

**Madrid, February 27<sup>th</sup> 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 30<sup>th</sup> 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
<b>TOTAL REVENUE LFL HOTELS</b>	<b>1,274.64</b>	<b>1,314.43</b>	<b>-39.79</b>	<b>-3.0%</b>
TOTAL OPERATING EXPENSES LFL HOTELS	837.46	863.62	-26.16	-3.0%
<b>GOP LFL HOTELS</b>	<b>437.18</b>	<b>450.81</b>	<b>-13.64</b>	<b>-3.0%</b>
LEASES & PROPERTY TAX LFL HOTELS	235.59	228.47	7.12	3.1%
<b>EBITDA LFL HOTELS</b>	<b>201.58</b>	<b>222.34</b>	<b>-20.76</b>	<b>-9.3%</b>
* Proforma figures LFL including 12 months in 2007 for Italy				

## 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 31<sup>ST</sup> 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%

## 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:
  - o 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.
  - o 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.

**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%
<b>TOTAL REVENUE LI KE FOR LI KE HOTELS</b>	<b>1,274.64</b>	<b>1,314.43</b>	<b>-39.79</b>	<b>-3.0%</b>
<b>OPENINGS, CLOSINGS, REFURBI SHMENTS &amp; OTHER 08/ 07</b>	<b>148.20</b>	<b>81.42</b>	<b>66.78</b>	<b>82.0%</b>
<b>TOTAL RECURRING REVENUE</b>	<b>1,422.84</b>	<b>1,395.85</b>	<b>26.99</b>	<b>1.93%</b>
<b>RELEVANT NON-RECURRING REVENUE</b>	<b>59.24</b>	<b>31.24</b>	<b>28.0</b>	<b>89.63%</b>
<b>TOTAL REVENUE</b>	<b>1,482.08</b>	<b>1,427.09</b>	<b>54.99</b>	<b>3.9%</b>
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%
<b>TOTAL OPERATING EXPENSES LI KE FOR LI KE HOTELS</b>	<b>837.46</b>	<b>863.62</b>	<b>-26.16</b>	<b>-3.0%</b>
<b>OPENINGS, CLOSINGS, REFURBI SHMENTS &amp; OTHER 08/ 07</b>	<b>101.71</b>	<b>58.50</b>	<b>43.21</b>	<b>73.9%</b>
<b>TOTAL RECURRING OPERATING EXPENSES</b>	<b>939.17</b>	<b>922.12</b>	<b>17.05</b>	<b>1.85%</b>
<b>RELEVANT NON-RECURRING EXP.</b>	<b>9.63</b>	<b>4.58</b>	<b>5.05</b>	<b>110.26%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>948.80</b>	<b>926.70</b>	<b>22.1</b>	<b>2.4%</b>
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%
<b>GOP LI KE FOR LI KE HOTELS</b>	<b>437.18</b>	<b>450.81</b>	<b>-13.64</b>	<b>-3.0%</b>
<b>OPENINGS, CLOSINGS, REFURBI SHMENTS &amp; OTHER 08/ 07</b>	<b>46.49</b>	<b>22.92</b>	<b>23.58</b>	<b>102.9%</b>
<b>TOTAL RECURRING GOP</b>	<b>483.67</b>	<b>473.73</b>	<b>9.94</b>	<b>2.10%</b>
<b>RELEVANT NON - RECURRING GOP</b>	<b>49.61</b>	<b>26.66</b>	<b>22.95</b>	<b>86.08%</b>
<b>TOTAL GOP</b>	<b>533.28</b>	<b>500.39</b>	<b>32.89</b>	<b>6.6%</b>
<b>LEASES &amp; PROPERTY TAXES LFL HOTELS</b>	<b>235.59</b>	<b>228.47</b>	<b>7.12</b>	<b>3.1%</b>
<b>OPENINGS, CLOSINGS, REFURBI SHMENTS &amp; OTHER 08/ 07</b>	<b>29.79</b>	<b>13.20</b>	<b>16.59</b>	<b>125.7%</b>
<b>TOTAL LEASES &amp; PROPERTY TAXES</b>	<b>265.38</b>	<b>241.67</b>	<b>23.71</b>	<b>9.8%</b>
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%
<b>EBITDA LI KE FOR LI KE HOTELS</b>	<b>201.58</b>	<b>222.34</b>	<b>-20.76</b>	<b>-9.3%</b>
<b>OPENINGS, CLOSINGS, REFURBI SHMENTS &amp; OTHER 08/ 07</b>	<b>16.71</b>	<b>9.72</b>	<b>6.99</b>	<b>71.9%</b>
<b>TOTAL RECURRING EBITDA</b>	<b>218.3</b>	<b>232.06</b>	<b>-13.77</b>	<b>-5.93%</b>
<b>EBITDA NON RECURRING</b>	<b>49.61</b>	<b>26.66</b>	<b>22.95</b>	<b>86.08%</b>
<b>TOTAL EBITDA</b>	<b>267.90</b>	<b>258.72</b>	<b>9.18</b>	<b>3.5%</b>
* Proforma figures LFL for BU breakdown including 12 months in 2007 for Italy				

