on the consolidated financial statements.

GOP (Gross operating profit): The gross operating profit obtained from EBITDA plus costs of leases and property taxes, as follows:

Conversion Rate: This measures the proportion of revenue that has been transferred to EBITDA. It is calculated by dividing the change in EBITDA by the change in total revenue.

B) Reconciliation of the APM to the most directly reconcilable item, subtotal or total in the financial statements:

The following significant APMs are contained in the Earnings Report of 9 months of 2018:

I. ADR y RevPAR

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Earnings Report of 9 months of 2018 details the cumulative evolution of RevPAR and ADR in the following tables:

NH HOTEL GROUP REVPAR 9M 2018/2017

	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2018	2017	2018	2017	% Var	2018	2017	% Var	2018	2017	% Var
Spain & Others LFL & R	11,025	11,263	74.4%	74.1%	0.4%	93.7	94.6	-1.0%	69.7	70.1	-0.6%
Total B.U. Spain	11,604	11,746	74.1%	74.3%	-0.3%	93.5	94.6	-1.1%	69.3	70.3	-1.4%
Italy LFL & R	7,152	7,156	70.6%	69.5%	1.5%	120.9	117.1	3.2%	85.3	81.5	4.7%
Total B.U. Italy	7,235	7,156	70.4%	69.5%	1.3%	121.2	117.1	3.5%	85.4	81.5	4.8%
Benelux LFL & Refur.	8,213	8,200	73.1%	70.8%	3.3%	109.7	104.9	4.6%	80.2	74.2	8.1%
Total B.U. Benelux	8,896	8,328	72.7%	70.7%	2.7%	108.8	104.4	4.2%	79.1	73.9	7.0%
Central Europe LFL & R	11,889	11,656	74.0%	73.9%	0.1%	87.8	85.7	2.4%	65.0	63.4	2.5%
Total B.U. Central Europe	12,061	11,893	74.1%	73.8%	0.3%	87.5	85.4	2.5%	64.8	63.0	2.8%
Total Europe LFL & R	38,279	38,275	73.3%	72.5%	1.1%	100.2	98.0	2.2%	73.4	71.1	3.3%
Total Europe Consolidated	39,797	39,124	73.1%	72.5%	0.8%	99.9	97.7	2.3%	73.1	70.9	3.1%
Latinamerica LFL & R	5,236	5,223	61.5%	62.6%	-1.8%	71.6	77.1	-7.1%	44.1	48.2	-8.6%
Latinamerica Consolidated	5,538	5,373	60.5%	61.4%	-1.5%	71.1	77.1	-7.8%	43.0	47.3	-9.0%
NH Hotels LFL & R	43,515	43,498	71.9%	71.3%	0.8%	97.2	95.8	1.5%	69.9	68.3	2.3%
Total NH Consolidated	45,335	44,496	71.6%	71.2%	0.5%	97.0	95.6	1.5%	69.4	68.0	2.0%

Below it is explained how the aforementioned data has been calculated:

		9M 2018 € Thousand	9M 2017 € Thousand
A	Room revenues	856,473	824,392
	Other revenues	334,300	326,223
	Revenues according to profit & loss statement	**1,190,773**	**1,150,615**
B	Thousand of room nights	8,837	8,627
A / B = C	**ADR**	**96.9**	**95.6**
D	Occupancy	71.6%	71.2%
C x D	**RevPAR**	**69.4**	**68.0**

II. INCOME STATEMENT 9 MONTHS OF 2018 AND 2017

The Earnings Report of 9 months breaks down the table entitled “Recurring hotel activity” obtained from the “Consolidated Income Statement” appearing in the same Earnings Report.

