NH Collection Amsterdam Doelen

9M 2018 RESULTS PRESENTATION

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12th of November 2018

Message from the CEO

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"Dear Shareholders,

I am delighted to present another ***solid set of results*** *in line with the performance of the first semester. The Group's positive operating trend continues with* ***revenue up +3.6%*** *despite 2018 reforms and currency evolution for the nine month period.* ***With constant FX, revenue grew +5.5%.***

Solid revenue performance in Europe with a LFL growth of +3.6% *in the first nine months and in particular strong evolution in Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%) comparison affected by the remarkable growth of last year.*

9M EBITDA increased by +€17m (+10%) reaching €187m. *Constant focus on efficiency leads to a +0.9 p.p. margin improvement up to 15.7%.*

The solid operating cash flow generation allows to reach a cash position of €273m as of 30th September*, bringing down NFD to (€208m).*

Net Recurring Income increased by +€24m *(higher that EBITDA growth)* ***reaching €51m****. Total Net Income amounted €100m, positively impacted by net capital gains from asset rotation.*

Current strong trading in Q4 allow us to confirm the €260m EBITDA guidance for 2018*. The strong deleverage achieved has concluded the debt reduction process initiated in 2015, reaching a* ***net financial debt ratio between 0.8x and 1.0x at the end of 2018E*** *vs. 5.6x at the end of 2015.*

Finally, regarding the ***Tender Offer by Minor International Group, 88.85% of the shares addressed have tendered the Offer, reaching a 94.1% of the share capital of NH Hotel Group. Management team of NH has started to work with Minor International*** *to define the Strategic Plan of NH to unlock value-accretive benefits across both complementary businesses,* ***with the aim of maximizing shareholder value.****"*

Ramón Aragonés
CEO, NH Hotel Group

Note: Hyperinflation accounting (IAS 29) not included in business performance figures. See page 5 for financial impacts

9M 2018 highlights

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- **9M: Revenue growth of +3.6% reaching €1,197m (+€41m). With constant FX, revenue grew +5.5%**
  - Sound performance in Europe, with a Revenue Like for Like ("LFL") growth of +3.6%
    - Strong performance in Benelux (+7.0%) and Italy (+4.4%)
  - RevPAR: +2.0%, 73% through ADR which grew (+1.5%; €97)
- **Q3: Revenue growth of +2.9% reaching €411m (+€12m). With constant FX, revenue grew +5.0%**
  - LFL Revenue: +4.3% with constant FX. Solid performance in Benelux (+6.4%) and Central Europe (+4.8%).
  - RevPAR: +2.0%, 85% through ADR which grew (+1.7%)
- **9M Recurring EBITDA(1) of €187m (+€17m; +10%) with a margin improvement of +0.9 p.p. to 15.7%**
  - 41% EBITDA conversion rate. Excluding perimeter changes and reforms, LFL conversion rate reached 62%
- **Significant Net Recurring Income growth in 9M (+€24m) reaching €51m** due to the business improvement and lower financial costs
- **Total Net Income reached €100m,** boosted by the higher contribution of net capital gains from asset rotation

- **Deleverage target achieved**
  - Net financial debt decreased to (€208m) as of 30th September 2018 from (€655m) as of 31st Dec. 2017
  - Solid cash position: €273m
  - Change of Control related to debt instruments:
    - Waiver from €250m RCF obtained by unanimity of lenders on 6 September 2018
    - €400m Bond 2023: NH offered 101% repurchase of all 2023 Bond. The tendered amount reached €3.2m of total nominal
- **Update of Financial targets (2018E)**
  - €260m EBITDA(1) confirmed
  - New range 0.8-1.0x net financial debt ratio vs prior 1.0-1.2x
- **Impacts since 1 January 2018 of the implementation of accounting standard IAS 29 regarding hyperinflation in Argentina vs. business performance of 9M 2018:**
  - Revenues: -€7.0m
  - EBITDA: -€2.0m
  - Total Net Income: +€7.0m, mainly explained by revaluation of fixed assets in Argentina
  - Balance Sheet: +€43m in net equity due to the historic revaluation of assets including deferred tax and minorities

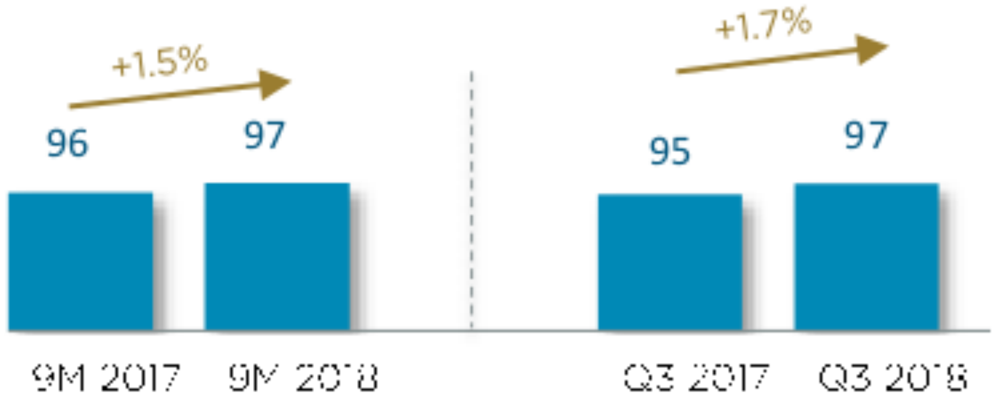
Note: Hyperinflation accounting (IAS 29) not included in business performance figures

