INVESTOR RELATIONS DEPARTMENT

NH HOTELES
Santa Engracia. 120, 28003 Madrid
T: +34 91 451 97 24 - F: +34 91 451 97 30
www.nh-hotels.com – investor.relations@nh-hotels.com

**Madrid, February 27th 2009**

# 2008 SALES AND RESULTS

## Highlights

- For 12 months 2008 (LFL terms) the company showed **-3.2% decrease in RevPar for Europe**, which is mainly explained by **-4.7% drop in occupancy**. The effects of the economic slowdown were more severe in Q4 with a decrease in occupancy of -10.8% in Europe vs. a decline of -2.7% up to September 30th 2008.
- **Las Americas** on the other side showed +**3.7% increase in RevPar** (constant, 2008 exchange rates), driven by similar increase in prices and flat occupancy.
- **LFL Hotel activity decreased in revenues -3.0%**, compared to the same period of last year whereas operating expenses decreased in the same proportion, maintaining the same level of GOP margin.
- The major effects of the **efficiency and structural cost reduction plan**, launched after summer have been perceived during the last quarter of the year. As a result, LFL operating expenses in Q4 reflected a decrease of -15.8% (vs. Q4 2007), compensating the -10.4% drop in sales.
- **Real estate activity** contributed with **€12.4m recurrent EBITDA** in 2008. The delivery of apartment houses and shop units in Q4 2008 (Ribera del Marlin) increased sale of apartments up to €35.7m vs €11.7m in 2007.

**CLOSING AS OF DECEMBER 2008 VS 2007 HOTEL ACTIVITY "LIKE-FOR-LIKE"**

| | FY 2008 | FY 2007 | DIF.08/07 | %DIF |
|---|---|---|---|---|
| **TOTAL REVENUE LFL HOTELS** | **1,274.64** | **1,314.43** | **-39.79** | **-3.0%** |
| TOTAL OPERATING EXPENSES LFL HOTELS | 837.46 | 863.62 | -26.16 | -3.0% |
| **GOP LFL HOTELS** | **437.18** | **450.81** | **-13.64** | **-3.0%** |
| LEASES & PROPERTY TAX LFL HOTELS | 235.59 | 228.47 | 7.12 | 3.1% |
| **EBITDA LFL HOTELS** | **201.58** | **222.34** | **-20.76** | **-9.3%** |

* Proforma figures LFL including 12 months in 2007 for Italy

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## Hotel Activity

### Like-for-Like RevPar

The last quarter of the year showed important decrease in occupancy (especially in Spain, Italy and the Netherlands), leading to an annual decrease in LFL RevPar of -3.0%. Las Americas (in local currency), Germany, Belgium, and Central and Eastern Europe are still the most resilient markets, with annual increase in RevPar driven by prices.

- **Spain and Portugal**: The current market situation pushes down occupancy rates, especially in Q4 2008 with double digit drops, driving down RevPar by -7.2% in LFL terms for the full year. Barcelona and Madrid are the most affected cities, with a decrease in the number of fairs and its visitors.
- **Italy:** LFL RevPar declined -5.1%, mainly explained by a drop in occupancy of -3.9%. Pure leisure destinations experienced a decrease in the number of visitors, whereas Milan and Rome were affected by a fall in MCI (Meetings, Conventions & Incentives) segment. As a result, almost all cities (except for Turin) showed important decrease in occupancy, impacting ADR moderately (Milan still showing +2.3% full year ADR increase).
- **Benelux and others**: RevPar reduction of -3.8% driven by reduction in occupancy. Lower occupancy is partly explained by a smaller demand of 5 star hotels in the city of Amsterdam and by the lower travel expenditures of the corporate segment. Belgium on the other hand showed a positive performance respect to 2007 (+4.6% LFL RevPar). Finally London saw important increase in occupancy (+7.6%) whereas ADR saw double digit drops as a result of the conversion of Pounds to Euros (+1,5% RevPar LFL assuming 2008 exchange rates for both periods).
- **Germany**: Despite a more pronounced decrease in activity for Q4 2008, Germany is one of the most resilient markets (due to strong domestic demand) showing RevPar increase (+3.7%) mainly driven by increases in prices of +5.6%. Berlin and Hamburg experienced a good Q4 performance. Full year figures for Munich were affected by a poor performance in Q3 due to less demand in the "Oktoberfest".
- **Central and Eastern Europe**: the business unit with greater growth in LFL RevPar (+5.5%) due to a growth in ADR (+6.9%). Switzerland stands out as a more resilient market (+15.2% RevPar LFL) compared to Austria (+5.5%) and Rumania (+0.49%).
- **Las Americas:** RevPar growth in local currency (+3.7%) whereas in Euros the negative impact of exchange rates is still perceived, resulting in a flat RevPar trend. Mexico showed a very positive closing of 2008, with revenues above budget (partly thanks to MCI segment & F&B related activities). Buenos Aires stands out with +17.3% RevPar increase in local currency (+7.9% in Euros).

