

In compliance with the information duties foreseen in article 228 of Royal Legislative Decree 4/2015 of 23th October, approving the Law on Securities Market, NH Hotel Group, S.A. and supplementary regulations (hereinafter, “NH” or the “Company”) hereby notifies the Comisión Nacional del Mercado de Valores (CNMV) of the following

RELEVANT EVENT

With regard to the General Shareholders ‘meeting that has been held today, the Company discloses the following documents:

- Speech of the Chairman of the Board of Directors, Mr. Alfredo Fernández Agrad.
- Presentation of the *Chief Executive Officer (CEO)*, Mr. Ramón Aragonés Marín.

Madrid, 29th June 2017.

Carlos Ulecia Palacios.
General Secretary

SPEECH OF MR. ALFREDO FERNANDEZ AGRAS, CHAIRMAN OF THE BOARD OF DIRECTOS

Dear shareholders:

On behalf of NH Hotel Group, I would like to welcome you to this Annual General Meeting. It is a personal honour to preside this meeting of the Company's highest governing body, the vehicle for expressing the Company's will.

The Annual General Meeting is, par excellence, the opportunity for the Board, which I represent, to communicate with its shareholders. My intention today is to make sure that that communication is transparent and comprehensive and does not neglect any matter of significance.

Over the next few minutes I propose summarising the aspects of the global economy that have had the biggest influence on our Company. I will start with the big picture before getting into the finer details of our business performance and governance in 2016.

By way of introduction, I would like to highlight the two major achievements which in my opinion have shaped and continue to shape NH's situation, particularly in the last 12 months:

- An unwavering commitment to value creation for all our shareholders, as evident in the substantial improvement in our earnings performance, capital structure and outlook; and
- A firm focus on corporate governance and professional management of the business, attaining notorious progress on both fronts.

After several years of economic contraction at the global level, the economic climate is currently more stable. The medium-term outlook is good and with a more balanced mix between the advanced and emerging economies.

Turning specifically to Europe, growth is forecast at 1.7% this year and 1.6% next. Spain continues to grow faster than the average and its tourism industry is proving a driving force, successively posting record numbers. The Latin American economies have shaken off uncertainty and the outlook is for growth of close to 2% in 2018. In short, the

macroeconomic situation is stable, albeit framed by prevailing geopolitical uncertainty.

Globalisation of the economy, digital transformation and new consumption patterns are transforming business models across the board. Against this backdrop, NH Hotel Group continues to spearhead the technological transformation and innovation thrust in its sector. This, coupled with a better-quality guest proposition and a pronounced shift towards the premium segment, is driving brand recognition and enabling us to benefit from the boom in business and leisure travel.

As for the trend in the hotel sector in 2016, Europe performed particularly well; the number of overnight stays increased by 2% to 2.8 billion. Spain further cemented its leadership: posting growth of close to 8%, it outperformed countries such as France, Italy, Germany and the UK. The sector momentum across Europe was underpinned by moderate growth in available rooms. This, together with the sharp growth in demand, has enabled NH to strategically increase its prices without jeopardising occupancy levels. This strategy has translated into an excellent revenue-to-EBITDA conversion ratio.

Exceltur has pointed out that this new golden era in Spanish tourism is based on the increasingly qualitative upgrading of the hotel offering, the boom in business travel and growing demand for experiential travel in the leisure and lifestyle segment. NH has substantially reinforced its proposition along all three vectors, putting us in an ideal situation for the future in terms of positioning, image and customer acceptance.

Our main challenge is to continue accelerating our digital and innovation strategy. Both add to our value proposition and reinforce our brand equity. We are thus focused on the provision of quality service, service that will continue to translate into growth in profitability. In this manner we are reinforcing the Group's leadership and our ability to compete in the long term.

Indeed, NH is in the right place at the right time. Allow me to back that statement up in more detail.

Although Mr. Aragonés will take you through these points in greater depth, I would like to gloss over the five reasons why in my opinion NH's prospects are currently far more robust than 12 months ago:

One. In September 2016, we managed to refinance most of the Company's bank debt by issuing bonds and arranging a long-term

credit line that have extended the average term of our debt so that the Company can service its obligations comfortably.

In 2017, we have increased the size of the 2016 bond issue in order to refinance the bulk of the Company's most expensive debt, which was due in 2019. As a result, we have cut our average cost of borrowings from 4.7% to 4.1%. This will translate into annual recurring savings of six million euros.

Not only have we aligned the repayment schedule with the Company's debt servicing capabilities - and at a lower cost -, but we have also reduced gross debt. This puts NH in a position of strength in the event of any unexpected developments or cyclical downturn.

And this paid off in the form of ratings upgrades. In 2016, S&P and Fitch raised their corporate credit ratings from B- to B with a stable outlook, while Moody's assigned NH a corporate rating of B2, similarly with a stable outlook. More recently, Fitch has improved its outlook from stable to positive.

Two. We have prioritised operating efficiency. We have a cost savings plan in place which is making our business more profitable and doing so in a more sustainable manner. Its effects are palpable in the healthy pace at which the incremental revenue is translating into EBITDA, a trend also evident in the early months of 2017.

Three. We have fostered growth with new capital-light projects. When we take on lease obligations or investment commitments, we look for buffers so we can be sure that we will be able to avoid incurring operating losses in the future.

Four. We have signed a new hotel management agreement with Hesperia, one of our shareholders. It includes tight safeguards for the rest of NH's shareholders in light of its condition as a related party. We expect it to contribute around €9 million of gross revenue this year.

Five. We are putting the finishing touches on a new three-year business plan for 2017-2019, which we will announce to the market this year. In it, we will describe our identified lines of growth, the investments earmarked for new opportunities and the existing portfolio, our leverage targets and our dividend policy. You will see that NH no longer *needs* to sell assets as we already have a sustainably profitable business. That being said, we will continue to do so, but going forward as part of an asset turnover strategy driven by value creation or strategic fit criteria.

All of this has been possible thanks to the leadership of the new top management. After an initial period of transition under a management team led jointly by Ramón Aragonés, Rufino Pérez and Beatriz Puente, the Board has unanimously decided to propose the appointment today of Mr. Aragonés as CEO.

Ramón knows the hotel industry in general, and NH in particular, extremely well, and he presents two characteristics which, in my opinion, make him the ideal candidate for the job: he is the organisation's natural leader, respected and admired by everyone at the firm; and he is a firm believer that our shareholders put up their money in order to turn a profit and that it is his duty to make that happen.

In the past year, the management team has enhanced our positioning, boosted revenue and profits and laid the foundations for sustained long-term growth. This is enabling us to top our most optimistic expectations for the business and the share price appears to be reflecting that momentum.

In parallel, the Board has approved a long-term incentive plan that is similarly being put before you today. In my opinion, it aligns your interests far better with those of the management team. It is designed to motivate and challenge. More specifically, the Board's Appointments and Remuneration Committee has sought to make the plan easy for our executives to understand and embrace, simple for them to observe the correlation between their long-term rewards and their performance.

Elsewhere, I would like to highlight the work and effectiveness of our governing bodies in 2016. Under my chairmanship, the most important decisions taken by the Board have been carried unanimously.

In my opinion, the Company's interests are fully protected. The current non-executive joint chairmanship, made up of two proprietary directors with highly complementary profiles, guarantees that we act in interests of all our shareholders. In fact, I would go as far as to say that I think it is a model worth emulating by other listed companies.

Here I would note that I have voluntarily included the directors technically considered "other external directors" as independent directors as this is how the market views them, as has been validated by certain proxy advisors.

One very important issue being put before you today is the dividend payment. That payment, which should be recurring, has been absent in the case of NH over the last nine years. Renewing it now is not only fair for NH's shareholders, it also facilitates the organisation's cultural change: the Company's owners should be remunerated every year. I can assure you that it is my intention that the Company pay a growing dividend year after year.

Lastly, I would like to thank you for your participation in today's Meeting, which is both a right and a duty, as is evidently the prevailing market trend.

I hope that the Board continues to earn your support for future General Meetings as there is plenty left to be done.

To achieve our goals we have a team of 20,000 professionals whose hard work and dedication are making NH a better company day in and day out. To them, my sincerest thanks.

Many thanks to all.

Alfredo Fernández Agras

Chairman of the Board of Directors
NH Hotel Group, S.A.



