NH Collection Brussels Grand Sablon

9M 2017 RESULTS PRESENTATION

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15th of November 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 +6.7% and EBITDA up +37% in the first nine months. NH performed strongly in all markets and in particular showed outstanding results in Spain and Benelux, generating a significant Net Recurring Income with an increase of +€23m in the period thanks to a remarkable 63% EBITDA conversion rate from incremental revenue. As for Total Net Income the comparison is affected by the significant net capital gains reported last year, which the Group foresees will achieve with the ongoing asset rotation transactions in the last quarter of this year (€15m achieved in October and November 2017).

To comply with our commitment to deleverage, the Group will fully amortize the outstanding €100m of the 2019 Bond effective from 30th Nov. 2017, reducing the gross debt level and its average cost, as well as extending the maturity of the €250m undrawn RCF until Sept. 2021 and gaining flexibility in the covenants.

In the Investor Day held on 28th of September, the recurring EBITDA guidance for 2017 was raised from €225m to €230m, as the Group continues to benefit from the repositioning and execution of the investment phase in a favorable macroeconomic environment.

The new plan for 2017 & 2019 is built in our strengths:

- *Commercial and advanced pricing strategy based on quality improvement and enhanced customer experience*
- *Active asset management with selective repositioning opportunities and leased contracts restructuring*
- *Constant efficiency and cost control leading to margin improvement and cash generation*
- *Commitment to deleverage further down to drive shareholder return*

The Group 2019 financial targets are as follow: pro forma EBITDA of c.€300 million and recurring net profit of c.€100 million, driven by the organic growth and repositioning initiatives contemplated in the new plan.

With current business visibility, the Group confirms all financial objectives for the period 2017 – 2019 disclosed at the Investor Day".

Ramón Aragonés
CEO, NH Hotel Group

9M 2017 highlights

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- **9M: Robust Revenue growth +6.7% (+€73m)**
  - Revenue Like for Like ("LFL"): +6.1%
  - Excellent performance in Benelux (+13.2%) and Spain (+13.1%)
  - Tough comparison in Germany due to 2016 trade fair calendar
  - RevPar: +9.5%, 60% through ADR which grew +5.7%

- **Q3: Revenue growth +6.3% (+€24m)**
  - Revenue Like for Like ("LFL"): +5.8%
  - RevPar: +7.4%, 68% through ADR which grew +5.0%

- **9M EBITDA of €170m, +€46m or +37%, reaching a margin of 14.6% (+3.2 p.p.)**
  - Remarkable 63% EBITDA conversion rate from incremental revenue to EBITDA despite higher level of occupancy rates (+4.6%)

- **Significant Net Recurring Income growth in 9M explained by the improvement of the business**
  - +€22.6m improvement reaching €27.1m from €4.5m in 9M 2016

- **Including non-recurring activity Total Net Income reached €24.5m**
  - +€3.0m (+13.7%) higher than in 9M 2016. The comparison is affected mainly by the impact of assets disposals of 2016 (temporary effect). Isolating this impact, Total Net Income would have increased by +€29m or +135%

- **Path to deleverage continues**
  - Net debt decreased to €694m from €747m in Dec. 2016
  - Early call and full redemption of outstanding €100m 2019 Bond with cash. Potential temporary use of short-term credit lines due to seasonal effect in working capital
  - Improvement of Moody's Rating to "B2 with positive outlook"

- **Investor Day 2017: Financial targets 2017-2019**
  - EBITDA[1] guidance for 2017 raised from €225m to €230m is confirmed
  - 2019 targets: a pro forma EBITDA [1] of c.€300m and recurring net income of c.€100m

(1) Recurring EBITDA before onerous reversal and capital gains from asset disposals

Key financial metrics: positive trends continue in Q3

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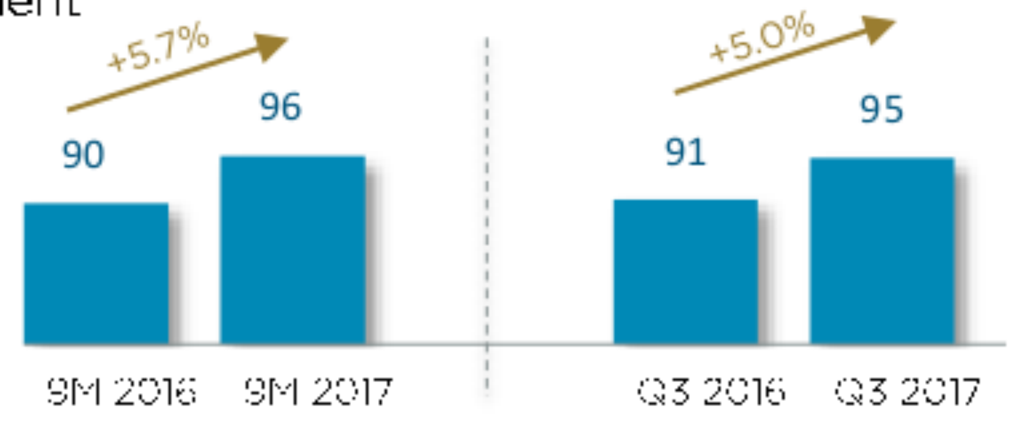
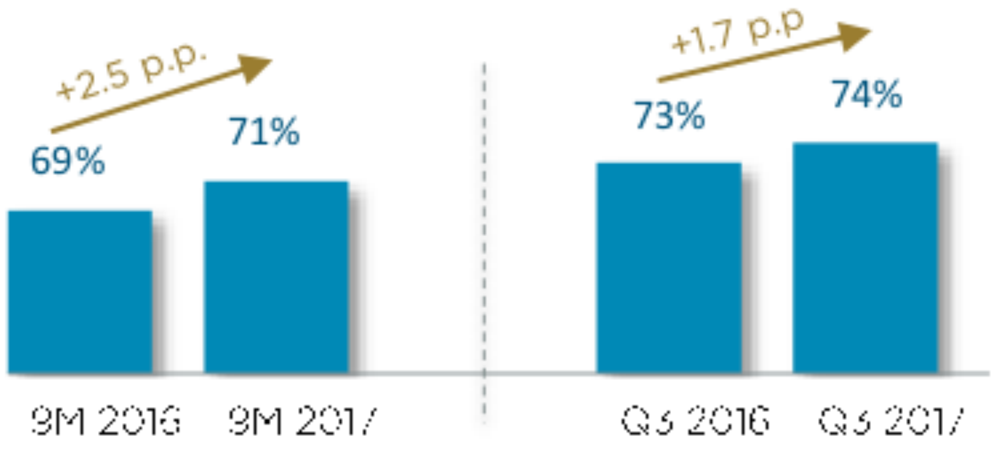
ADR (€)

- 9M: +5.7% price increase (+€5.2) reaching €96. ADR contributed with 60% of RevPar growth
- Q3: +5.0% price increase (+€4.6; 68% of RevPar growth) despite Q3 being weak in the urban segment



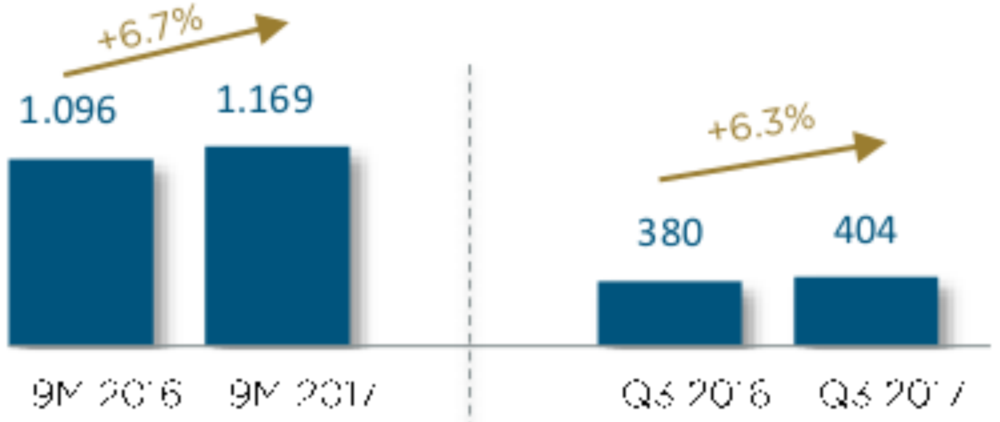
Occupancy (%)

- 9M: +3.6% activity increase or +2.5 p.p. Strong demand in Spain (+4.6%) and Benelux (+6.7%) boosted by Brussels recovery
- Q3: +2.3% activity increase or +1.7 p.p.



