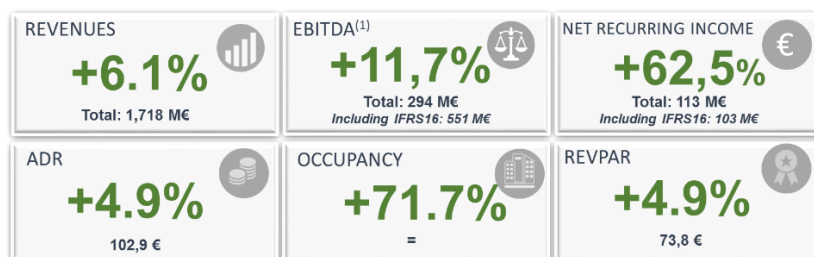


- 2019 results: revenue growth of €98 million; EBITDA growth of €31 million -

NH HOTEL GROUP OUTPERFORMS ITS GUIDANCE AND POSTS RECURRING NET PROFIT OF OVER €100 MILLION FOR THE FIRST TIME EVER



Revenue excludes the impact of IFRS 16 to facilitate the comparison, unless expressly stated to the contrary

- The positive trend across the main European markets, particularly in Spain, drove topline growth 6.1% to €1.72 billion
- Revenue per available room (RevPAR) registered growth of 4,9%, driven entirely by growth in the average daily rate (ADR), to €102.30, without affecting occupancy, which was flat compared to 2018
- EBITDA¹ was €30.9 million higher at €294.1 million (reported EBITDA, including the impact of IFRS 16, was €551 million) thanks to business momentum and cost control, surpassing thus the €285 million objective
- The Group's recurring net profit was €44 million higher at €113.2 million, fuelled by lower finance expenses in addition to the favourable business dynamics, so that it topped the guidance given at the start of the year for €100 million of net profit (reported net profit, factoring in the impact of IFRS 16, was €103.2 million)
- Layering in non-recurring items, the Group reported a net profit of €90 million; the year-on-year comparison (-€11.6 million) is affected mainly by higher gains on asset sales in 2018 (+€45 million of non-recurring activity in 2018 vs. 2019)
- The Board of Directors plans to ask the Company's shareholders to approve a gross dividend of €0.15 per share, which would imply an outlay of an estimated €59 million
- The Company ended 2019 with a low level of net debt (€179 million) and solid cash position of €289 million, despite capex of €170 million and the dividend from the previous exercise paid during the year

(1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales. Excludes impact of IFRS 16.

- Corporate milestones alongside Minor International -

- **The Company has become part of a leading global platform alongside Minor, doubling the number of brands it operates, having entered the luxury segment and added new establishments and destinations to its pipeline**
- **In 2019, NH Hotel Group began to operate the Anantara Hotels, Resorts & Spas brand in Europe, integrated Minor's establishments in Portugal into its operations and closed an agreement for the operation of a unique portfolio of eight high-end hotels originating from the former Boscolo portfolio in privileged locations in Rome, Florence, Venice, Nice, Prague and Budapest**

Madrid, 25 February 2020 - Today, NH Hotel Group presented its 2019 results, which topped the guidance provided at the start of the year, with the Company reporting recurring net profit of over €100 million for the first time ever. Strong momentum in the European hotel business, strict cost control and lower finance expense thanks to low borrowing levels were the main factors underpinning this performance.

Ramón Aragonés, CEO of NH Hotel Group, described the year as *“unprecedented, marked by record numbers in the main operating and financial metrics. The improved business dynamics in Europe, with the Spanish market particularly strong, efficient business management and a solvent financial structure are the keys to the Company's excellent performance in 2019”*. He went on to highlight the *“close and fruitful collaboration with Minor throughout the year, which has materialised in multiple business opportunities for the Group, marking a new era in which we plan to build one of the most unique propositions in the global hotel sector”*.

-2019 earnings performance-

Group revenue increased by 6.1% to €1.72 billion in 2019. Spain was the fastest-growing market in Europe, registering like-for-like revenue growth of 7.9%, underpinned by a magnificent performance in Madrid and a recovery in Barcelona. The rest of the European markets were also strong, marked by like-for-like revenue growth of 4.6% in Italy; 3.2% in Benelux; and 0.9% in Central Europe. The Latin American business unit, where revenue contracted by 2.5%, was affected by adverse currency trends compared to last year.

