NH Collection Brussels Grand Sablon

H1 2017 RESULTS PRESENTATION

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nH HOTELS · nH COLLECTION HOTELS · nhow HOTELS · Hesperia RESORTS

26th of July 2017

A message from the CEO

"Dear Shareholders,

I am delighted to present another strong set of quarterly results. The Group's strong momentum continues with revenue up +7% and EBITDA up +41% in the first semester. NH performed strongly in all markets and in particular showed outstanding results in Spain and Benelux, generating positive Net Recurring Profit for the first time since 2008 thanks to a remarkable 61% EBITDA conversion rate from incremental revenue to EBITDA. As for Total Net Income the comparison is affected by the significant capital gains reported last year in the first semester, which the Group foresees will achieve with the ongoing asset rotation transactions in the second semester of this year.

The Annual General Meeting held last month approved a gross dividend for fiscal year 2016, equivalent to €0.05 per outstanding share and a long term incentive plan aligned to shareholders' interests. The Board is working to define a stable and progressive dividend policy for coming years.

NH is well on track to exceed 2017 guidance as the Group continues to benefit from the repositioning and execution of the investment phase in a favorable macroeconomic environment, as well as consolidating the value of the commercial and pricing strategy adapting them to new market trends and focusing on improving the quality of our service.

The Company continues to focus on cash generation, deleveraging and further improvements in efficiency. A new Strategic Plan will be presented to the Market in an Investor Day that will take place on the 28th September in Madrid, when the Group will give an update on the targets for 2017 and define those for the next two years".

Ramón Aragonés
CEO, NH Hotel Group

H1 2017 highlights

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H1: Robust Revenue +6.9% (+€49m) being Hotel Revenue +7.4%

- Revenue Like for Like ("LFL") +5.9%
- Excellent performance in Benelux (+14.5%) and Spain (+12.5%). Tough comparison in Germany due to 2016 trade fair calendar RevPar +10.7%: 60% through ADR which grew +6.1%

Q2: Revenue +5.4% (+€22m) with Hotel Revenue +6.3%

- Revenue Like for Like ("LFL") +5.4%
- RevPar +9.6%: 70% through ADR which grew +6.6%
- Q2 negatively affected in Germany by calendar effects: Easter shift, strongest quarter of the 2016 trade fair calendar and repositioning of hotels

H1 EBITDA of €103m, +€30m or +41%, reaching a margin of 13.5% (+3.3 p.p.)

- Remarkable 61% EBITDA conversion rate from incremental revenue to EBITDA despite higher level of occupancy rates (+4.3%)

Positive net recurring income in the semester for the first time since 2008

- +€14.1m improvement reaching €8.7m from -€5.5m in H1 2016

Including non-recurring activity Total Net Income reached €7.6m, a decline of -€2.1m compared to H1 2016 that included €15m from non-recurring activity, that are expected to be obtained at least the same level in H2, through asset rotation transactions

Path to deleverage continues and dividends 2016 approved

- Net debt decreased to €726m from €747 in Dec. 2016
- After the €115m TAP issuance of the bond 2023 with a yield to maturity of 3.17%, average cost of debt is reduced to 4.2% and average maturity extended to 4.4 years
- The gross dividend approved for fiscal year 2016 equivalent to €0.05 per outstanding share will be paid the 27th of July implying a payment of aprox. €17.1m

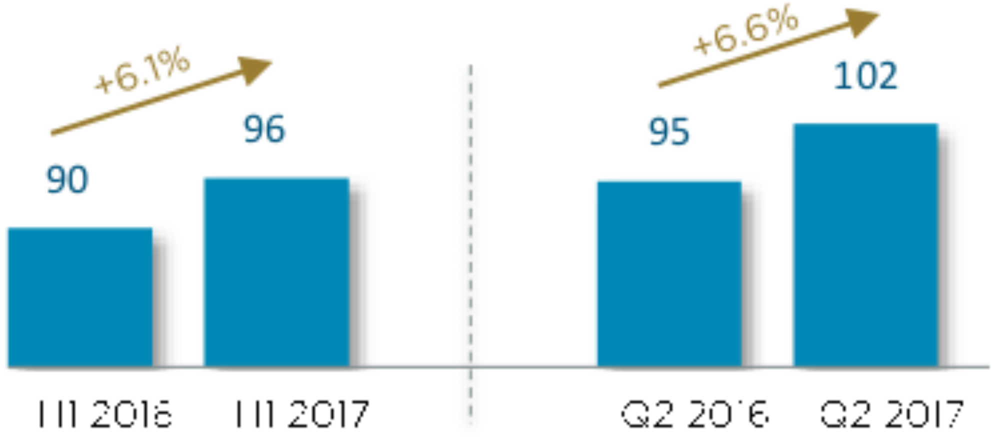
Financial Targets

- NH is well on track to exceed its current 2017 guidance and a new Strategic Plan will be presented to the Market at the Investor Day:
  - Date: 28th September in Madrid
  - Update 2017 numbers and financial targets 2018-2019

Key financial metrics: positive trends continue in Q2

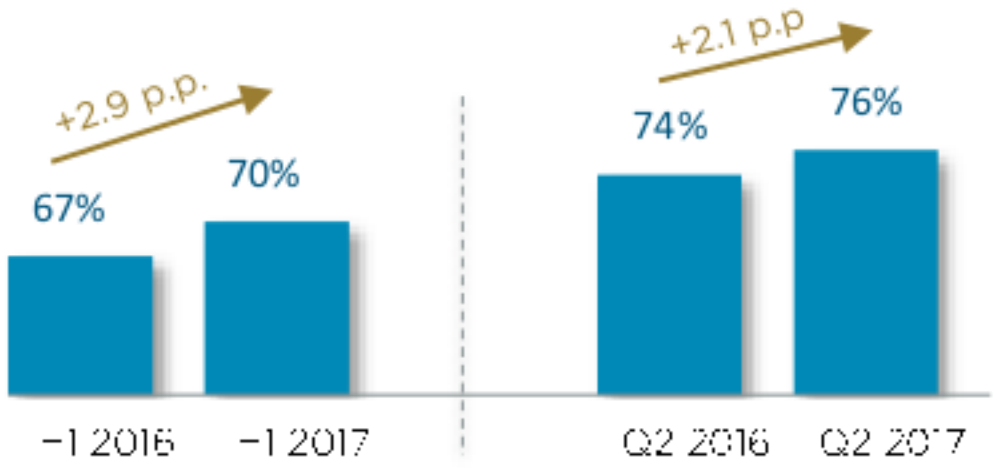
ADR (€)

- H1: +6.1% price increases (+€5.5) reaching €96. ADR contributed with 60% of RevPar growth
- Q2: +6.6% price increases (+€6.3) reaching €102 and contributing 70% of RevPar growth



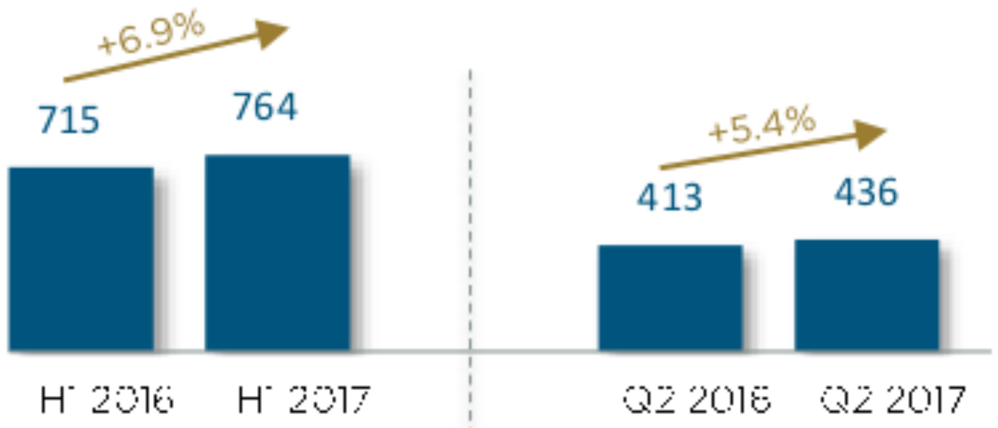
Occupancy (%)

- H1: +4.3% activity increase or +2.9 p.p. Strong demand in Spain (+5.8%) and Benelux (+7.8%) boosted by Brussels recovery
- Q2: +2.8% activity increase or +2.1 p.p.



