NH Collection Amsterdam Doelen

H1 2018 RESULTS PRESENTATION

NH | HOTEL GROUP

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26th of July 2018

Message from the CEO

"Dear Shareholders,

In line with the performance of the start of the year, I am delighted to present another solid set of results. The Group's momentum continues in H1 2018 with a combination of revenue growth and efficiency measures leading to an EBITDA margin improvement of +1.0 p.p..

Despite the impact of calendar effects and FX, NH performed well in all markets and in particular showed outstanding H1 LFL revenue growth in Benelux (+7.4%) and Italy (+5.7%).

H1 EBITDA reached €115m (+€12m) and Net Recurring Income increased by a higher amount (+€14m) reaching €23m. Total Net Income amounted €64m, positively impacted by net capital gains from asset rotation.

Current trading and the foreseen growth across main European countries benefiting from the repositioning and macro environment supported by efficiency measures, allow us to reiterate our €260m EBITDA guidance for 2018.

The early redemption of the Convertible Bond in the month of June concluded the debt reduction process initiated in 2015 and would imply reaching a net financial debt ratio of 1.0-1.2x at the end of 2018E vs. 5.6x at the end of 2015.

The Annual General Meeting held last month approved a gross dividend for fiscal year 2017, equivalent to €0.10 per outstanding share that will be paid the 27th of July implying a payment of c. €39m.

Finally, regarding the announced tender process by Minor International Group, the Board has defined a roadmap with financial and legal advisors to comply with stock market regulation."

Ramón Aragonés
CEO, NH Hotel Group

H1 2018 highlights

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- **H1: Revenue growth of +3.9% reaching €785m (+€30m)**
  - Revenue Like for Like ("LFL"): +2.9%
    - Strong performance in Benelux (+7.4%) and Italy (+5.7%)
  - RevPAR: +2.2%, combined growth strategy of ADR (+1.3%) and Occupancy (+0.8%)
- **Q2: Revenue growth of +3.2% reaching €445m (+€14m)**
  - Revenue Like for Like ("LFL"): +1.9%, impacted by calendar effects in Germany and Spain and FX
  - RevPAR: +1.3%, combined growth strategy of ADR (+0.9%) and Occupancy (+0.4%)
- **H1 Recurring EBITDA(1) of €115m (+€12m; +12%) with a margin improvement of +1.0 p.p.**
  - 40% EBITDA conversion rate. Excluding perimeter changes and reforms, LFL conversion rate reached 61%
- **Significant Net Recurring Income growth in H1 (+€14m) reaching €23m** due to the business improvement and lower financial costs
- **Total Net Income reached €64m,** boosted by the higher contribution of net capital gains from asset rotation

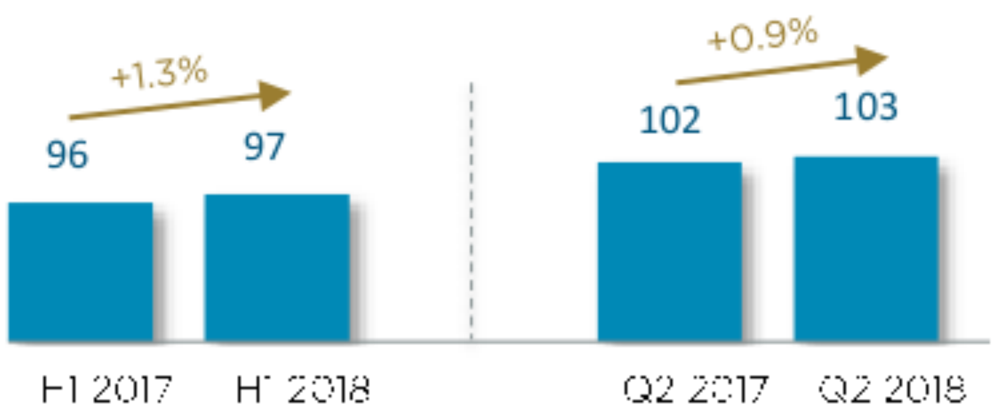
- **Deleverage target achieved**
  - Net financial debt decreased to €229m as of 30th June 2018 from €655m as of 31st Dec. 2017
  - Early Redemption Convertible Bond (€250m) in June 2018, therefore setting the total number of shares outstanding at 392,180,243
  - The gross dividend approved for fiscal year 2017 equivalent to €0.10 per outstanding share will be paid on the 27th of July implying a payment of c. €39m
- **Financial targets 2018:**
  - €260m EBITDA(1)
  - 1.0-1.2x net financial debt ratio

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

Key financial metrics

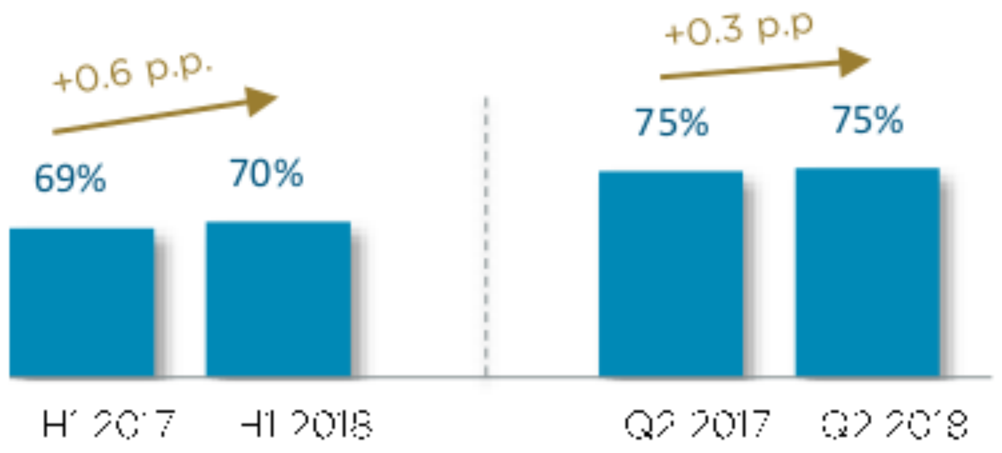
ADR (€)

- H1: +1.3% price increase (+€1.3) reaching €97 contributing with 62% of RevPAR growth. Remarkable growth in Benelux (+5.1%) and Italy (+3.8%)
- Q2: +0.9% price increase (+€0.9) contributing with 70% of RevPAR growth



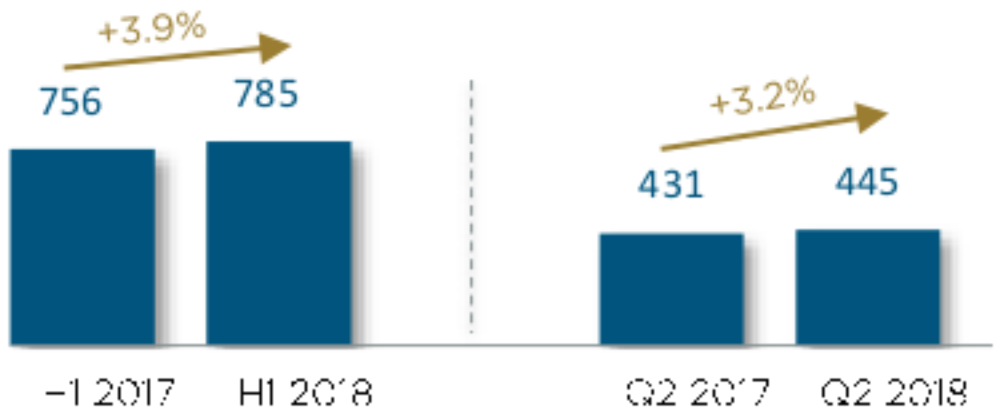
Occupancy (%)