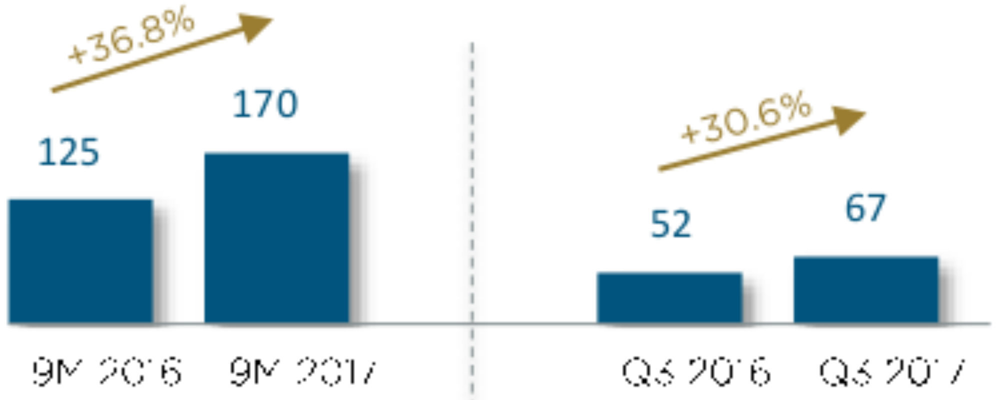
Revenues (€m)

- 9M: +€73m revenue growth (+6.7%) with a strong performance in Benelux and Spain
- Q3: +€24m or +6.3%



Recurring EBITDA (€m)

- 9M: +€46m or +37% due to a sound 63% conversion rate from incremental revenue to EBITDA. EBITDA margin reached 14.6% (+3.2 p.p.)
- Q3: +€16m or +31%, 66% conversion rate



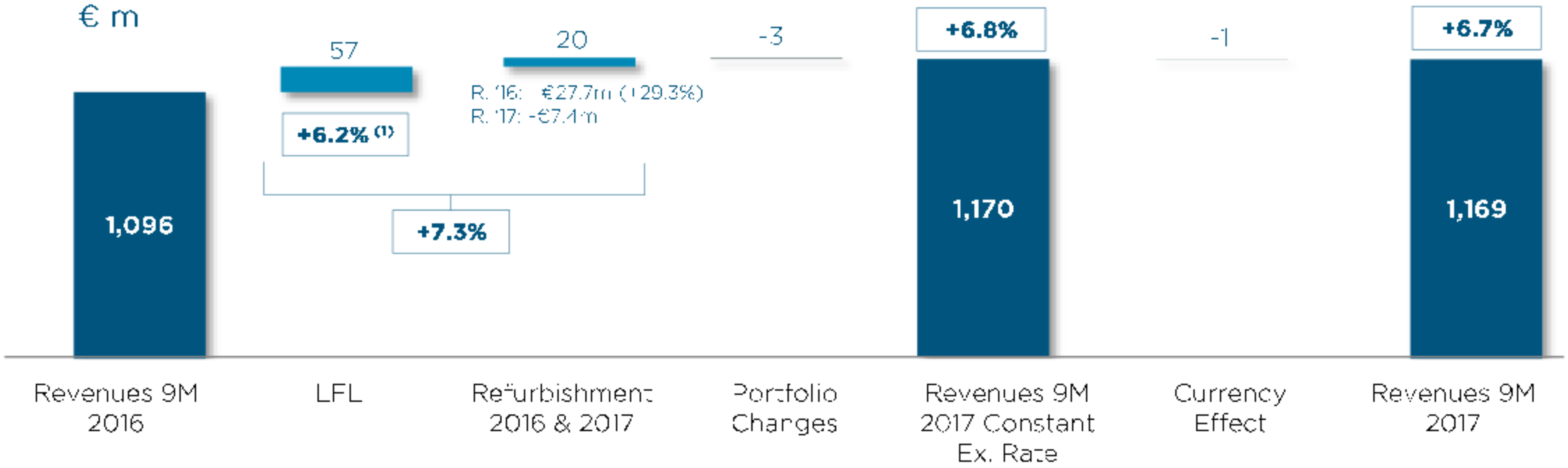
Solid revenue performance in 9M

- **Total Revenue growth of +6.7% vs. 9M 2016 reaching €1,169m (+€73m)**
  - Revenue Like for Like ("LFL"): +6.2% with constant FX (+6.1% reported)
  - LFL & Refurbished hotels grew +7.3% (+7.1% reported)
    - Excellent performance in Benelux (+13.2%) and Spain (+13.1%)
    - 2016 refurbished hotels increased revenues by +€27.7m
    - 2017 opportunity costs for renovations: -€7.4m, mainly from Germany and with a lesser extent in Italy and LatAm

Revenue Split	H1 2017	Q3 2017	9M 2017
Room Revenue	+9.0%	+7.7%	+8.6%
Other Revenue	-3.6%	+3.3%	-3.5%
Total Hotel Revenue	**+7.4%**	**+6.5%**	**+7.1%**
Non-Hotel Revenue*	-€2.7m	-€0.3m	-€3.1m
Total Revenue	**+6.9%**	**+6.3%**	**+6.7%**

* Resales + Capex Payroll Capitalization

Less contribution from non-hotel revenue



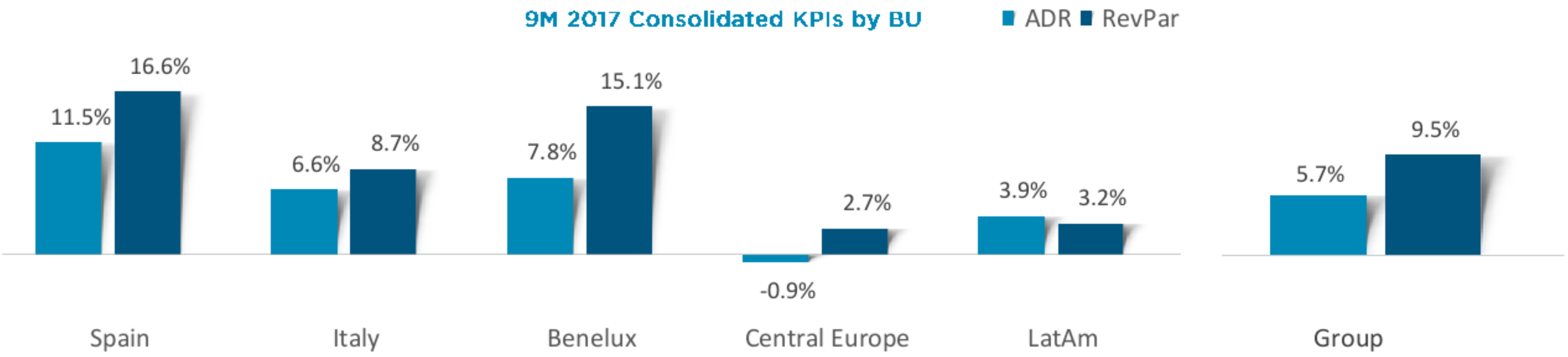
Growth Contribution +5.2% + +1.8% + -0.3% = +6.8% + -0.1% = +6.7%

(1) On its 2016 own base. With real exchange rate growth is +6.1%

RevPar growth supported by ADR (60% contribution)

- **+9.5% RevPar increase in 9M 2017, 60% through ADR**
  - RevPar growth across all markets with an outstanding double digit growth in Spain and Benelux
  - ADR: +5.7% price increases (+€5.2) reaching €96
  - Occupancy: +3.6% activity increase or +2.5 p.p. Strong demand in Spain (+4.6%) and Benelux (+6.7%) boosted by Brussels recovery
- **LFL (excluding reforms) RevPar grew +8.5%:**
  - Spain: Very good performance of both key and secondary cities: Madrid +20%, Barcelona +15% and secondary cities +11%
  - Italy: Rome +5%, Milan +6% and excellent evolution of secondary cities with +9%
  - Benelux: Recovery of Brussels continues with +23% but at a lower pace than expected. Good performance in Amsterdam +8% and Dutch secondary cities +11%
  - Central Europe: Berlin +7%, Frankfurt -2% and Munich -8%. Difficult comparison due to 2016 trade fair calendar
  - LatAm (real exchange rate): Buenos Aires +15%, Bogota +1% impacted by higher supply, Mexico DF +2% affected by the earthquake

9M 2017 Consolidated KPIs by BU



And above our competitors supported by focus on quality

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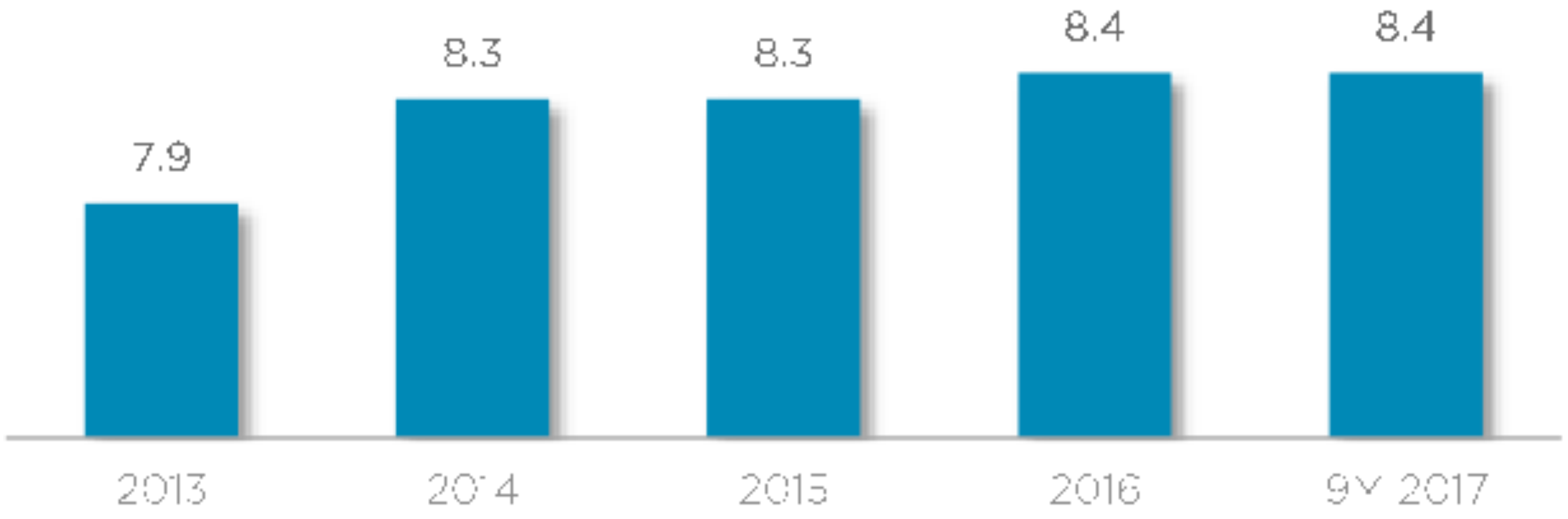
- **Relative RevPar outperformance of +3.6 p.p. in top cities vs. competitors** through a mix of higher ADR (+1.4 p.p.) and relative occupancy (+2.0 p.p.)