**NH HOTELES RATES: UP TO 31ST DECEMBER 2008**

| | AVERAGE ROOMS | | OCCUPANCY % | | | ADR | | | REVPAR | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 | % Var | 2008 | 2007 | % Var | 2008 | 2007 | % Var |
| Spain & Portugal "Like for like" | 11,712 | 11,755 | 59.19% | 64.60% | -8.38% | 92.31 | 91.12 | 1.30% | 54.64 | 58.86 | -7.18% |
| TOTAL B.U. SPAIN | 12,874 | 12,336 | 58.39% | 63.97% | -8.72% | 92.86 | 91.45 | 1.54% | 54.22 | 58.50 | -7.32% |
| Italy "Like for like" | 5,713 | 5,675 | 59.48% | 61.89% | -3.90% | 102.09 | 103.37 | -1.24% | 60.72 | 63.98 | -5.09% |
| TOTAL B.U. ITALY | 7,084 | 6,245 | 58.37% | 62.81% | -7.06% | 100.69 | 103.83 | -3.02% | 58.78 | 65.22 | -9.87% |
| Benelux "Like for like" | 7,763 | 7,769 | 68.68% | 71.68% | -4.19% | 100.81 | 100.35 | 0.46% | 69.23 | 71.93 | -3.75% |
| TOTAL B.U. BENELUX | 8,671 | 8,173 | 67.50% | 71.44% | -5.52% | 103.64 | 103.28 | 0.35% | 69.96 | 73.78 | -5.19% |
| Central & Eastern Europe "Like for like" | 1,774 | 1,773 | 73.61% | 74.59% | -1.31% | 84.02 | 78.58 | 6.93% | 61.85 | 58.61 | 5.52% |
| TOTAL B.U. CENTRAL & EASTERN EUROPE | 2,096 | 2,055 | 72.28% | 73.45% | -1.59% | 85.26 | 79.43 | 7.34% | 61.62 | 58.34 | 5.63% |
| Germany "Like for like" | 9,666 | 9,640 | 61.53% | 62.64% | -1.78% | 70.96 | 67.21 | 5.57% | 43.66 | 42.10 | 3.70% |
| TOTAL B.U. GERMANY | 10,035 | 9,875 | 61.45% | 62.31% | -1.38% | 71.22 | 67.25 | 5.91% | 43.77 | 41.90 | 4.45% |
| EUROPA "LIKE FOR LIKE" | 36,628 | 36,612 | 62.56% | 65.65% | -4.71% | 89.72 | 88.35 | 1.55% | 56.13 | 58.00 | -3.23% |
| Total B.U. EUROPE | 40,787 | 39,506 | 61.80% | 65.20% | -5.22% | 90.88 | 89.62 | 1.40% | 56.17 | 58.44 | -3.88% |
| TOTAL EUROPE CONSOLIDATED | 40,761 | 38,683 | 61.79% | 65.45% | -5.59% | 90.90 | 89.50 | 1.56% | 56.17 | 58.58 | -4.11% |
| Las Americas "Like for like" | 3,213 | 3,222 | 70.01% | 70.06% | -0.07% | 70.39 | 70.33 | 0.08% | 49.28 | 49.28 | 0.01% |
| LATINAMERICA CONSOLIDATED | 3,666 | 3,486 | 68.24% | 69.17% | -1.33% | 70.34 | 69.64 | 1.00% | 48.00 | 48.17 | -0.34% |
| NH HOTELES "LIKE FOR LIKE" | 39,841 | 39,835 | 63.16% | 66.01% | -4.31% | 87.99 | 86.80 | 1.37% | 55.58 | 57.30 | -3.00% |
| TOTAL CONSOLIDATED | 44,427 | 42,169 | 62.33% | 65.77% | -5.23% | 89.04 | 87.78 | 1.43% | 55.49 | 57.73 | -3.88% |

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## Results

Understanding full year results: Q4 2008 performance analysis

To fully understand year-end results, we would like to incorporate some additional comments about NH Hoteles' performance in Q4.

The hotel sector suffered the major effects of the economic slowdown in the last quarter of the year. NH Hoteles saw -12.0% LFL RevPar decrease, with double-digit drops in Spain, Italy, and Holland.

However, and as announced previously on the results release for 9months, the cost cutting measures contributed positively in the last quarter of the year, resulting in flat LFL EBITDA for Q4 '08 vs. '07. Major reductions in operating expenses affect the following:

- Staff costs: Payroll reduction represents half of the total saving in Q4 '08 vs. Q4 '07. Two elements contributed to the reduction of 15% comparing Q4 for both years:
    - Decrease in number of FTEs in line with the decrease in occupancy in Q4 that dropped -10.7% and following a strong reorganization programme affecting both hotels and headquarters.
    - Decrease in year-end expected global bonus (as a result of the non-achievement of annual objectives) of those employees having a component of variable remuneration (approx. 1,400 employees) as well as other long term remuneration programs. Total reduction equals €11.4m.
- F&B purchases: Both the decrease in F&B sales (-10.4% comparing Q4 '08 vs. Q4 '07), and the redesigning of restaurant menus, resulted in approx. €4.4m saving in Europe.
- Maintenance expenses: Reduction of -16.1% in Q4 2008 vs. Q4 2007 for Europe, as a result of the efficiency and structural cost reduction plan.
- Marketing & Commissions: Focus on non-capital intensive marketing campaigns and higher internet sales are the main drivers that reduced these costs -36.1% comparing 4Q '08 vs. '07 (Europe).