GENERAL SHAREHOLDERS MEETING



Madrid, 29th of June 2017

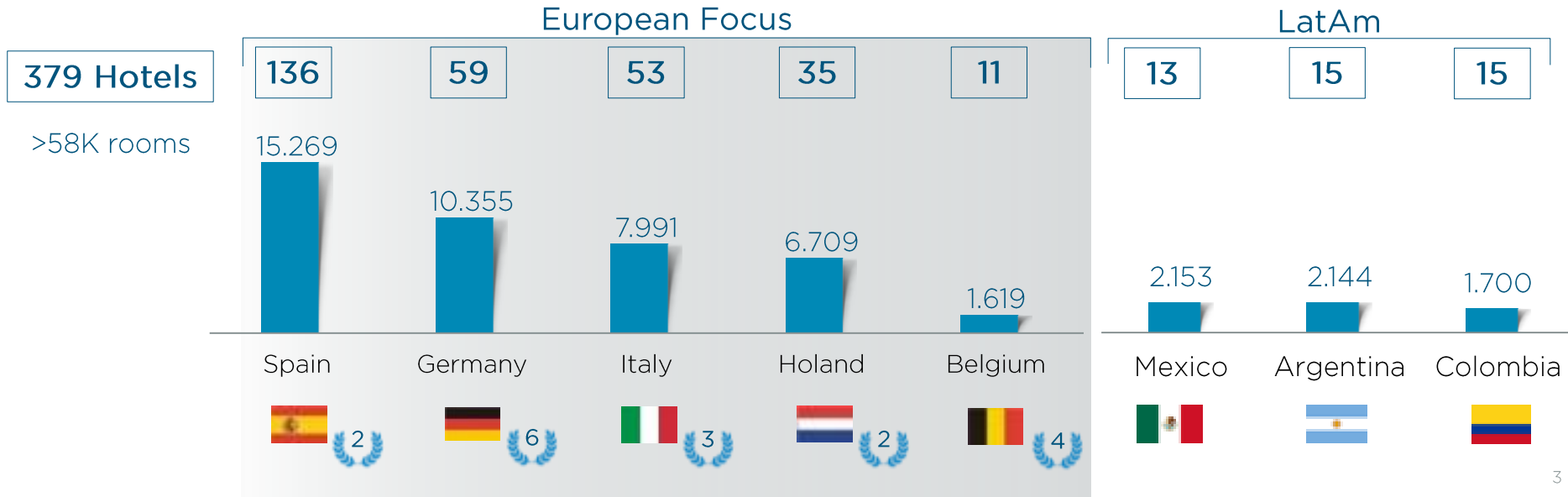
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- **NH TODAY**
- RESULTS 2016
- STRATEGIC INITIATIVES
- TARGETS 2017
- CONCLUSION



Leading European urban hotel operator with strong presence in key cities:

- 6th largest European hotel chain and one of the Top 25 worldwide
- 379 hotels with more than 58,000 rooms in 29 countries
- +30 hotels with 5,000 rooms to open in the coming years



Urban positioning towards the upper segment and with a high brand awareness:

NH
HOTELS

UPSCALE 4*/
MIDSCALE 3*



NH COLLECTION
HOTELS

UPPER UPSCALE

nhow
HOTELS

UPPER UPSCALE
(DESIGN)

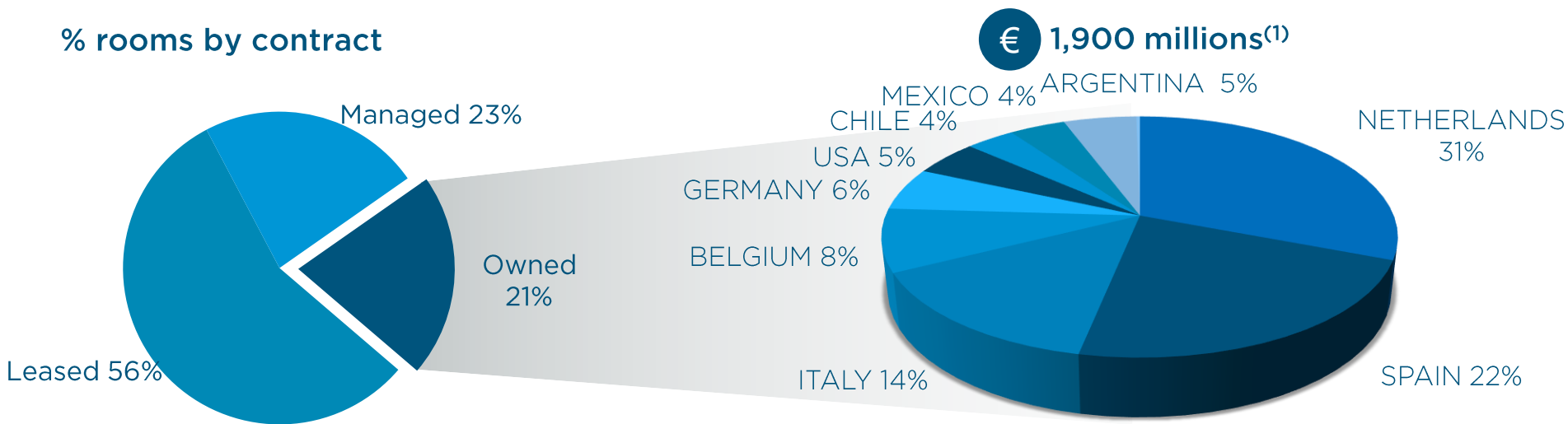
Hesperia
RESORTS

UPSCALE

Solid and diversified asset base underpinning the business:

- 224 leased hotels and 80 under management
- 75 owned hotels
 - €1,900⁽¹⁾ millions of estimated market value

% rooms by contract



⁽¹⁾ €1,3bn is calculated by third party appraisal (31 hotels as of Dec. 2016). The remaining 44 owned hotels are estimated with an internal valuation applying a similar methodology

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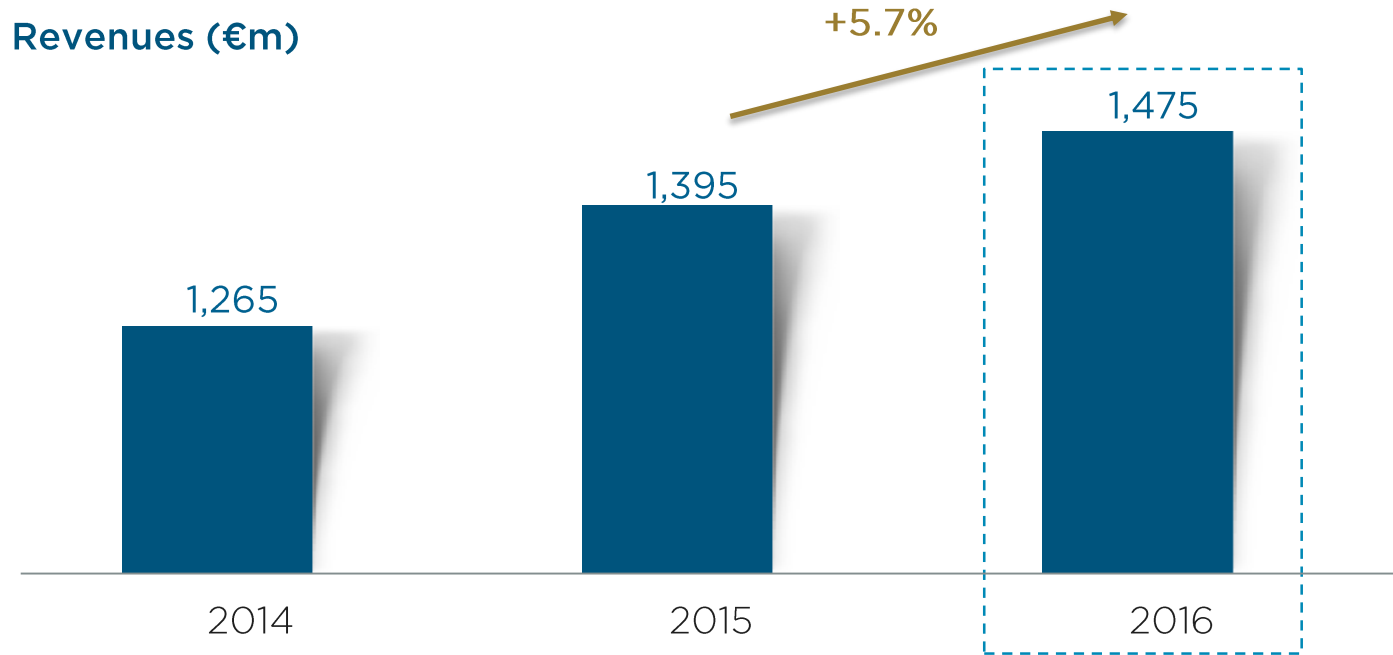
- NH TODAY
- **RESULTS 2016**
- STRATEGIC INITIATIVES
- TARGETS 2017
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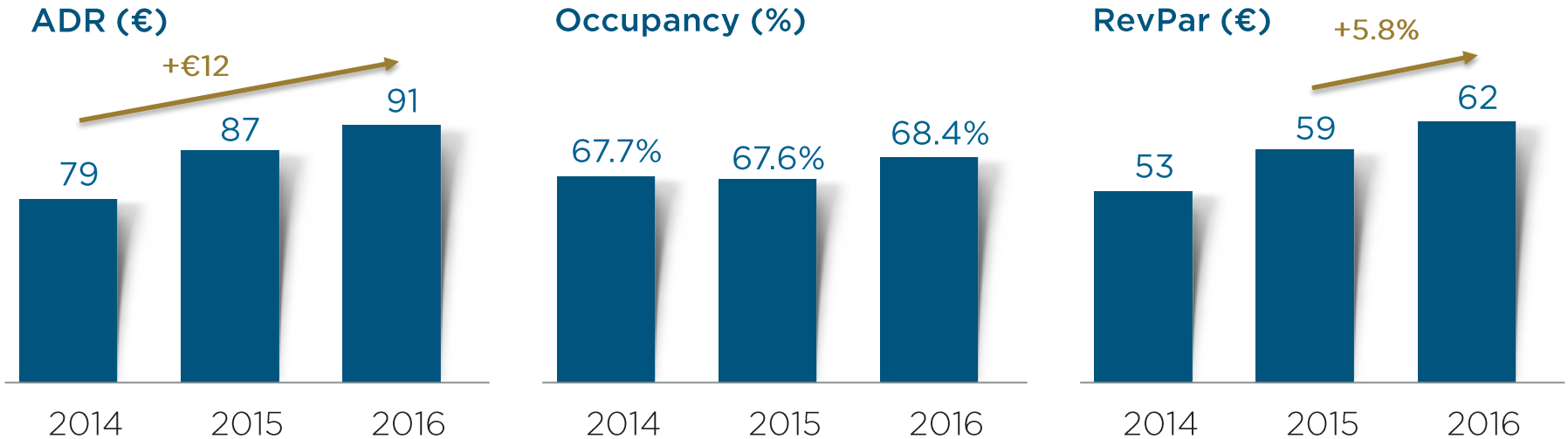
Highlights 2016