9M 2017	ADR % var. NH	ADR % var. Comp.Set	"Relative" ADR Var.	"Rel." Occupancy Var.	"Rel." RevPar Var.
Spain	13.3%	12.4%	0.9p.p.	4.3p.p.	5.8p.p.
Italy	4.1%	-0.8%	4.9p.p.	-2.5p.p.	2.5p.p.
Benelux	6.4%	2.0%	4.4p.p.	4.3p.p	9.2p.p.
Central Europe	-2.6%	1.2%	-3.8p.p.	0.7p.p.	-3.1p.p.
Total NH	**5.3%**	**3.9%**	**1.4p.p.**	**2.0p.p.**	**3.6p.p.**

Source: STR/MKG/Fairmas Competitive Set Average Growth

- Good result in Spain with a relative RevPar increase of +5.8p.p. vs. competitive set, mainly due to improvement of the relative occupation and positive evolution in ADR
- Remarkable growth in Benelux with a relative RevPar of +9.2 p.p. explained by increased occupancy and ADR
- Tough comparison in Central Europe due to the 2016 fair calendar (prices increased above competitors) and military groups that were hosted during the refugee crisis in 2016
- **Performance in key cities:**
  - **Amsterdam**: Relative ADR +5.1 p.p; RevPar +11.8 p.p.
  - **Madrid:** Relative Occupancy +7.3 p.p. ; RevPar +9.9 p.p.
  - **Milan:** Relative ADR +4.3 p.p. ; RevPar +0.4 p.p.
  - **Brussels:** Relative ADR +1.0 p.p. ; RevPar -0.1 p.p.

Focus on quality



Source: TripAdvisor

Increase in relative score

% hotels	Dec. 2013	Dec. 2015	Dec. 2016	Sept. 2017
Top 10	24%	27%	34%	36%
Top 30	47%	49%	53%	55%

Source: TripAdvisor

Strong revenue performance in all key markets

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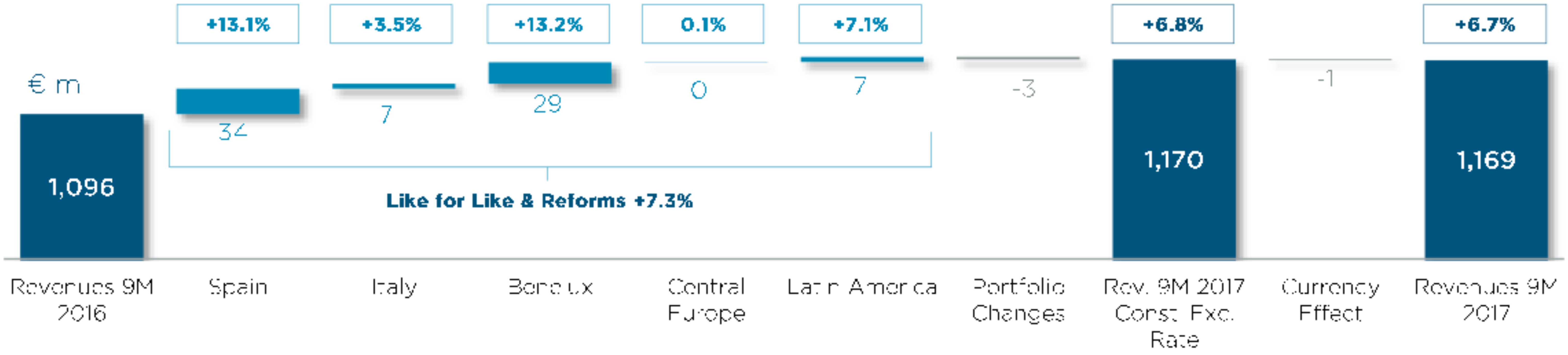
- **Spain:** +13.1% growth in LFL&R, being LFL +10.8%. Remarkable LFL performance of Madrid (+15.0%), Barcelona (+12.9%) and secondary cities (+7.9%)
- **Italy:** +5.6% growth in LFL and +3.5% including the 2 leased hotels under reform in Turin and Rome funded by the owners. Remarkable LFL performance of secondary cities (+7.5%)
- **Benelux:** LFL Revenue growth of +6.9% supported by the higher activity level in Brussels (+18.9%) and the good performance of Amsterdam (+6.1%) and Dutch secondary cities (+7.1%). Including the ramp-up from 2016 renovations, revenue grew +13.2%
- **Central Europe:** Positive LFL increase (+2.1%) despite the tough comparison of the German 2016 trade fair calendar. Including the opportunity cost in revenues of 3 hotels under refurbishment in Berlin, Munich and Hamburg in 2017 totaling -€5.1m, revenues increase +0.1% in LFL&R or +1.8% excluding the opportunity cost. Total revenue of -1.5% impacted by the exit of 2 hotels with 192 rooms in H2 2016
- **Latin America:** +7.1% growth in LFL&R with constant exchange rate (+5.5% reported). By regions Mexico increases revenues +7% despite the -3% currency impact and the earthquake (-€0.3m vs 2016). Argentina grows +17% despite the strong currency depreciation (-10%). The positive currency evolution (+6%) in Colombia did not compensate a key hotel in Chile under reform of Hoteles Royal and the lower corporate events due to the higher supply in Bogota, that explain a revenue decrease of -2%



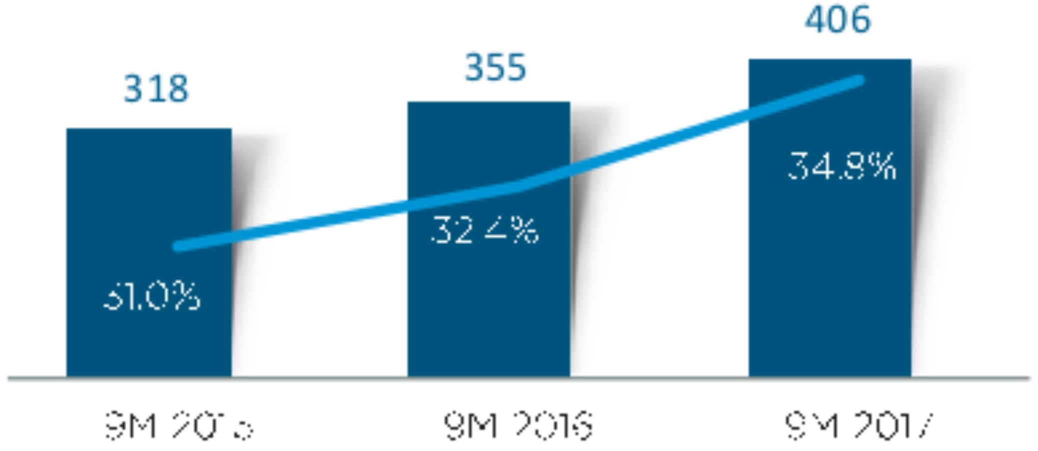
	Spain	Italy	Benelux	Central Europe	Latin America	Ex-Currency	Reported
Revenue LFL	+10.8%	+5.6%	+6.9%	+2.1%	+7.5%	+6.2%	+6.1%
Total Revenue	+11.6%	+1.9%	+15.8%	-1.5%	+8.1%	+6.8%	+6.7%

9M EBITDA increased +37% due to a 63% conversion rate

€ million / Recurring Activity	9M 2017	9M 2016	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**1,168.6**	**1,095.5**	**73.1**	**6.7%**
Staff Cost	(393.9)	(384.7)	(9.3)	2.4%
Operating expenses	(368.2)	(356.3)	(11.9)	3.3%
GROSS OPERATING PROFIT	406.4	354.6	51.9	14.6%
Lease payments and property taxes	(236.0)	(230.0)	(6.1)	2.6%
EBITDA BEFORE ONEROUS	**170.4**	**124.6**	**45.8**	**36.8%**

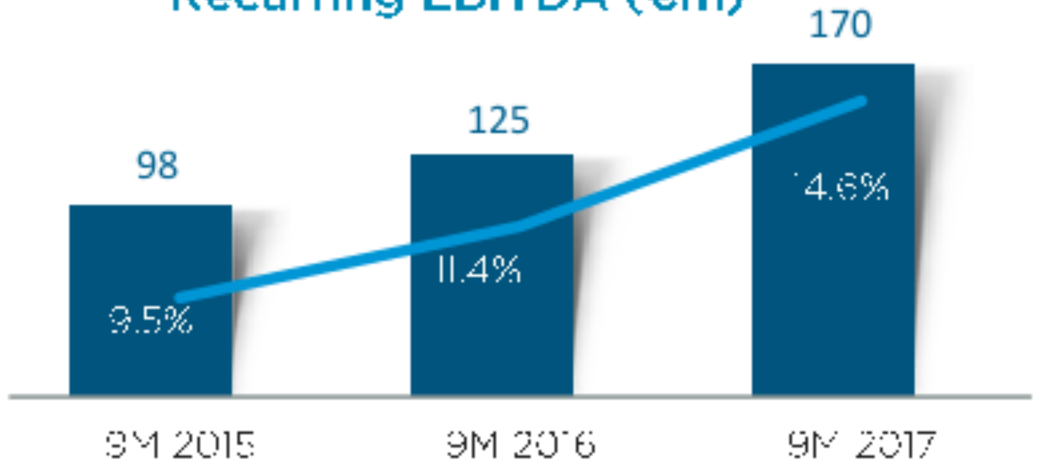
- **Cost control** in 9M **despite the occupancy growth (+3.6%)**
  - +2.4% increase in **Payroll cost** and +3.3% in **Operating Expenses** due to higher activity and variable costs, commissions due to the evolution of the sales channel mix and doubtful provisions related to airlines (+€1.2m) . Impact of 2016 & 2017 refurbished hotels explains 37% of the increase of the Operating expenses
- Improvement in GOP of +€51.9m (+14.6%). GOP margin improved by +2.4 p.p., reaching 34.8%
- Lease payments and property taxes increased -€6.1m (+2.6%), out of which variable lease components explain 55% of the increase
- **Recurring EBITDA before onerous** in 9M reached €170.4m, +€45.8m or +36.8% due to a remarkable 63% conversion rate from incremental revenue to EBITDA. EBITDA margin reached 14.6% (+3.2 p.p.)