- H1: +0.8% activity increase (+0.6 p.p.) up to 70%. Strong demand growth in Benelux (+2.5%) boosted by Brussels recovery
- Q2: +0.4% activity increase (+0.3 p.p.) up to 75%



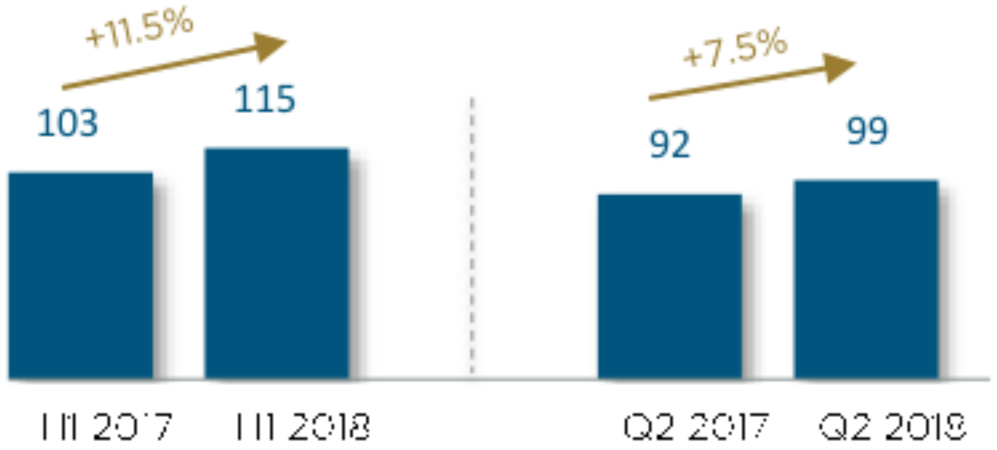
Revenues [1] (€m)

- H1: +€30m revenue growth (+3.9%) with a strong performance in Benelux and Italy
- Q2: +€14m (+3.2%), impacted by calendar effects in Germany and Spain and FX



Recurring EBITDA [2] (€m)

- H1: +€12m (+11.5%) due to a 40% revenue conversion rate reaching €115m and a margin of 14.6% (+1.0 p.p.)
- Q2: +€7m (+7.5%) with a 22.3% margin (+0.9 p.p.)



[1] From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 2017 figures also reclassified)

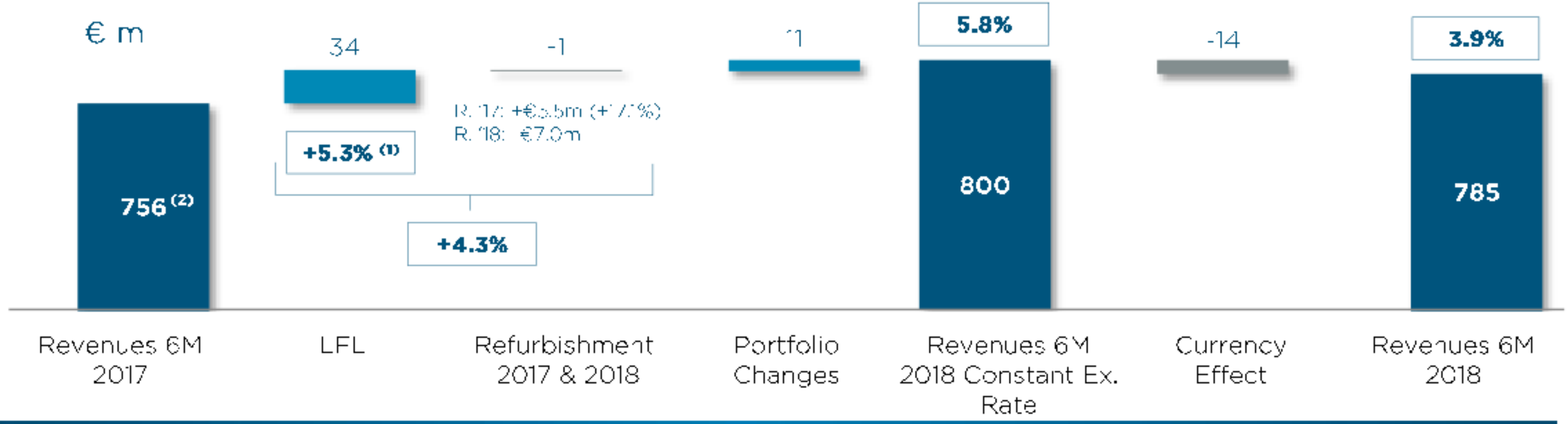
[2] Recurring EBITDA before onerous reversal and capital gains from asset disposals

Solid revenue performance in H1 2018

- **Total Revenue growth of +3.9% reaching €785m (+€30m)**
  - Revenue Like for Like ("LFL"): +5.3% with constant FX (+2.9% reported):
    - Strong performance in Benelux (+7.4%) and Italy (+5.7%).
    - Spain (+2.7%) and Central Europe (+2.2%) impacted by holidays and lower congress activity in Q2
  - LFL & Refurbished hotels grew +4.3% with constant FX (+2.4% reported)
    - 2017 refurbished hotels increased revenues by +€5.5m (+17.1%)
    - 2018 opportunity costs for renovations (-€7.0m): mainly from New York hotel (included in Spain B.U.) and Central Europe

Revenue Split	Var. H1 2018
Available Rooms	+2.1%
RevPAR	+2.2%
Room Revenue	+4.3%
Other Revenue	+2.5%
Total Hotel Revenue	**+3.8%**
Non Hotel Revenue*	+€1.1m
Total Revenue	**+3.9%**

* Other + Capex Payroll Capitalization



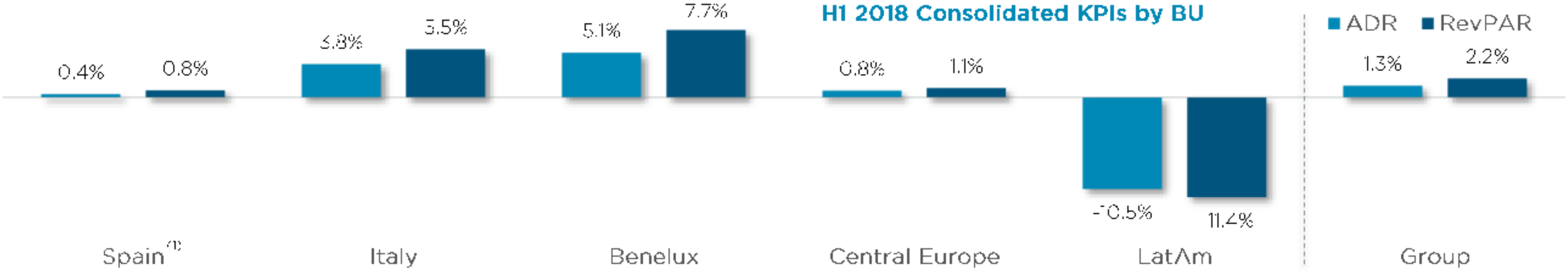
Growth Contribution	+4.5%	+	-0.2%	+	+1.5%	=	+5.8%	+	-1.9%	=	+3.9%