Below it has been provided a conciliation between the consolidated income statement and the abridged consolidated comprehensive income statements:

9M 2018 Sales and Results

Madrid, 12th November 2018

9M 2018

	Income Statements	Reclasification according to the Financial Statements and adjusted by IAS 29	Financial expenses for means of payment	Oursourcing	Assets Disposal	Scrapping and non recurring depreciation	Claims, severance payments and other non recurring	P&L according to the Financial Statements*	
APM Total revenues	1,196.9	(1,196.9)	-	-	-	-	-		
Revenues	-	1,182.1	-	-	1.7	-	0.0	1,183.8	Revenues
Other operating income	-	4.3	-	-	-	-	-	4.3	Other operating income
APM TOTAL REVENUES	**1,196.9**	**(10.6)**	**-**	**-**	**1.7**	**-**	**0.0**	**1,188.1**	
Net gains on disposal of non-current assets	-	-	-	-	14.5	(12.5)	-	2.1	Net gains on disposal of non-current assets
APM Staff Cost	(402.4)	2.5	-	89.5	-	-	(1.5)	(311.8)	Staff costs
APM Operating expenses	(358.7)	(188.0)	12.4	(89.5)	-	-	(1.6)	(625.3)	Other operating expenses
Procurements	-	(54.4)	-	-	-	-	-	(54.4)	Procurements
APM GROSS OPERATING PROFIT	**435.9**	**(250.5)**	**12.4**	**-**	**16.3**	**(12.5)**	**(3.0)**	**198.7**	
APM Lease payments and property taxes	(248.5)	248.5	-	-	-	-	-	-	
lease payments and property taxes nr									
APM EBITDA BEFORE ONEROUS	**187.4**	**(2.0)**	**12.4**	**-**	**16.3**	**(12.5)**	**(3.0)**	**198.7**	
APM Onerous contratc reversal provision	1.9	-	-	-	-	-	-	1.9	Variation in the provision for onerous contratcs
APM EBITDA AFTER ONEROUS	**189.2**	**(2.0)**	**12.4**	**-**	**16.3**	**(12.5)**	**(3.0)**	**200.5**	
Net Profits/(Losses) from asset impairment	-	2.5	-	-	0.8	0.0	-	3.3	Net Profits/(Losses) from asset impairment
APM Depreciation	(82.3)	(3.3)	-	-	-	-	-	(85.6)	Depreciation and amortisation charges
APM EBIT	**107.0**	**(2.8)**	**12.4**	**-**	**17.0**	**(12.4)**	**(3.0)**	**118.2**	
Gains on financial assets and liabilities and liabilities and other	-	(1.3)	-	-	-	-	-	(1.3)	Gains on financial assets and liabilities and other
APM Interest expense	(24.9)	10.2	(12.4)	-	-	-	-	(27.1)	Finance costs
Finance Income	-	2.7	-	-	-	-	-	2.7	Finance income
Change in fair value of financial instruments	-	-	-	-	-	-	-	-	Change in fair value of financial instruments
Net exchange differences (Income/(Expense))	-	2.5	-	-	-	-	-	2.5	Net exchange differences (Income/(Expemse))
APM Income from minority equity interests	(0.1)	(0.2)	-	-	-	-	-	(0.3)	Profit (loss) from companies accounted for using the equity me
APM EBT	**82.0**	**11.2**	**-**	**-**	**17.0**	**(12.4)**	**(3.0)**	**94.8**	**Profit (loss) before tax from continuing operations**
APM Corporate Income Tax	(29.0)	(4.1)	-	-	(5.6)	-	-	(38.7)	Income tax
APM Net Income before minorities	**53.0**	**7.0**	**-**	**-**	**11.5**	**(12.4)**	**(3.0)**	**56.1**	**Profit for the financial year - continuing**
Profit/ (Loss) for the year from discontinued operations net of tax	-	(0.8)	-	-	55.3	-	-	54.5	Profit (loss) for the year form discontinued operations net of ta
APM NET INCOME before minorities	**53.0**	**6.2**	**-**	**-**	**66.8**	**(12.4)**	**(3.0)**	**110.6**	**Profit for the financial year - continuing**
APM Minority interests	(2.3)	(1.6)	-	-	-	-	-	(3.9)	Non-controlling interests
APM Net Recurring Income	**50.7**	**4.6**	**-**	**-**	**66.8**	**(12.4)**	**(3.0)**	**106.7**	**Profits for the year attibutable to Parent Company Shareholde**
APM Non Recurring EBITDA	101.4	-	-	-	(104.4)	-	3.0		
APM Other Non Recurring items	(52.5)	2.5	-	-	37.6	12.4	-		
APM NET INCOME including Non-Recurring	**99.6**	**7.0**	**-**	**-**	**-**	**-**	**-**	**106.7**	**Profits for the year attibutable to Parent Company Shareholde**