Gross Operating Profit (€m)



% margin

Recurring EBITDA (€m)



Significant Net Recurring Income: €27.1m, an increase of +€23m

€ million	9M 2017	9M 2016	VAR.	
	€m.	€m.	€m.	%.
EBITDA BEFORE ONEROUS	**170.4**	**124.6**	**45.8** [1]	**36.8%**
Margin % of Revenues	14.6%	11.4%		3.2p.p.
Onerous contract reversal provision	3.1	4.2	(1.2)	-27.5%
EBITDA AFTER ONEROUS	**173.4**	**128.8**	**44.7**	**34.7%**
Depreciation	(81.0)	(75.4)	(5.6) [2]	7.5%
EBIT	**92.5**	**53.4**	**39.0**	**73.1%**
Interest expense	(41.5)	(37.0)	(4.5) [3]	12.2%
Income from minority equity interest	0.0	(0.0)	0.0	N/A
EBT	**51.0**	**16.4**	**34.6**	**N/A**
Corporate income tax	(21.2)	(9.2)	(12.0) [4]	130.8%
NET INCOME BEFORE MINORITIES	**29.8**	**7.2**	**22.5**	**N/A**
Minorities interests	(2.7)	(2.7)	0.1	-2.3%
NET RECURRING INCOME	**27.1**	**4.5**	**22.6**	**N/A**
Non Recurring EBITDA	8.8	42.1	(33.3)	N/A
Other Non Recurring items	(11.4)	(25.1)	13.7	N/A
NET INCOME INCLUDING NON-RECURRING	**24.5**	**21.5**	**3.0**	**13.7%**

1. **Recurring EBITDA before onerous reached €170.4m, an increase of +€45.8m**
2. **Depreciation:** the increase of -€5.6m includes -€2.7m of amortization of the new management contract with Hesperia and the rest corresponds to the impact of 2016 repositioning capex
3. **Financial Expenses:** the increase of -€4.5m is mainly explained by:
   - Refinancing Q3 2016: The issuance of 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 -€4.5m
   - Refinancing Q2 2017: -€0.7m due to the refinancing of €150m of 2019 Bond (coupon 6.875%) with a €115m TAP of the 2023 Bond (coupon 3.75%, yield-to-maturity 3.17%) and cash. Premium paid included
   - Early redemption of the €100m Bond due in 2019 (effective date 30th November 2017): the P&L impact in 2017 will be -€4.2m (coupon savings +€0.6m, arranging expenses write off -€1.4m and early call premium -€3.4m).
   - In 2018 P&L impact will represent total coupon savings of €12.9m
4. **Taxes:** The higher Corporate Income Tax (-€12.0m) is mainly due to business improvement (-€8.4m) and the higher tax due to the reversal of tax holding provision (-€3.8m) in Spain (RD3/2016)

Total Net Income comparison affected by asset disposals in 9M 2016, a temporary effect

Net Recurring Income (€m)

- **Net Recurring Income:** +€22.6m improvement reaching **€27.1m in 9M 2017 compared to €4.5m in 9M 2016** fully explained by the business improvement

Non-Recurring Income (€m)

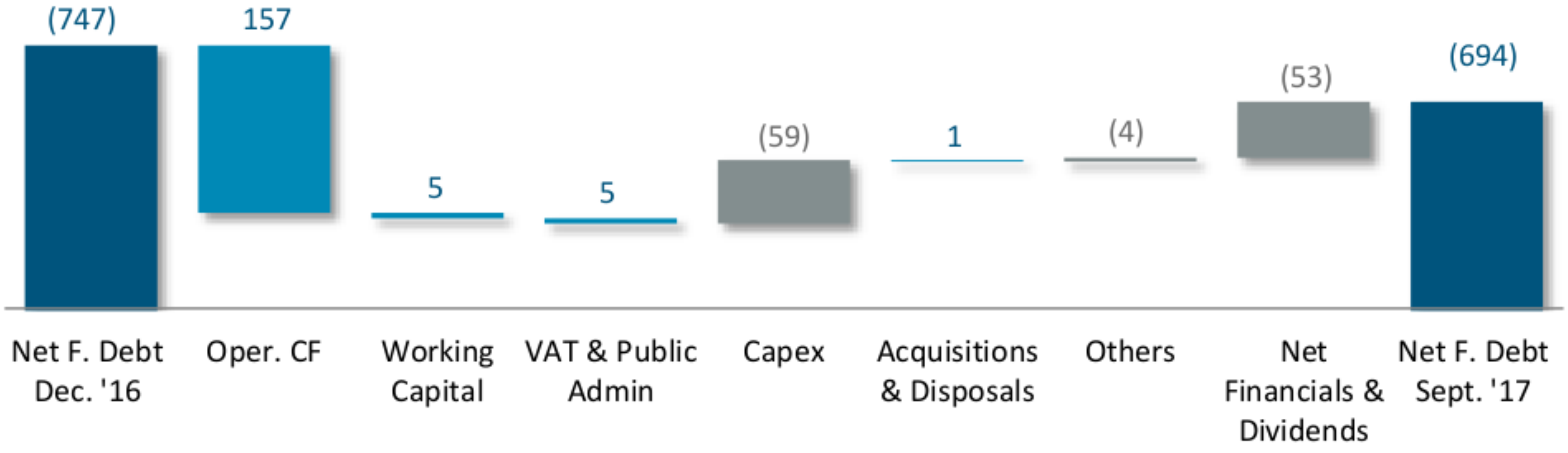
- **9M 2017**: incorporates capital gains from asset disposals in Q1 2017, severances and impacts from the new management contract with Hesperia
- **Capital gains of €15m** has been achieved in **October and November 2017**
- **9M 2016** mainly from **net capitals gains** from asset rotation transactions

Total Net Income (€m)

- **Total Net Income:** Total Net Income reached **€24.5m in 9M 2017, fully explained by the improvement of the business, +€3.0m (+13.7%) higher than in 9M 2016,** despite that 9M 2016 included capital gains from asset rotation (+€26m vs 9M 2017, temporary effect). Isolating this impact, Total Net Income would have increased by +€29m (+135%)

Deleverage path on track

The favorable operating cash flow generation more than compensates the capex, financial expenses and dividends paid



Financial Position: 30th September 2017
Gross Financial Debt: (€839m)
Cash: €145m
Net Financial Debt: (€694m)(1)

Treasury Stock in Balance Sheet not included in cash position(2)
Number of shares: 9.4m
Market Value: €53.4m

- **(+) Operating Cash Flow** +€157m, including -€12.1m of credit card expenses and taxes paid of -€13.0m
- **(+) Working Capital:** improvement due to a lower average collection period (from 23 days in December 2016 to 20 days in September 2017)
- **(-) Capex payments:** -€59m due to 2016 repositioning and maintenance capex of 2017
- **(+) Acquisitions & Disposals:** +€33.1m asset rotation, -€19.6m last payment for the acquisition of Hoteles Royal in 2015, first payment of the Hesperia agreement -€11.0m and others -€1.2m
- **(-) Other:** payment of legal provisions
- **(-) Net Financials & Dividends:** -€52.5m, including -€10.1m related to the refinancing in Q2 2017 (repurchase premium, transaction expenses net of issuance above par) and -€17.1m dividend paid in July related to 2016 fiscal year

(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 (€678m) at 30th Sept. 2017

(2) As of 30th September 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 issued in November 2013. Of those 9m shares, as of 30th September 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 Balance Sheet calculated with the price as of 30th Sept. 2017 (€5.67 per share) totals €53.4m