(1) On its 2017 own base. With real exchange rate growth is +2.9%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and H1 2017 figures also reclassified)

Combined Occupancy & ADR growth

- **+2.2% RevPAR increase in H1 2018, combined growth strategy of ADR and Occupancy**
  - Outstanding RevPAR growth in Benelux (+7.7%) and Italy (+5.5%)
  - ADR: **+1.3%** price increases (+€1.3) reaching €97. Prices contributed 62% of the RevPAR growth. Remarkable growth in Benelux (+5.1%) and Italy (+3.8%).
  - Occupancy: +0.8% activity increase (+0.6 p.p.) reaching 70.0%. All regions increasing activity levels except LatAm (-1.2%) highlighting the demand growth in Benelux (+2.5%) boosted by Brussels recovery
- **LFL (excluding reforms) RevPAR grew +2.9% in H1:**
  - Spain (+2%): Madrid (+2%) negatively impacted by a relevant congress in June 2017, Barcelona (-3%) explained by the lower domestic leisure demand in May and secondary cities (+5%)
  - Italy (+7%): Excellent evolution of Rome (+11%), Milan (+8%) and secondary cities (+5%)
  - Benelux (+9%): Outstanding performance in Brussels (+15%; due to higher occupancy and ADR) and Amsterdam (+8%)
  - Central Europe (+2%): Berlin +12%, Munich +11%, Frankfurt +10%. Secondary cities (-3%) affected by less business days in May 2018
  - LatAm (-12%; real exchange rate): All regions negatively impacted by currency devaluation (Argentina -35%, Colombia -8% y Mexico -9%): Buenos Aires -4%, Mexico DF -10% and Bogota -17%



(1) Includes France and New York. Spain ADR +0.4% and RevPAR +1.8%

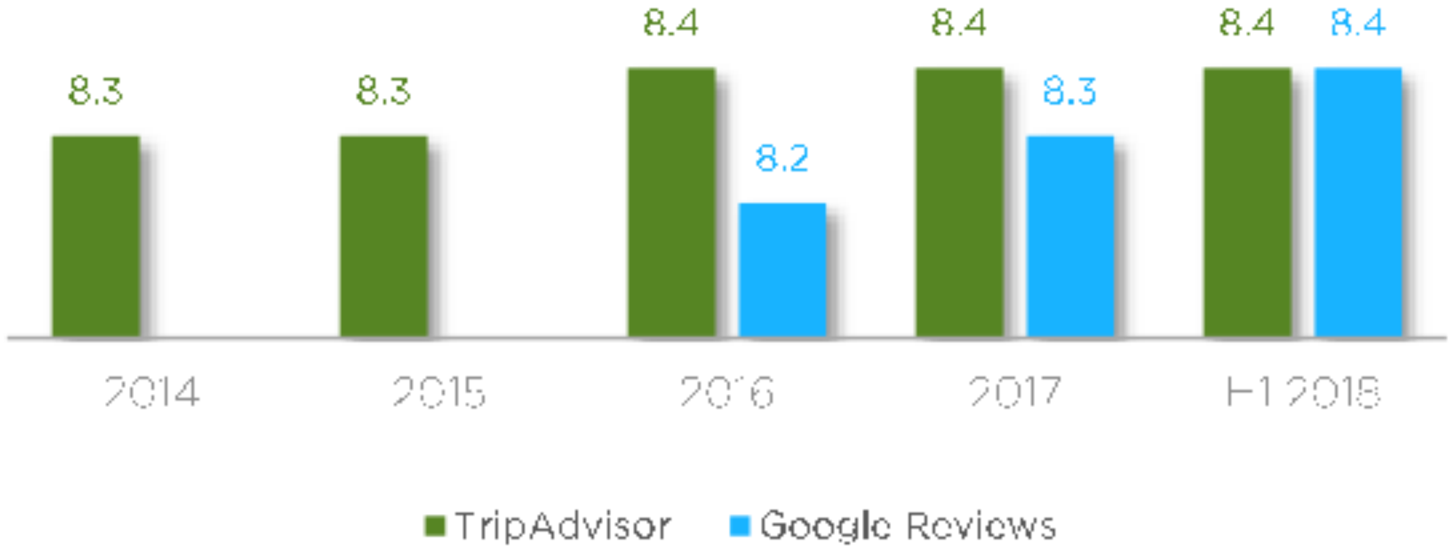
Focus on market share and quality

- **Relative RevPAR outperformance of +0.7 p.p. in top cities vs. competitors** through higher ADR (+1.0 p.p.) with slightly lower relative occupancy (-0.3 p.p.)

H1 2018	ADR % var.		"Relative" ADR	"Rel." Occupancy	"Rel." RevPAR
	NH	Comp.Set	Var.	Var.	Var.
Spain	-0.2%	-0.8%	0.6 p.p.	-1.7 p.p.	-1.1 p.p.
Italy	6.8%	3.3%	3.5 p.p.	0.8 p.p.	4.4 p.p.
Benelux	6.1%	5.2%	0.8 p.p.	0.3 p.p.	1.2 p.p.
Central Europe	0.7%	0.3%	0.4 p.p.	-0.5 p.p.	-0.2 p.p.
Total NH	**3.0%**	**2.0%**	**1.0 p.p.**	**-0.3 p.p.**	**0.7 p.p.**

Source: STR/MKG/Fairmas Competitive Set. Average Growth

- **Focus on quality**



- Outstanding performance in Italy with a relative RevPAR of +4.4 p.p. explained by higher ADR and occupancy boosted by the excellent performance of Rome
- Good result in Benelux with a relative RevPAR of +1.2 p.p.
- Central Europe: -0.2 p.p. relative RevPAR variation with main cities reporting positive evolution with the exception of Dusseldorf where locations of our hotels relies more on trade fair calendars
- Spain: relative ADR outperformed by +0.6 p.p. Relative RevPAR variation explained by the outperformance achieved last year (+5p.p.) in secondary destinations like Seville & Valencia
- **Outstanding performance in:**
  - **Barcelona:** Relative ADR +0.1 p.p.; RevPAR +2.2 p.p
  - **Amsterdam**: Relative RevPAR +2.9 p.p.; Occupancy +3.1 p.p.
  - **Munich:** Relative RevPAR +8.1 p.p.; Occupancy +8.2 p.p.
  - **Frankfurt:** Relative ADR +2.3 p.p.; RevPAR +1.4 p.p.
  - **Rome:** Relative ADR +8.5 p.p.; RevPAR +12.1 p.p

- NH Hotel Group has focused its' efforts on measuring quality using new sources of information and surveys with an important increase of both the volume of reviews and evaluations received