* Adjusted by IAS 29

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9M 2017

	Income Statements	Reclasification according to the Financial Statements	Rebates	Financial expenses for means of payment	Oursourcing	Assets Disposal	Scrapping and non recurring depreciation	Claims, severance payments and other non recurring	P&L according to the Financial Statements	
APM Total revenues	1,168.6	(1,168.6)	-	-	-	-	-	-		
Revenues	-	1,163.5	(12.9)	-	-	-	-	-	1,150.6	Revenues
Other operating income	-	9.5	-	-	-	-	-	-	9.5	Other operating income
APM TOTAL REVENUES	**1,168.6**	**4.5**	**(12.9)**	**-**	**-**	**-**	**-**	**-**		
Net gains on disposal of non-current assets	-	-	-	-	-	11.8	(2.0)	-	9.8	Net gains on disposal of non-current assets
APM Staff Cost	(393.9)	0.1	-	-	82.8	-	-	(5.2)	(316.3)	Staff costs
APM Operating expenses	(368.2)	(164.9)	-	12.1	(82.8)	(0.9)	-	(3.6)	(608.3)	Other operating expenses
Procurements	-	(68.9)	12.9	-	-	-	-	-	(56.0)	Procurements
		-				-	-	-		
APM GROSS OPERATING PROFIT	**406.4**	**(229.3)**	**-**	**12.1**	**-**	**10.9**	**(2.0)**	**(8.9)**		
APM Lease payments and property taxes	(236.0)	236.0	-	-	-	-	-	-	-	
APM EBITDA BEFORE ONEROUS	**170.4**	**6.8**	**-**	**12.1**	**-**	**10.9**	**(2.0)**	**(8.9)**		
APM Onerous contratc reversal provision	3.1	-	-	-	-	-	-	-	3.1	Variation in the provision for onerous contratcs
APM EBITDA AFTER ONEROUS	**173.4**	**6.8**	**-**	**12.1**	**-**	**10.9**	**(2.0)**	**(8.9)**		
Net Profits/(Losses) from asset impairment	-	2.9	-	-	-	-	(0.9)	-	1.9	Net Impairment losses
APM Depreciation	(81.0)	(2.9)	-	-	-	-	-	-	(83.8)	Depreciation
APM EBIT	**92.5**	**6.8**	**-**	**12.1**	**-**	**10.9**	**(2.9)**	**(8.9)**		
Gains on financial assets and liabilities and liabilities and other	-	-	-	-	-	-	-	-	0.0	Gains on financial assets and liabilities and other
APM Interest expense	(41.5)	(2.0)	-	(12.1)	-	-	-	-	(55.5)	Finance costs
Finance Income	-	1.9	-	-	-	-	-	-	1.9	Finance income
Change in fair value of financial instruments	-	-	-	-	-	-	-	-	(0.0)	Change in fair value of financial instruments
Net exchange differences (Income/(Expense))	-	(5.7)	-	-	-	-	-	-	(5.7)	Net exchange differences (Income/(Expense))
APM Income from minority equity interests	0.0	-	-	-	-	-	-	-	0.0	Profit (loss) from companies accounted for using the equity method
APM EBT	**51.0**	**1.0**	**-**	**-**	**-**	**10.9**	**(2.9)**	**(8.9)**	**51.1**	**Profit (loss) before tax from continuing operations**
APM Corporate Income Tax	(21.2)	(2.8)	-	-	-	-	-	-	(24.1)	Income tax
APM Net Income before minorities	**29.8**	**(1.8)**	**-**	**-**	**-**	**10.9**	**(2.9)**	**(8.9)**	**27.0**	**Profit for the financial year - continuing**
Profit/ (Loss) for the year from discontinued operations net of tax	-	0.1	-	-	-	-	-	-	0.1	Profit (loss) for the year form discontinued operations net of tax
APM NET INCOME before minorities	**29.8**	**(1.6)**	**-**	**-**	**-**	**10.9**	**(2.9)**	**(8.9)**	**27.1**	**Profit for the financial year - continuing**
APM Minority interests	(2.7)	-	-	-	-	-	-	-	(2.7)	Non-controlling interests
APM Net Recurring Income	**27.1**	**(1.6)**	**-**	**-**	**-**	**10.9**	**(2.9)**	**(8.9)**	**24.5**	**Profits for the year attibutable to Parent Company Shareholders**
APM Non Recurring EBITDA	8.8	(6.8)	-	-	-	(10.9)	-	8.9		
APM Other Non Recurring items	(11.4)	8.4	-	-	-	-	2.9	-		
APM NET INCOME including Non-Recurring	**24.5**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24.5**	**Profits for the year attibutable to Parent Company Shareholders**