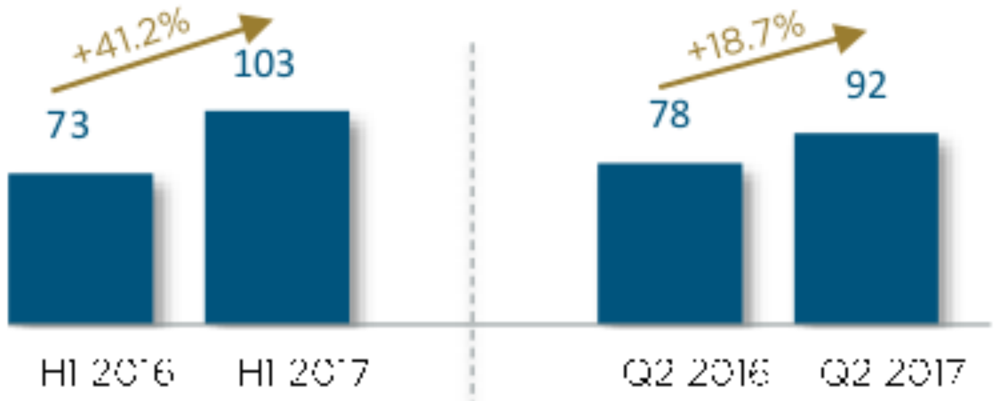
Revenues (€m)

- H1: +€49m revenue growth (+6.9%) with a strong performance in Benelux and Spain
- Q2: +€22m or +5.4%



Recurring EBITDA (€m)

- H1: +€30.1m or +41% due to a sound 61% conversion rate from incremental revenue to EBITDA. EBITDA margin reached 13.5% (+3.3 p.p.)
- Q2: +€14.5m or +19%, 65% conversion rate. Difficult Q2 comparison in Germany in due to the Easter shift and strongest quarter of the 2016 trade fair calendar



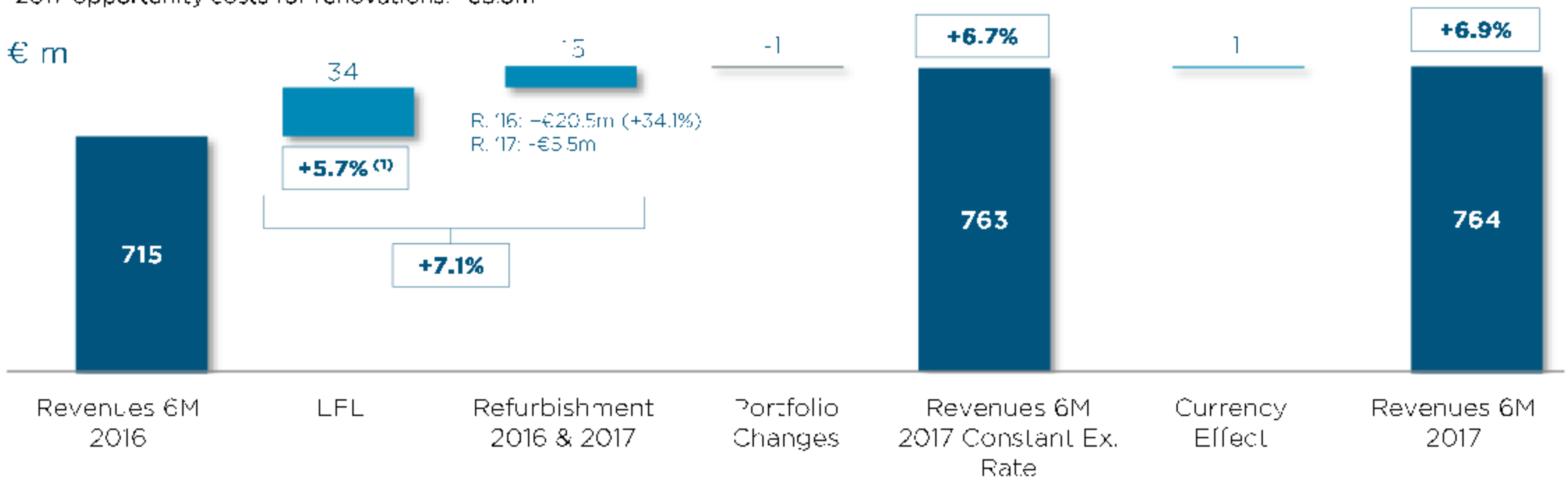
Solid revenue performance in H1

- **Hotel Revenue +7.4%** / Non Hotel revenue due to lower capex (-€2.7m) affecting Total Revenue
- **Total Revenue growth of +6.9% vs. H1 2016 reaching €764m (+€49m)**
  - Revenue Like for Like ("LFL") +5.7% with constant FX (+5.9% reported)
  - LFL & Refurbished hotels grew +7.1% (+7.2% reported)
    - Excellent performance in Benelux (+14.5%) and Spain (+12.5%)
    - 2016 refurbished hotels increased revenues by +€20.5m in H1 2017
    - 2017 opportunity costs for renovations: -€5.5m

Revenue Split	Q1 2017	Q2 2017	H1 2017
Room Revenue	+9.7%	+8.5%	+9.0%
Other Revenue	+6.8%	+1.1%	+3.6%
Total Hotel Revenue	**+8.8%**	**+6.3%**	**+7.4%**
Non Hotel Revenue*	+€0.5m	-€3.2m	-€2.7m
Total Revenue	**+8.9%**	**+5.4%**	**+6.9%**

* Rebates + Capex Payroll Capitalization

Less contribution from non-hotel revenue



Growth Contribution	+4.8%	+	+2.1%	+	-0.2%	=	+6.7%	+	+0.2%	=	+6.9%

(1) On its 2016 own base. With real exchange rate growth is +5.9%

RevPar growth supported by ADR (60% contribution)