Solid revenue performance in all key markets

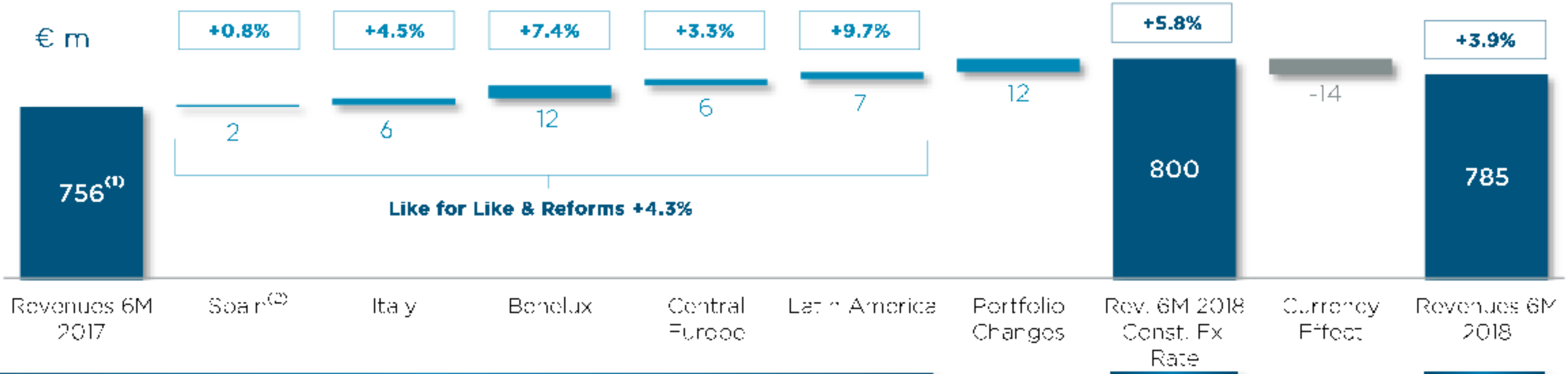
- **Spain:** +2.7% growth evolution on a LFL basis excluding the refurbishments (mainly New York with an opportunity cost of -€4.1m). Madrid grew +2.7%, impacted by a relevant congress in June 2017 while Barcelona fell -2.3% due to the lower domestic leisure demand in May. Total revenue of +0.8% impacted by NY refurbishment and changes of perimeter

- **Italy:** remarkable +5.7% growth in LFL with a strong performance of Rome (+9.7%) and Milan (+8.0%). Including 2 leased hotels under reform in Rome and Milan LFL&R grew +4.5%

- **Benelux:** LFL Revenue growth of +7.4% supported by the good performance of Brussels (+13.3%) and Amsterdam (+7.5%). Total revenue grew +14.0% impacted by the opening of 3 leased hotels (2 in Brussels and 1 in Eindhoven)

- **Central Europe:** Positive LFL increase (+2.2%) despite the impact of less business days in May 2018. Including the refurbished hotels in 2017 and the opportunity cost of 3 hotels under refurbishment in 2018 totaling -€2.6m, revenue increased +3.3% in LFL&R. Total revenue of +1.7% impacted by the exit of 1 hotel in 2017

- **LatAm:** +9.7% growth in LFL&R with constant exchange rate (-9.2% reported). By regions, Mexico increased revenues +3% at constant exchange rate and including the negative currency evolution (-10%) reported revenues decreased -6%. Argentina grew +43% in local currency and including the -53% currency evolution, reported figure is -7%. Hoteles Royal revenue decreased -1% in local currency and including the -9% currency evolution, reported figure is -9%



						Ex-Currency	Reported
Revenue LFL	+2.7%	+5.7%	+7.4%	+2.2%	+11.9%	+5.3%	+2.9%
Total Revenue	+0.8%	+5.0%	+14.0%	+1.7%	+12.4%	+5.8%	+3.9%

(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and H1 2017 figures also reclassified)
(2) Includes France and New York.

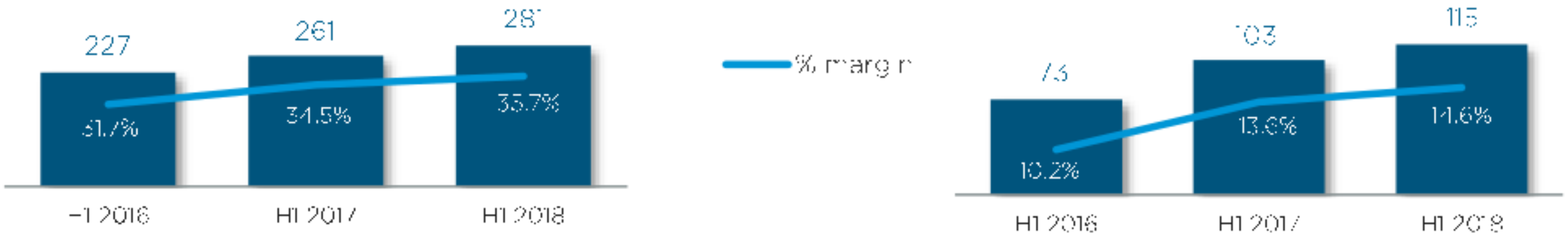
H1 2018 EBITDA increased +12%

€ million / Recurring Activity	H1 2018 €m.	H1 2017 €m.	VAR. €m.	VAR. %.
TOTAL REVENUES	**785.5**	**755.9**	**29.6**	**3.9%**
Staff Cost	(267.3)	(262.4)	(4.8)	1.8%
Operating expenses	(237.7)	(232.9)	(4.8)	2.0%
GROSS OPERATING PROFIT	**280.5**	**260.6**	**20.0**	**7.7%**
Lease payments and property taxes	(165.5)	(157.5)	(8.1)	5.1%
EBITDA BEFORE ONEROUS	**115.0**	**103.1**	**11.9**	**11.5%**

- **Cost control** in H1 2018 **despite the occupancy growth (+0.8%)**
  - +1.8% increase in **Payroll cost** and +2.0% in **Operating Expenses** due to new openings and variable costs, mainly commissions due to the evolution of the sales channel mix. Impact of perimeter changes (openings and closings) explains 89% of the increase of staff costs and 66% of the Operating expenses
- Improvement in GOP of +€20.0m (+7.7%). GOP margin improved by +1.2 p.p. reaching 35.7% due to a sound conversion rate of 68%
- Lease payments and property taxes increased -€8.1m (+5.1%). Perimeter changes and 2017 reforms explain 37% and 24% of the increase. Variable lease components explain 23% of the total increase
- **Recurring EBITDA before onerous** in H1 2018 reached €115.0m (+€11.9m; +11.5%) with a 40% conversion rate from incremental revenue to EBITDA affected by new openings. Excluding perimeter changes and reforms, LFL conversion rate reached 61%. EBITDA margin improved by +1.0 p.p. to 14.6%

Gross Operating Profit (€m)

Recurring EBITDA (€m)