Early and full redemption of outstanding 2019 Bond

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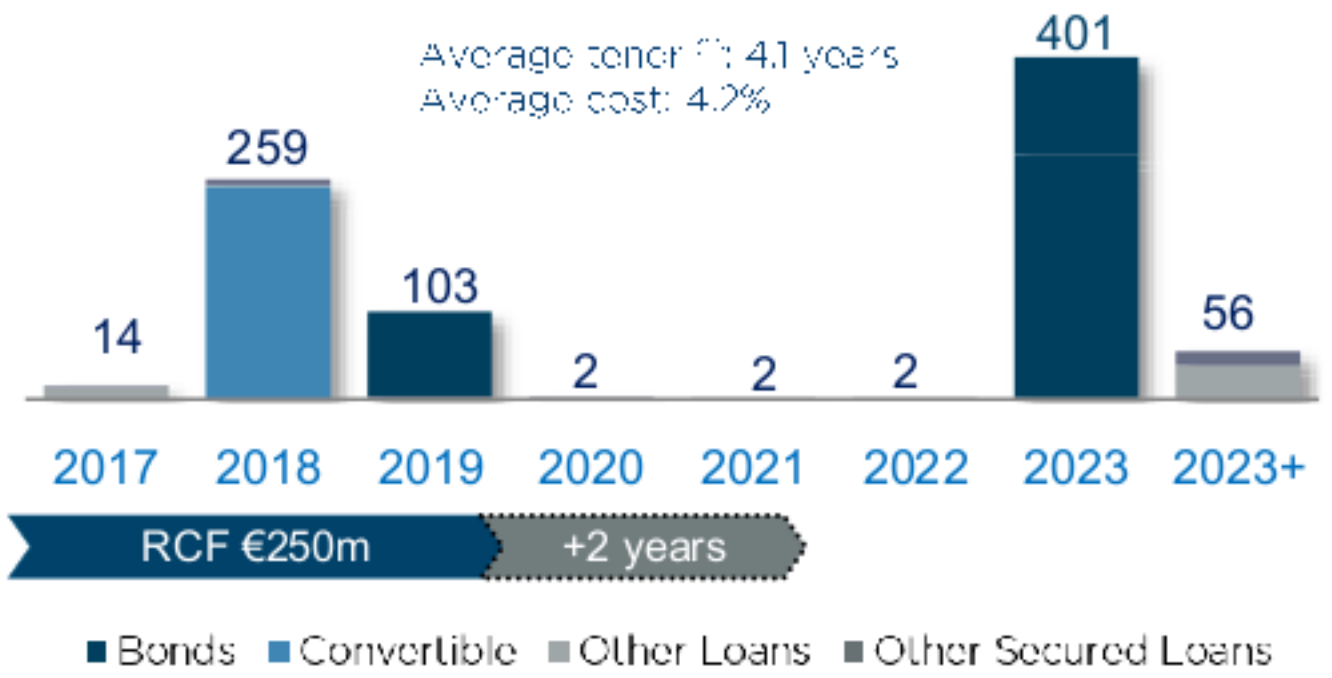
Early call €100m Nov. 2019 Bond @ 103.4%
Effective from 30th Nov. 2017

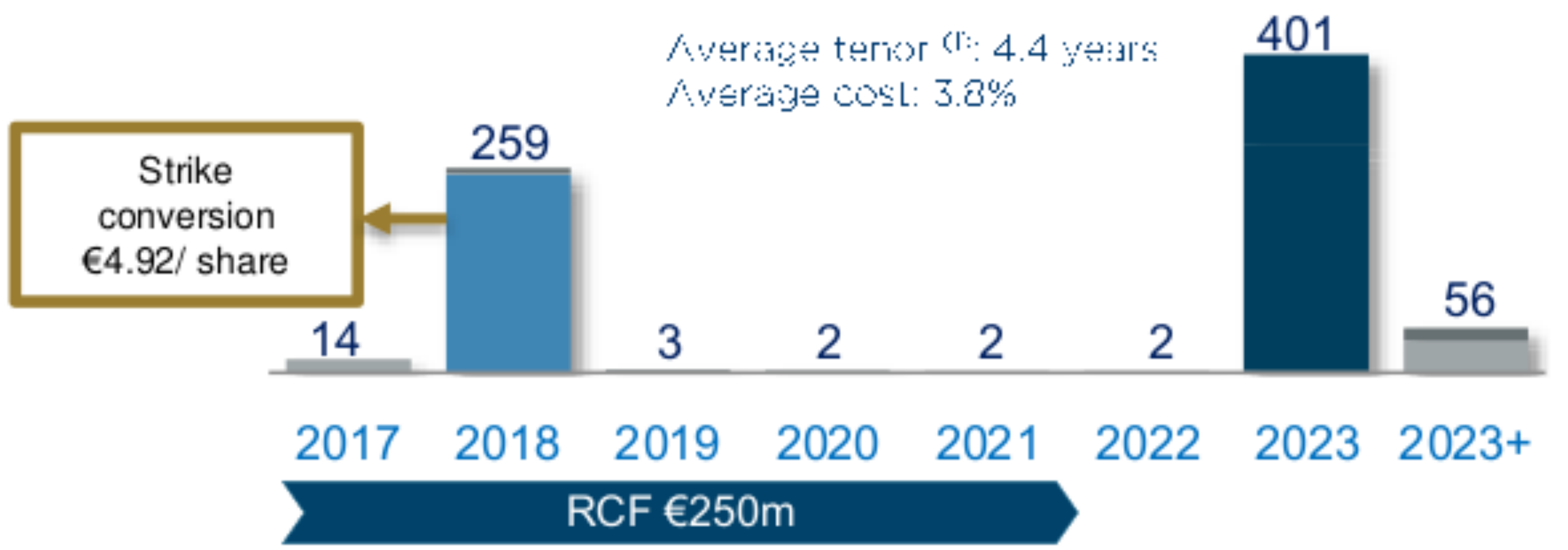
- Voluntary repayment with cash. Potential temporary use of short-term credit lines due to seasonal effect in working capital
- Key advantages:
  - ☑ Average tenor from 4.1 years to 4.4 years(1)/(2)
  - ☑ Average cost of debt from 4.2% to 3.8%(2)
  - ☑ Annual Coupon Savings of €6.9m
  - ☑ Net Interest Savings of €9.6m from 30.11.2017-15.11.2019 (coupon savings – call price)
- €250m RCF maturity automatically extended from Sept. 2019 to Sept. 2021
- More flexible Loan-to-Value covenant for secured debt

Pre & Post €100m 2019 Bond Redemption Debt Maturity Profile

30th Sept. 2017: Gross debt (€839m)



30th Sept. 2017 pro-forma after repayment: Gross debt (€739m(2))



(1) Excluding subordinated debt (2023+)
(2) Pro-forma as of 30.09.17 and not including potential short term credit lines used temporarily to maintain minimum operating cash

With this repayment, NH has delivered its commitment on refinancing

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Sept. 2016

€285m Bond issue
- Coupon: 3.75%
- Maturity 2023
- Purpose: Bank debt refinancing

\+

RCF €250m, 3+2 years
- Liquidity facility

- ✓ Average tenor extension
- ✓ Improves NH liquidity
- ✓ Simplified debt structure
- ✓ Operational & financial flexibility

Apr.-May 2017

€115m TAP 2023 Bond
- Coupon; 3.75%
- Yield-to-Maturity: 3.17%
- Maturity: 2023
- Purpose: Refinancing of €150m of 2019 Bond @6.875% (combined with cash)

- ✓ Cost of debt reduction
- ✓ Gross debt reduction by €35m
- ✓ Simplified debt structure
- ✓ Average tenor extension

30th Nov. 2017

Early redemption @103.4% of 2019 Bond @6.875% with cash. Potential temporary use of short-term credit lines due to seasonal effect in working capital

- ✓ Cost of debt reduction
- ✓ Gross debt reduction by €100m
- ✓ LTV and other covenants flexibility
- ✓ RCF extended by 2 years
- ✓ Average tenor extension

Revenue trend in the month of October remains positive and confirms 2017 EBITDA guidance

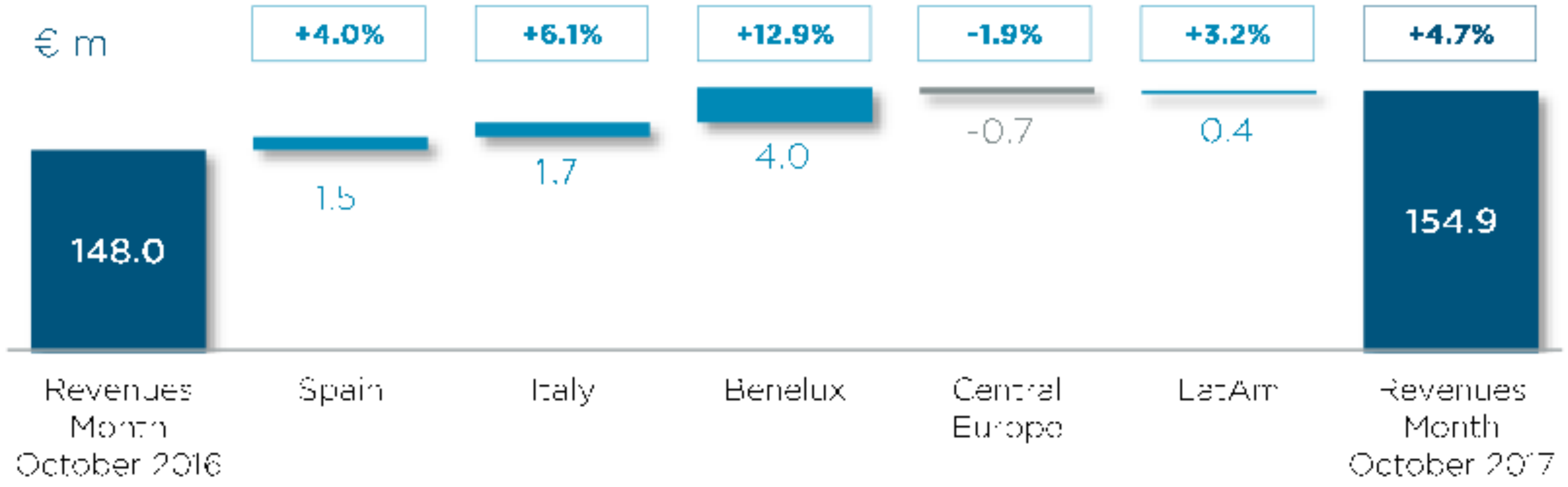
- **Spain:** +4.1% growth in LFL, being Madrid +9.1%, Barcelona -9.3% (tough comparison being Oct. 2016 +15.0%) and secondary cities +4.5%. Total revenue grew +4.0%.
  - Cataluña:
    - 5% Revenues October YTD
    - 25 hotels (2 owned, 14 leased and 9 managed) with 3,250 rooms
    - Leisure demand represents above 50% of the activity in Cataluña
    - October -€0.5m vs last year and only -€0.2m vs Budget in revenues LFL. Including the rest of hotels under reform, revenues decrease -€0.8m vs last year and -€0.6m vs Budget
    - Demand for Q1 2018 is slightly below compared to last year, due to a positive trend in leisure segment