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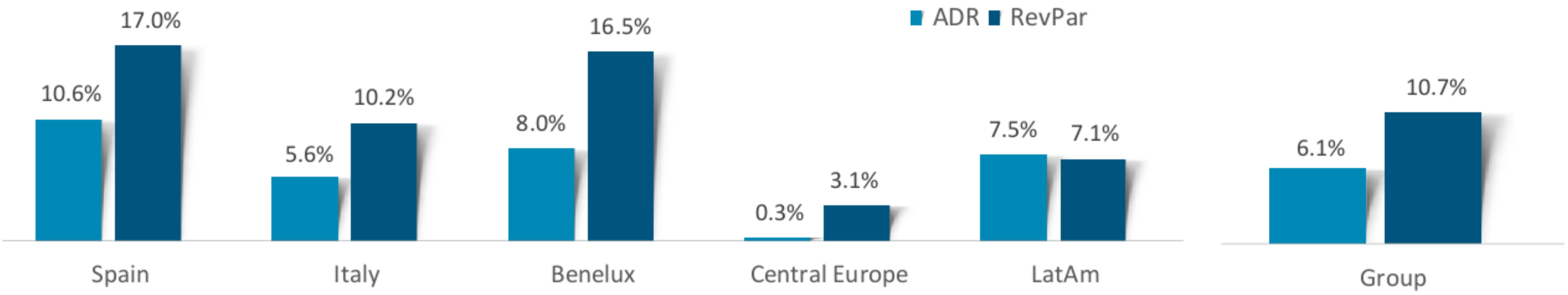
- **+10.7% RevPar increase in H1 2017, 60% through ADR**
  - RevPar growth across all markets with an outstanding double digit growth in Spain, Benelux and Italy
  - ADR: +6.1% price increases (+€5.5) reaching €96
  - Occupancy: +4.3% activity increase or +2.9 p.p. Strong demand in Spain (+5.8%) and Benelux (+7.8%) boosted by Brussels recovery
- **LFL RevPar grew +8.6%:**
  - Spain: Very good performance of both key and secondary cities: Madrid +18%, Barcelona +12% and secondary cities +13%
  - Italy: Excellent evolution of secondary cities with +10% growth, Rome +5% and Milan +4%
  - Benelux: Expected recovery of Brussels a reality with +19%. Good performance in Amsterdam of +7%
  - Central Europe: Berlin +10%, Frankfurt -2% and Munich -17%. Difficult comparison due to positive 2016 trade fair calendar and excellent results achieved last year
  - LatAm (real exchange rate): Buenos Aires +20%. Bogota +8% , Mexico DF +5%. Positive effect of FX but negatively impacted by higher supply in Bogotá

H1 2017 Consolidated KPIs by BU



And above our competitors supported by the quality improvement

- **Relative RevPar outperformance of +3.8 p.p in top cities vs. competitors** through a mix of higher relative ADR (+2.1 p.p.) and relative activity (+1.6 p.p.)

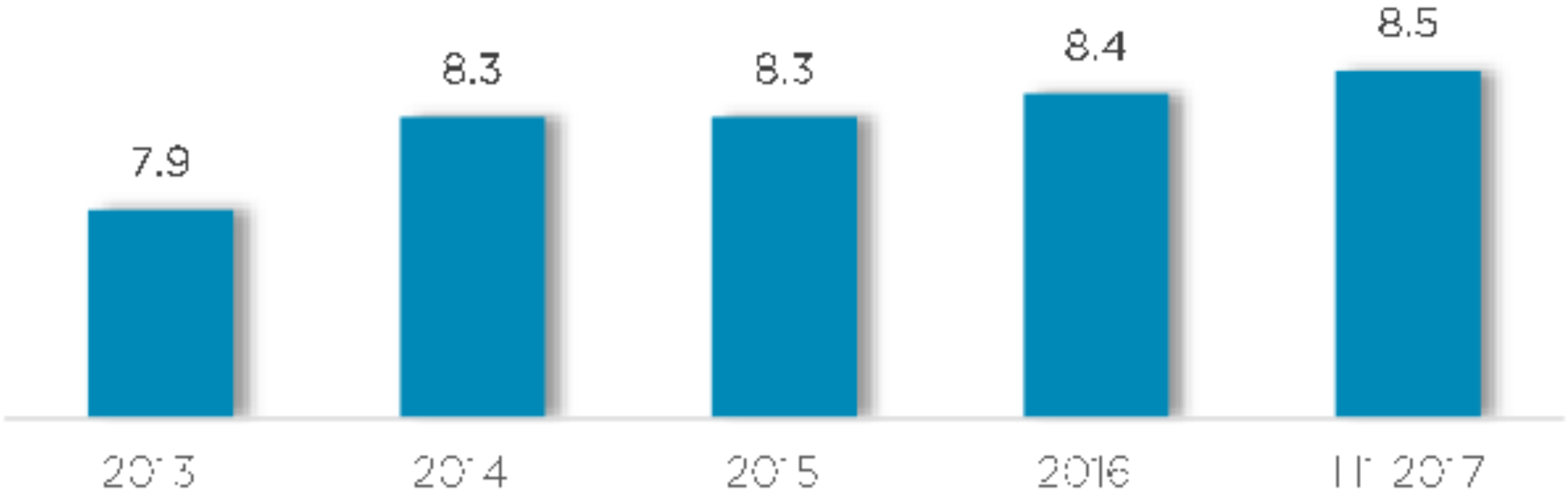
H1 2017	ADR % var.		"Relative" ADR	"Rel." RevPar
	NHH	**Comp.Set**	**Var.**	**Var.**
Spain	12.1%	10.1%	2.0p.p.	5.9p.p.
Italy	1.7%	2.1%	3.8p.p.	1.5p.p.
Benelux	5.6%	0.3%	5.3p.p.	10.8p.p.
Central Europe	-2.3%	0.7%	-2.9p.p.	-3.1p.p.
Total NH	**4.6%**	**2.5%**	**2.1p.p.**	**3.8p.p.**

Source: STR/MKG/Fairmas Competitive Set Average Growth

- **Remarkable performance in:**
  - **Amsterdam**: Relative Occupancy +8.9 p.p; RevPar +14.2 p.p.
  - **Madrid:** Relative Occupancy +5.3 p.p. ; RevPar +8.6 p.p.
  - **Rome:** Relative ADR +3.9 p.p. ; RevPar +5.3 p.p.

- Tough comparison in H1 in Central Europe due to the 2016 trade fairs in Frankfurt, Hamburg and and Dusseldorf where NH was able to increase prices above competitors

Quality Improvement



Source: TripAdvisor

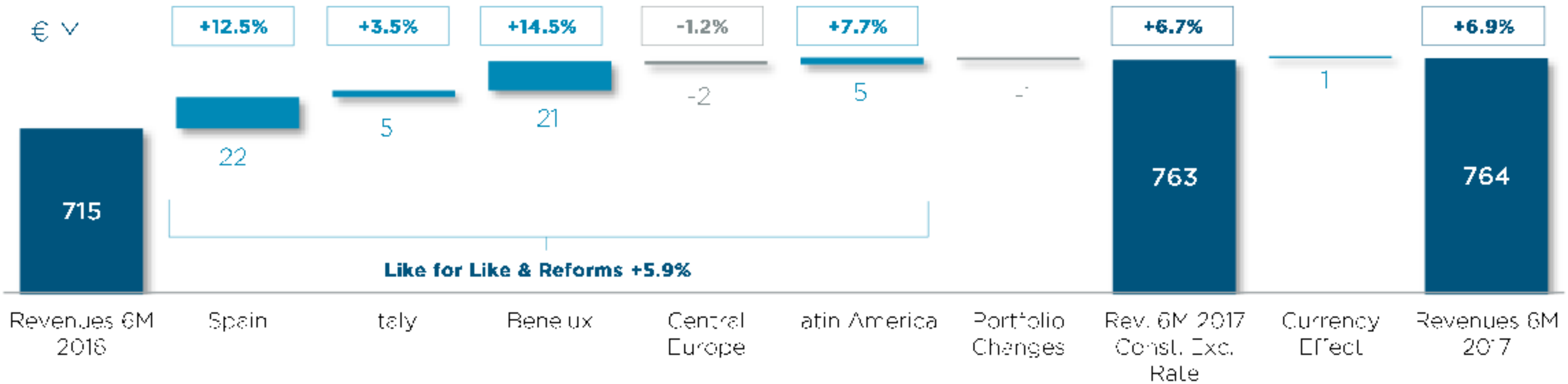
Increase in relative score

% hotels	Dec. 2013	Dec. 2015	Dec. 2016	Jun. 2017
Top 10	24%	27%	34%	37%
Top 30	47%	49%	53%	54%