- Solid **revenue** increase of **+5.7%** (+€79m) reaching €1,475m, with an excellent performance of Spain and Germany
- **EBITDA** of €181m (+€31m): **+21%** reaching a margin of 12.3% (+1.6 p.p)
- First year of **positive Net Recurring Income** since 2008, reaching **€11m** and **Total Net Income of €31m**
- **Leverage reduction** to 4.1x (NFD/Recurring EBITDA) vs. 5.6x in 2015

Significant Revenue improvement

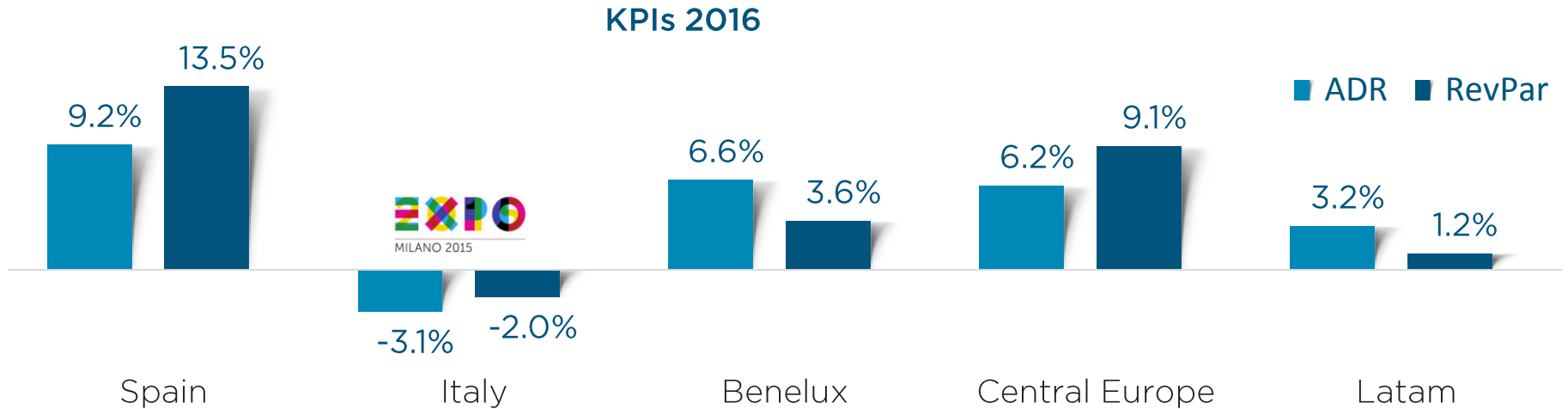


Solid RevPar increase



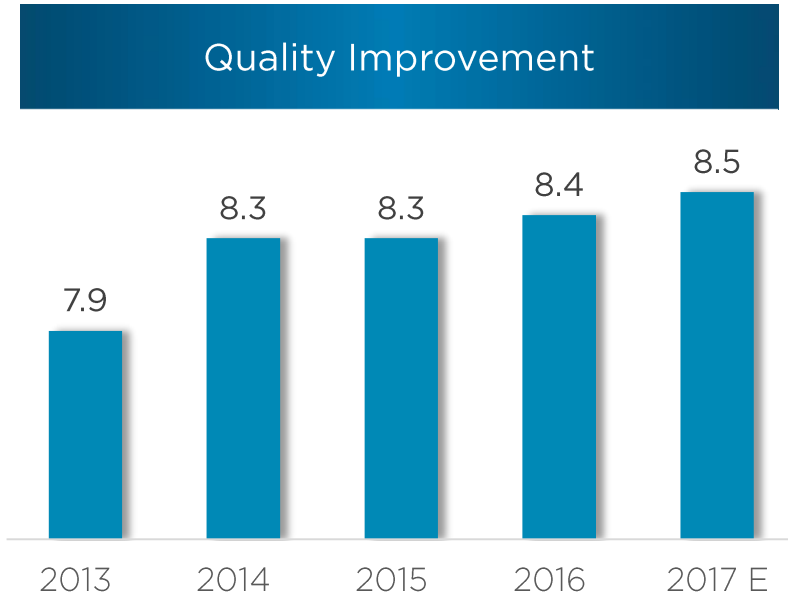
- +4.6% increase in prices in 2016 (+€4; reaching €91) contributing 80% of RevPar growth
- The improvement in quality is reflected by reaching a rating on Tripadvisor of 8.4

Growth in the key markets



- Extraordinary performance of Spain and Central Europe
- Repositioning investment complete in Benelux and Central Europe
 - Impact of security issues in Brussels
- Difficult comparison in Italy due to the Expo Milan 2015 and in Latam due to negative currency evolution

And above our competitors supported by the quality improvement



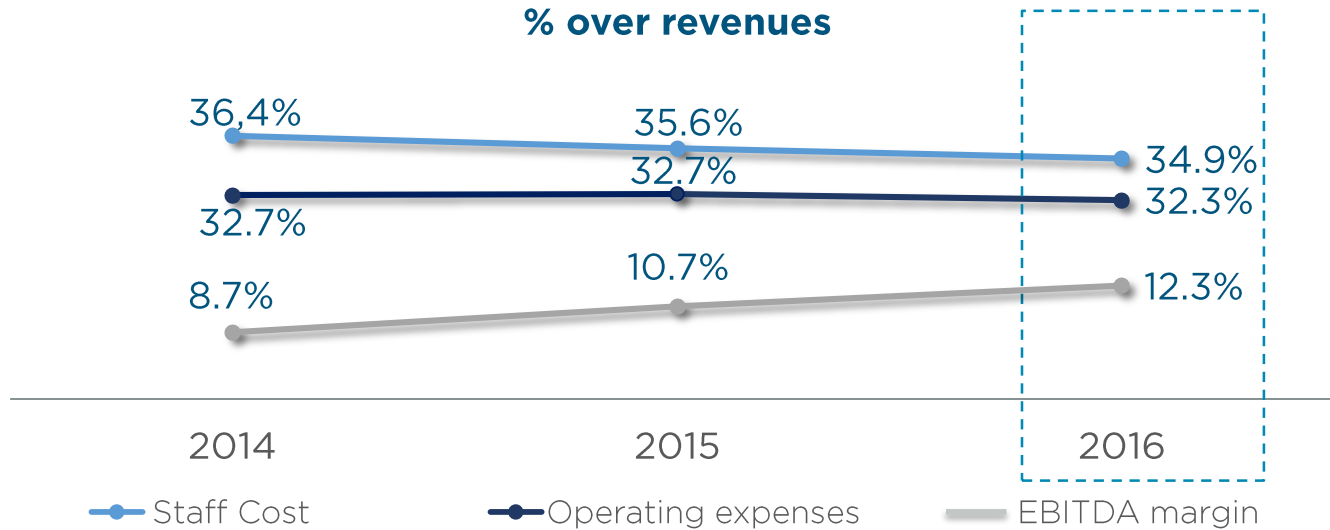
Source: Tripadvisor

2016	RevPar NH	RevPar competitors
Barcelona	+14.0%	+5.6%
Madrid	+9.4%	+0.7%
Rome	+2.3%	-2.1%
Milan	-22.4%	-21.8%
Amsterdam	+9.6%	+2.9%
Brussels	-16.3%	-19.6%
Frankfurt	+7.9%	+2.2%
Munich	+13.3%	+5.6%
NH*	+3.5%	-1.3%