- **Italy:** +9.7% growth in LFL and total revenue grew +6.1% due to key leased hotel under reform in Rome funded by the owner. Remarkable performance of Milan with +28.7% revenue growth

- **Benelux:** LFL revenue growth of +11.9% supported by the higher activity level in Brussels (+24.7%), the good performance of Amsterdam (+6.0%) and Dutch secondary cities (+5.7%). Including the 2016 renovations, total revenue grew +12.9%

- **Central Europe:** +1.5% growth in LFL despite the tough comparison of the German 2016 trade fair calendar. Including the opportunity cost of hotels under refurbishment in Hamburg, Dusseldorf and Berlin in October totaling -€0.8m and the exit of 1 hotel (-€0.2m), total revenue decrease of -1.9%

- **LatAm:** +1.9% growth in LFL and +3.2% in total revenues supported by the good performance in Argentina



Revenue LFL	+4.1%	+9.7%	+11.9%	+1.5%	+1.9%	+5.8%

Investor Day 2017: New Financial Targets 2017-2019

Strong preferred brands
Higher weight in the upper segment
Successful Repositioning

Focus on guest experience and quality
Customer experience improvement
Loyalty- focused mobile apps

Advanced pricing focus on Net ADR
Channel and full demand curve optimization
Open & Dynamic Pricing
Meeting & Events

EBITDA
2017E: €230m
2018E: €260m
2019E: €285-290m
2019 proforma: c.€300m(1)

2019 Rec. Net Income
c. €100m

Dividends
2017: 0.10€
2018: 0.15€
From 2019: c. 50% Rec. Income

Leverage(2)
2019: <1.5-2.0x

Asset Management
Active asset management
Long term sustainable contracts
Organic asset light growth
Repositioning opportunities

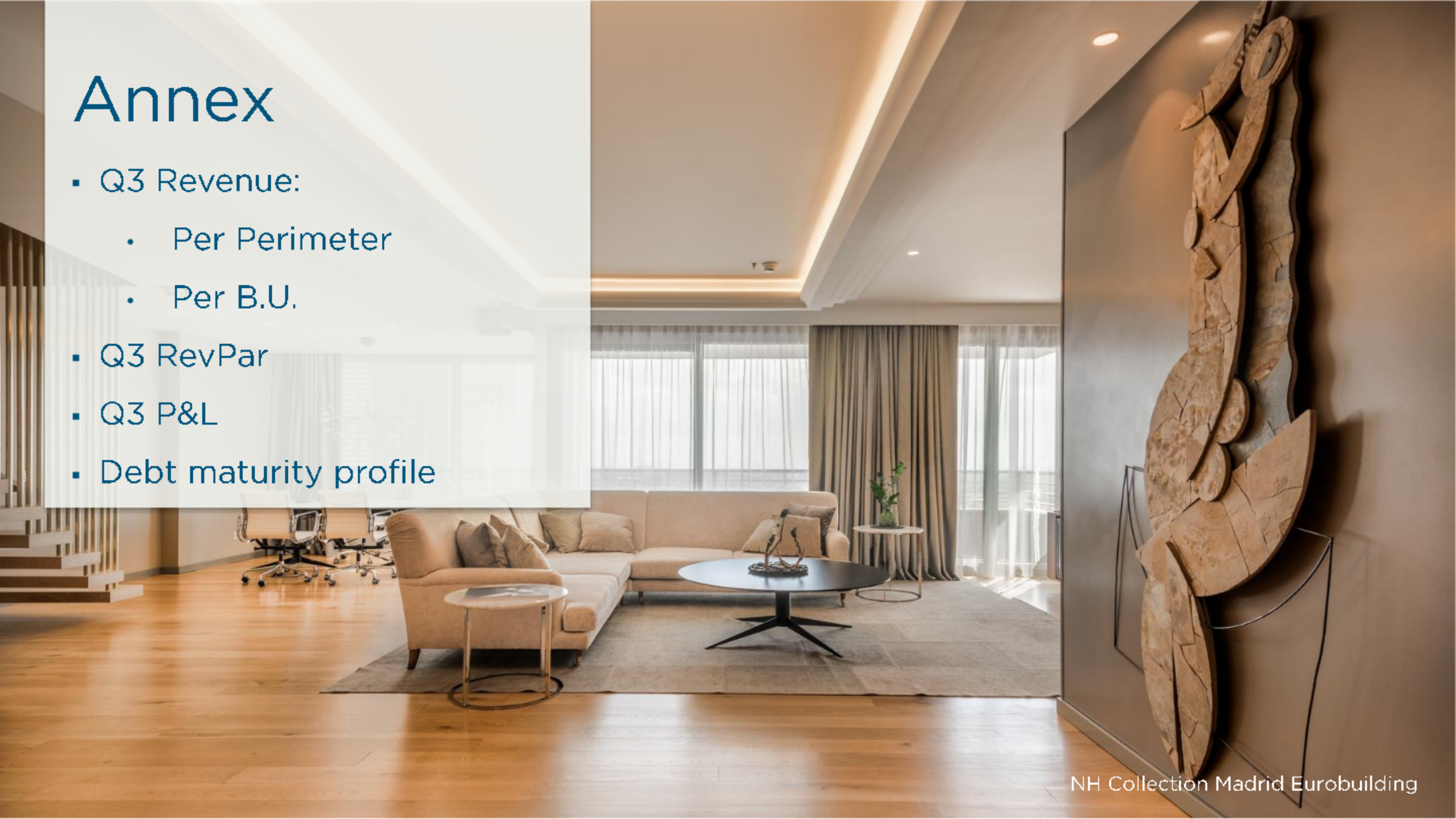
Efficiency in the DNA
Digital Transformation
New operating model

Cash Generation & Efficient Balance Sheet to drive shareholder return
Earnings growth
Deleverage

(1) Proforma 2019 with "Run rate" from 2018 – 2019 Refurbishments & Openings
(2) Financial debt excluding IFRS accounting adjustments / Range subject to 2018 Bond conversion

Annex

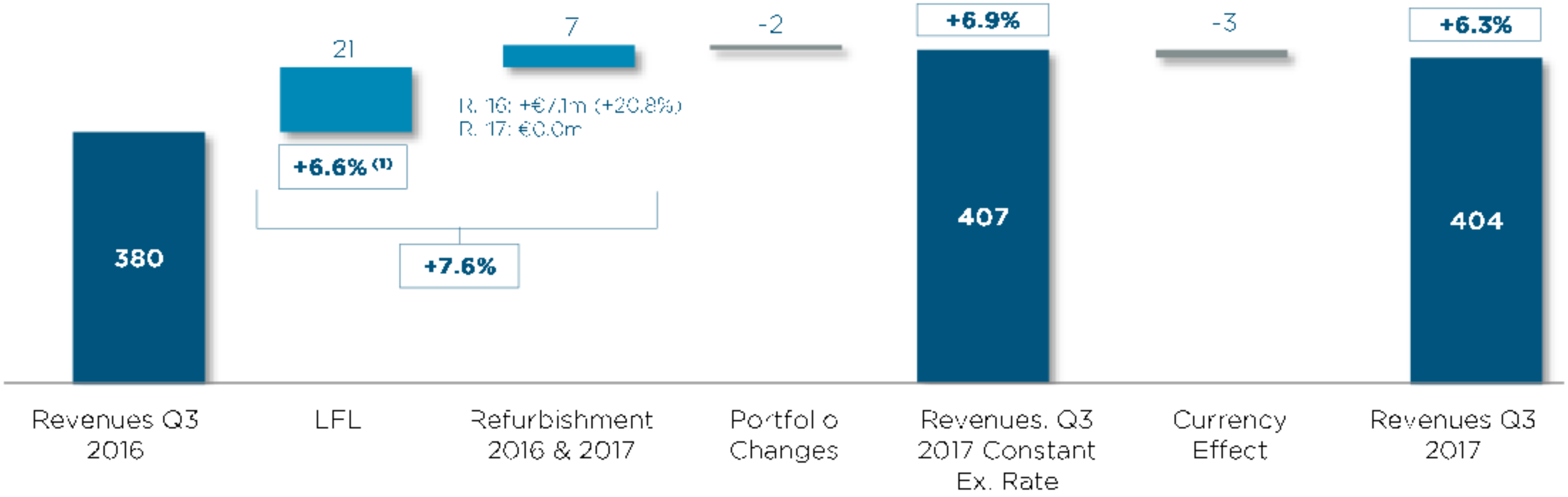
- Q3 Revenue:
  - Per Perimeter
  - Per B.U.
- Q3 RevPar
- Q3 P&L
- Debt maturity profile



