

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

Following the General Shareholders’ meeting held today, the Board of Directors has approved the designation of CEO Mr. Ramón Aragonés Marín as Managing Director (*Consejero Delegado*) of the Company. Mr. Ramón Aragonés has been appointed as well as member of the Executive Committee.

Furthermore Mr. Francisco Román has resigned as Board member after the celebration of the Shareholders’ meeting due to personal reasons.

As a consequence of the resolutions that have been approved during the Shareholders’ meeting and the Board of Directors meeting, the members of the Board of Directors, of the Executive Committee, the Control and Audit Committee and the Appointments, Remuneration and Corporate Governance Committee are the following:

Board of Directors

Mr.. Alfredo Fernández Agras	Chairman	Proprietary
Mr. José Antonio Castro	Vicechairman	Proprietary
Mr. Ramón Aragonés Marín	Managing Director	Executive
Mr. José M ^a Cantero de Montes-Jovellar	Member	Other External
Mrs María Grecna	Member	Other External
Grupo Inversor Hesperia, S.A. (Mr. José Antonio Linati de Puig)	Member	Proprietary
Mr. Paul Johnson	Member	Other External
Mr. Fernando Lacadena	Member	Other External
Mr. José M ^a López-Elola	Member	Independent
Mr. José M ^a Sagardoy Llonis	Member	Independen
Mrs Koro Usarraga	Member	Independen

Executive Committee

Mr. José Antonio Castro Sousa	Chairman
Mr. Alfredo Fernández Agras	Vicechairman
Mr. Ramón Aragonés	Member
Grupo Inversor Hesperia, S.A. (Mr. José Antonio Linati de Puig)	Member
Mr. Paul Daniel Johnson	Member

Audit and Control Committee

Mrs Koro Usarraga	Chairman
Mr. Fernando Lacadena	Member
Mr. José M ^a Sagardoy Llonis	Member

Appointments, Remuneration and Corporate Governance Committee

Mr. José M ^a Sagardoy Llonis	Chairman
Mr. José M ^a Cantero de Montes-Jovellar	Member
Grupo Inversor Hesperia, S.A. (Mr. José Antonio Linati de Puig)	Member
Mr. José M ^a López-Elola	Member

The Company encloses Press Release.

Madrid, 29 June 2017

Carlos Ulecia Palacios
General Secretary

- Annual General Meeting -

NH HOTEL GROUP REINTRODUCES DIVIDEND AFTER NINE-YEAR ABSENCE

- **CEO Ramón Aragonés appointed Managing Director at the Board meeting held after the AGM**
- **The Company steps up its strategic commitment to quality and enhanced efficiency**
- **The Group's strong momentum is continuing year-to-date, with revenue up 8% year-on-year in 5M17**

Madrid, 29 June 2017.- NH Hotel Group held its Annual General Meeting today, at which it outlined for the Company's shareholders how well it performed not only last year, but also so far in 2017, with revenue between January and May trending 8% higher year-on-year. The Company's shareholders approved the payment of a dividend against 2016 profit of around €17 million, which is equivalent to €0.05 (before withholding tax) per outstanding share. In addition, the shareholders ratified the motion to appoint Ramón Aragonés as an executive director. Aragonés, already CEO, was also designated Managing Director by the Board at the meeting held directly following the AGM.

In his presentation at the AGM, Alfredo Fernández, Joint Chairman of NH Hotel Group, enumerated his top priorities, namely value creation for all of the Company's shareholders and a continued strategic focus on corporate governance and professional management of the business. In 2016, the Group posted revenue of €1.48 billion, year-on-year growth of 5.7%; EBITDA of €181 million, up 21%; a positive net recurring profit for the first time since 2008; and a total net result of €31 million.

He also stressed the fact that *“NH Hotel Group currently faces far brighter prospects than it did one year ago, thanks to the successful refinancing of its corporate debt, enhanced operating efficiency, growth via new, capital-light projects, the new management agreement covering the Hesperia hotels and the new Business Plan we are working on for 2017-2019”*.

NH Hotel Group currently operates close to 59,000 rooms in 379 hotels and expects to open 5,000 new rooms in 30 hotels in the coming years. Its specialisation in the upper premium segment of the urban hotel market has enabled it to outperform its peers in terms of growth in revenue per available room. In 2016, over half of its hotels ranked among the top 30 in their corresponding cities; in the case of the NH Collection establishments this figure rises to 62%, according to TripAdvisor figures.

2016 momentum continuing in 2017

CEO Ramón Aragonés, officially appointed Managing Director of NH Hotel Group today, reviewed the key figures from 2016 in his presentation to the shareholders and gave a preview into the Company's revenue performance to May. During the first five months of 2017, NH Hotel Group posted growth in revenue per available room (RevPAR) of 11%, driven by growth of 6% in the average daily rate and of 5% in occupancy, achieving a total revenue growth of 8%.

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Aragonés expects the evolution of 2017 earnings to be in the upper end of the Company's guidance range and the bright outlook to extend to 2018, fuelled above all by growth in Spain and Benelux. As for financial net debt, he said that leverage had fallen from 5.6 times EBITDA in 2015 to 4.1 in 2016 and that the Company expects a level of close to 3 times by the end of this year. The CEO also alluded to the completion of the Group's refinancing process, which has reduced gross debt and its financial costs, extended the maturity profile and enhanced financing flexibility.

Phase one of the corporate efficiency plan meant to deliver cost savings of between €7 and €8 million progresses according to plan; a second phase is due for rollout in 2018, which is expected to deliver additional savings of up to €10 million. The Company reiterated its guidance for EBITDA of €225 million in 2017, at the upper end of the range; this would mark growth of 25% and EBITDA margin expansion of around two percentage points, from 12% to 14%.

The shareholders also approved the consolidated and separate annual financial statements and management reports, discharged the Board's performance and gave the go-ahead for a gross dividend payment of €0.05 per outstanding share. On the matter of dividends, the Joint Chairman, Alfredo Fernández, said his intention was to normalise the dividend payment and increase the amount paid out each year. As well as the appointment of Ramón Aragonés as executive director, the shareholders ratified the appointment by co-option of Grupo Inversor Hesperia as proprietary director and José María Sagardoy as independent director.

Another of the motions passed was a new long-term incentive plan tied to four directly measurable and quantifiable business objectives. As a result, the long-term incentives of the Company's top 100 executives will depend from now on upon delivery of specific targets related to EBITDA and recurring net profit and to the share price performance on an absolute basis and relative to the Stoxx Europe 600 Travel & Leisure Index.

Alfredo Fernández said that the new incentive plan "*better aligns the shareholders' interests with those of the management team*". In his opinion, the plan clearly establishes the correlation between the Company's executives' long-term incentives and the Company's good performance.

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 31 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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