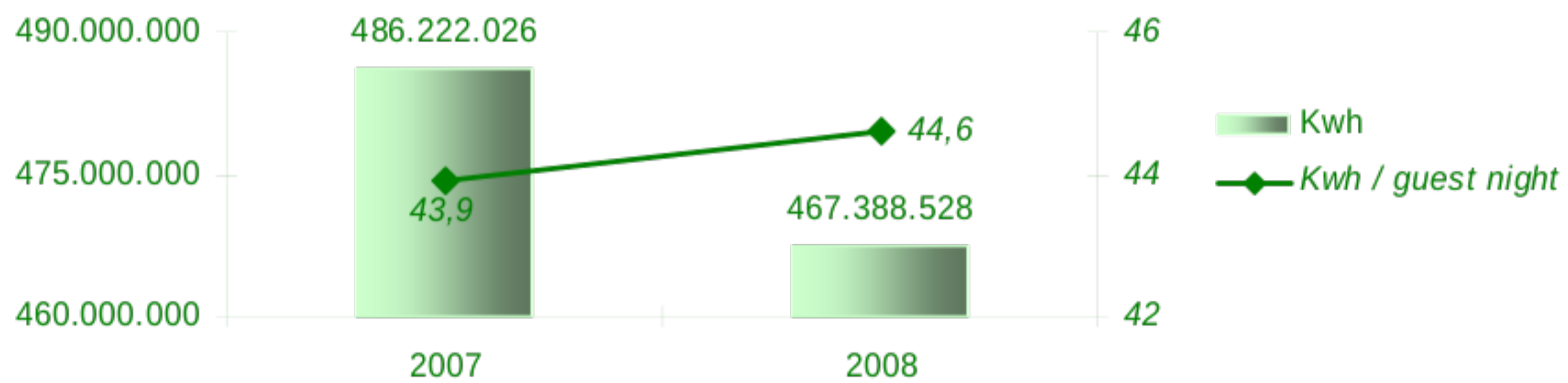
**Environmental Metrics**

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.

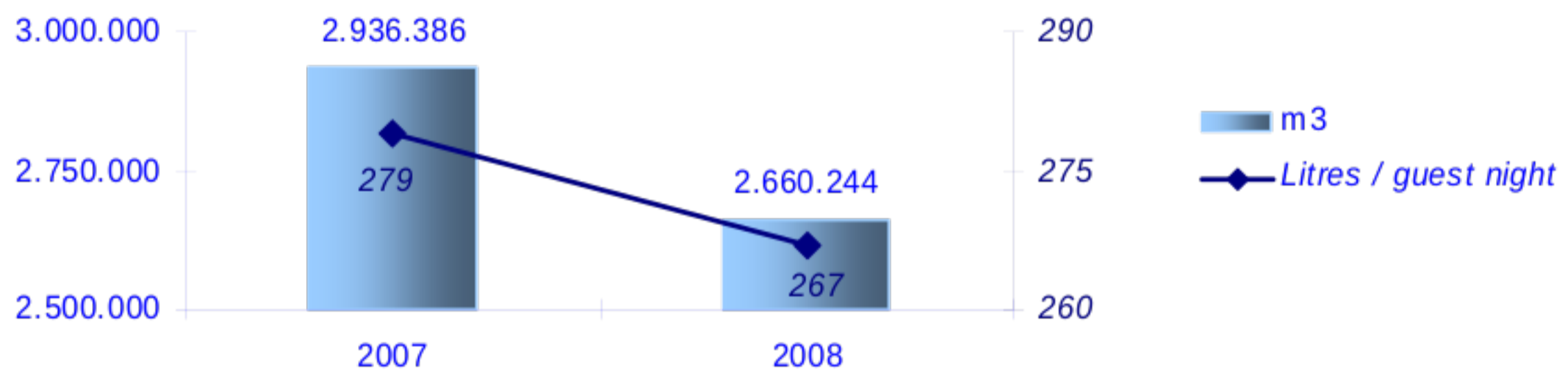
For the first time ever, and in line with NH Hoteles' compromise towards sustainability and energy responsible consumption, the following indicators will be published:

**\*CONSUMPTIONS AND EMISSIONS**

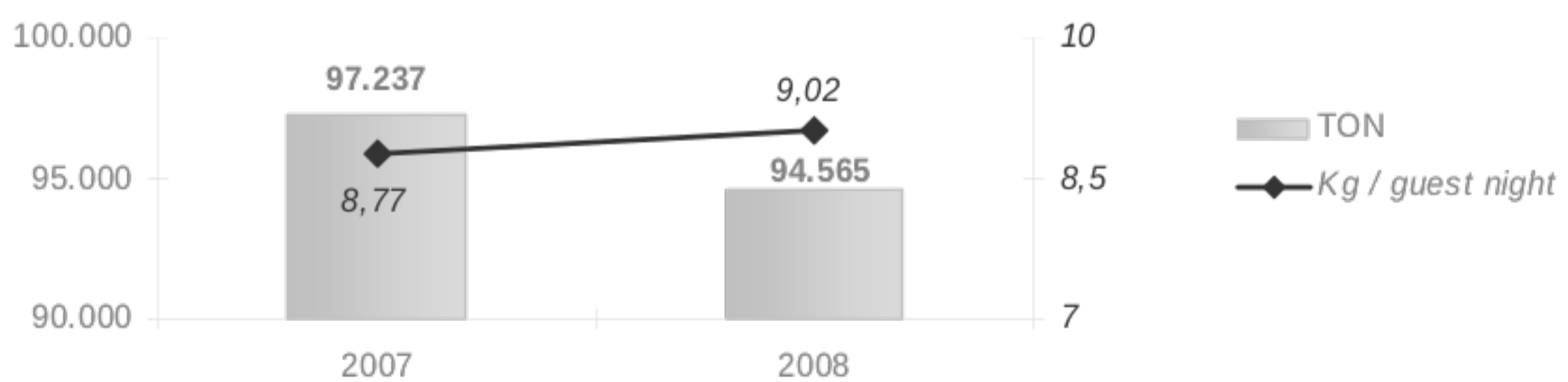
**ENERGY CONSUMPTION (-3,9%)**



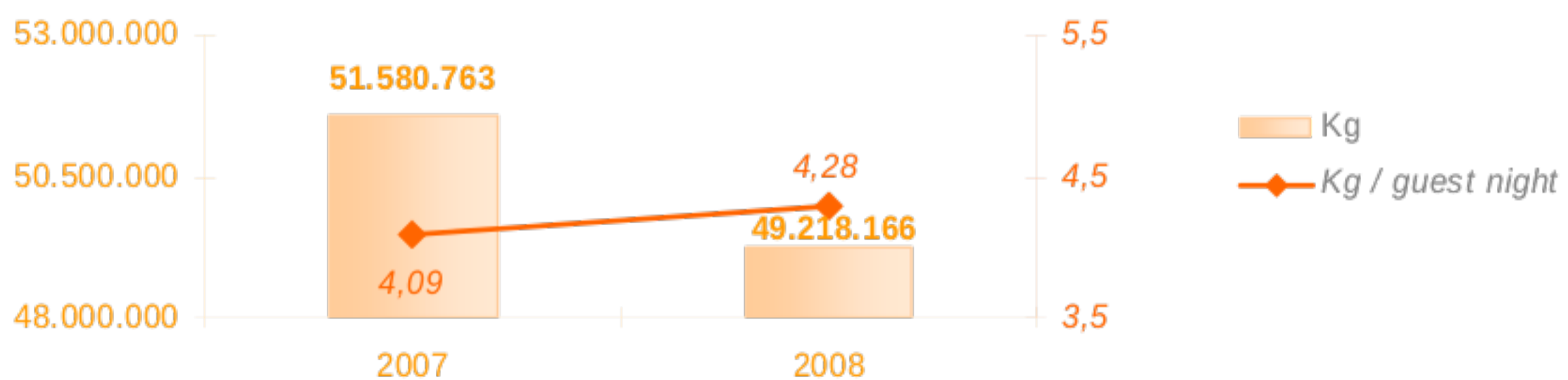
**WATER CONSUMPTION (-9,4%)**



**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.

**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%
<b>TOTAL REVENUES</b>	<b>1,532.4</b>	<b>100%</b>	<b>1,505.7</b>	<b>100%</b>	<b>1.8%</b>
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%
<b>GROSS OPERATING PROFIT</b>	<b>546.5</b>	<b>36%</b>	<b>524.7</b>	<b>35%</b>	<b>4.2%</b>
Lease payments and property taxes	-265.9	-17%	-241.7	-16%	10.0%
<b>EBITDA</b>	<b>280.6</b>	<b>18%</b>	<b>283.0</b>	<b>19%</b>	<b>-0.8%</b>
Impairment	-32.5	-2%	0.0	0%	-
Depreciation	-124.0	-8%	-109.7	-7%	13.0%
<b>EBIT</b>	<b>124.1</b>	<b>8%</b>	<b>173.3</b>	<b>12%</b>	<b>-28.4%</b>
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%
<b>EBT</b>	<b>8.8</b>	<b>1%</b>	<b>108.0</b>	<b>7%</b>	<b>-91.9%</b>
Corporate income tax	-3.7	0%	-8.5	-1%	-56.1%
<b>NET INCOME before minorities</b>	<b>5.0</b>	<b>0%</b>	<b>99.5</b>	<b>7%</b>	<b>-94.9%</b>
Minority interests	21.7	1%	-22.1	-1%	-198.5%
<b>NET INCOME</b>	<b>26.8</b>	<b>2%</b>	<b>77.4</b>	<b>5%</b>	<b>-65.4%</b>

**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.
  - o **Covenants:** At year-end 2008, NH Hoteles fully met all its debt covenants (i.e. Net debt for covenant purposes / EBITDA =3.96x).
  - o **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.
  - o **Mortgage Loans:** Mortgage Loans represent 20% of total Gross Debt disposed, contributing positively to NH Hoteles' ability to provide further debt guarantees if required.
  - o **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.

- **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 goodwill 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%
<b>Total Revenue</b>	<b>50.30</b>	<b>100%</b>	<b>78.63</b>	<b>100%</b>