Full year results:

As a result of flat EBITDA LFL in Q4 compared to last year, annual decrease in full year EBITDA is reduced to -9.3% from -13.4% in 9month results. If including new openings and refurbishments (total recurring EBITDA), 2008 annual decrease would be -5.9% vs. -11.8% in 9month results. The worst performing markets were Italy and Spain, affected by a more severe deterioration of trade. Central & Eastern Europe, Germany and Las Americas however showed important increase in EBITDA LFL (close to 45%), partially compensating the decrease in activity of the other markets.

Hotels under soft refurbishment have affected negatively LFL performance (especially in Italy with over 15% of its LFL hotels under soft refurbishment in 2008).

As a result of the cost-cutting measures and efforts in maintaining the level of trade, LFL GOP margins remain steady comparing full year results.

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## CLOSING AS OF DECEMBER 2008 VS 2007 HOTEL ACTIVITY

| | FY 2008 | FY 2007 | DIF.08/07 | %DIF |
|---|---|---|---|---|
| SPAIN & PORTUGAL | 381.18 | 410.56 | -29.38 | -7.2% |
| ITALY | 189.57 | 200.08 | -10.51 | -5.3% |
| BENELUX | 322.59 | 331.85 | -9.27 | -2.8% |
| CENTRAL & EASTERN EUROPE | 57.28 | 54.27 | 3.01 | 5.5% |
| GERMANY | 243.86 | 237.77 | 6.09 | 2.6% |
| AMERICA | 80.17 | 79.91 | 0.27 | 0.3% |
| **TOTAL REVENUE LIKE FOR LIKE HOTELS** | **1,274.64** | **1,314.43** | **-39.79** | **-3.0%** |
| **OPENINGS, CLOSINGS, REFURBISHMENTS & OTHER 08/07** | **148.20** | **81.42** | **66.78** | **82.0%** |
| **TOTAL RECURRING REVENUE** | **1,422.84** | **1,395.85** | **26.99** | **1.93%** |
| **RELEVANT NON-RECURRING REVENUE** | **59.24** | **31.24** | **28.0** | **89.63%** |
| **TOTAL REVENUE** | **1,482.08** | **1,427.09** | **54.99** | **3.9%** |
| SPAIN & PORTUGAL | 251.68 | 266.84 | -15.16 | -5.7% |
| ITALY | 145.48 | 149.24 | -3.76 | -2.5% |
| BENELUX | 195.15 | 201.79 | -6.65 | -3.3% |
| CENTRAL & EASTERN EUROPE | 37.34 | 35.85 | 1.48 | 4.1% |
| GERMANY | 156.54 | 156.85 | -0.30 | -0.2% |
| AMERICA | 51.28 | 53.05 | -1.77 | -3.3% |
| **TOTAL OPERATING EXPENSES LIKE FOR LIKE HOTELS** | **837.46** | **863.62** | **-26.16** | **-3.0%** |
| **OPENINGS, CLOSINGS, REFURBISHMENTS & OTHER 08/07** | **101.71** | **58.50** | **43.21** | **73.9%** |
| **TOTAL RECURRING OPERATING EXPENSES** | **939.17** | **922.12** | **17.05** | **1.85%** |
| **RELEVANT NON-RECURRING EXP.** | **9.63** | **4.58** | **5.05** | **110.26%** |
| **TOTAL OPERATING EXPENSES** | **948.80** | **926.70** | **22.1** | **2.4%** |
| SPAIN & PORTUGAL | 129.5 | 143.72 | -14.22 | -9.9% |
| ITALY | 44.09 | 50.84 | -6.76 | -13.3% |
| BENELUX | 127.44 | 130.06 | -2.62 | -2.0% |
| CENTRAL & EASTERN EUROPE | 19.94 | 18.41 | 1.53 | 8.3% |
| GERMANY | 87.32 | 80.93 | 6.40 | 7.9% |
| AMERICA | 28.89 | 26.85 | 2.04 | 7.6% |
| **GOP LIKE FOR LIKE HOTELS** | **437.18** | **450.81** | **-13.64** | **-3.0%** |
| **OPENINGS, CLOSINGS, REFURBISHMENTS & OTHER 08/07** | **46.49** | **22.92** | **23.58** | **102.9%** |
| **TOTAL RECURRING GOP** | **483.67** | **473.73** | **9.94** | **2.10%** |
| **RELEVANT NON - RECURRING GOP** | **49.61** | **26.66** | **22.95** | **86.08%** |
| **TOTAL GOP** | **533.28** | **500.39** | **32.89** | **6.6%** |
| **LEASES & PROPERTY TAXES LFL HOTELS** | **235.59** | **228.47** | **7.12** | **3.1%** |
| **OPENINGS, CLOSINGS, REFURBISHMENTS & OTHER 08/07** | **29.79** | **13.20** | **16.59** | **125.7%** |
| **TOTAL LEASES & PROPERTY TAXES** | **265.38** | **241.67** | **23.71** | **9.8%** |
| SPAIN & PORTUGAL | 50.77 | 64.55 | -13.77 | -21.3% |
| ITALY | 10.32 | 19.40 | -9.07 | -46.8% |
| BENELUX | 98.09 | 103.5 | -5.37 | -5.2% |
| CENTRAL & EASTERN EUROPE | 4.27 | 2.95 | 1.32 | 44.7% |
| GERMANY | 12.02 | 8.20 | 3.82 | 46.6% |
| AMERICA | 26.10 | 23.79 | 2.31 | 9.7% |
| **EBITDA LIKE FOR LIKE HOTELS** | **201.58** | **222.34** | **-20.76** | **-9.3%** |
| **OPENINGS, CLOSINGS, REFURBISHMENTS & OTHER 08/07** | **16.71** | **9.72** | **6.99** | **71.9%** |
| **TOTAL RECURRING EBITDA** | **218.3** | **232.06** | **-13.77** | **-5.93%** |
| **EBITDA NON RECURRING** | **49.61** | **26.66** | **22.95** | **86.08%** |
| **TOTAL EBITDA** | **267.90** | **258.72** | **9.18** | **3.5%** |