Source: TripAdvisor

Strong revenue performance in all key markets

- **Spain:** +12.5% growth in LFL&R, being LFL +10.1%. Remarkable LFL performance of Madrid (+12.5%), Barcelona (+11.1%) and secondary cities (+10.2%)
- **Italy:** +5.2% growth in LFL and +3.5% including the leased hotel under reform in Turin funded by the owner. The closing of 3 hotels with 554 rooms in 2016 explains the difference between RevPar and total revenues
- **Benelux:** LFL Revenue growth of +5.9% supported by the higher activity level in Brussels (+14.7% in LFL) and the good performance of Amsterdam (+4.8% in LFL) and secondary cities. Including the ramp-up from 2016 renovations, revenue grew +14.5%
- **Central Europe:** Positive LFL increase (+1.7%) despite the tough comparison of the German 2016 trade fair calendar. At LFL&R due to the refurbishments of 3 key hotels in Berlin, Munich and Hamburg affecting 354 rooms, revenues decline -1.2% in LFL&R. Total revenue of -2.6% impacted by the closing of a hotel with 83 rooms in Q4 2016
- **Latin America:** +7.7% growth in LFL&R with constant exchange rate. Including positive impact of currency reported LFL&R increased +8.8%. By regions both Mexico and Argentina increase revenues by double digit despite the currency depreciation. The positive currency evolution in Hoteles Royal does not compensate a key hotel in Chile under reform and the lower corporate events due to the higher supply in Bogota



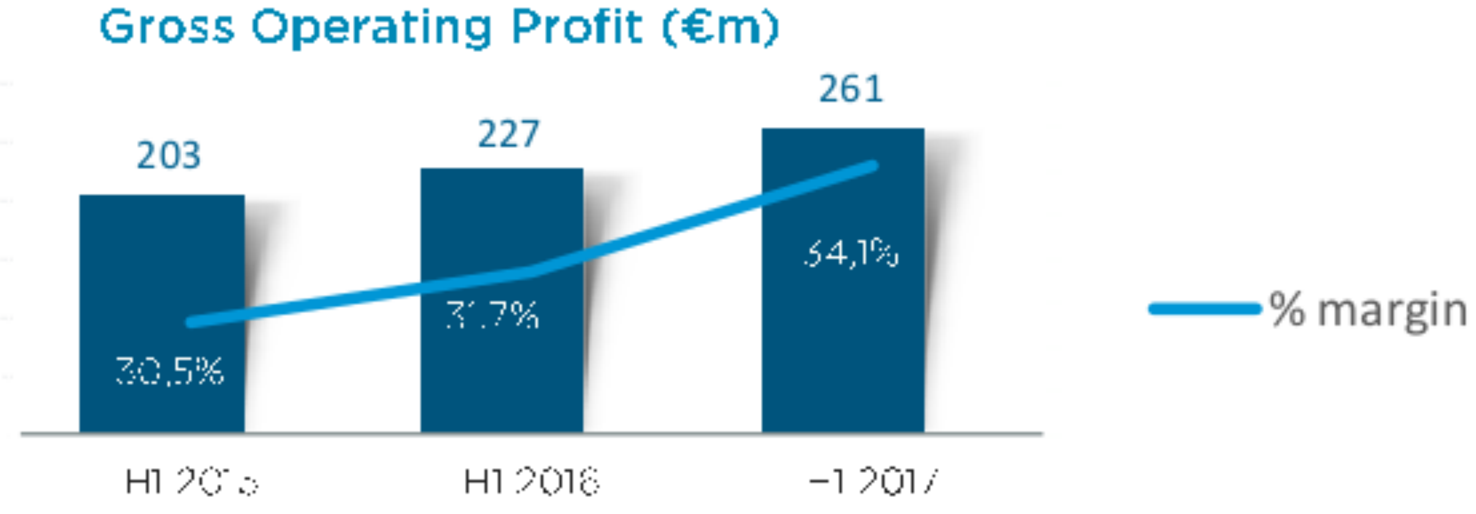
	Spain	Italy	Benelux	Central Europe	Latin America	Ex-Currency	Reported
Revenue LFL	+10.1%	+5.2%	+5.9%	+1.7%	+7.9%	+5.7%	+5.9%
Total Revenue	+10.9%	+2.5%	+18.5%	-2.6%	+8.3%	+6.7%	+6.9%

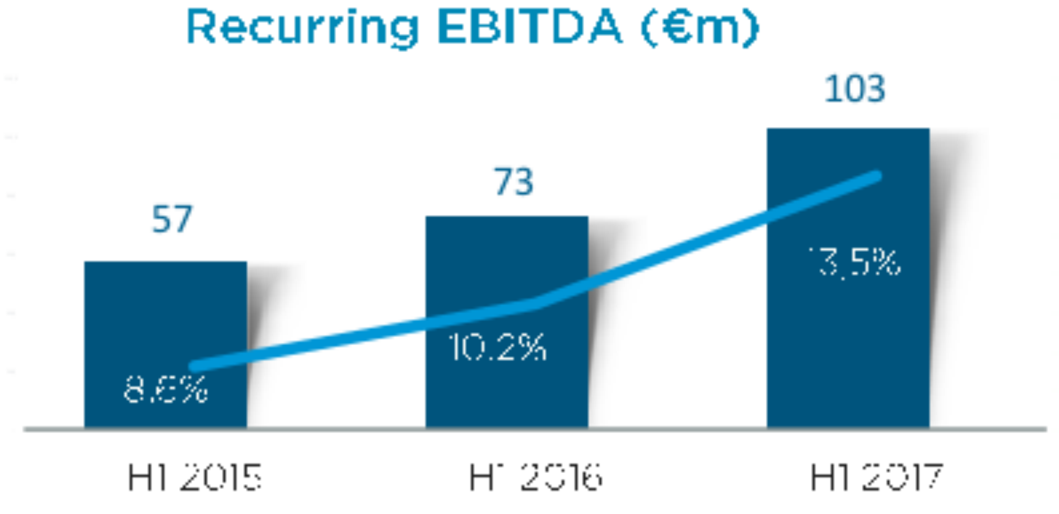
H1 EBITDA increased +41% due to a 61% conversion rate

NH Hotel Group P&L

€ million / Recurring Activity	6M 2017	6M 2016	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**764.2**	**715.1**	**49.1**	**6.9%**
Staff Cost	(260.9)	(254.4)	(6.5)	2.5%
Operating expenses	(242.7)	(234.1)	(8.6)	3.7%
GROSS OPERATING PROFIT	**260.6**	**226.5**	**34.0**	**15.0%**
Lease payments and property taxes	(157.5)	(153.5)	(4.0)	2.6%
EBITDA BEFORE ONEROUS	**103.1**	**73.0**	**30.1**	**41.2%**

- **Cost control** in the first semester **despite the occupancy growth (+4.3%)**
  - +2.5% increase in **Payroll cost** and +3.7% in **Operating Expenses** due to higher activity, variable costs and the inclusion of 2016 refurbished hotels
  - Improvement in GOP of +€34.0m (+15.0%). GOP margin improved by +2.4 p.p., reaching 34.1%
- Lease payments and property taxes increased -€4.0m (+2.6%), out of which variable lease components explain 70% of the increase
- **Recurring EBITDA before onerous** in H1 reached €103.1m, +€30.1m or +41.2% due to a remarkable 61% EBITDA conversion from incremental revenue to EBITDA. EBITDA margin reached 13.5% (+3.3 p.p.)