NH Collection Madrid Eurobuilding

Solid revenue performance continues in Q3 2017

- **Total Revenue growth of +6.3%** vs. Q3 2016 reaching €404m (+€24m)
  - Revenue Like for Like ("LFL") +6.6% with constant FX (+5.8% reported)
  - LFL & Refurbished hotels grew +7.6% (+6.9% reported)
    - Excellent performance in Spain (+14.1%) and Benelux (+10.7%)
    - 2016 refurbished hotels increased revenues in Q3 2017 by +€7.1m

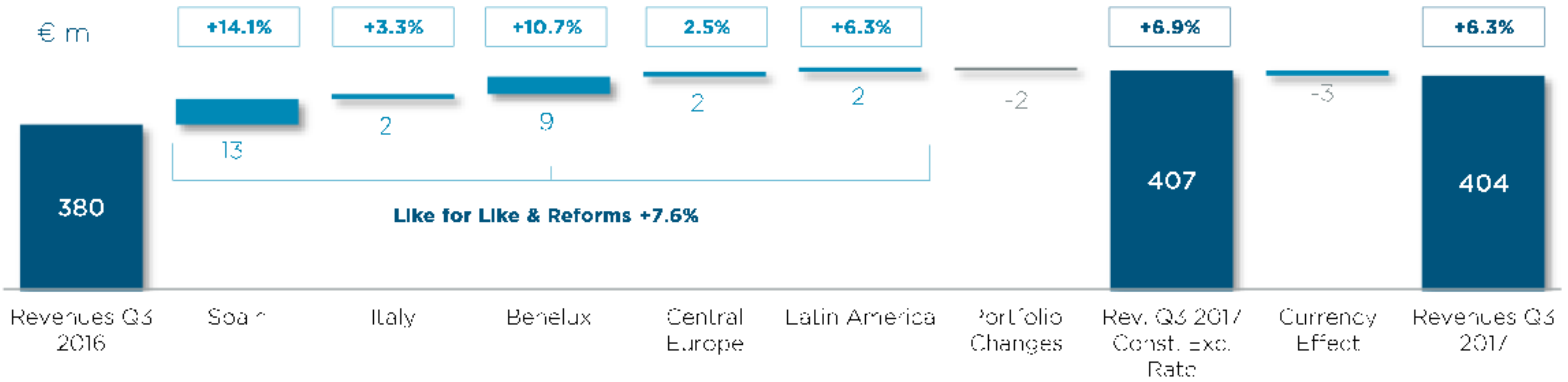


Growth Contribution	+5.5%	+	+1.9%	+	-0.4%	=	+6.9%	+	-0.7%	=	+6.3%

(1) On its 2016 own base. With real exchange rate growth is +5.8%

Strong performance in all key markets

- **Spain:** +14.1% growth in LFL&R, being LFL +12.1%. Remarkable LFL performance of Madrid (+21.7%) and Barcelona (+16.0%)
- **Italy:** +6.5% growth in LFL and +3.3% including the leased hotel under reform in Rome funded by the owner. Remarkable LFL performance of secondary cities (+6.2%). The closing of 2 hotels in 2016 explains the difference with total revenue
- **Benelux:** LFL Revenue growth of +8.8% supported by the higher activity level in Brussels (+28.9%) and the good performance of Amsterdam (+8.6%) and secondary cities (+9.0%). Including the ramp-up from 2016 renovations, revenue grew +10.7%
- **Central Europe:** +2.5% growth in LFL&R, being LFL +2.9% due to the refurbishments of 3 hotels in Berlin, Hamburg and Dusseldorf with an opportunity cost of -€1.6m in revenues. Total revenue of +0.9% impacted by the exit of 2 hotels with 192 rooms in H2 2016
- **LatAm:** +6.3% growth in LFL&R with constant exchange rate. Including negative impact of currency reported LFL&R decreased -0.7%. By regions Mexico (-1%) affected by the earthquake of September (-€0.3m) and Argentina (+15%) despite the currency depreciation of -18%. Hoteles Royal impacted by a key hotel in Chile under reform and the lower corporate events due to the higher supply in Bogota explain the revenue decline of -7%



Revenue LFL	+12.1%	+6.5%	+8.8%	+2.9%	+0.1%
Total Revenue	+13.4%	+1.3%	+11.3%	+0.9%	+7.8%

Ex-Currency	Reported
+6.6%	+5.8%
+6.9%	+6.3%

RevPar growth supported by ADR, 68% contribution

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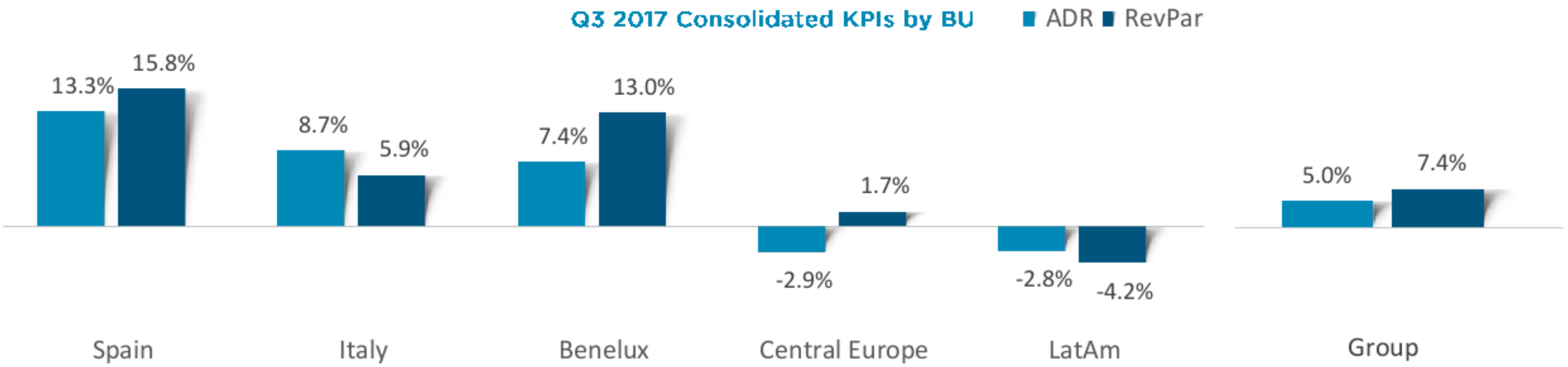
- **+7.4% RevPar increase in Q3 2017, 68% through ADR**
  - RevPar growth across all markets except LatAm with an outstanding double digit growth in Spain and Benelux
  - ADR: +5.0% price increases (+€4.6) reaching €95
  - Occupancy: +2.3% activity increase or +1.7 p.p. Strong demand in Benelux (+5.2%), Central Europe (+4.7%) and Spain (+2.2%)
- **LFL RevPar grew +8.1%:**
  - Spain: Very good performance of both key and secondary cities: Madrid +26%, Barcelona +19% and secondary cities +7%
  - Italy: Excellent evolution of Milan +11% and secondary cities +7%
  - Benelux: Brussels +31% explained by the recovery in occupancy, Amsterdam +10% and Dutch secondary cities +12%
  - Central Europe: Berlin +2% and German secondary cities +4%. Difficult comparison due to positive 2016 trade fair calendar
  - LatAm (FX reported): B.Aires +7%, Bogota -13% and Mexico DF -3%



66% conversion rate from incremental revenue to EBITDA in Q3

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NH Hotel Group P&L

€ million	Q3 2017	Q3 2016	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**404.4**	**380.5**	**23.9** 1	**6.3%**
Staff Cost	(133.0)	(130.2)	(2.8)	2.2%
Operating expenses	(125.5)	(122.2)	(3.3)	2.7%
GROSS OPERATING PROFIT	145.9	128.0	17.9	13.9%
Lease payments and property taxes	(78.6)	(76.5)	(2.1)	2.7%
EBITDA BEFORE ONEROUS	**67.3**	**51.5**	**15.8** 2	**30.6%**
Margin % of Revenues	16.6%	13.5%		3.1p.p.
Onerous contract reversal provision	1.0	1.2	(0.3)	20.0%
EBITDA AFTER ONEROUS	**68.3**	**52.8**	**15.5**	**29.4%**
Depreciation	(27.1)	(25.7)	(1.4)	5.5%
EBIT	**41.2**	**27.1**	**14.1**	**52.0%**
Interest expense	(11.9)	(12.9)	1.0	-7.8%
Income from minority equity interest	(0.0)	(0.2)	0.1	-83.1%
EBT	**29.2**	**14.0**	**15.2**	**109.1%**
Corporate income tax	(9.8)	(3.1)	(6.6)	N/A
NET INCOME BEFORE MINORITIES	19.4	10.8	8.6	79.3%
Minorities interests	(1.0)	(0.9)	(0.2)	17.6%
NET RECURRING INCOME	**18.4** 3	**10.0**	**8.5**	**84.6%**
Non Recurring EBITDA	(1.1)	7.6	(8.7)	N/A
Other Non Recurring Items	(0.5)	(5.8)	5.3	N/A
NET INCOME including non-recurring	**16.8** 4	**11.8**	**5.0**	**42.5%**