* Proforma figures LFL for BU breakdown including 12 months in 2007 for Italy

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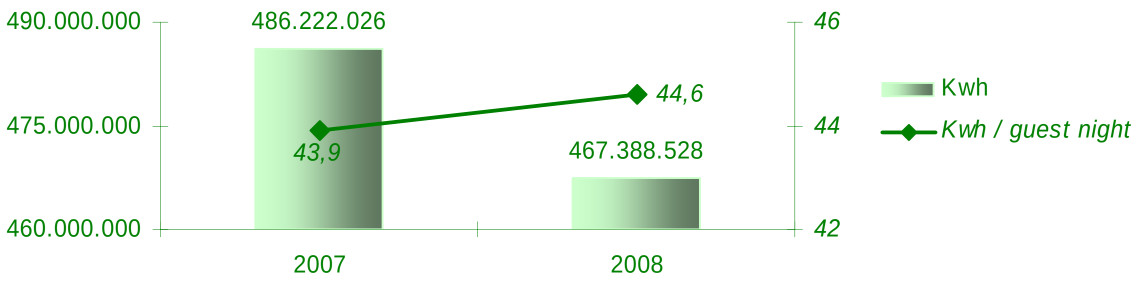
## Environmental Metrics

The Environmental Plan of NH Hoteles, which includes energy efficiency, eco-design and waste management as priorities, will lead the Company to reduce 20% its CO2 emissions, waste production and consumption of water and energy.

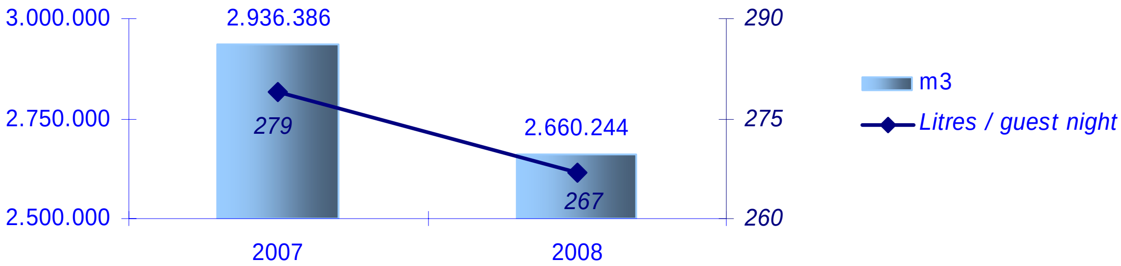
For the first time ever, and in line with NH Hoteles' compromise towards sustainability and energy responsible consumption, the following indicators will be published:

*CONSUMPTIONS AND EMISSIONS

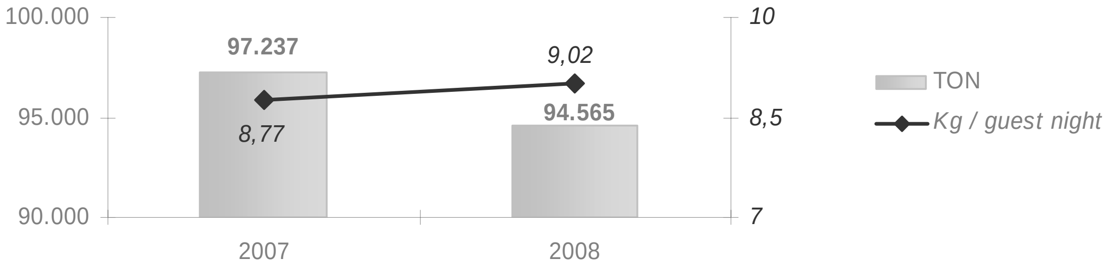
### ENERGY CONSUMPTION (-3,9%)