Positive Net Recurring Income due to significant EBITDA growth

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NH Hotel Group P&L

€ million	H1 2017 €m.	H1 2016 €m.	VAR. €m.	VAR. %.
EBITDA BEFORE ONEROUS	**103.1**	**73.0**	**30.1** [1]	**41.2%**
Margin % of Revenues	13.5%	10.2%	3.3p.p.	N/A
Onerous contract reversal provision	2.0	3.0	(0.9)	30.8%
EBITDA AFTER ONEROUS	**105.1**	**76.0**	**29.2**	**38.4%**
Depreciation	(53.8)	(49.6)	(4.2) [2]	8.5%
EBIT	**51.3**	**26.4**	**25.0**	**94.7%**
Interest expense	(29.5)	(24.0)	(5.5) [3]	22.9%
Income from minority equity interest	0.0	0.1	(0.1)	80.2%
EBT	**21.8**	**2.5**	**19.3**	**N/A**
Corporate income tax	(11.5)	(6.1)	(5.4) [4]	88.8%
NET INCOME BEFORE MINORITIES	10.3	(3.6)	13.9	N/A
Minorities interests	(1.7)	(1.9)	0.2	-11.0%
NET RECURRING INCOME	**8.7**	**(5.5)**	**14.1**	**N/A**
Non Recurring EBITDA	**9.9**	**34.5**	**(24.6)**	**N/A**
Other Non Recurring Items	(10.9)	(19.3)	8.4	N/A
NET INCOME INCLUDING NON-RECURRING	**7.6**	**9.7**	**(2.1)**	**-21.3%**

1. **Recurring EBITDA before onerous reached €103.1m, an increase of +€30.1m**

2. **Depreciation:** the increase of -€4.2m includes -€1.8m of amortization of the new management contract with Hesperia and the rest corresponds to the phasing impact of 2016 repositioning capex

3. **Financial Expenses:** the increase of -€5.5m is mainly explained by:
   - Refinancing Q3 2016: The issuance of HY 2023 bond with a coupon of 3.75% to refinance bank debt maturing in 2017&2018 plus the signing of a €250m long term RCF (fully undrawn), explains an increase of -€2.9m
   - Refinancing Q2 2017: -€1.9m due to the refinancing of €150M of HY19 (coupon 6.875%) with a €115m TAP of the HY23 (coupon 3.75%, yield-to-maturity 3.17%) and cash.
   - After the €115m TAP issuance of the Bond 2023 average cost of debt is reduced to 4.2% and average maturity extended to 4.4 years. Annual savings due to this refinancing would imply €6.0m.

4. **Taxes:** The higher Corporate Income Tax (€-5.4m) is mainly due to business improvement (-€4.3m) and deferred taxes (-€1m). The use of tax incentives and non-activated tax credits (+€3m) compensates the higher tax due to the reversal of tax holding provision (€-3.3m) in Spain (RD3/2016)

Positive Net Income but comparison affected by asset disposals in H1 2016, a temporary effect

Net Recurring Income (€m)

- **Net Recurring Income:** +€14.1m improvement reaching a profit of **€8.7m in H1 2017 compared to loses of -€5.5m in H1 2016** fully explained by the business improvement. Positive net recurring income in the semester for the **first time since 2008**

Non-Recurring Income (€m)

- **H1 2017**: non recurring activity incorporates capital gains from asset disposals in Q1 2017, severances and impacts from the new management contract with Hesperia
- **H1 2016** included non recurring activity mainly from **capitals gains** from asset rotation transactions

Total Net Income (€m)

- **Total Net Income:** Total Net Income reached **€7.6m in H1 2017, fully explained by the improvement of the ordinary business** and only **-€2.1m lower than in H1 2016, which included €15m** from the non-recurring activity (asset rotation) that are expected to be obtained at least the same level in H2, through asset rotation transactions

Deleverage path on track

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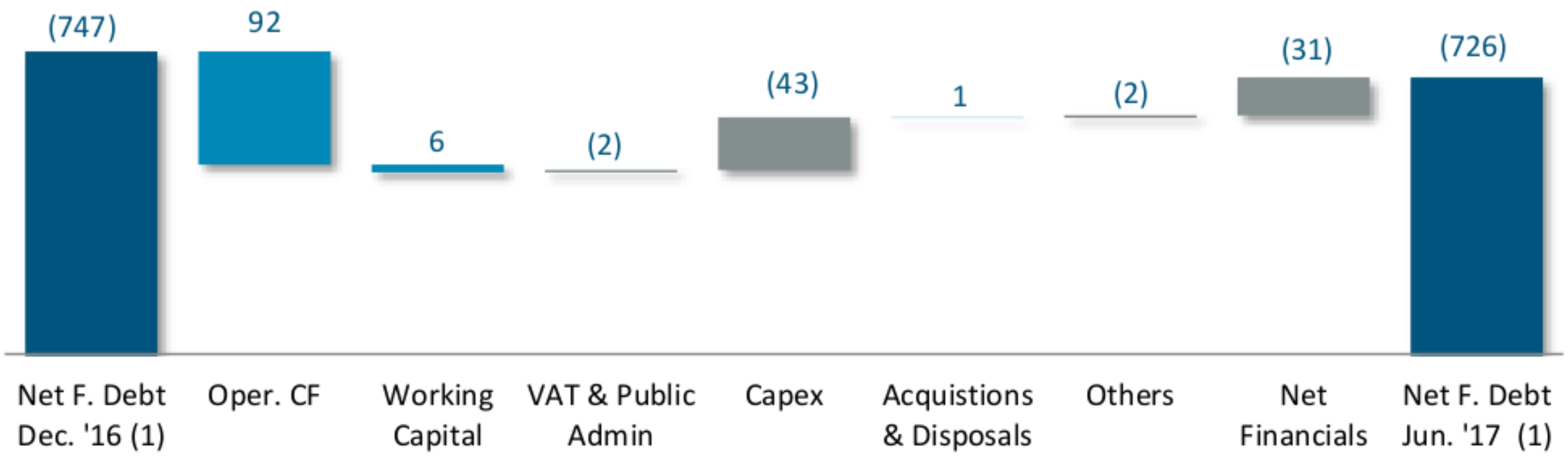
Operating cash flow and asset rotation more than compensate the repositioning capex, last payment of 2015 Hoteles Royal and the first installment of the new management contract with Hesperia



Financial Position: 30th June 2017
Gross Financial Debt: (€840m)
Cash: €115m
Net Financial Debt: (€726m)

Treasury Stock in B/S not included in cash position(2)
Number of shares: 9.4m
Market Value: €49.7m