<b>Committed Sales</b>	<b>42.20</b>		<b>77.62</b>	

- Real estate activity generated revenues of €50.30m, compared to €78.63m for the same period in 2007.
  - o 2007 revenues include the sale of a plot in Puerto Morelos in Mexico, accounting for a total of €34.74m.
  - o 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 31<sup>st</sup>, 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.
  - o 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.

## Signed Projects and openings

Since January 1<sup>st</sup>, 2008 till December 31<sup>st</sup>, 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 1<sup>st</sup> to December 31<sup>st</sup>, 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

<b>Total Signed Projects</b>	<b>4.158</b>
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### 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.



**Hotels Openings from January 1<sup>st</sup> to December 31<sup>st</sup>, 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
<b>Total New Openings</b>			<b>2,854</b>

**Asset management**
**Hotels that left the NH Group from January 1<sup>st</sup>, 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 Dioscuro Bay Palace	Italy	Leased	102
Jolly Hotel Cagliari	Italy	Franchise	129
Jolly Hotel Ognina	Italy	Franchise	56
NH Sao Paulo	Brazil	Owned	135
<b>Total Exits</b>			<b>929</b>

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
<b>Total</b>		<b>581</b>
<b>Price (€MM)</b>		<b>92</b>

**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
<b>OPEN HOTELS</b>	<b>51,591</b>	<b>345</b>	<b>28</b>	<b>219</b>	<b>31,187</b>	<b>82</b>	<b>13,804</b>	<b>43</b>	<b>6,493</b>	<b>1</b>	<b>107</b>

**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
<b>TOTAL PROJECTS</b>	<b>9,810</b>	<b>55</b>	<b>1</b>	<b>32</b>	<b>4,987</b>	<b>7</b>	<b>1,353</b>	<b>16</b>	<b>3,470</b>	<b>0</b>	<b>0</b>