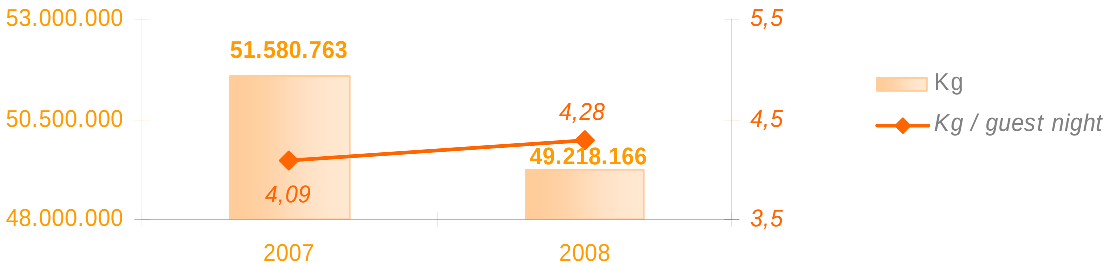

### WATER CONSUMPTION (-9,4%)




### CO2 EMISSIONS (-2,7%)




### WASTE PRODUCTION (-4,8%)




**Consolidated urban hotels*

Overall results show a significant decrease in consumptions and emissions as a result of saving initiatives implemented during 2008. Per guest night ratio however slightly increased as a result of the impact generated by lower occupancy levels.

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## NH HOTELES, S.A. AS OF DECEMBER 31st 2008 P&L ACCOUNT

| | FY 2008 | | FY 2007 | | 2008/2007 |
|---|---|---|---|---|---|
| | M Eur. | % | M. Eur | % | Var. % |
| Room Revenues | 1,422.8 | 93% | 1,395.8 | 93% | 1.9% |
| Real estate sales and other | 50.1 | 3% | 77.5 | 5% | -35.4% |
| Non-recurring Revenues | 59.5 | 4% | 32.4 | 2% | 83.8% |
| **TOTAL REVENUES** | **1,532.4** | **100%** | **1,505.7** | **100%** | **1.8%** |
| Cost of real estate sales | -23.0 | -2% | -41.6 | -3% | -44.7% |
| Staff Cost | -490.5 | -32% | -478.8 | -32% | 2.4% |
| Operating expenses | -462.7 | -30% | -456.0 | -30% | 1.5% |
| Other Non-recurring expenses | -9.6 | -1% | -4.6 | 0% | 109.8% |
| **GROSS OPERATING PROFIT** | **546.5** | **36%** | **524.7** | **35%** | **4.2%** |
| Lease payments and property taxes | -265.9 | -17% | -241.7 | -16% | 10.0% |
| **EBITDA** | **280.6** | **18%** | **283.0** | **19%** | **-0.8%** |
| Impairment | -32.5 | -2% | 0.0 | 0% | - |
| Depreciation | -124.0 | -8% | -109.7 | -7% | 13.0% |
| **EBIT** | **124.1** | **8%** | **173.3** | **12%** | **-28.4%** |
| Market value derivatives | -43.8 | -3% | 0.0 | 0% | - |
| Interest income (expense) | -69.2 | -5% | -62.8 | -4% | 10.2% |
| Income from minority equity interests | -2.3 | 0% | -2.5 | 0% | -7.7% |
| **EBT** | **8.8** | **1%** | **108.0** | **7%** | **-91.9%** |
| Corporate income tax | -3.7 | 0% | -8.5 | -1% | -56.1% |
| **NET INCOME before minorities** | **5.0** | **0%** | **99.5** | **7%** | **-94.9%** |
| Minority interests | 21.7 | 1% | -22.1 | -1% | -198.5% |
| **NET INCOME** | **26.8** | **2%** | **77.4** | **5%** | **-65.4%** |

## Financial highlights and other relevant issues

- **Non-recurrent items**: €55.5m in non-recurrent revenues, explained by the capital gain from the sale & lease back transaction of three hotels in Spain and one hotel in Amsterdam. The remaining amount includes other non-recurring items such as a compensation perceived as a result of the closing of a Fast & Good restaurant in Madrid and other minor events.
- **Lease payments:** Increase in lease payments mainly due to new openings, the sale & lease back transactions of three hotels in Q2, and the non-consolidation of Jolly hotels for the month of January 2007. There are currently 30 lease contracts with call option in Germany, Austria, Holland, Luxembourg, Spain and Italy.
- **Net Debt:** Decreased down to €1,165.3m at year-end from €1,255.2m as of September 2008, thanks to operational cash flow, an additional sale & lease back transaction (266 room hotel in Amsterdam), and a capital increase contribution in NH Italy of €67m (contributed by minority shareholders) subscribed to finance the Refurbishment Plan and new developments in the country.
    - **Covenants**: At year-end 2008, NH Hoteles fully met all its debt covenants (i.e. Net debt for covenant purposes / EBITDA =3.96x).
    - **Maturity**: Regarding debt schedule payments for the next years, there are no large committed amounts until 2012 (except for credit line renewals), being 2012 the year in which 70% of the syndicated loan expires.
    - **Mortgage Loans**: Mortgage Loans represent 20% of total Gross Debt disposed, contributing positively to NH Hoteles' ability to provide further debt guarantees if required.
    - **Credit lines**: It must be noted, that only 20% of the current lines of credit have been disposed as well as the fact that available lines of credit increased in 2008 up to €543m from €505m in 2007.