Significant improvement in Net Recurring Income

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€ million	H1 2018	H1 2017	VAR.	
	€m.	€m.	€m.	%.
EBITDA BEFORE ONEROUS	**115.0**	**103.1**	**11.9** 1	**11.5%**
Margin % of Revenues	14.6%	13.6%		1.0 p.p.
Onerous contract reversal provision	1.3	2.0	(0.8)	-37.2%
EBITDA AFTER ONEROUS	**116.3**	**105.1**	**11.1**	**10.6%**
Depreciation	(54.6)	(53.8)	(0.7) 2	1.4%
EBIT	**61.7**	**51.3**	**10.4**	**20.2%**
Interest expense	(20.3)	(29.5)	9.2 3	-31.2%
Income from minority equity interest	(0.0)	0.0	(0.1)	N/A
EBT	**41.3**	**21.8**	**19.5**	**89.5%**
Corporate income tax	(16.9)	(11.5)	(5.4) 4	47.3%
NET INCOME BEFORE MINORITIES	**24.4**	**10.3**	**14.1**	**136.3%**
Minorities interests	(1.5)	(1.7)	0.2	-12.4%
NET RECURRING INCOME	**23.0**	**8.7**	**14.3** 5	**165.2%**
Non Recurring EBITDA(1)	86.4	9.9	76.5	0.0%
Other Non Recurring items(2)	(45.0)	(10.9)	(34.1) 6	0.0%
NET INCOME INCLUDING NON-RECURRING	**64.3**	**7.6**	**56.7** 7	**N/A**

(1) Includes gross capital gains from asset rotation

(2) Includes taxes from asset rotation

1. Recurring EBITDA before onerous in H1 2018 reached €115.0m, an increase of +€11.9m (+11.5%)

2. Depreciation: the increase of -€0.7m corresponds to the impact of 2017-2018 repositioning capex

3. Financial Expenses: decrease of +€9.2m mainly due to:

- Refinancing April 2017 (TAP €115m 2023 Bond & €150m 2019 Bond repayment): +€1.7m net coupon savings and +€3.2m in arranging expenses savings
- Full redemption 2019 Bond in Nov. 2017 (€100m): net coupon savings +€3.4m
- Early redemption convertible bond: coupon savings (+€1.4m) and write off equity portion & arranging expenses reported as financial expense (-€3.5m). Annual cash savings €10m from 2019

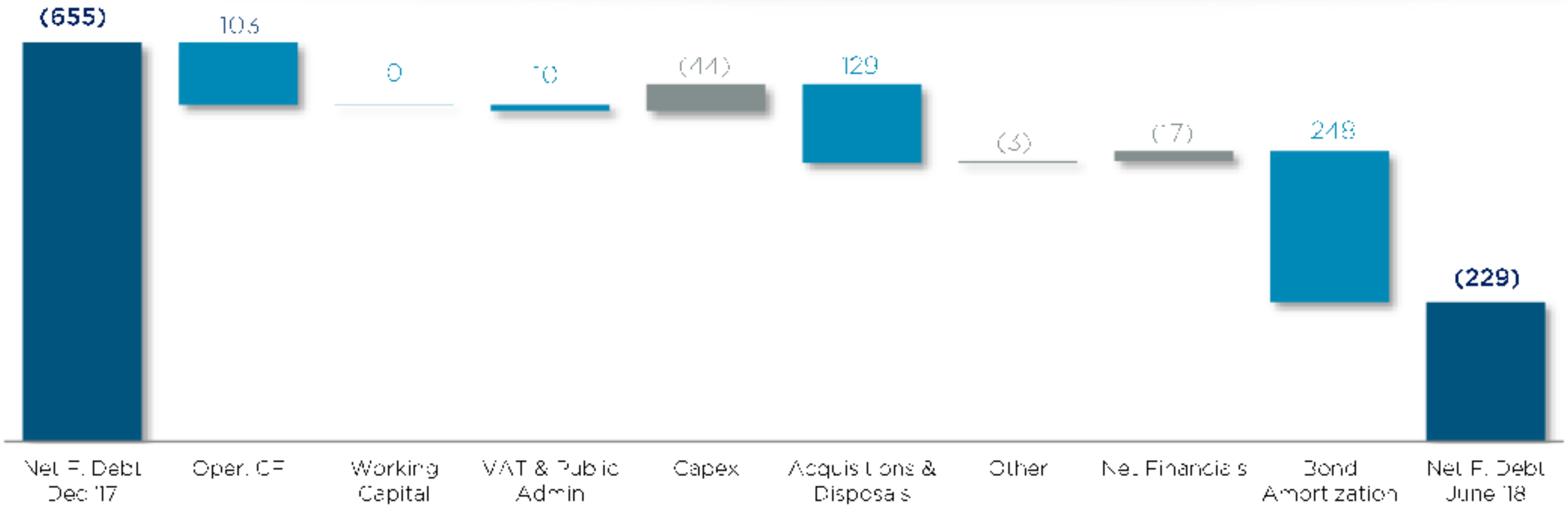
4. Taxes: The higher Corporate Income Tax (-€5.4m) is mainly explained by a better EBT performance

5. Net Recurring Income: significant growth of +€14m (higher than EBITDA growth) reaching €23.0m due to the business improvement and lower financial costs

6. Non Recurring Items includes mainly the contribution of net capital gains from asset rotation (+€57m), partially offset by accelerated depreciation (-€12m) due to the write-off linked to the repositioning capex investments (mostly NY) and redundancy payments related to the efficiency plan (-€2m)

7. Total Net Income reached €64.3m, +€56.7m higher than in H1 2017, affected by the higher contribution of net capital gains from asset rotation

Cash Flow Evolution



Financial Position: 30th June 2018
Gross Financial Debt: (€480m)
Cash: €252m
Net Financial Debt: (€229m)[1]

Treasury Stock in Balance Sheet not included in cash position
Number of shares: 0.6m