- **(+) Operating Cash Flow** +€92m, including -€7.9m of credit card expenses and taxes paid of -€9.2m
- **(+) Working Capital:** improvement due to a lower average collection period (from 23 days in December 2016 to 18 days in June 2017)
- **(-) Capex payments:** -€43m in H1 2017 due to 2016 repositioning capex payment and maintenance capex of 2017
- **(+) Acquisitions & Disposals:** +€32.0m from asset rotation, -€19.6m final payment of 2015 Hoteles Royal acquisition and the first payment of the Hesperia contract -€11.0m
- **(-) Other:** payment of legal provisions
- **(-) Net Financials:** -€31.0m, including -€10m related to the refinancing in Q2 2017 which comprises repurchase premium, transaction expenses, and the proceeds of the issuance above par

(1) NFD excluding accounting adjustments for the portion of the convertible bond treated as Equity, arrangement expenses and accrued interest. Including these accounting adjustments, the Adj. NFD would be (€725m) at 31st Dec. 2016 and (€702m) at 30th June 2017

(2) As of 30th June 2017, the Company had 9,423,924 treasury shares in its balance sheet, of which 9m shares correspond to a loan of securities linked to the convertible bond issue in November 2013. Of those 9m shares, as of 30th June 2017, 7,615,527 had been returned and are therefore held by NH although they remain available to the financial institutions. In addition, in August 2016 the Company purchased 600,000 treasury shares and in 2017 the Company has delivered 176,076 shares to management under the Long Term Incentive Program, resulting in a net amount of 423,924. Treasury stock in € calculated with the price as of 30th June 2017 (€5.27 per share) totals €49.7m

Successful refinancing process executed in two phases

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Targets:

1. Reduce **average cost to 4.2%**
2. Extend **average maturity to 4.4 years**[(1)]
3. Reduce **gross debt**
4. Gain **flexibility**

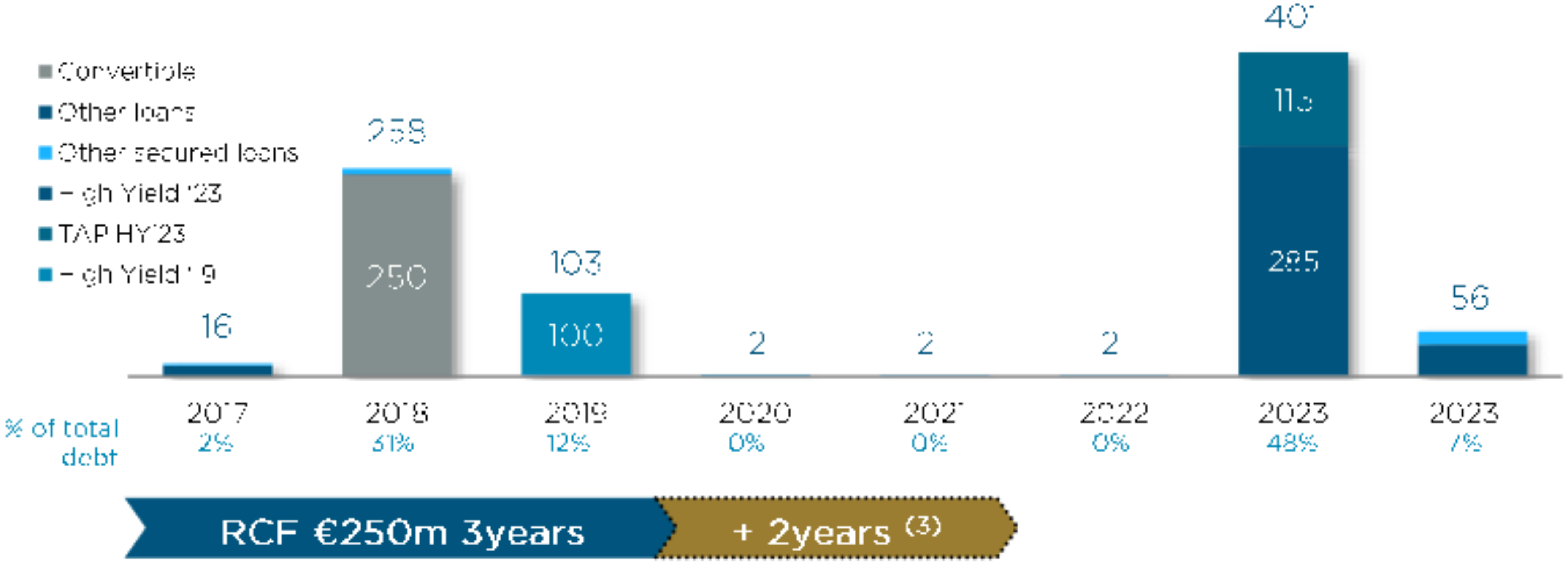
Q3 2016:

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

Q2 2017:

- ✓ TAP Bond 2023 of €115m YTM 3.17% to repay €150m of existing HY 2019 (coupon of 6.875%). Annual savings due to this refinancing would imply €6.0m

Maturity profile as of 30th June 2017: Gross Financial Debt €840M (2)



Key terms:

- Unsecured Convertible Bond: €250m, Nov. 2018, fixed rate 4%, conversion price €4.92
- High Yield Bond '19: €100m, Nov. 2019, fixed rate 6.875%. Callable from Nov. 2017 at 103%
- High Yield '23: €400m, Oct. 2023, fixed rate 3.75%. Callable 10% annually till 2019 at 103%. From Oct. 2019 callable 100% at 102% (2020 @ 101% and from 2021 @ 100%)
- Revolving Credit Facility: Undrawn. €250m (3+2 years with automatic renewal with the refinance of HY Bond due 2019). E +1.85%

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

(1) Excluding subordinated loan due 2037 / (2) Financial Debt excluding accounting adjustments / (3) Automatic extension of maturity from 2019 to 2021 upon full refinancing of HY2019

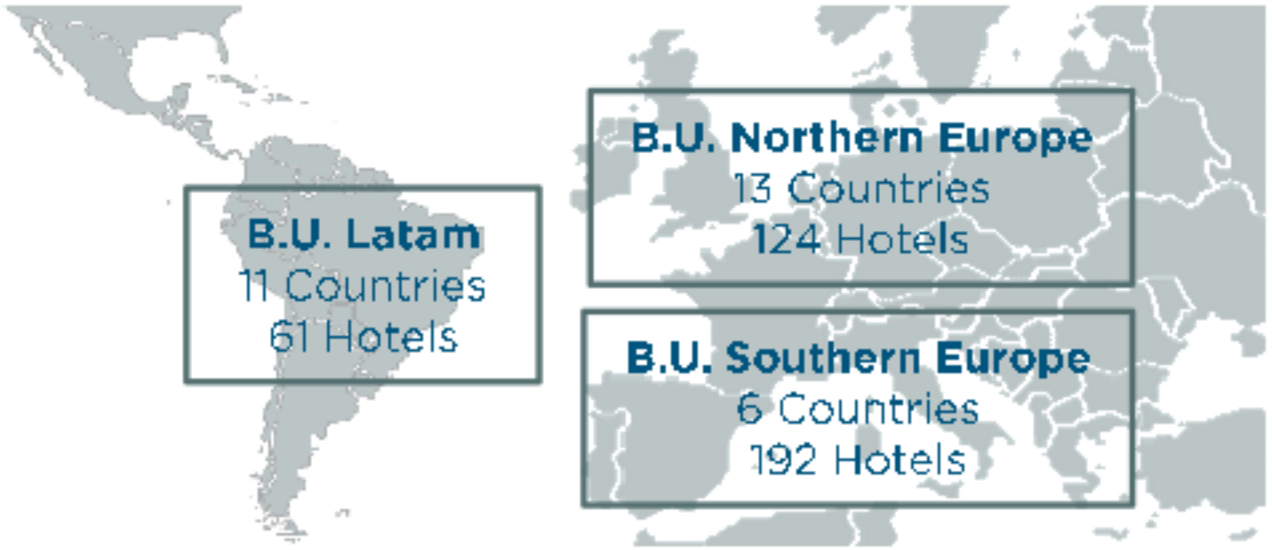
Investor Day Sept. 2017: New Financial Targets 2017-2019