Topline expansion in 2019 was boosted by growth of 4.9% in RevPAR, the main business metric in the hotel business. The growth in that metric was entirely attributable to growth in the ADR in 2019, to €102.9, the occupancy rate having held stable at 71.7%.

An efficient combination of revenue growth and cost control provided a fresh catalyst for the Group's recurring EBITDA⁽¹⁾, which registered year-on-year growth of 11.7% to €294 million (€551 million including the impact of application of IFRS 16). Recurring EBITDA⁽¹⁾ was €31 million higher in 2019. Recurring EBITDA⁽¹⁾ comfortably topped the guidance set at the start of the year of €285 million. Worth highlighting is the contribution of the Minor establishments in Portugal (+€5 million), which NH Hotel Group began to operate mid-year. The revenue growth-to-EBITDA⁽¹⁾ conversion ratio was 31%.

The strong business momentum, coupled with lower finance costs, drove recurring net profit €34.5 million higher to €103.2 million (€113.2 million excluding the impact of IFRS 16). That record figure means that the Company also outperformed the guidance provided at the start of the year for recurring net profit of €100 million in 2019. Factoring in non-recurring activity net profit reaches €90 million, down €-11.6 million year-on-year, due to mainly to the lower contribution of non-recurring activity in 2019 compared to the previous year, which showed a higher gains on asset sales (+€45 million of non-recurring activity in 2018 vs. 2019). Specifically, in 2018 the Company closed a major sale & leaseback transaction involving the NH Collection Barbizon Palace in Amsterdam.

NH HOTEL GROUP P&L ACCOUNT					
(<i>€ million</i>)	12M 2019 Reported	12M 2019 ex IFRS 16	12M 2018 Reported	Var. 12M ex IFRS16	
	€ m.	€ m.	€ m.	€ m.	%
TOTAL REVENUES	1,718.3	1,718.3	1,619.8	98.4	6.1%
GROSS OPERATING PROFIT	649.5	649.5	595.6	53.9	9.0%
RECURRING EBITDA⁽¹⁾	551.4	294.1	263.2	30.9	11.7%
NET RECURRING INCOME	103.2	113.2	69.7	43.6	62.5%
NET INCOME including Non-Recurring	90.0	100.0	101.6	(1.6)	(1.5%)

Strong cash generation throughout the year enabled the Group to keep its net debt low, at €179 million. At year-end 2019, it had €289 million of cash, despite having incurred in €170 million of capex and paid out €59 million from 2018 profits in gross dividends during the year.

(1) (1) Recurring EBITDA before the reversal of provisions for onerous contracts and gains from asset sales. Excludes impact of IFRS 16.

- Dividend proposal -

Against this backdrop of favourable results, the Board of Directors of NH Hotel Group will submit a motion at the next Annual General Meeting for the payment of a dividend from 2019 profits of a gross dividend of €0.15 per share, which would imply an estimated payout of €59 million.

- Portfolio evolution -

At year-end, NH Hotel Group was operating 368 hotels and 57,466 rooms. In addition to the 13 hotels added in Portugal under the scope of the integration agreement with Minor Hotels, the Company opened another 13 new hotels in Andorra, Germany, Belgium, Spain, Ireland, Italy, Chile and Mexico in 2019. The weight of the NH Collection brand within the overall portfolio currently stands at 22%.

The Company continues to upgrade the quality of its asset portfolio: in 2019, it carried out refurbishment work at 36 hotels: 10 in Central Europe; seven in Spain; six in Italy; four in Benelux; two in France; six in Latin America; and one in the USA. NH Hotel Group measures the perceived quality of its hotel guests constantly, using a number of independent sources of feedback, which have been evidencing a continuous improvement in guest ratings year after year.

Trend in guest feedback:



Elsewhere, it is worth highlighting the growing importance of the nhow brand. In early 2020, the Group has opened two iconic establishments under this trademark in London and Amsterdam (nhow London and nhow Amsterdam RAI). Meanwhile, NH Collection is due to make its début in central Manhattan (New York) in the upcoming months, in a privileged location close to the mythical Empire State Building.