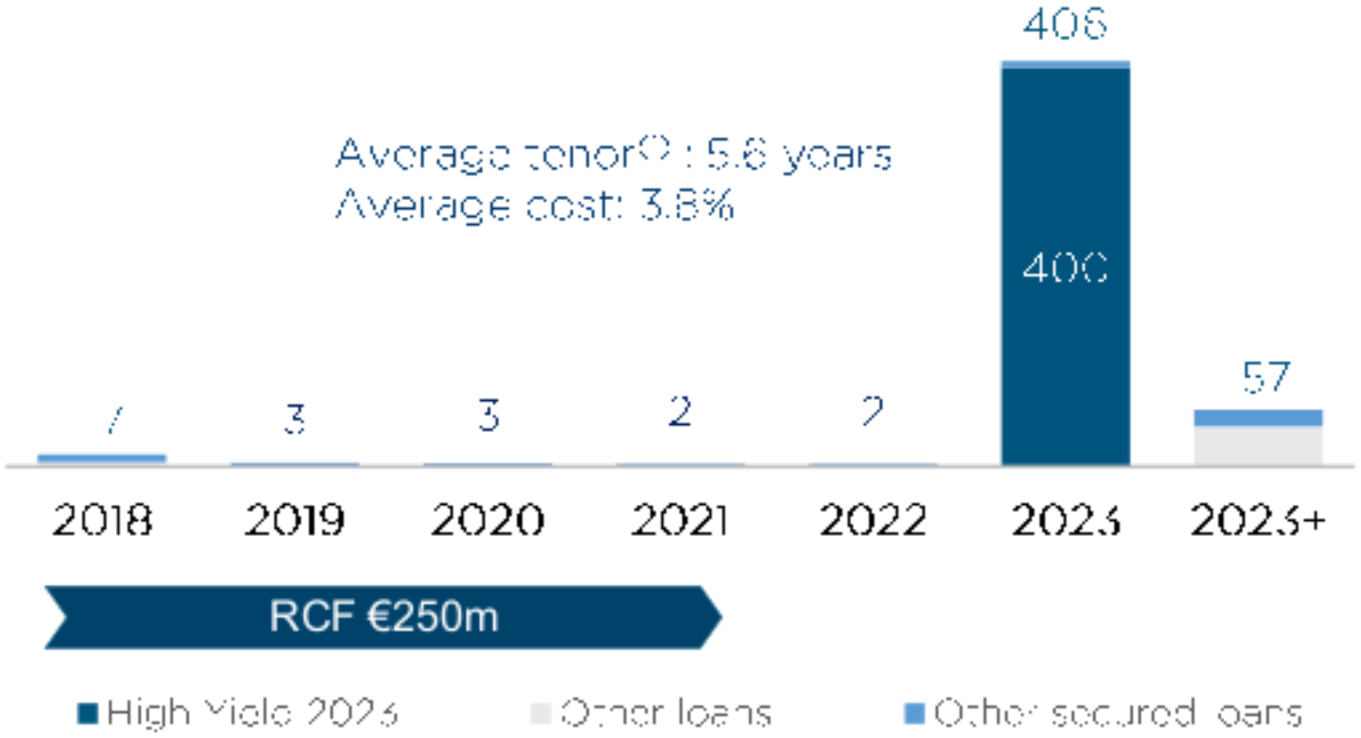
- **(+) Operating Cash Flow:** +€102.6m, including -€8.2m of credit card expenses and taxes paid of -€14.0m (excluding -€14.7m CIT Barbizon)
- **(+) Working Capital:** strong overdue recovery in Q1 2018, compensated with solid revenue growth
- **(-) Capex payments:** -€44.1m in H1 2018 due to the deployment of the capex throughout the year (2018 guidance c. €140m)
- **(-) Other:** payment of severance and legal provisions
- **(+) Acquisitions & Disposals:** +€139.3m Barbizon S&LB in Q1 (net of €14.7m taxes paid in H1. €18m pending to be paid in H2). Hesperia contract second payment -€10m
- **(-) Net Financials & Dividends:** -€16.8m, including -€15.8m net interest expense and -€1.1m minority dividend payment
- **Early Redemption Convertible Bond (€250m)** in June 2018. €1.7m paid in cash

(1) NFD excluding accounting adjustments arrangement expenses (€16.5m), accrued interest (-€3.9m) and (2) IFRS 9 adjustment (€8.0m). Including these accounting adjustments the Adj. NFD would be (€208m) at 30th June 2018 and (€637m) at 31st Dec. 2017

(2) IFRS 9: The new IFRS 9 regulation about Accounting Treatment of Financial Assets and Liabilities has become enforceable on the 1st of January 2018. The application of this accounting rule as a result of the better refinancing conditions achieved in 2017, compared with the previous conditions, has involved an impact in NH Hotel Group of €8.6m as of the 1st of January 2018 (€8.0m as of 30th June 2018 as per the financial expense)

Path to deleverage continues & Rating improvement

Debt Maturity Profile
30th June 2018: Gross debt (€480m)



Rating Improvement

Rating	NH	2023 Bond
S&P	B ⬆	BB-
Fitch	B+ ⬆	BB
Moody's	B1	Ba3

⬆ Positive Outlook

S&P Global

- On March 23rd, S&P **revised the outlook on NH Hotel Group to positive from stable** on expected debt reduction and sound cash flow generation

FitchRatings

- On March 28th, Fitch **upgraded the Corporate rating to 'B+' from 'B', and maintained the Positive Outlook**. The upgrade reflects the marked improvement in NH's operating performance and leverage metrics. Secured debt rating also upgraded from 'BB-' to 'BB'

MOODY'S

- On May 11th, Moody´s **upgraded the corporate family rating of NH Hotel Group to 'B1' from 'B2'** and changed the outlook from positive to stable. The upgrade reflects NH strong record of performance and resulting significant deleveraging, as well as improved liquidity

(1) Excluding subordinated debt (2023)

Status Tender offer by Minor International Group

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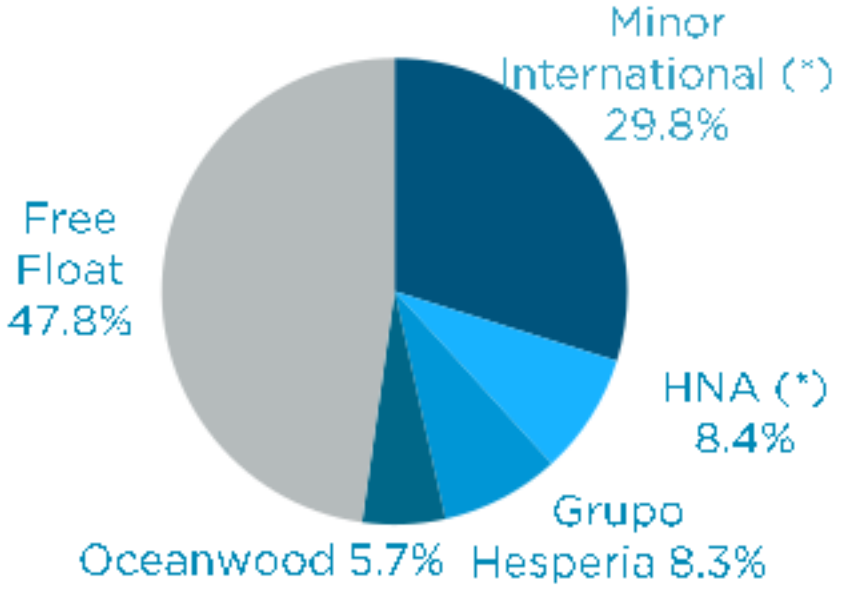
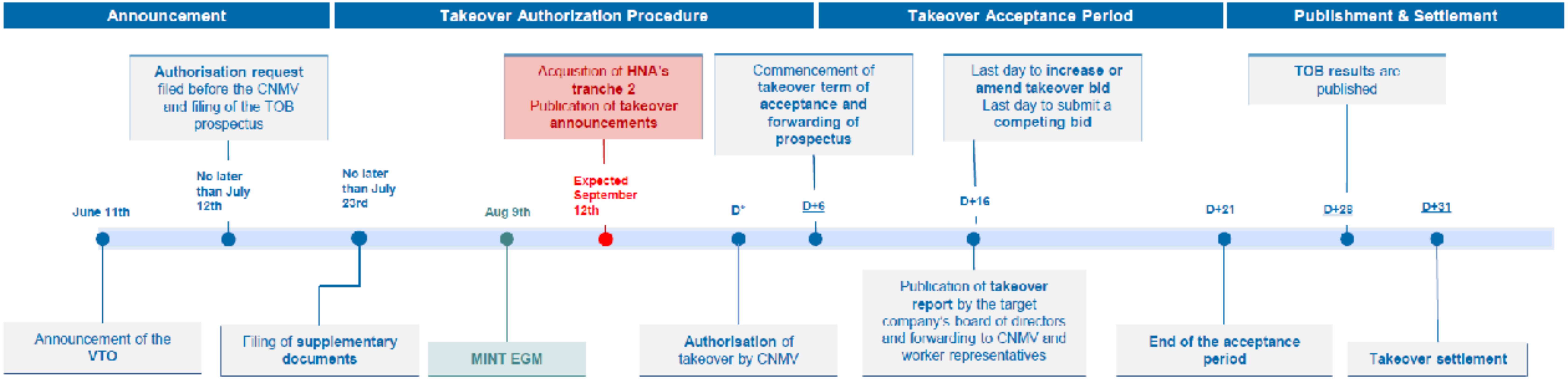
- **NH Hotel Group Shareholder structure** (source CNMV July 25th, 2018):
  Total number of shares 392.2m