Source: STR

*NH Top Cities includes 81 hotels

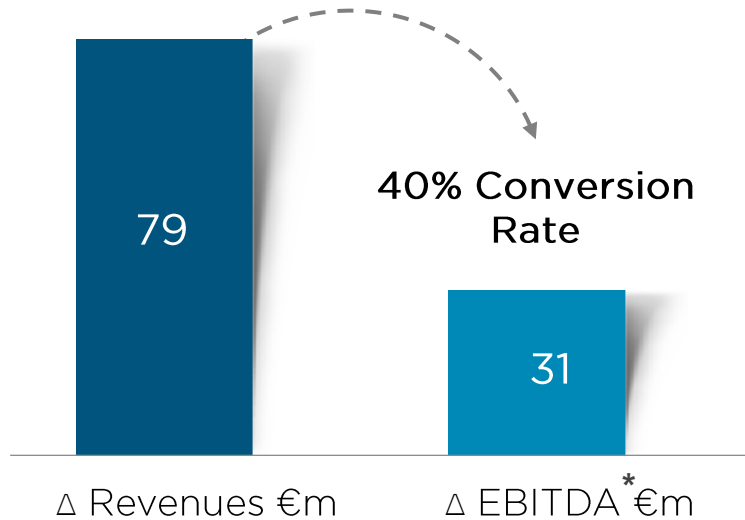
Good cost control despite occupancy increases



- EBITDA margin increased by +3.6 points from 2014 to 12.3% in 2016
- Launch of the Efficiency Plan for 2017 & 2018

High conversion of incremental revenues to EBITDA

Conversion of incremental revenues to EBITDA

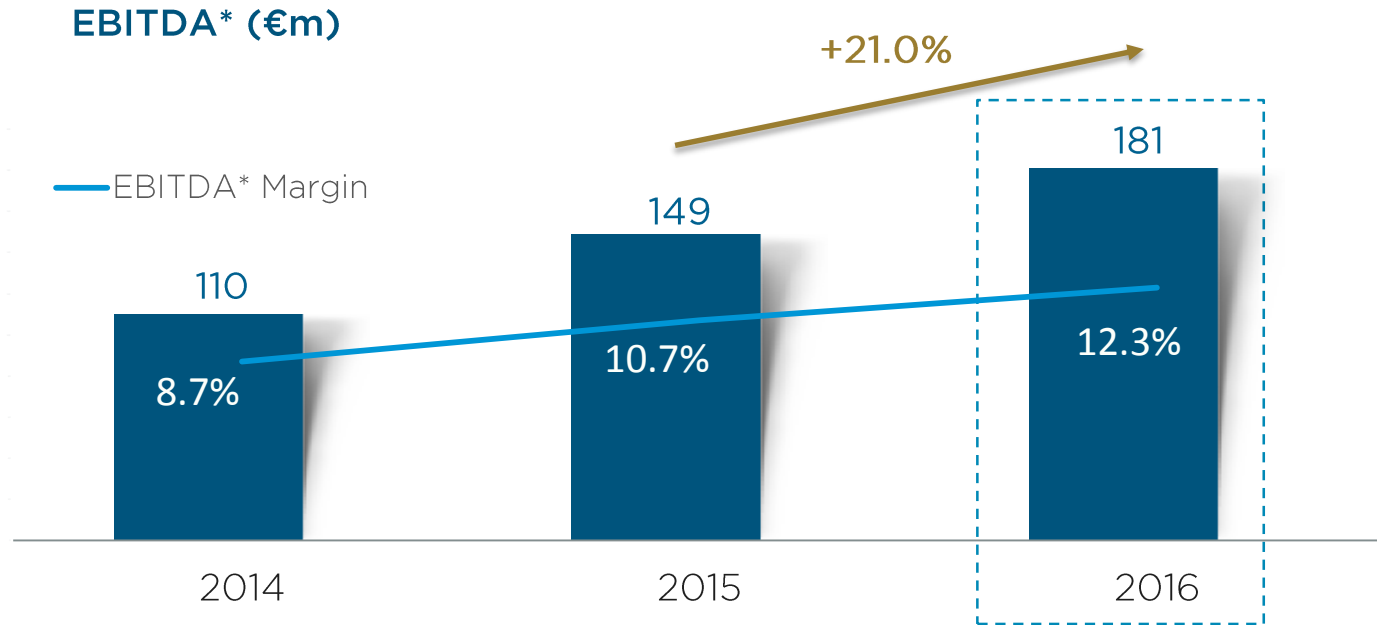


Significant improvement of the conversion rate in a year affected by:

- Comparison with Expo Milan 2015
- Belgium: security issues
- Opportunity cost of 2016 refurbishments in Benelux and Central Europe

**Recurring EBITDA before onerous*

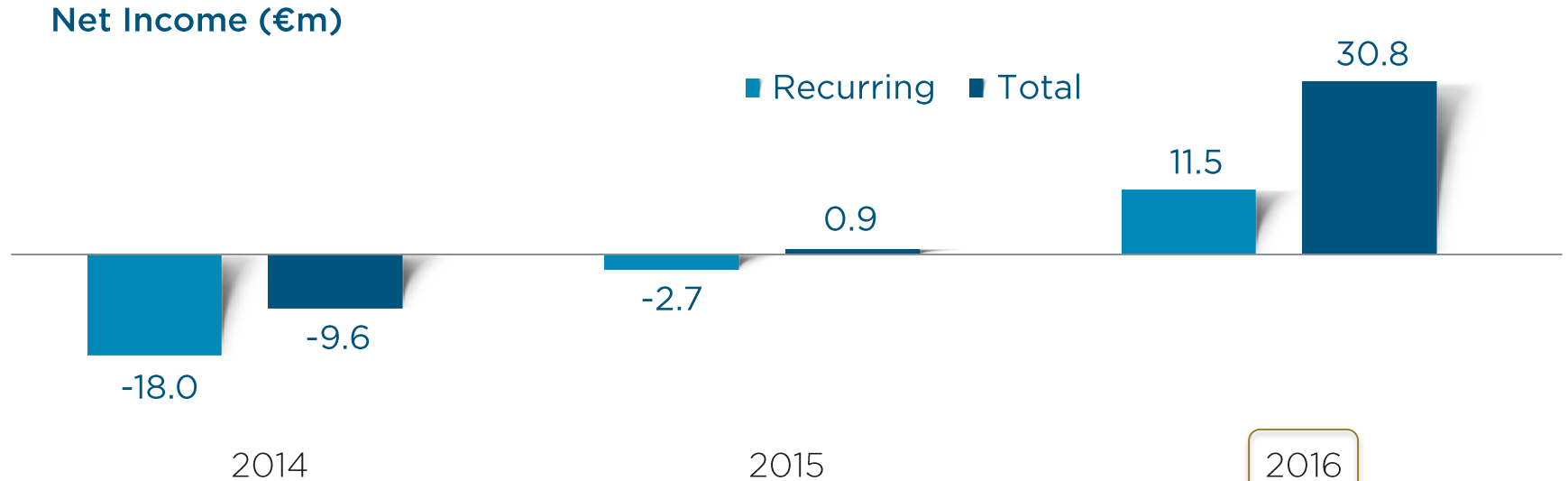
Strong growth in EBITDA



- Since 2014 +€70m increase in EBITDA implying an average annual growth of 28.3% and a margin improvement of 3.6 points

**Recurring EBITDA before onerous*

First year of Recurring Net Profit since 2008



2016

*Dividend distribution proposal:
€0.05 per outstanding share*

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Single system integrating Front (PMS, Central Reservations, Revenue Management) and Back:

Δ Revenues

- Real-time management: **business intelligence & big data**
- Constant update of **forecast occupancy** maximizing daily rates
- **Single customer database:** history, consumptions and preferences improving experience and value propositions
- **Fast check-in** (valuation 8.8) by capturing customer data and simplifying new data collection

∇ Costs

- **Outsourcing of administrative processes** improving billing quality
- **Digitalization of 14% of invoices** with suppliers (30% in 2017E)
- **Increased control of commissions costs.** Automatic reservations will reach 85% of total commissionable reservations

Competitive advantage in a digital market that allows to capture new efficiencies

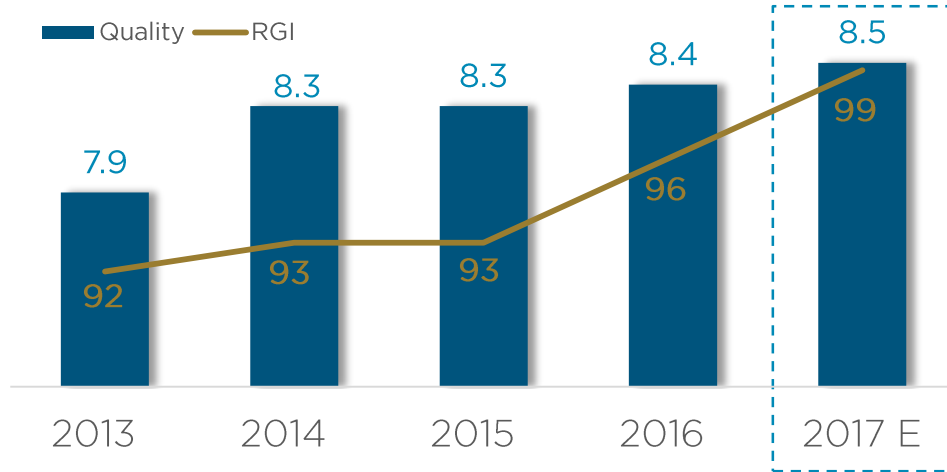
Pricing

- **“Open pricing one to one”**: Exclusive price appropriate to each client’s profile
 - “Ancillaries”, new upselling options
- **M&E Pricing**: Optimization of availability and prices of our meeting rooms

Systems

- **New web platform**
- **“Seamless transactions”**: “check-in online”, “choose your room” “check-out express”
- **Advanced CRM** to continue increasing the effectiveness of customer interaction
- **New controlling** analytical tools

Successful commercial and revenue management strategy based on quality improvement



Source: STR & Tripadvisor

2014-2015

- New Teams and Organization
- Segmentation change
- Portfolio indexation by city
- Repositioning investments start

2016-2017

- New Revenue Management tool
- Dynamic pricing strategy
- Automation of functions
- Better predictability

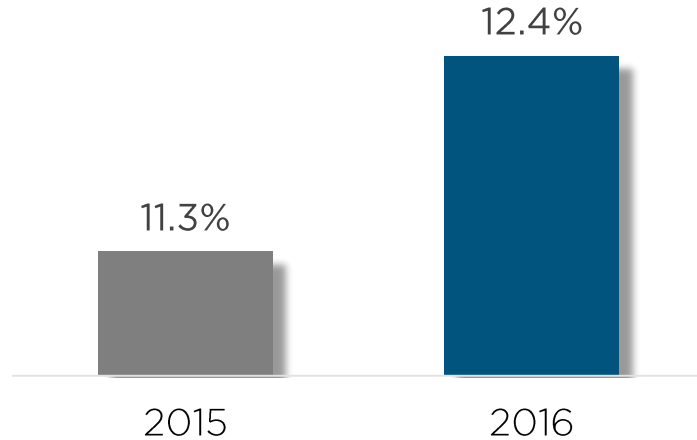
Increase in relative score

% hotels	Dec. 2013	Dec. 2015	Dec. 2016
Top 10	24%	27%	34%
Top 30	47%	49%	53%

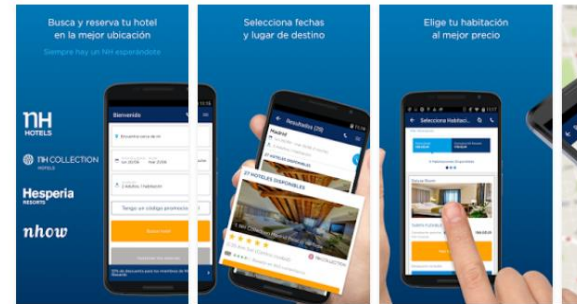
Source: Tripadvisor

In 2016 the web achieved a record growth of 22%

Web revenues quota
(% NH Rooms Revenues)



Launch of the new mobile application with excellent results:



+13%

conversion

+49%

reservations

+53%

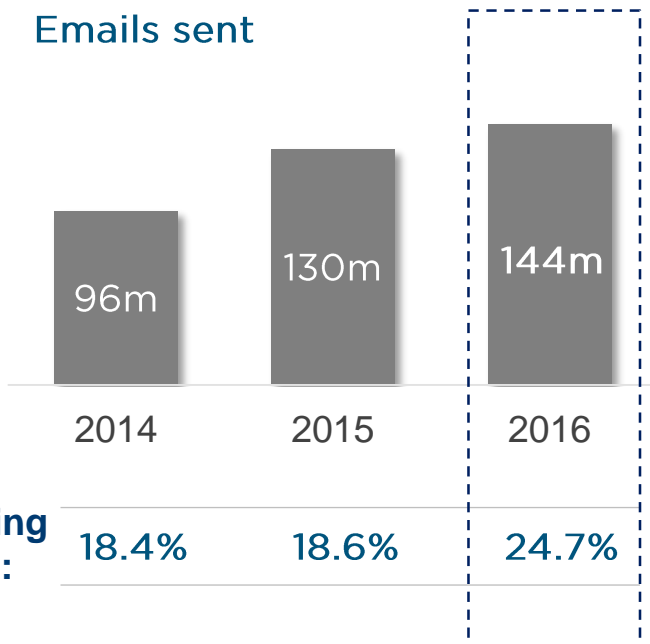
revenues

**Second half of 2016 vs. same period of 2015, for the traffic of all mobile devices*

For the first time, web revenue growth (+22%) exceeded that of OTAs (+17%), positively impacting margins

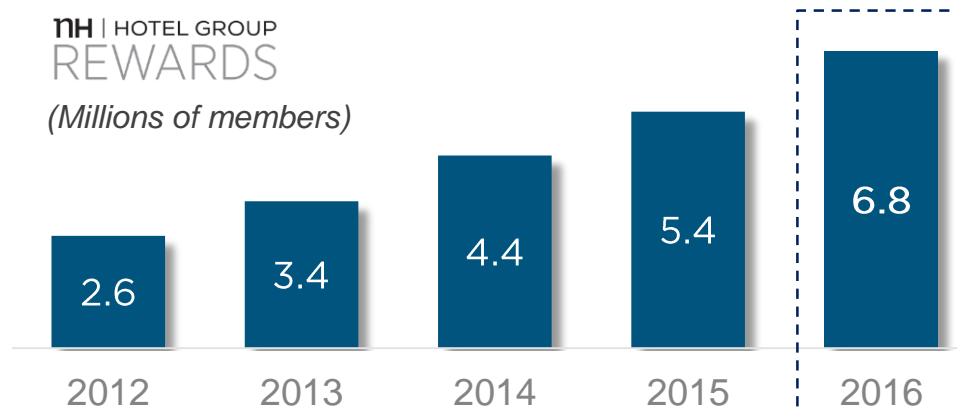
Improved customer relationship (CRM) and NH Rewards membership growth

Emails sent



NH | HOTEL GROUP REWARDS

(Millions of members)



More than 7 million members in 2017 reaching 36% of NH revenues

2014-2016: Repositioning investment phase successfully completed



Brand segmentation towards upscale (c.20% of the rooms)



Key hotels repositioned

- Spain & Italy: 2014-2015
- Benelux & Central Europe: 2016



Basics Equipment implemented across the portfolio



New Revenue management tool and IT systems with focus on quality improvement



Portfolio optimization: Non core asset rotation and renegotiation / cancellation of leased contracts