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III. DEBT AND STATEMENT OF CASH FLOWS AS AT SEPTEMBER 2018 AND DECEMBER 2017

III.1 Debt presented in the earnings report of 9 Months 2018.

As of 30/09/2018	Maximum			Maturities					
Data in Euro million	Available	Availability	Drawn	Year 1	Year 2	Year 3	Year 4	Year 5	Remainder
Mortgage loans	**33,221**	**-**	**33,221**	**2,931**	**2,683**	**2,514**	**2,338**	**6,278**	**16,478**
Fixed rate	18,765	-	18,765	580	580	677	677	717	15,533
Variable rate	14,456	-	14,456	2,350	2,102	1,838	1,661	5,561	944
Subordinated loans	**40,000**	**-**	**40,000**	**-**	**-**	**-**	**-**	**-**	**40,000**
Variable rate	40,000	-	40,000	-	-	-	-	-	40,000
Senior secured notes	**400,000**	**-**	**400,000**	**-**	**-**	**-**	**-**	**-**	**400,000**
Fixed rate	400,000	-	400,000	-	-	-	-	-	400,000
Unsecured loans	**46,252**	**37,752**	**8,500**	**2,674**	**367**	**18**	**-**	**5,441**	**-**
Variable rate	46,252	37,752	8,500	2,674	367	18	-	5,441	-
Secured RCF	**250,000**	**250,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Variable rate	250,000	250,000	-	-	-	-	-	-	-
Credit lines	**62,471**	**62,466**	**5**	**5**	**-**	**-**	**-**	**-**	**-**
Variabel rate	62,471	62,466	5	5	-	-	-	-	-
Borrowing at 30/09/2018	**831,943**	**350,217**	**481,726**	**5,610**	**3,049**	**2,533**	**2,338**	**11,719**	**456,478**
Arrangement expenses	(15,680)	(8)	a (15,687)	(3,257)	(3,203)	(3,358)	(2,744)	(2,919)	(207)
IFRS 9	(7,749)	-	b (7,749)	(1,201)	(1,357)	(1,530)	(1,722)	(1,934)	(6)
Accrued interests	7,890	-	c 7,890	7,890	-	-	-	-	-
Adjusted total debt at 30/09/2018	**816,405**	**350,210**	**466,180**	**9,042**	**(1,510)**	**(2,356)**	**(2,128)**	**6,866**	**456,265**
Adjusted total debt at 31/12/2017	**1,033,225**	**316,345**	**716,880**	**257,919**	**292**	**(371)**	**(643)**	**(624)**	**460,307**

The above debt table has been obtained from the consolidated financial statements that have been filed.

III.2 Statement of cash flows included in the earnings report of 9 Months of 2018.