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- **Impairment**: The €32.5m basically affecting some hotels in Spain and Italy. This item is fully reversible and implies no cash out.
- **Market Value Derivatives:** Mainly explained by the **Equity Swap provision:** Reflects the decline in the share price of the NH share that is linked to the equity swap covering the stock options plan approved in 2007. This provision is reversible (until the end of the plan in 2012) implying no cash out.
- **Financial Expenses**: Growth due to the increase in average total debt from last year's corporate transactions as well as the increase in interest rates during 2008.
- **Minority Interests**: reflects the losses attributable to NH's partners in the Italian Business Unit compared to last year non-recurrent gains and badwill adjustment.

## Real Estate Activity

| Real Estate Activity - Revenue Breakdown | FY 2008 | | FY 2007 | |
|---|---|---|---|---|
| | Mn Euros | % total | Mn Euros | % total |
| Apartments | 35.70 | 71% | 11.66 | 15% |
| Mooring Points | 2.02 | 4% | 2.14 | 3% |
| Plots | 0.00 | 0% | 18.50 | 24% |
| Puerto Morelos plot | 0.00 | 0% | 34.74 | 44% |
| Other Revenue | 12.58 | 25% | 11.59 | 15% |
| **Total Revenue** | **50.30** | **100%** | **78.63** | **100%** |
| | | | | |
| **Committed Sales** | **42.20** | | **77.62** | |

- Real estate activity generated revenues of €50.30m, compared to €78.63m for the same period in 2007.
  - 2007 revenues include the sale of a plot in Puerto Morelos in Mexico, accounting for a total of €34.74m.
  - Increase in Apartment sales due to the conclusion of construction works and final handing over of apartment houses and shop units in the Ribera del Marlin. From the first days of November onwards (when customers could legally register their properties), and up to December 31st, a total of 53 apartment houses and 20 shop units were registered (totalling €35,7m). This fact confirms the positive performance of the real estate product offered.
  - It must be noted that, as a result of the challenging economic trends and the current situation in the Real Estate market, during 2008 no remarkable plots were sold to third parties. 2007 on the contrary, accounts for a total of €18.5m as sales of different plots.

- EBITDA reached €12.69m, vs. €24.29m in the same period in 2007, representing a decrease of 48%. This is partly explained by the fact that the products handed over in Ribera del Marlin have a lower margin than the sale of plots. Net income amounted to €5.83m, compared to €12.92m for 2007.

- At December 31st 2008, Sotogrande had committed sales, not yet accounted for on the books, of €42.20m, mainly corresponding to the remaining stock pending to be registered in Ribera del Marlin by its owners. The decrease in committed sales corresponds precisely to sales already accounted for on the books in 2008.

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## Signed Projects and openings

Since January 1st, 2008 till December 31st, 2008, NH added 4,158 new rooms (29 hotels) to its portfolio.

The new projects are distributed geographically as follows: 23.1% in Central and Eastern Europe: Germany, Holland, Hungary and Czech Republic; 42.5% in Southern Europe: Spain and Italy; and 34.4% in Latin America and other countries.

### Signed projects from January 1st to December 31st, 2008

| New Hotel Projects | City | Contract | # Rooms | Opening |
|---|---|---|---|---|
| **1** | San Sebastián de los Reyes, Spain | Leased | 120 | 2012 |
| **2** | Lejona, Vizcaya, Spain | Management | 125 | 2009 |
| **3** | La Laguna, Tenerife, Spain | Management | 105 | 2009 |
| **4** | Buenos Aires, Argentina | 100% Owned | 185 | 2009 |
| **5** | Madrid, Spain (Extension) | Leased | 15 | 2011 |
| **6** | Olomouc, Czech Republic | Management | 136 | 2009 |
| **7** | Dresden, Germany | Leased | 235 | 2010 |
| **8** | Gerona, Spain | Leased | 115 | 2010 |
| **9** | Rotterdam, Holland | Leased with Call Option | 280 | 2012 |
| **10** | Cartagena, Spain | Leased | 100 | 2011 |
| **11** | Porriño, Spain | Management | 67 | 2010 |
| **12** | Parma, Italy | Leased | 118 | 2012 |
| **13** | Panamá | 50% Owned | 180 | 2011 |
| **14** | Budapest, Hungary | Leased | 99 | 2010 |
| **15** | Berlin, Germany | Leased | 89 | 2010 |
| **16** | Madrid, Spain | Leased | 68 | 2011 |
| **17** | Segovia, Spain | Management + 10% Owned | 150 | 2011 |
| **18** | Rome, Italy | Leased | 182 | 2009 |
| **19** | La Roca del Valles, Barcelona, Spain | Management | 188 | 2009 |
| **20** | Gijon, Spain | Management | 64 | 2009 |
| **Operating Hotels** | **City** | **Contract** | **# Rooms** | **Opening** |
| **21** | Nunspeet, Holland | Owned | 117 | 2008 |
| **22** | Madrid, Spain | Leased | 114 | 2008 |
| **23** | Mexico (Extension p. Vallarta) | Management | 200 | 2009 |
| **24** | Mexico (Extension Cancun) | Management | 104 | 2009 |
| **25** | Bussum, Holland (Extension) | 56% Owned | 42 | 2010 |
| **26** | Mar de Plata, Argentina | Management + 20% Owned | 573 | 2008/09 |
| **27** | Caceres, Spain | Leased | 86 | 2008 |
| **28** | Madrid, Spain | Leased | 149 | 2009 |
| **29** | The Hague, Holland | Leased | 152 | 2008 |
| **Total Signed Projects** | | | **4.158** | |