2017 targets

- In September, with a higher visibility of Q4, the Group will give an update on the targets for 2017

Very positive outlook for 2018:

- Growth in key markets, driven by outperformance in Spain and Benelux
- Second year of ramp-up from 2016 repositioning investments
- Efficiency Plan phase II, targeting additional savings of € 7-10M in 2018, due to the geographic reorganization, management levels of the Business Units and at Corporate level



A new Strategic Plan will be presented to the Market in an Investor Day that will take place on the 28th September in Madrid, when the Group will give an update on the numbers for 2017 and define new financial targets for 2018-2019

Annex

- Q2 Revenue:
  - Per Perimeter
  - Per B.U.
- Q2 RevPar
- Q2 P&L

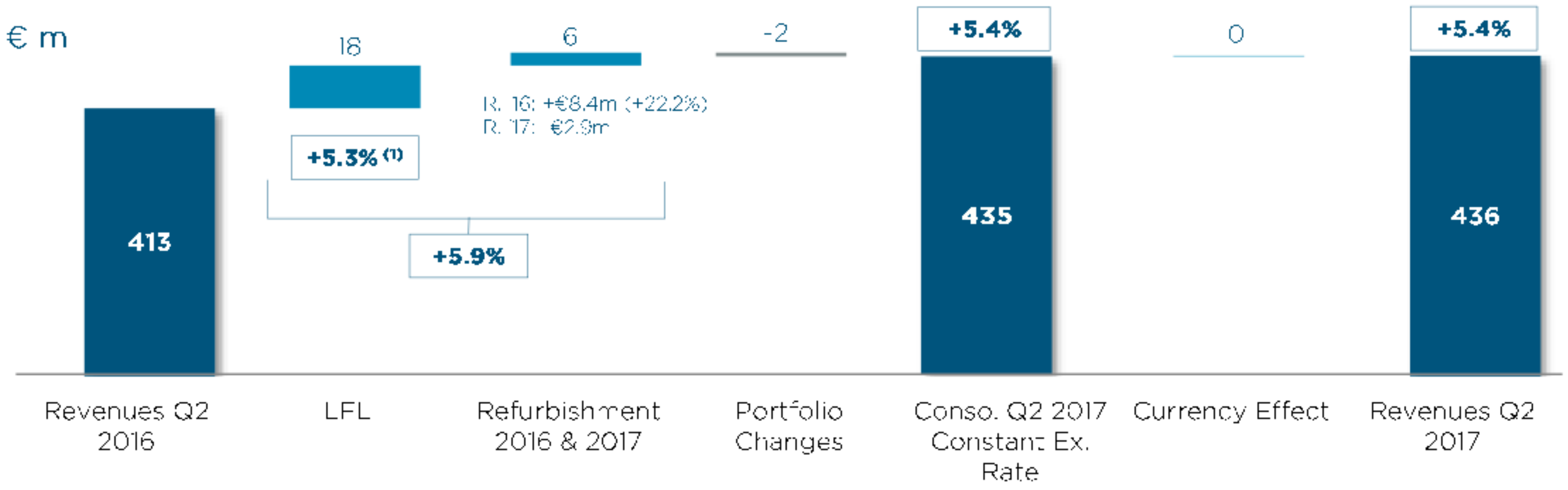
NH Collection Madrid Eurobuilding

Solid revenue performance continues in Q2 2017

- **Hotel Revenue +6.3%** / Non Hotel revenue due to lower capex (-€3.2m) affecting Total Revenue
- **Total Revenue growth of +5.4%** vs. Q2 2016 reaching €436m (+€22m)
  - Revenue Like for Like ("LFL") +5.3% with constant FX (+5.4% reported)
  - LFL & Refurbished hotels grew +5.9% (+6.0% reported)
    - Excellent performance in Benelux (+13.2%) and Spain (+12.8%)
    - 2016 refurbished hotels increased revenues in Q2 2017 by +€8.4m

Revenue Split	Q2 2017	H1 2017
Room Revenue	+8.5%	+9.0%
Other Revenue	1.1%	+3.6%
Total Hotel Revenue	**+6.3%**	**+7.4%**
Non Hotel Revenue*	-€3.2m	-€2.7m
Total Revenue	**+5.4%**	**+6.9%**
* Reoales – Capex Payrol Capitalization		

Less contribution from non-hotel revenue



Growth Contribution	+4.4%	+	+1.3%	+	-0.4%	=	+5.4%	+	+0.1%	=	+5.4%

(1) On its 2016 own base. With real exchange rate growth is +5.4%

Strong performance in all key markets

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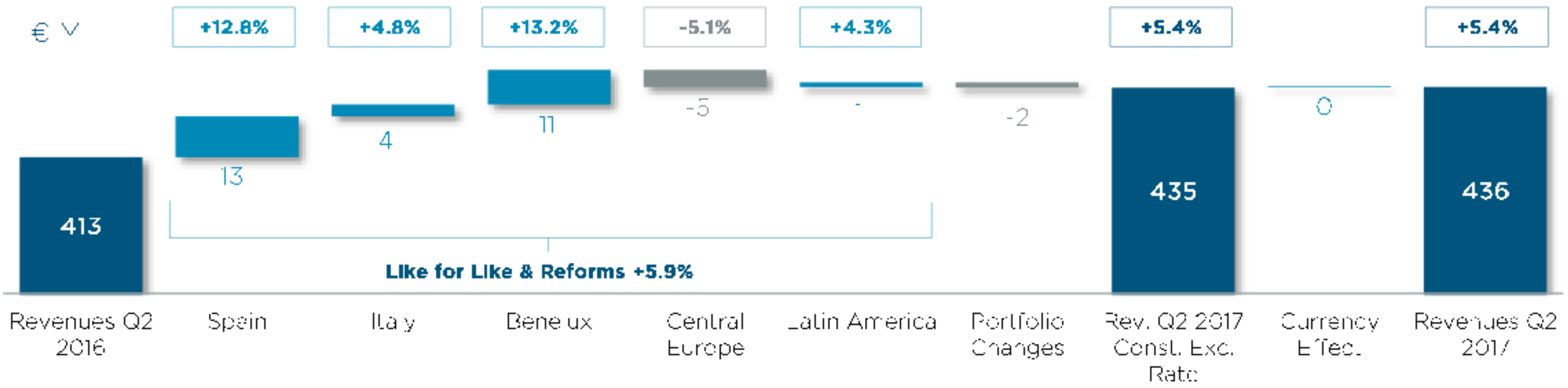
- **Spain:** +12.8% growth in LFL&R, being LFL +11.9%. Remarkable LFL performance of Madrid (+14.5%), Barcelona (+11.4%) and secondary cities (+11.9%)
- **Italy:** +6.7% growth in LFL and +4.8% including the leased hotel under reform in Turin funded by the owner. The closing of 3 hotels with 554 rooms in 2016 explains the difference between RevPar and Revenues
- **Benelux:** LFL Revenue growth of +7.0% supported by the higher activity level in Brussels (+15.7% in LFL) and the good performance of Amsterdam (+7.0% in LFL) and secondary cities. Including the ramp-up from 2016 renovations, revenue grew +13.2%
- **Central Europe:** -1.4% LFL decrease due to the tough comparison with the strongest quarter of the German 2016 trade fair calendar. At LFL&R due to the refurbishments of 3 key hotels in Berlin, Munich and Hamburg affecting 354 rooms, revenues decline -5.1%. Total revenue of -6.1% impacted by the closing of a hotel with 83 rooms in Q4 2016
- **LatAm:** +4.3% growth in LFL&R with constant exchange rate. Including positive impact of currency reported LFL&R increased +4.8%. By regions Mexico (+7%), Argentina (+17%) despite the currency depreciation. The positive currency evolution in Hoteles Royal does not compensate a key hotel in Chile under reform and the lower corporate events due to the higher supply in Bogota