Net financial debt 30 September 2018 and 31 December 2017 has been obtained from the consolidated balance sheet at 30 September 2018 and from the consolidated financial statements for 31 December 2017 and is as follows:

	9/30/2018	12/31/2017	VAR.
Debt instruments and other marketable securities according to financial statements	382,857	387,715	
Bank borrowings according to financial statements	74,281	71,246	
Bank borrowings and debt instruments ans other marketable securities according to financial statements	**457,138**	**458,961**	
Debt instruments and other marketable securities according to financial statements	3,967	246,195	
Bank borrowings according to financial statements	5,075	11,724	
Bank borrowings and debt instruments ans other marketable securities according to financial statements	**9,042**	**257,919**	
Total Bank borrowings and debt instruments ans other marketable securities according to financial statements	**466,180**	**716,880**	
Arrangement expenses	a 15,687	19,304	
IFRS 9	b 7,749		
Convertible liability		5,394	
Borrowing costs	c (7,890)	(6,024)	
APM Gross debt	**481,726**	**735,554**	
Cash and cash equivalents according to financial statements	(273,301)	(80,249)	
APM Net Debt	B **208,425**	A **655,305**	**(446,880)**

The following chart reconciles the change in net financial debt shown in the earnings report of 9 Months of 2018:

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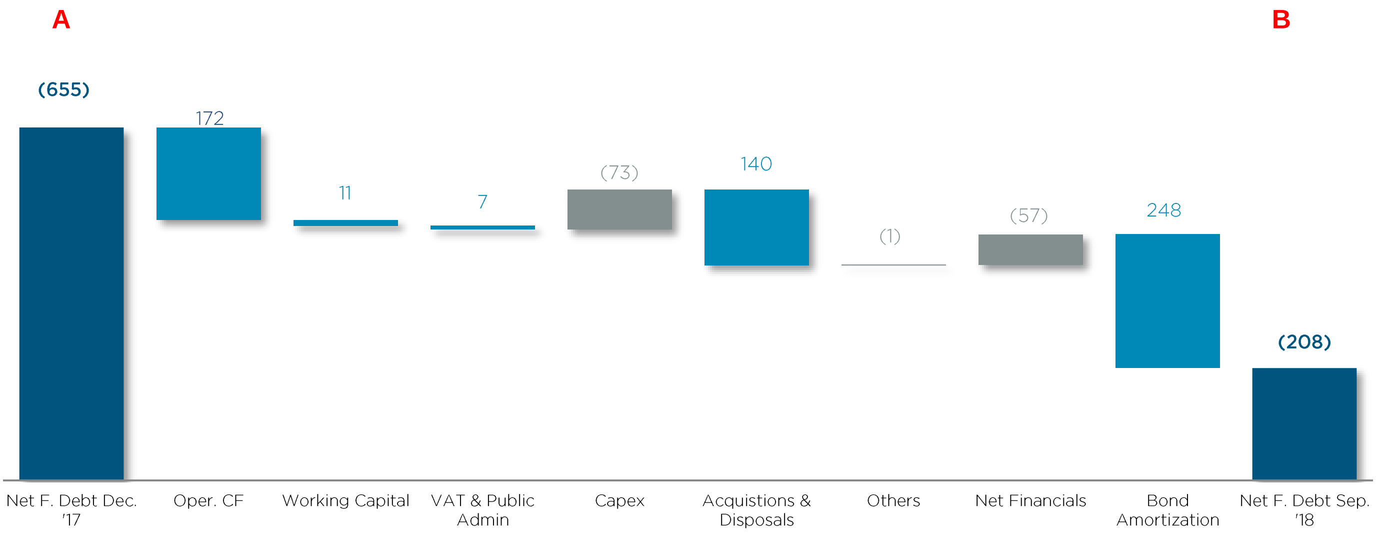
Evolution of Net Financial Debt of 9M 2018



To do so, it has been taken each heading from the statement of cash flows in the financial statements and shown the grouping:

	Oper. CF	Working capital	VAT & Public Admin	Capex	Acquistions & Disposals	Others	Net Financials	Redemption Convertible Bond	Total
Total	(148.4)	(10.7)	(21.8)	73.5	(148.6)	0.9	56.6	(248.3)	(446.9)
Total	148.4	10.7	21.8	(73.5)	148.6	(0.9)	(56.6)	248.3	446.9
Adjusted profit (loss)	203.4								203.4
Income tax paid	(42.4)								(42.4)
Financial expenses for means of payments	(12.6)								(12.6)
(Increase)/Decrease in inventories		(0.1)							(0.1)
(Increase)/Decrease in trade debtors and other accounts receivable		(5.3)							(5.3)
(Increase)/Decrease in trade payables		16.1							16.1
(Increase)/Decrease in VAT & public Administration			21.8						21.8
Tangible and intangible assets and investments in property				(73.5)					(73.5)
Change in the scope of consolidation					(0.1)				(0.1)
Group companies, join ventures and associates					(1.6)				(1.6)
Tangible and intangible assets and investments in property					150.3				150.3
(Increase)/Decrease in current assets						0.3			0.3
(Increase)/Decrease in provision for contingencies and expenses						(2.2)			(2.2)
- Other financial liabilities (+/-)						(1.4)			(1.4)
Increase/(Decrease) in other non current assets and liabilities and others						2.2			2.2
Interests paid in debts and other interests (without means of payments)							(17.1)		(17.1)
Dividends paid							(39.8)		(39.8)
Finance Income							0.2		0.2
Redemption Convertible Bond								248.3	248.3

All of the aforementioned information has been obtained from the condensed consolidated statement of cash flows from 30 September 2018 which we include at the beginning of this document.

The aforementioned APMs have been defined and used from the standpoint of analysing the management of the business and the sector; the measures arising from the financial statements can be interpreted and are directly comparable to those of other groups in the sector and, therefore, APMs are not more relevant than the financial statements themselves. The earnings report, which includes the aforementioned APMs, is published at the end of each quarter to provide periodic information on the business' evolution and management to investors and analysts. In addition, half-yearly and annual financial statements are published complying with the filing requirements established in the applicable accounting regulations.

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Appendix II: Portfolio changes & Current portfolio

New Agreements, Openings and Exists

Hotels Signed from 1st January to 30th September 2018

City / Country	Contract	# Rooms	Opening
La Habana / Cuba	Management	31	2018
Hannover / Germany	Leased	89	2020
Hamburg / Germany	Leased	261	2021
Total Signed Hotels		**381**	

Hotels Opened from 1st January to 30th September 2018

Hotels	City / Country	Contract	# Rooms
NH Collection Victoria La Habana	La Habana / Cuba	Management	31
NH Collection Marseille	Marseille / France	Leased	176
NH Brussels Bloom	Brussels / Belgium	Leased	305
NH Brussels EU Berlaymont	Brussels / Belgium	Leased	214
NH Monterrey La Fe	Monterrey / Mexico	Leased	152
NH Venezia Rio Novo	Venice / Italy	Leased	144
NH Collection Madrid Gran Vía	Madrid / Spain	Leased	94
NH Graz City	Graz / Austria	Leased	157
NH Essen	Essen / Germany	Leased	183
Total Openings			**1,456**

Hotels exiting from 1st January to 30th September 2018

Hotels	City / Country	Month	Contract	# Rooms
NH Lingotto Tech	Turin / Italy	January	Management	140
NH Shijiazhuang Financial Center	Shijiazhuang / China	January	Management	78
NH Puerto de Sagunto	Valencia / Spain	February	Franchised	99
NH Collection Royal La Merced	Cartagena / Colombia	May	Leased	9
NH Marquette	Heemskerk / The Netherlands	July	Owned	65
NH Barcelona Centro	Barcelona / Spain	July	Leased	156
NH Atlántico	La Coruña / Spain	August	Leased	199
Total Exits				**746**

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HOTELS OPENED BY COUNTRY AT 30th SEPTEMBER 2018