### New Developments

During 2008, fifteen new hotels with 2,854 rooms were opened. In the last quarter of the year we highlight the opening of the NH Riviera Cancun Luxury Resort with 550 rooms, the partial opening of NH Gran Hotel Provincial (the remaining 419 rooms to be opened this year) and the opening of NH Musica hotel in the heart of the financial district of Amsterdam.

NH HOTELES
Santa Engracia. 120, 28003 Madrid
T: +34 91 451 97 24 - F: +34 91 451 97 30
www.nh-hotels.com – investor.relations@nh-hotels.com

## Hotels Openings from January 1st to December 31st, 2008

| Hotels | City | Contract | # Rooms |
|---|---|---|---|
| **NH Victoria Palace** | El Escorial (Spain) | Leased | 78 |
| **NH Paseo del Prado** | Madrid (Spain) | Leased | 114 |
| **NH Orio al Serio** | Bergamo (Italy) | Leased | 118 |
| **NH Linate** | Linate (Italy) | Leased | 67 |
| **NH Savona Darsena** | Savona (Italy) | Leased (with call option) | 92 |
| **NH Sparrenhorst** | Nunspeet (Holland) | Owned | 117 |
| **NH Monterrey** | Monterrey (Mexico) | Leased | 217 |
| **EDENH Real Arena** | Dominican. Rep. | Management | 642 |
| **NH Palacio de Oquendo** | Caceres (Spain) | Leased | 86 |
| **NH Atlantic Den Haag** | The Hague (Holland) | Leased | 152 |
| **NH Giustiniano** | Rome (Italy) | Leased | 161 |
| **NH Poznan** | Poznan (Poland) | Management | 93 |
| **NH Gran Hotel Provincial** | Mar de Plata (Argentina) | Management / 20% Owned | 154 |
| **NH Riviera Cancun** | Cancun (Mexico) | Management / 26% Owned | 550 |
| **NH Musica** | Amsterdam (Holland) | Leased | 213 |

| | |
|---|---|
| **Total New Openings** | **2,854** |

## Asset management

### Hotels that left the NH Group from January 1st, 2008

| Hotels | City | Contract | # Rooms |
|---|---|---|---|
| **NH Weinheim Ottheinrich** | Germany | Leased | 25 |
| **Jolly Hotel Stendhal** | Italy | Franchise | 62 |
| **Jolly Hotel Salerno** | Italy | Franchise | 104 |
| **Jolly Hotel Della Valle** | Italy | Franchise | 120 |
| **Jolly Hotel Messina** | Italy | Franchise | 96 |
| **Jolly Hotel Siracusa** | Italy | Franchise | 100 |
| **Jolly Dioscury Bay Palace** | Italy | Leased | 102 |
| **Jolly Hotel Cagliari** | Italy | Franchise | 129 |
| **Jolly Hotel Ognina** | Italy | Franchise | 56 |
| **NH Sao Paulo** | Brazil | Owned | 135 |

| | |
|---|---|
| **Total Exits** | **929** |

Additionally, the company entered into "sale & lease back" agreements by which three properties in Spain and one in the Netherlands were disposed. NH Hoteles retains long-term lease agreements with options to buy back the assets under certain conditions. The total sale price reached €92 million, with a capital gain of €55.5 million (€46.5 million after tax).

| Hotels | City | # Rooms |
|---|---|---|
| **NH Ciudad de Santander** | Santander | 62 |
| **NH Luz Huelva** | Huelva | 107 |
| **NH Alcala** | Madrid | 146 |
| **NH Central Station** | Amsterdam | 266 |
| **Total** | | **581** |
| **Price (€MM)** | | **92** |

NH HOTELES

DEPARTAMENTO DE RELACIÓN CON INVERSORES

NH HOTELES
Santa Engracia. 120, 28003 Madrid
T: +34 91 451 97 24 - F: +34 91 451 97 30
www.nh-hotels.com – investor.relations@nh-hotels.com