						Ex-Currency	Reported
Revenue LFL	+11.9%	+6.7%	+7.0%	-1.4%	+5.7%	+5.3%	+5.4%
Total Revenue	+11.1%	+4.2%	+16.7%	-6.1%	+5.7%	+5.4%	+5.4%

RevPar growth supported by ADR, 70% contribution

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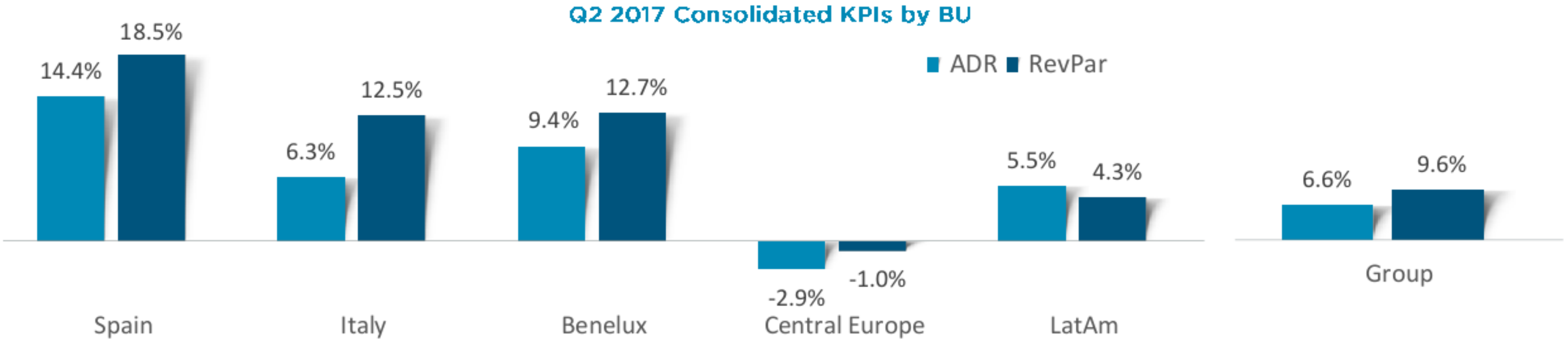
- **+9.6% RevPar increase in Q2 2017, 70% through ADR**
  - RevPar growth across all markets but Central Europe with an outstanding double digit growth in Spain, Italy and Benelux
  - ADR: +6.6% price increases (+€6.3) reaching €102
  - Occupancy: +2.8% activity increase or +2.1 p.p. Strong demand in Italy (+5.8%), Spain (+3.6%) and Benelux (+3.0%)
- **LFL RevPar grew +8.7%:**
  - Spain: Very good performance of both key and secondary cities: Madrid +22.1%, Barcelona +12.8% and secondary cities +16.9%
  - Italy: Excellent evolution of secondary cities +11.6%, Rome +5.6% and Milan +3.5%
  - Benelux: Brussels +20.6% explained by the recovery in occupancy and Amsterdam +9.1%
  - Central Europe: Frankfurt -9.7% and Munich -26.7%. Difficult comparison due to positive 2016 trade fair calendar
  - LatAm (FX reported): B.Aires +15.7%, Bogota +3.9% and Mexico DF +1.4%. Positive effect of Colombian Peso impacted by the higher supply in Bogotá



65% conversion rate from revenue to EBITDA in Q2

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€ million	Q2 2017	Q2 2016	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**435.6**	**413.2**	**22.4** [1]	**5.4%**
Staff Cost	(135.3)	(132.9)	(2.4)	1.8%
Operating expenses	(128.3)	(124.9)	(3.4)	2.7%
GROSS OPERATING PROFIT	**172.0**	**155.4**	**16.6**	**10.7%**
Lease payments and property taxes	(79.7)	(77.6)	(2.1)	2.7%
EBITDA BEFORE ONEROUS	**92.3**	**77.8**	**14.5** [2]	**18.7%**
Margin % of Revenues	21.2%	18.8%	2.4p.p.	N/A
Onerous contract reversal provision	1.0	1.7	(0.7)	-38.5%
EBITDA AFTER ONEROUS	**93.4**	**79.5**	**13.9**	**17.4%**
Depreciation	(28.1)	(25.4)	(2.6)	0.3%
EBIT	**65.3**	**54.1**	**11.2**	**20.8%**
Interest expense	(15.4)	(12.3)	(3.1)	25.2%
Income from minority equity interest	0.1	0.2	(0.2)	-77.0%
EBT	**50.0**	**42.0**	**7.9**	**18.9%**
Corporate income tax	(12.5)	(8.4)	(4.1)	48.6%
NET INCOME BEFORE MINORITIES	**37.4**	**33.6**	**3.8**	**11.4%**
Minorities interests	(1.1)	(1.3)	0.2	17.8%
NET RECURRING INCOME	**36.3** [3]	**32.2**	**4.1**	**12.7%**
Non Recurring EBITDA	2.8	32.7	(29.9)	N/A
Other Non Recurring items	(6.8)	(15.6)	8.9	N/A
NET INCOME including non-recurring	**32.4** [4]	**49.4**	**(17.0)**	**-34.3%**

1. **Revenue grew + 5.4% to €435.6m (+€22.4m).** Excluding non-hotel revenues due to lower capex, (rebates and staff capitalizations), hotel revenues grew +6.3%

2. **EBITDA:** cost control allows to report in the second quarter a **recurrent EBITDA growth of +18.7% reaching €92.3m**, which represents an **increase of +€14.5m** compared to Q2 2016. The conversion ratio of the increase in revenue to EBITDA is 65%, taking into account the higher occupancy (+2.8%)

3. **Net Recurring Income reaches €36.3m,** an improvement of **+€4.1m compared to Q2 2016** despite the higher depreciation expense (new Hesperia contract), the refinancing impact with the repurchase of part of HY 2019 and the higher tax due to the improvement of the business.

4. **Total Net Profit reached €32.4m** impacted by the non-recurring activity (-€4.0m), mainly explained by severances and impacts from the new management contract with Hesperia. The comparison with Q2 2016 is affected by the high contribution of non-recurring activity of asset rotation that took place last year and foreseen for H2 2017

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