(*) On June 5, 2018, Minor International announced it will purchase from HNA the remaining 8.4% in Sept. 2018

- **Tender Offer authorization request for the 100% of the shares of NH:** July 10th. The transaction is conditioned to get the approval from Minor's EGM (August 9th, 2018) and the authorizations in matters of competition
  - On July 20th, Minor obtained authorization from the competition authorities of Spain & Portugal
- **Tender Price:** €6.40 per share, (€6.30 after €0.10 dividend expected to be paid on July 27th, 2018)
- **NH's Board of Directors has retained financial and legal advisors and will release an opinion report in compliance with stock market regulation**

- **Timeline** (source Minor International):



* The tentative timeline as from the date the VTO is authorized by the CNMV has been drafted in accordance with the applicable statutory periods. Underlined periods refer to business days, while underlined periods refer to calendar days

Annex

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

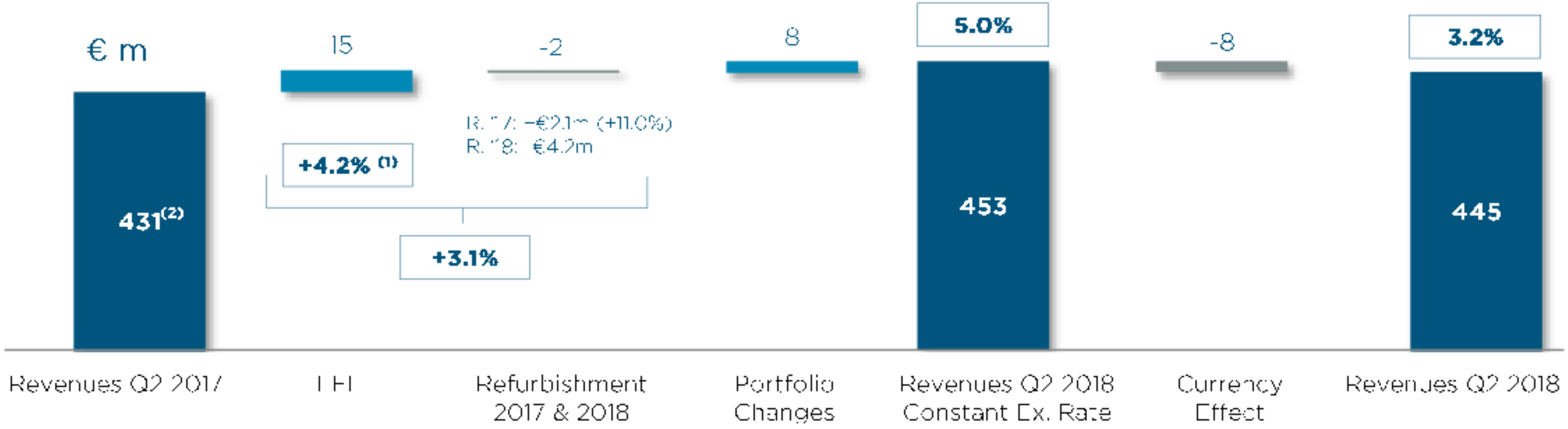
NH Collection Madrid Gran Vía

Revenue performance in Q2 2018

- **Total Revenue growth of +3.2% reaching €445m (+€14m)**
  - Revenue Like for Like ("LFL"): +4.2% with constant FX (+1.9% reported):
    - Strong performance in Benelux (+6.9%) and Italy (+3.2%)
    - Spain (+0.2%) and Central Europe (+0.5%) impacted by holidays and lower congress activity in Q2
  - LFL & Refurbished hotels grew +3.1% with constant FX (+1.3% reported)
    - 2017 refurbished hotels increased revenues by +€2.1m (+11.0%)
    - 2018 opportunity costs for renovations (-€4.2m): mainly from New York hotel (included in Spain B.U.) and Central Europe

Revenue Split	Var. Q2 2018
Available Rooms	+2.2%
RevPAR	+1.3%
Room Revenue	+3.5%
Other Revenue	+2.0%
Total Hotel Revenue	**+3.1%**
Non Hotel Revenue*	+€0.7m
Total Revenue	**+3.2%**

* Other + Capex Payroll Capitalization



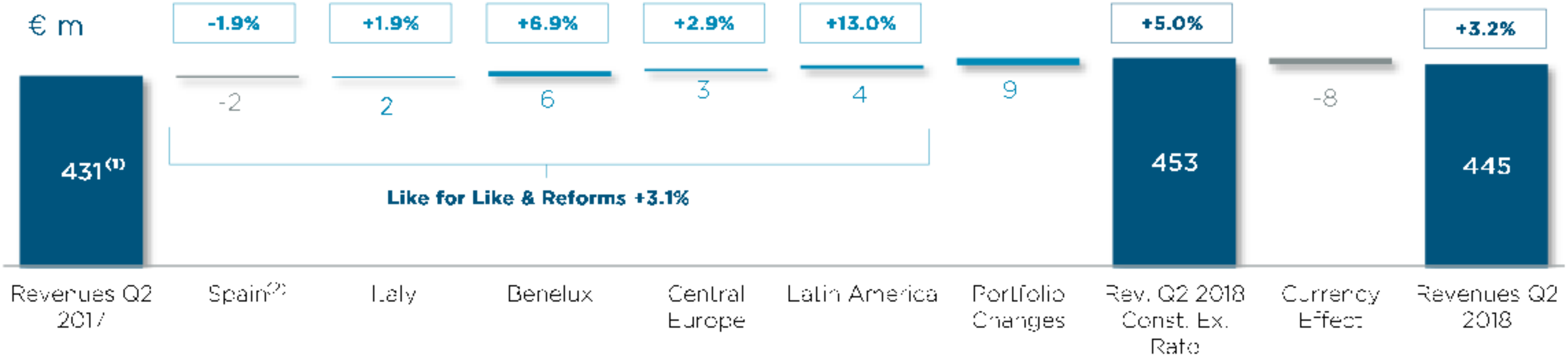
Growth Contribution	+3.5%	+	-0.5%	+	+2.0%	=	+5.0%	+	-1.8%	=	+3.2%

(1) On its 2017 own base. With real exchange rate growth is +1.9%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and H1 2017 figures also reclassified)