- Corporate milestones alongside Minor International -

The integration with Minor in 2019 has positioned the Company as an even more global player, part of a platform of more than 500 hotels with presence in over 50 countries. The Company has consequently doubled the number of brands it operates, successfully entering the luxury segment in Europe, emerging as one of the leading hotel operators in Portugal and adding new establishments and destinations to its portfolio.

NH Hotel Group leveraged Minor's luxury brand, Anantara Hotels, Resorts & Spas, to strike two strategic hotel operation deals in Europe last year. Last summer, the Group began to operate the Anantara Villa Padierna Palace in Marbella (Spain) and during the third quarter it announced it plans to take over operation of The Marker hotel in Dublin, which will be rebranded as an Anantara hotel in 2020, marking the Company's entry into the Irish market.

In addition, in June of last year, the two entities agreed the integration of the operation of the two firms' hotels in Portugal, configuring a combined portfolio of 17 establishments, all of which are currently being operated by NH Hotel Group.

Lastly, on 31 December 2019, NH Hotel Group announced an agreement with Covivio, a leading investor in European real estate, for the operation of a unique portfolio of eight high-end hotels in privileged locations in Rome, Florence, Venice, Nice, Prague and Budapest. The agreement will consolidate the Company's strategic positioning in the luxury hotel segment while reinforcing its leadership in Italy and boosting its presence in key destinations of France and Eastern Europe. Most of the hotels will be rebranded as Anantara or NH Collection establishments in 2020, following a far-reaching repositioning programme being spearheaded by Covivio.

In parallel with the above deals, Minor and NH Hotel Group continued to work to extract economies of scale, cross-sell to their respective customer bases and develop their flagship brands in their respective geographies.

About NH Hotel Group

NH Hotel Group is a consolidated multinational player and a benchmark urban hotel operator in Europe and the Americas, where it runs more than 370 hotels. In 2019, the Company is working with Minor Hotels on integrating all of its hotel trademarks under a single corporate umbrella brand with a presence in over 50 countries worldwide. A portfolio of over 500 hotels has been articulated around eight brands - NH Hotels, NH Collection, nhow, Tivoli, Anantara, Avani, Elewana and Oaks - to forge a broad and diverse range of hotel propositions in touch with the needs and desires of today's world travellers.

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APPENDIX

Hotel business performance in 2019 by market

Ratios: like-for-like hotel data + hotels under refurbishment

Spain. Revenue in the Company's home market increased by 7.9% year-on-year to €438.5 million, driven by excellent performances in Madrid and Barcelona. The Madrid hotels registered RevPAR growth of 10.6%, thanks to a stronger event and meeting line-up, while the Barcelona establishments sustained RevPAR growth of 13.7%, a solid recovery. Note that the ADR across the Group's hotels in Spain increased by 7.4% and occupancy rose slightly by 1.5%.

Italy. Revenue in this market increased by 4.6% to €301.6 million, underpinned by RevPAR growth of 3.7%, in turn shaped by stronger prices (+2.6%) and occupancy (+1.1%). The main city destinations performed well, with Milan, where revenue grew by 3.5%, standing out.

Benelux. Revenue in this region was 3.2% higher at €366.1 million, thanks to a strong performance in Brussels (RevPAR: +11.2%) and a significant improvement at the congress-oriented hotels in The Netherlands (+3.2%). RevPAR growth in Amsterdam was 2.2%.

Central Europe. Revenue in this region (€377.3 million) registered growth of 0.9%, recovering from an unfavourable trade fair line-up in the third quarter and notwithstanding growth in supply in Frankfurt. RevPAR increased by 1.6%, fuelled by price growth (ADR: +2.5%), which more than offset the slight drop in occupancy (-0.9%). Hamburg and the secondary German cities posted a strong performance in terms of RevPAR (+2.7% and +1.9%, respectively) and Austria posted significant growth of 5.9%.

Americas. Revenue in this region declined by 2.5% at current values to €121.4 million due to adverse currency trends. By country: Mexico posted topline growth of 5.7% (current values); Argentina reported a drop of 6.0%, due to the effect of hyperinflation and significant currency devaluation; and in Colombia and Chile, revenue decreased by 10.9% (current values), affected by the closure of one hotel in Bogota and currency trends.