

In compliance with the information duties foreseen in article 228 of Royal 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* of the following

SIGNIFICANT EVENT

NH, following a resolution passed by its Board of Directors, has launched today an offering of senior secured notes for an aggregate principal amount of up to €285,000,000, due 2023, with semi-annual interest payment (the “**Notes**”). The proceeds from the offering of the Notes will be used to refinance certain bank indebtedness for an aggregate amount of *circa* € 227,500,000 and for transaction expenses.

In case of positive outcome of the abovementioned offering, the Notes will be part of a larger refinancing transaction that will also include a € 250,000,000 new revolving long-term credit facility to be made available to NH and its subsidiary NH Finance, S.A. (the “**RCF**”). The commitments of the financing parties under the RCF are already binding and irrevocable and the RCF will be available upon the issuance and disbursement of the Notes for a minimum amount of € 250,000,000 and the repayment and cancellation by NH of certain bank indebtedness of the NH group with the proceeds from the offering of the Notes.

Upon the issuance of the Notes, the Notes and the RCF will be guaranteed, jointly and severally, on a *pari passu* basis by various wholly owned subsidiaries of NH and will be secured by mortgage and pledge rights over certain assets of NH’s wholly owned subsidiaries. The Notes and the RCF will share the same guarantees and collateral with the €250,000,000 Senior Secured Notes due 2019 issued by NH in 2013.

The Notes would be subject to New York State law and would be offered only to qualified institutional buyers, in accordance with Rule 144A of the United States Securities Act of 1933 and its amendments (the “**Securities Act**”), and outside the United States of America to non-U.S. persons in accordance with Regulation S of the Securities Act.

The issuance of the Notes, the definitive aggregate principal amount and terms and conditions of the Notes, including the interest rate, will be determined once the bookbuilding process is finalized and in consideration of its outcome. In case the bookbuilding process has a satisfactory result for NH, NH expects to make an application to list the Notes on the Official List of the Luxembourg Stock Exchange and admit the Notes to trading on the Euro MTF market of the Luxembourg Stock Exchange.

Madrid, September 23, 2016

Carlos Ulecia Palacios

General Secretary

Relevant legal information

This announcement does not constitute or form part of any offer or solicitation to purchase or subscribe for securities in the United States of America or in any other jurisdiction. The Notes and the guarantees aforementioned have not been, and will not be, registered under the Securities Act. The Notes and the guarantees may not be offered or sold in the United States of America absent registration or an applicable exemption from the registration requirements of the Securities Act. There will be no public offer of the Notes or the guarantees in the United States of America. Copies of this announcement are not being, and should not be, distributed in or sent into the United States of America.

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This communication is being distributed only to, and is directed at (i) persons who are outside the United Kingdom or (ii) persons in the UK falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (iii) the high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order or (iv) persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). The securities to which this announcement relates are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be available only to or will be engaged in only with, relevant persons. Any person who is not a relevant person should

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