NH Collection Amsterdam Barbizon Palace



BEFORE



AFTER

NH Collection Amsterdam Doelen



BEFORE



AFTER

NH Amsterdam Schiphol Airport



BEFORE



AFTER

NH Berlin Mitte



BEFORE



AFTER

NH Collection: a reality with potential

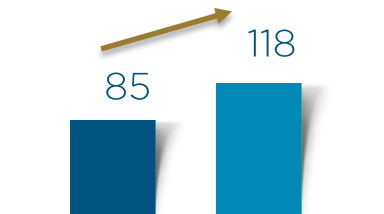


2016	# Hotels
Spain	24
Italy	10
Benelux	5
Central Europe	8
Latam	20
Total NH Collection	67

c.20% of the rooms

ADR (€) per brand

Premium c.+40%

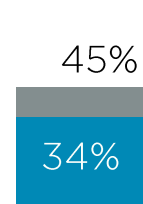


Source: STR

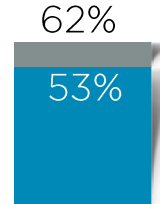
- NH
- NH Collection

% of Hotels

Top 10



Top 30



Source: Tripadvisor

- NH Collection
- NH Hotel Group

Openings in 2016: +1,000 rooms (92% in NH Collection)

NH Collection Roma Palazzo Cinquecento



NH Collection Madrid Suecia

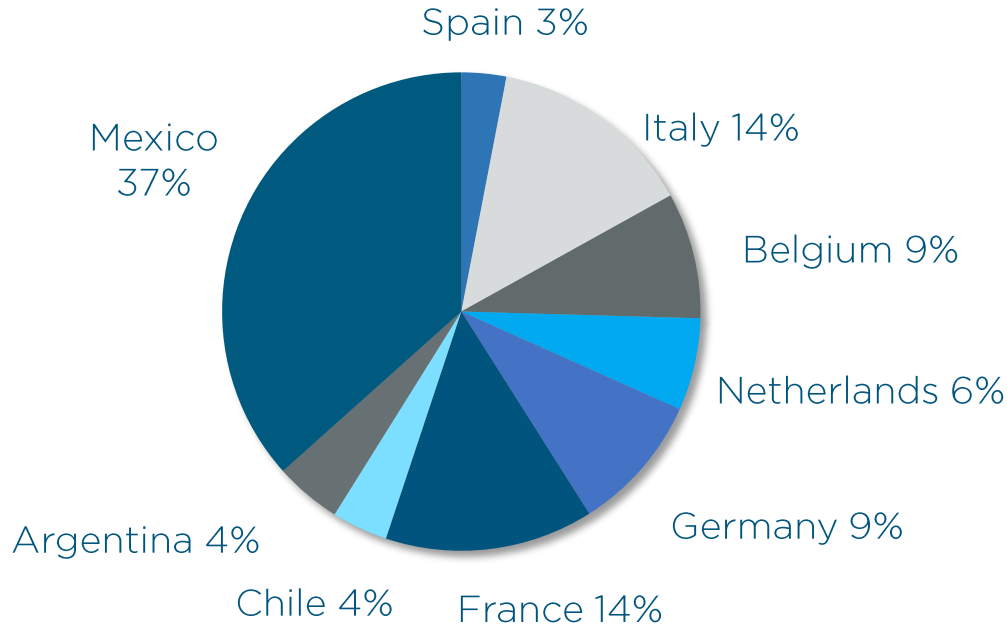


NH Collection Guadalajara
Centro Histórico - México DF

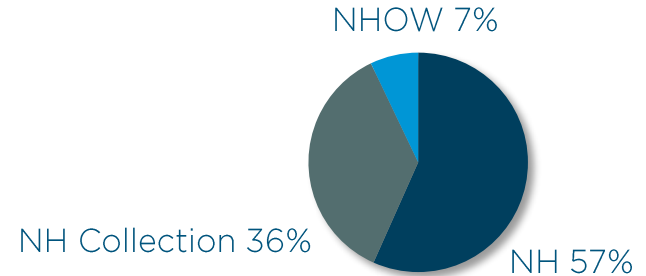


16 new contracts signed in 2016 (+2,000 rooms)

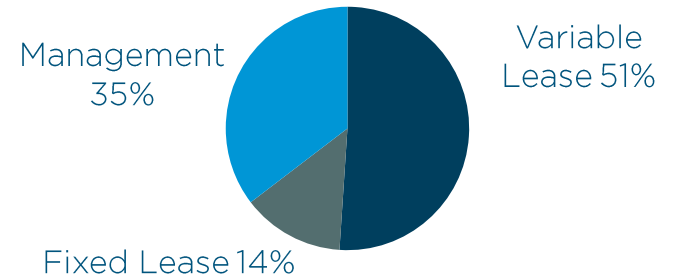
Distribution by country*



By Brand*



By Contract*



- Focus on management or variable lease contracts in markets with presence

* By number of rooms

2016 signings examples

nhow Marsella



NH Collection Mérida



NH Toulouse Airport



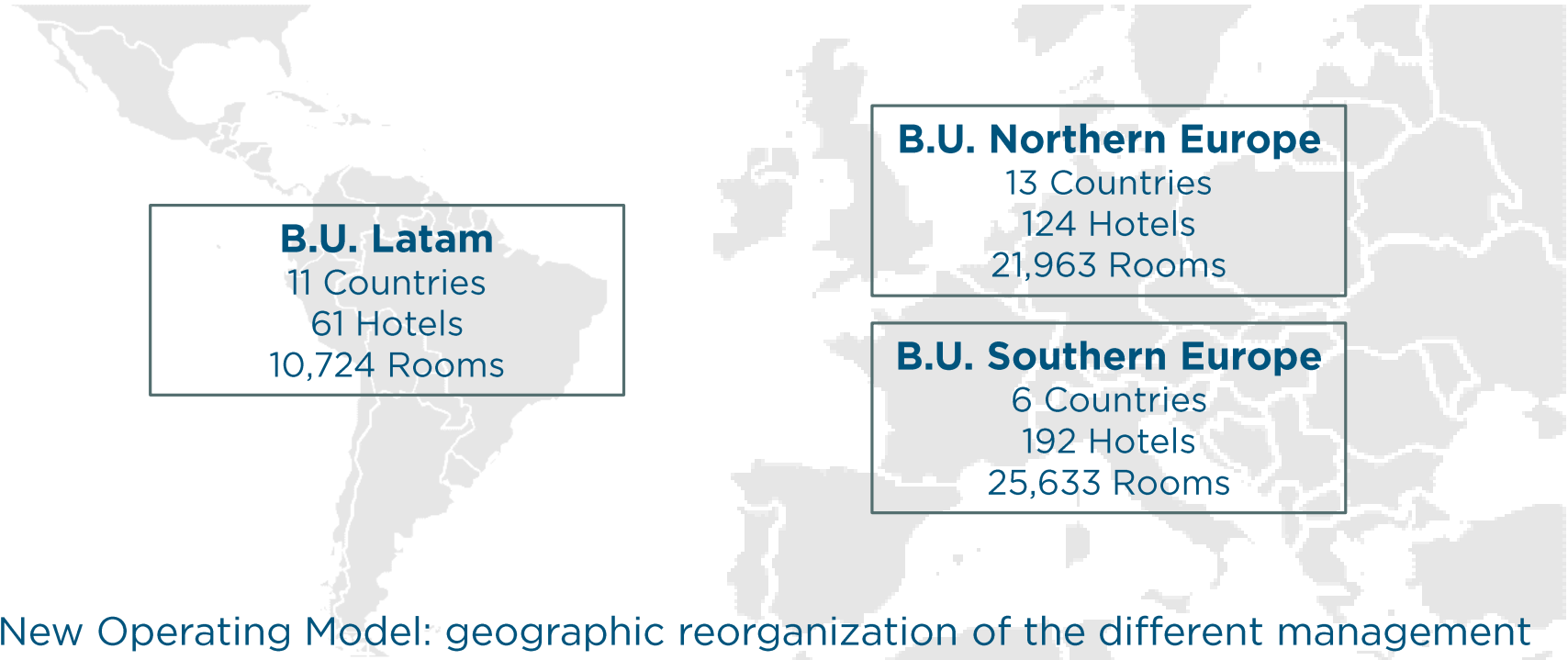
Growth without forgetting the improvement in efficiency: Phase I

Cost savings of €7-8m in 2017

- **Administration:** greater efficiency levers
- **IT migration completed** with Back & Front-office integrated in a single system
- **Commercial:** teams optimization following implementation of Revenue Management tools
- **Projects & Construction:** rationalization after execution of investment phase

2018: Phase II of the Efficiency Plan

Targeting additional savings of € 7-10M in 2018



- New Operating Model: geographic reorganization of the different management levels of the Business Units and at Corporate level