# HOTELS ON OPERATION BY COUNTRIES UP TO DECEMBER 2008

R= ROOMS; H= HOTELS; CO= CALL OPTION; L= LEASED; O= OWNED; M= MANAGED; F= FRANCHISE

| | R | H | CO | L | R | O | R | M | R | F | R |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ARGENTINA | 1,394 | 10 | 0 | 0 | 0 | 9 | 1,240 | 1 | 154 | 0 | 0 |
| URUGUAY | 136 | 1 | 0 | 0 | 0 | 1 | 136 | 0 | 0 | 0 | 0 |
| MEXICO | 3,820 | 17 | 0 | 5 | 679 | 6 | 1,261 | 6 | 1,880 | 0 | 0 |
| CHILE | 122 | 1 | 0 | 0 | 0 | 1 | 122 | 0 | 0 | 0 | 0 |
| CUBA | 968 | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 968 | 0 | 0 |
| PORTUGAL | 313 | 3 | 0 | 3 | 313 | 0 | 0 | 0 | 0 | 0 | 0 |
| SPAIN | 14,352 | 128 | 3 | 90 | 10,258 | 15 | 2,219 | 23 | 1,875 | 0 | 0 |
| ITALY | 8,002 | 55 | 1 | 32 | 4,923 | 16 | 2,449 | 6 | 523 | 1 | 107 |
| ENGLAND | 596 | 3 | 0 | 1 | 121 | 1 | 275 | 1 | 200 | 0 | 0 |
| HOLLAND | 6,343 | 34 | 2 | 14 | 2,037 | 19 | 4,226 | 1 | 80 | 0 | 0 |
| BELGIUM | 1,632 | 11 | 0 | 2 | 434 | 9 | 1,198 | 0 | 0 | 0 | 0 |
| GERMANY | 10,061 | 57 | 17 | 57 | 10,061 | 0 | 0 | 0 | 0 | 0 | 0 |
| SWITZERLAND | 632 | 5 | 0 | 3 | 400 | 2 | 232 | 0 | 0 | 0 | 0 |
| AUSTRIA | 1,220 | 7 | 4 | 7 | 1,220 | 0 | 0 | 0 | 0 | 0 | 0 |
| HUNGARY | 160 | 1 | 0 | 1 | 160 | 0 | 0 | 0 | 0 | 0 | 0 |
| RUMANIA | 161 | 2 | 0 | 1 | 83 | 0 | 0 | 1 | 78 | 0 | 0 |
| POLAND | 93 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 93 | 0 | 0 |
| LUXEMBOURG | 148 | 1 | 1 | 1 | 148 | 0 | 0 | 0 | 0 | 0 | 0 |
| SOUTH AFRICA | 240 | 2 | 0 | 1 | 198 | 1 | 42 | 0 | 0 | 0 | 0 |
| DOMINICAN REPUBLIC | 642 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 642 | 0 | 0 |
| UNITED STATES | 242 | 1 | 0 | 0 | 0 | 1 | 242 | 0 | 0 | 0 | 0 |
| FRANCE | 314 | 2 | 0 | 1 | 152 | 1 | 162 | 0 | 0 | 0 | 0 |
| **OPEN HOTELS** | **51,591** | **345** | **28** | **219** | **31,187** | **82** | **13,804** | **43** | **6,493** | **1** | **107** |

NH HOTELES
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## SIGNED PROJECTS UP TO DECEMBER 2008

R= ROOMS; H= HOTELS; CO= CALL OPTION; L= LEASED; O= OWNED; M= MANAGED; F= FRANCHISE

| | R | H | CO | L | R | O | R | M | R | F | R |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ARGENTINA | 703 | 2 | 0 | 0 | 0 | 2 | 284 | 0 | 419 | 0 | 0 |
| MEXICO | 995 | 4 | 0 | 1 | 132 | 1 | 142 | 2 | 721 | 0 | 0 |
| CUBA | 150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 150 | 0 | 0 |
| SPAIN | 2,424 | 19 | 0 | 13 | 1,694 | 0 | 19 | 6 | 711 | 0 | 0 |
| ITALY | 1,573 | 10 | 0 | 7 | 1,098 | 1 | 217 | 2 | 258 | 0 | 0 |
| HOLLAND | 485 | 2 | 1 | 1 | 114 | 1 | 371 | 0 | 0 | 0 | 0 |
| GERMANY | 632 | 3 | 0 | 3 | 632 | 0 | 0 | 0 | 0 | 0 | 0 |
| AUSTRIA | 127 | 0 | 0 | 0 | 127 | 0 | 0 | 0 | 0 | 0 | 0 |
| HUNGARY | 213 | 2 | 0 | 2 | 213 | 0 | 0 | 0 | 0 | 0 | 0 |
| PANAMA | 180 | 1 | 0 | 0 | 0 | 1 | 180 | 0 | 0 | 0 | 0 |
| POLAND | 119 | 1 | 0 | 1 | 119 | 0 | 0 | 0 | 0 | 0 | 0 |
| CZECH REPUBLIC | 506 | 3 | 0 | 2 | 370 | 0 | 0 | 1 | 136 | 0 | 0 |
| SOUTH AFRICA | 190 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 190 | 0 | 0 |
| SENEGAL | 310 | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 310 | 0 | 0 |
| DOMINICAN REPUBLIC | 575 | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 575 | 0 | 0 |
| COLOMBIA | 140 | 1 | 0 | 0 | 0 | 1 | 140 | 0 | 0 | 0 | 0 |
| FRANCE | 488 | 2 | 0 | 2 | 488 | 0 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL PROJECTS** | **9,810** | **55** | **1** | **32** | **4,987** | **7** | **1,353** | **16** | **3,470** | **0** | **0** |