Business Unit	Country	TOTAL		Leased			Owned		Management		Franchised	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
BU Benelux	Belgium	13	2,134		5	1,017	8	1,117				
	Luxembourg	1	148	1	1	148						
	South Africa	1	198		1	198						
	The Netherlands	35	6,764	2	20	3,362	14	2,951	1	451		
	United Kingdom	1	121		1	121						
BU Benelux		**51**	**9,365**	**3**	**28**	**4,846**	**22**	**4,068**	**1**	**451**		
BU Central Europe	Austria	7	1,340	1	7	1,340						
	Czech Republic	3	581						3	581		
	Germany	58	10,444	3	53	9,444	5	1,000				
	Hungary	1	160		1	160						
	Poland	1	93								1	93
	Romania	2	159		1	83			1	76		
	Slovakia	1	117						1	117		
	Switzerland	4	522		3	400					1	122
BU Central Europe		**77**	**13,416**	**4**	**65**	**11,427**	**5**	**1,000**	**5**	**774**	**2**	**215**
BU Italy	Italy	51	7,823	1	35	5,531	13	1,803	3	489		
BU Italy		**51**	**7,823**	**1**	**35**	**5,531**	**13**	**1,803**	**3**	**489**		
BU Spain	Spain	130	16,257		72	8,721	13	1,957	40	5,187	5	392
	Portugal	3	278		2	171			1	107		
	Andorra	1	60						1	60		
	France	4	723		3	573			1	150		
	USA	1	242				1	242				
BU Spain		**139**	**17,560**		**77**	**9,465**	**14**	**2,199**	**43**	**5,504**	**5**	**392**
BU America	Argentina	15	2,144				12	1,524	3	620		
	Brasil	1	180		1	180						
	Colombia	14	1,691		14	1,691						
	Cuba	2	251						2	251		
	Chile	4	498				4	498				
	Dominican Republic	6	2,503						6	2,503		
	Ecuador	1	124		1	124						
	Haiti	1	72						1	72		
	Mexico	16	2,554		5	733	4	685	7	1,136		
	Uruguay	1	136				1	136				
	Venezuela	5	1,285						5	1,285		
BU America		**66**	**11,438**		**21**	**2,728**	**21**	**2,843**	**24**	**5,867**		
TOTAL OPEN		**384**	**59,602**	**8**	**226**	**33,997**	**75**	**11,913**	**76**	**13,085**	**7**	**607**

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SIGNED PROJECTS AS OF 30th SEPTEMBER 2018

After the latest negotiations and cancellation of signed projects, the following hotels and rooms are still to be opened:

Business Unit	Country	TOTAL		Leased		Owned		Management	
		Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
BU Benelux	Belgium	1	180	1	180				
	The Netherlands	1	650	1	650				
	United Kingdom	1	190					1	190
BU Benelux		**3**	**1,020**	**2**	**830**			**1**	**190**
BU Central Europe	Germany	6	1,575	6	1,575				
BU Central Europe		**6**	**1,575**	**6**	**1,575**				
BU Italy	Italy	3	435	2	285			1	150
BU Italy		**3**	**435**	**2**	**285**			**1**	**150**
BU Spain	Spain	2	111	1	64			1	47
	France	1	148	1	148				
BU Spain		**3**	**259**	**2**	**212**			**1**	**47**
BU America	Chile	3	367					3	367
	Mexico	4	524	3	380			1	144
	Panama	2	283	1	83	1	200		
	Peru	2	429					2	429
BU America		**11**	**1,603**	**4**	**463**	**1**	**200**	**6**	**940**
TOTAL SIGNED		**26**	**4,892**	**16**	**3,365**	**1**	**200**	**9**	**1,327**

Details of committed investment for the hotels indicated above by year of execution:

	2018	2019	2020
Expected Investment (€ millions)	4.5	17.0	2.8

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2018 Q3 Results Presentation Conference Call

Tuesday 13th of November 2018, 12.30 (CET)

NH Hotel Group invites you to take part in a conference call to discuss its results presentation:

Speakers	Mr. Ramón Aragonés (CEO) and Ms. Beatriz Puente (CFO)
Date	13/11/2018
Time	12.30 (CET)

TELEPHONE NUMBER & PIN CODE FOR THE CONFERENCE
Participant's access - 10 minutes before the conference starts

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PIN CODE: 79714815#

PLAYBACK

Telephone number for the playback:	+34 91 038 74 91
Conference reference:	418805388#

If you have any questions, please, do not hesitate to contact Arkadin Customer Service
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