Without forgetting the improved cash generation and debt reduction

	2014	2015	2016	2017 E
Net Financial Debt(€m)	644	838	747	Approx. 700
NFD / EBITDA*	5.9x	5.6x	4.1x	3-3.25x

- Focus on cash generation:
 - Improvement in working capital by a reduction of the average collection period, from 36 days at the end of 2015 to 23 days until December 2016
- Capex 2016 financed with non-core asset rotation

*Recurring EBITDA before onerous

Successful refinancing process executed in two phases

Targets

1. Reduce **average cost**
2. Extend **average maturity**
3. Reduce **gross debt**
4. Gain **flexibility**

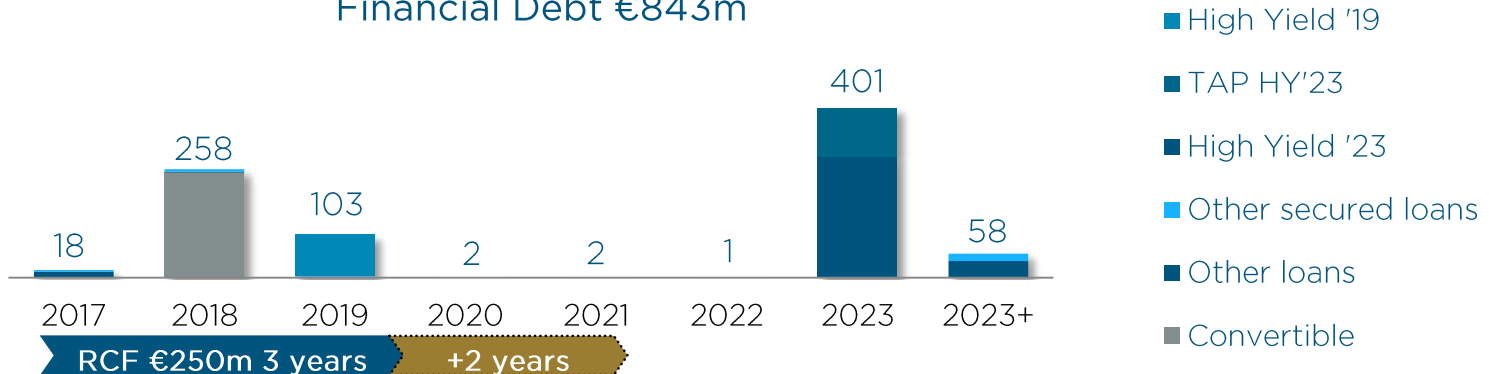
October 2016:

- Issuance of a 7-year bond of €285m at 3.75%
- L/T Revolving Credit Facility €250m


April 2017:

- TAP Bond 2023 of €115m YTM 3.17%

Pro forma maturity profile as of March 31st, 2017: Gross Financial Debt €843m



Corporate Rating Improvement

Rating	NHH	HY'19	HY'23
S&P	B	BB-	BB-
Fitch	B 	BB-	BB-
Moody's	B2	n/a	Ba3

 **Positive outlook**

MOODY'S B2 rating assignment reflecting “the transformation plan, the improvement of liquidity and the asset-light approach” (July 27, 2016)

S&P Improvement of the corporate rating to 'B' based on “operational improvement and adequate liquidity” (August 1, 2016)

Fitch Ratings Improvement in the corporate rating outlook to 'Positive' due to a “stronger than expected financial performance in 2016 and our expectation of a continued improvement into 2018” (March 24, 2017)

ROOM4 PEOPLE

- 2,000 donated rooms to Hotels with Heart

ROOM4 THE PLANET

- 131 hotels with Green Certification

ROOM4 RESPONSIBLE BUSINESS

- Integration of the ODS of United Nations

Indexes and CSR recognitions 2016



- IX Cinco Días 2016 Awards - Hotels with Heart
- Actualidad Económica Awards - Hotels with Heart
- Business in the Community Awards

Our Employees, key in the transformation

- Communication Plan and change management complementing the Transformation Plan of the Group
- 80% commitment level (+3 p.p. vs. 2014)
- Identification and promotion plan of internal talent
- 360° Assessment and Development Plan for Hotel Directors
- NH University with 30,453 participants and 138,320 hours of training

TTC #8 NEWSLETTER

Newsletter #8 - September 2016

The Transformation Commitment

Editorial

Dear Sirs,

The Transformation Plan is the expression of our strategy and our commitment to our guests. It is a plan that is shared with all our employees and is the result of a process that has been ongoing since 2014. It is a plan that is shared with all our employees and is the result of a process that has been ongoing since 2014.

Flex leaders

New Corporate CAPEX

SUCCESS STORIES

Best Practice in Commissions Accuracy

KPIs EVOLUTION

CONSECUTION	SPAIN	ITALY	CE	BNLK	LATAM	OVERALL
PD duplicated	0%	97%	0%	0%	14,7%	0%
Guest Ledger	100%	n.a.	100,2%	0%	0%	100,4%
Open Billing Issues	111,7%	120,7%	100%	119,4%	111,8%	118,4%
Checked-inovers	114,1%	112,8%	119,9%	118,8%	0%	119,5%
Procurement	102,4%	0%	0%	0%	100,2%	0%
Comm. accuracy	99,5%	0%	0%	0%	0%	0%
OVERALL	91%	87,3%	97%	39,7%	38,1%	42,1%

NH HOTEL GROUP UNIVERSITY

TEAM MANAGEMENT

Employees' trust is really valued in a company, but how can you build it up so they can give you their best?

All you need to have is:

- GOOD HEAD
- BIG HEART
- STRONG HANDS

Watch this video to learn more about it.

Harvard Manage Mentor

The following Team Management modules are available:

- Team Leadership

NH Actions Library

Find under "Team Management" section:

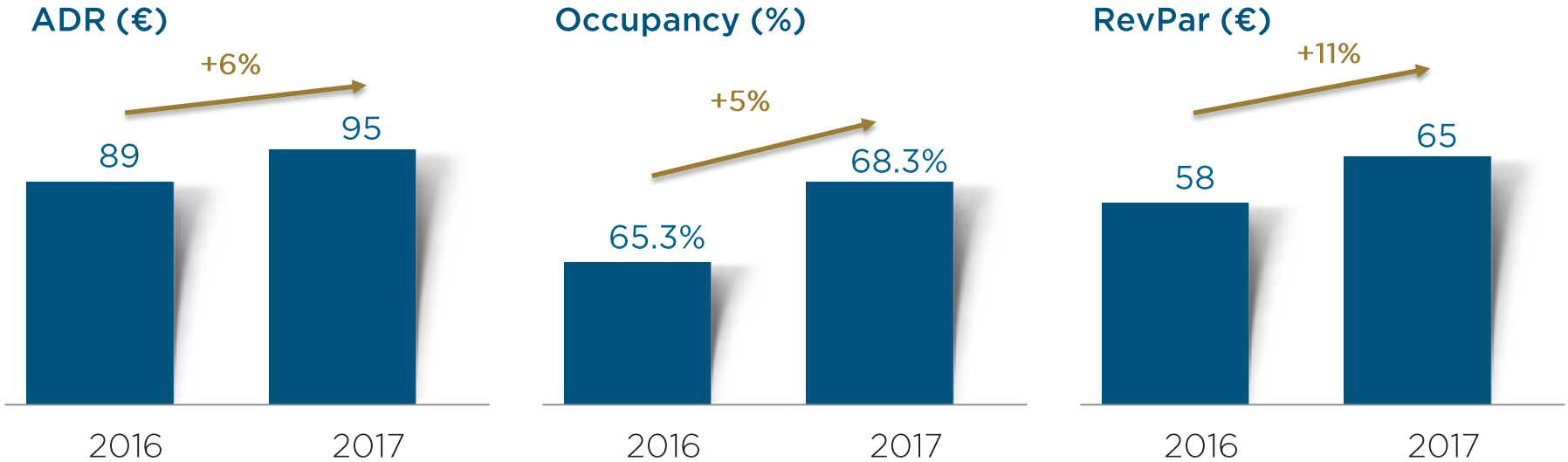
- Developmental suggestions
- On the job activities
- Suggested books & films...