1. **Revenue grew +6.3% to €404.4m (+€23.9m)**

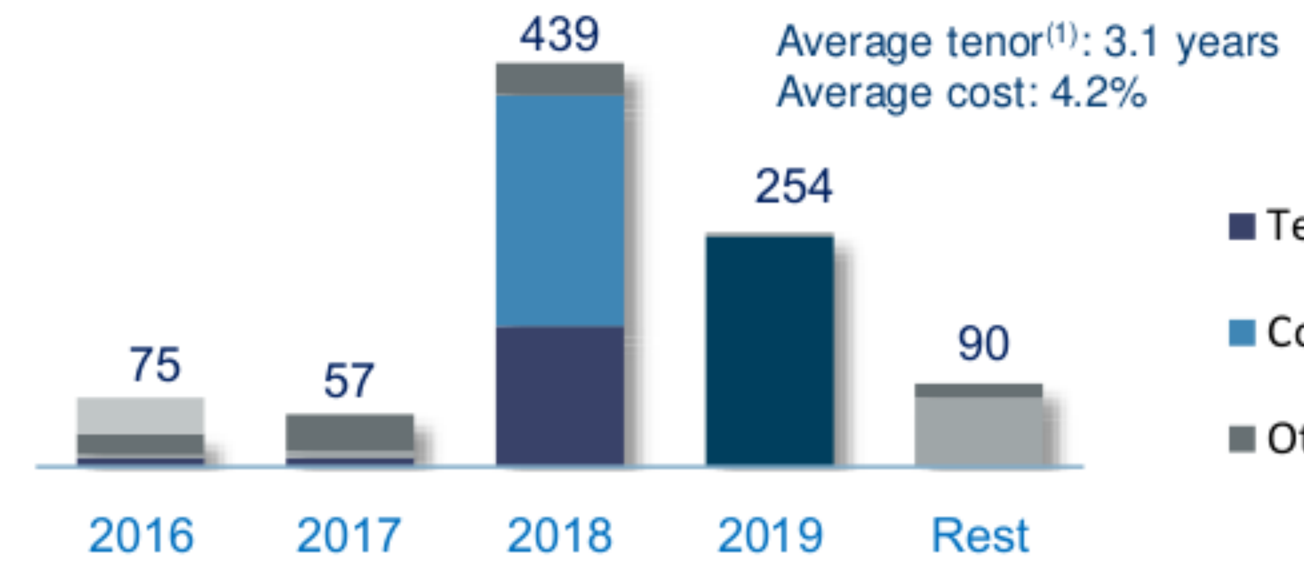
2. **EBITDA:** cost control allows to report in the third quarter a **recurrent EBITDA growth of +30.6% reaching €67.3m**, which represents an **increase of +€15.8m** compared to Q3 2016. The conversion ratio of the increase in revenue to EBITDA is 66%

3. **Net Recurring Income reaches €18.4m,** an improvement of **+€8.5m compared to Q3 2016** despite the higher depreciation expense (new Hesperia contract), and the higher tax due to the improvement of the business

4. **Total Net Profit reached €16.8m** impacted by the non-recurring activity (-€1.6m), mainly explained by severances. The comparison with Q3 2016 is affected by the contribution of non-recurring activity of asset rotation (€8.7m in Q3 '16) and the non cash accelerated amortization of the arranging loan expenses of debt refinanced in Q3' 16 (-€3.4m)

Maturities extended to 2023. Only Convertible Bond in near term

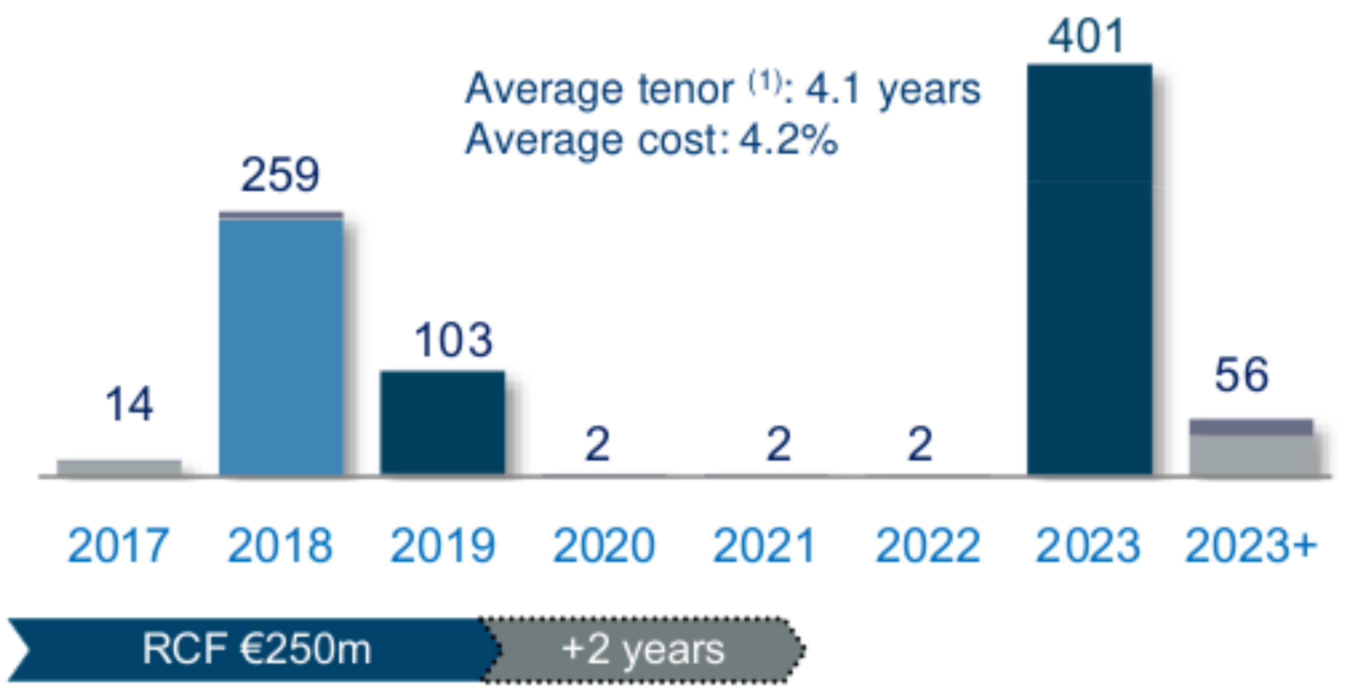
31st. Dec. 2015: Gross debt €915m



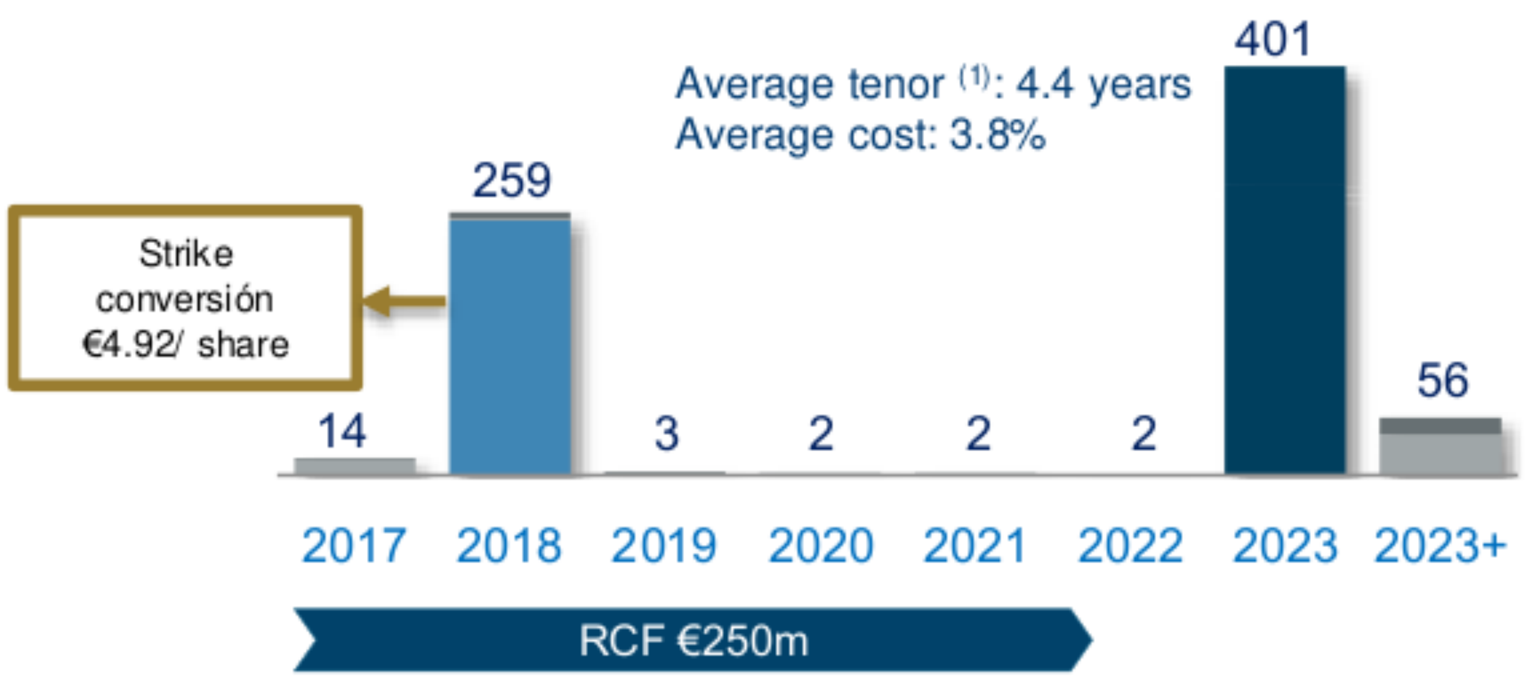
Term Loan
Convertible
Other Secured Loans
Bonds
Other Loans
ST Credit lines

31st. Dec. 2016: Gross debt €884m

30th Sept. 2017: Gross debt €839m



30th Sept. 2017 pro-forma after repayment: Gross debt €739m(2)



(1) Excluding subordinated debt (2023+)
(2) Pro-forma as of 30.09.17 and not including short term credit lines used temporarily to maintain minimum operating cash

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