Revenue performance by markets

- **Spain:** +0.2% growth evolution on a LFL basis excluding the refurbishments (mainly New York with an opportunity cost of -€2.8m). Madrid fell -1.0%, impacted by a relevant congress in June 2017 while Barcelona fell -4.6% due to the lower domestic leisure demand in May. Total revenue of -0.9% impacted by NY refurbishment and changes of perimeter
- **Italy:** +3.2% growth in LFL with a strong performance of Rome (+6.7%) and Milan (+5.2%). Including 1 leased hotels under reform in Rome LFL&R grew +2.8%
- **Benelux:** LFL Revenue growth of +6.9% supported by the good performance of Brussels (+16.2%) and Amsterdam (+5.0%). Total revenue grew +13.7% impacted by the opening of 3 leased hotels (2 in Brussels and 1 in Eindhoven)
- **Central Europe:** +0.5% LFL increase due to the impact of less business days in May 2018. Including the refurbished hotels in 2016 and the opportunity cost of 3 hotels under refurbishment in 2018 totaling -€1.1m, revenue increased +2.9% in LFL&R. Total revenue of +1.5% impacted by the exit of 1 hotel in 2017
- **LatAm:** +13.0% growth in LFL&R with constant exchange rate (-7.5% reported). By regions, Mexico increased revenues +5% at constant exchange rate and including the negative currency evolution (-13%) reported revenues decreased -7%. Argentina grew +45% in local currency and including the -61% currency evolution, reported figure is -10%. Hoteles Royal revenue increased +3% and including the -6% currency evolution, reported figure is -3%



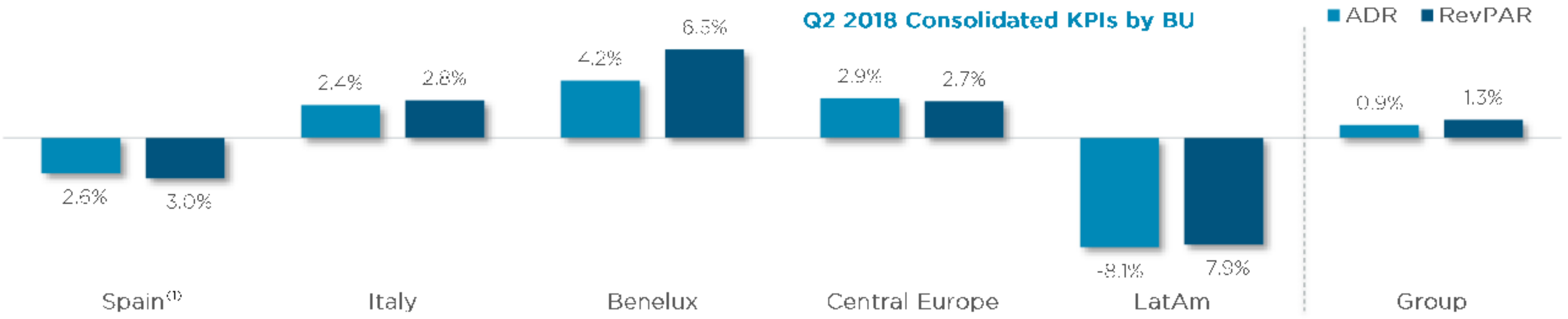
	Spain	Italy	Benelux	Central Europe	Latin America	Ex-Currency	Reported
Revenue LFL	+0.2%	+3.2%	+6.9%	+0.5%	+20.2%	+4.2%	+1.9%
Total Revenue	-0.9%	+2.8%	+13.7%	+1.5%	+16.2%	+5.0%	+3.2%

(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and H1 2017 figures also reclassified)
(2) Includes France and New York.

RevPAR growth supported by ADR (70% contribution)

- **+1.3% RevPAR increase in Q2 2018, 70% through ADR**
  - Highlighting RevPAR growth in Benelux (+6.5%), Italy (+2.8%) and Central Europe (+2.7%)
  - ADR: +0.9% price increases (+€0.9) reaching €103
  - Occupancy: +0.4% activity increase (+0.3 p.p.) with all regions almost stable except Benelux (+2.2%) due to the recovery of Brussels
- **LFL (excluding reforms) RevPAR grew +1.6%:**
  - Spain (-1%): Madrid (-3%) negatively impacted by a relevant congress in June 2017, Barcelona (-6%) explained by the lower domestic leisure demand in May and secondary cities (+4%)
  - Italy (+4%): Good performance of Rome (+6%), Milan (+5%) and secondary cities (+3%)
  - Benelux (+8%): Outstanding performance in Brussels (+17%; due to higher occupancy and ADR) and Amsterdam (+4%)
  - Central Europe (+1%): Berlin +9%, Munich +27%, Frankfurt +14%. Secondary cities (-5%) affected by less business days in May 2018
  - LatAm (-11%; real exchange rate): All regions negatively impacted by currency devaluation (Argentina -38%, Mexico -11% and Colombia -5%): Buenos Aires -6%, Mexico DF -12% and Bogota -10%

Q2 2018 Consolidated KPIs by BU



(1) Includes France and New York. Spain ADR -2.0% and RevPAR -1.9%

Significant improvement in Net Recurring Income

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€ million	Q2 2018	Q2 2017	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**445.2**	**431.2**	**14.0** [1]	**3.2%**
Staff Cost	(137.3)	(136.1)	(1.2)	0.9%
Operating expenses	(125.1)	(123.2)	(2.0)	1.6%
GROSS OPERATING PROFIT	**182.8**	**172.0**	**10.8** [2]	**6.3%**
Lease payments and property taxes	(83.6)	(79.7)	(3.9)	4.9%
EBITDA BEFORE ONEROUS	**99.3**	**92.3**	**7.0** [3]	**7.5%**
Margin % of Revenues	22.3%	21.4%		0.9 p.p.
Onerous contract reversal provision	0.6	1.0	(0.4)	38.8%
EBITDA AFTER ONEROUS	**99.9**	**93.4**	**6.6**	**7.0%**
Depreciation	(27.2)	(28.1)	0.8	-2.9%
EBIT	**72.7**	**65.3**	**7.4**	**11.3%**
Interest expense	(9.7)	(15.4)	5.7	-37.0%
Income from minority equity interest	(0.1)	0.1	(0.2)	N/A
EBT	**62.9**	**50.0**	**12.9**	**25.8%**
Corporate income tax	(16.0)	(12.5)	(3.4)	27.5%
NET INCOME BEFORE MINORITIES	**46.9**	**37.4**	**9.4**	**25.2%**
Minorities interests	(1.0)	(1.1)	0.1	-11.8%
NET RECURRING INCOME	**45.9** [4]	**36.3**	**9.6**	**26.3%**
Non Recurring EBITDA	0.2	2.8	(2.7)	N/A
Other Non Recurring items	(3.5)	(6.8)	3.3	N/A
NET INCOME including non-recurring	**42.6** [5]	**32.4**	**10.2**	**31.4%**

1. **Revenue** grew +3.2% reaching €445.2m (+€14.0m)
2. **GOP:** cost control allows to report a growth of +€10.8m in the second quarter reaching a margin of 41%
3. **EBITDA:** recurring EBITDA growth of +7.5% reaching €99.3m, which represents an increase of +€7.0m compared to Q2 2017. EBITDA margin improved +0.9p.p reaching 22.3%
4. **Net Recurring Income:** significant growth of +€9.6m (higher than EBITDA growth) reaching €45.9m due to the business improvement and lower financial costs
5. **Total Net Income** reached €42.6m affected the write-off linked to the repositioning capex investments (mostly NY)

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Translation of 2017 Results Presentation originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.