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HOTEL PORTA ROSSA

Excellent performance in the first 5 months of 2017



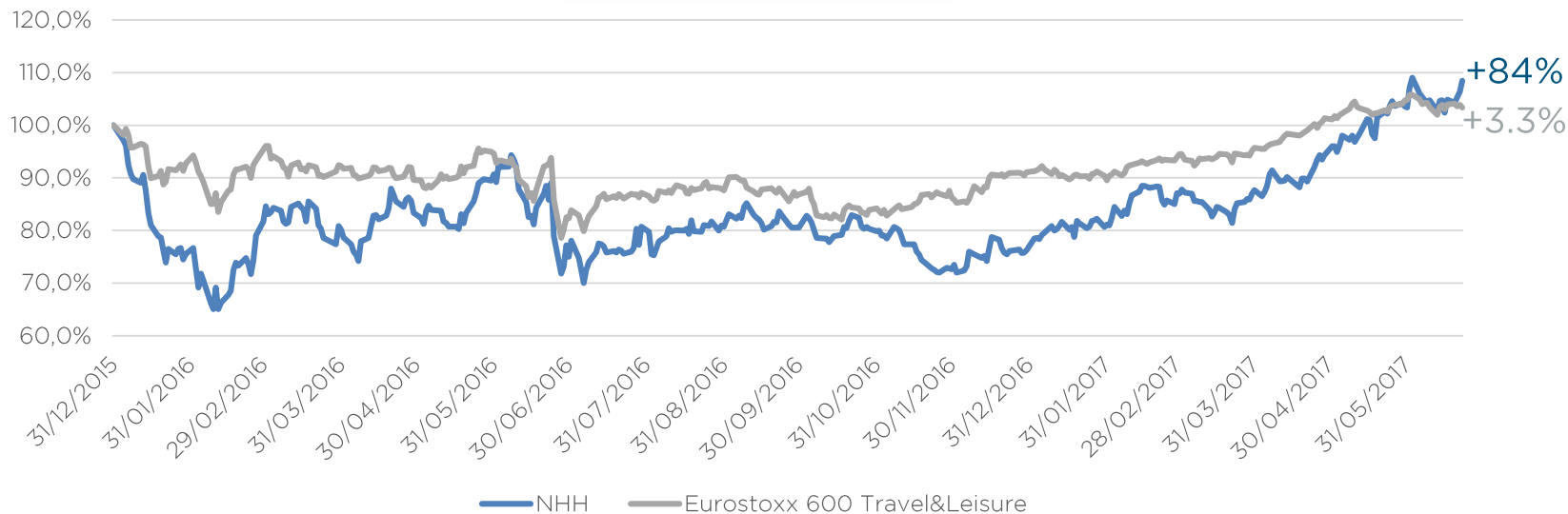
+ 8% growth in revenues accumulated to May 2017

2017 Guidance

+	Revenue growth	+4-6%, 75% through prices
-	Phase I Efficiency Plan	€7-8M of cost savings
	EBITDA margin	Improvement of +2.0p.p, from 12% to 14%
↑	EBITDA 2017E	approx. €225M (+25%)
↓	NFD/ Recurring EBITDA	3.0-3.25x (vs 4.1x in 2016)

- Current trend and 2017 visibility consolidate the positive outlook for 2018:
 - Growth in key markets, particularly fuelled by Spain and Benelux
 - Second year of ramp-up from 2016 repositioning
 - Efficiency Plan Phase II: €7-10m additional savings

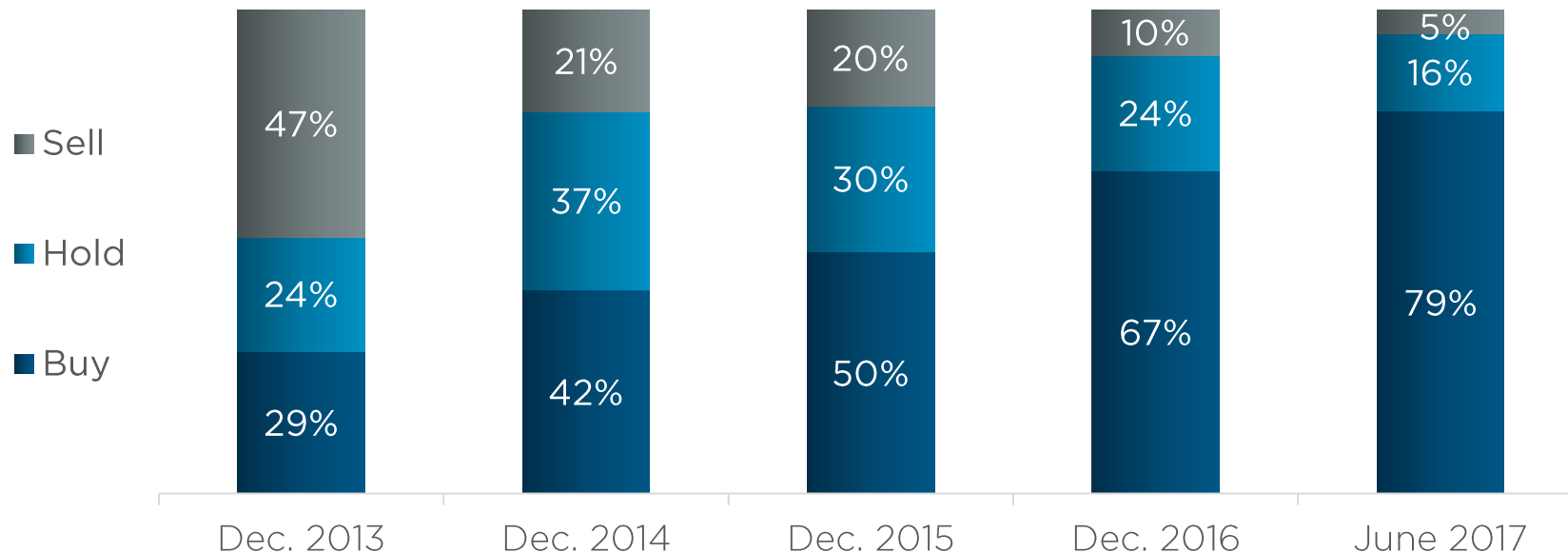
Positive share price evolution



% var.	NH Hotel Group	STOXX® Europe 600 T&L
1 Jan. 2016 – 31 Dec. 2016	-23.7%	-8.9%
1 Jan. 2017 – 27 June 2017	+42.1%	+13.4%
1 Jan. 2016 – 27 June 2017	+8.4%	+3.3%

Positive evolution of market perception

Evolution of Analyst's Recommendation

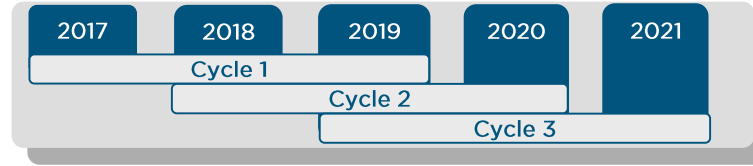


Source: Bloomberg 22-06-2017

Average target price after Q1 2017 results: €5.7

New Long Term Incentive Plan (“LTIP”)

- 3 independent overlapping cycles with a vesting period of 3 years each, granted annually



- 100 beneficiaries upon fulfillment of the following new objectives (25% each):
 - Profitability (on a yearly basis and compared to target of each year)
 - Recurring EBITDA
 - Net Recurring Profit
 - Market performance:
 - Share Price:

	Share price			%
	2017-2019	2018-2020	2019-2021	
Minimum	€6.0	€6.6	€7.26	100%
Maximum	≥€7.2	≥€7.92	≥€8.72	120%

- Relative sectorial TSR (STOXX® Europe 600 Travel & Leisure Index)

Remuneration to shareholders:

- Focus on **generating value for shareholders**
- **Proposal for approval:** distribution of a dividend for the financial year 2016 for a maximum gross amount of **€ 0.05 per outstanding share**
- Estimated **disbursement** of approximately **€17m**

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- **CONCLUSION**



NH COLLECTION
PALAZZO BAROCCI

We face the future with great optimism

- Leading European urban hotel operator with a strong presence in key cities and a positioning towards the upper segment
- We continue to benefit from the repositioning and execution of the investment phase in a favorable macroeconomic environment
- Continue consolidating the value of the commercial and pricing strategy adapting them to the new market trends and focusing on the quality perceived by our customers
- Focus on cash generation, debt reduction and efficiency improvement
- Remuneration to shareholders: implementation of a stable and progressive dividend policy

THANK YOU VERY MUCH TO OUR

EMPLOYEES

You are the soul of the Company and your service vocation is what differentiate us

SHAREHOLDERS AND INVESTORS

Your trust is the basis that allows us to generate value day by day

LANDLORDS

Together we have expanded horizons

SUPPLIERS

Your excellence helps us to be more competitive

AND CUSTOMERS

You are our reason for being and your loyalty impels us to continue innovating

**YOUR COMMITMENT IS THE MOST SOLID GUARANTEE OF
FUTURE FOR NH HOTEL GROUP**





GENERAL SHAREHOLDERS MEETING



Madrid, 29th of June 2017