(1) Recurring EBITDA before onerous reversal and capital gains from asset disposals and excluding IAS 29 impact

Key financial metrics

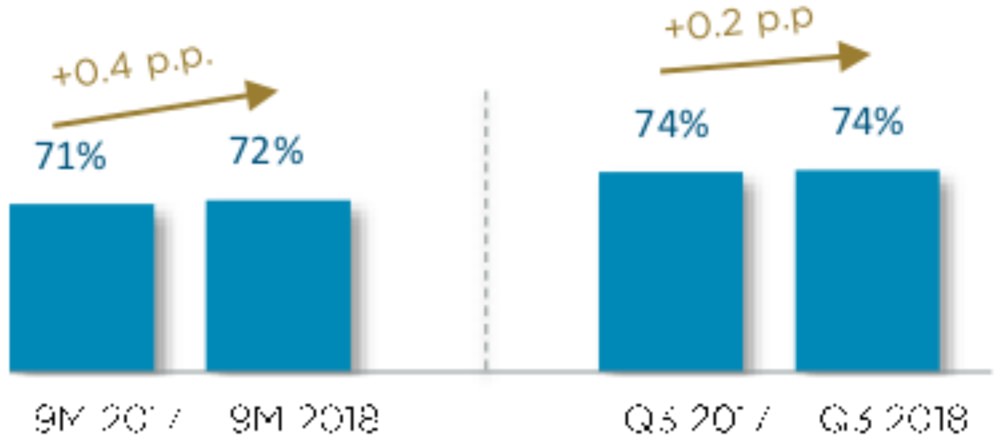
ADR (€)

- 9M: +1.5% price increase (+€1.4) reaching €97 contributing with 73% of RevPAR growth. Remarkable growth in Benelux (+4.2%) and Italy (+3.5%)
- Q3: +1.7% price increase (+€1.6; 85% of RevPAR growth). Notable growth in Central Europe (+5.7%)



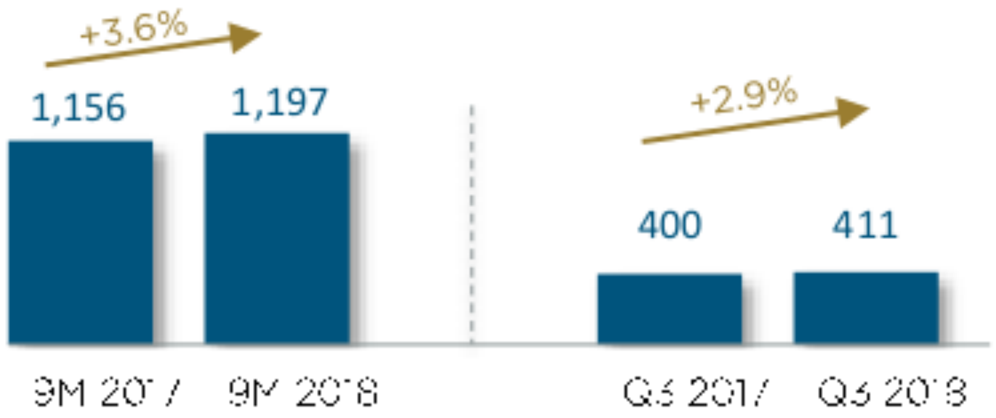
Occupancy (%)

- 9M: +0.5% activity increase (+0.4 p.p.) up to 72%. Strong demand growth in Benelux (+2.7%) boosted by Brussels recovery
- Q3: +0.3% activity increase (+0.2 p.p.) up to 74%



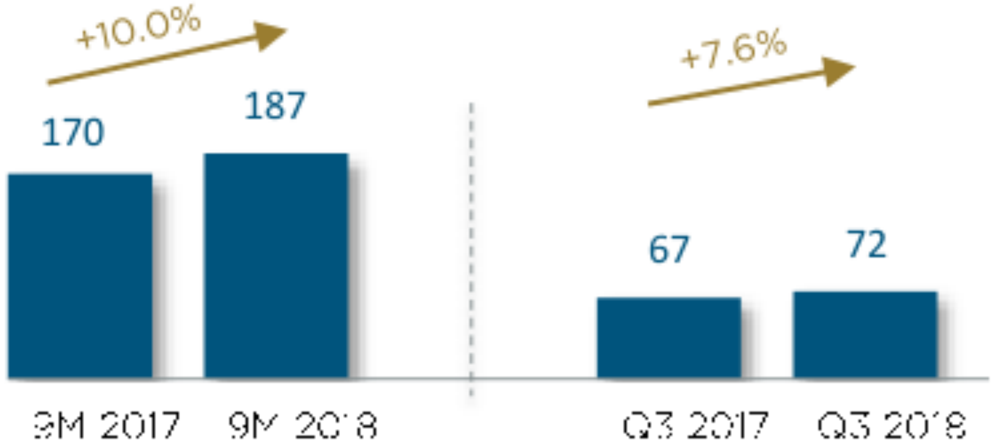
Revenues [1] (€m)

- 9M: +€41m revenue growth (+3.6%) despite 2018 reforms. Strong performance in Benelux and Italy
- Q3: +€12m (+2.9%). Solid growth in Benelux and Central Europe



Recurring EBITDA [2] (€m)

- 9M: +€17m (+10.0%) due to a 41% revenue conversion rate reaching €187m and a margin of 15.7% (+0.9 p.p.)
- Q3: +€5m (+7.6%) with a 17.6% margin (+0.8 p.p.)



Note: Hyperinflation accounting (IAS 29) not included in business performance figures

[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)

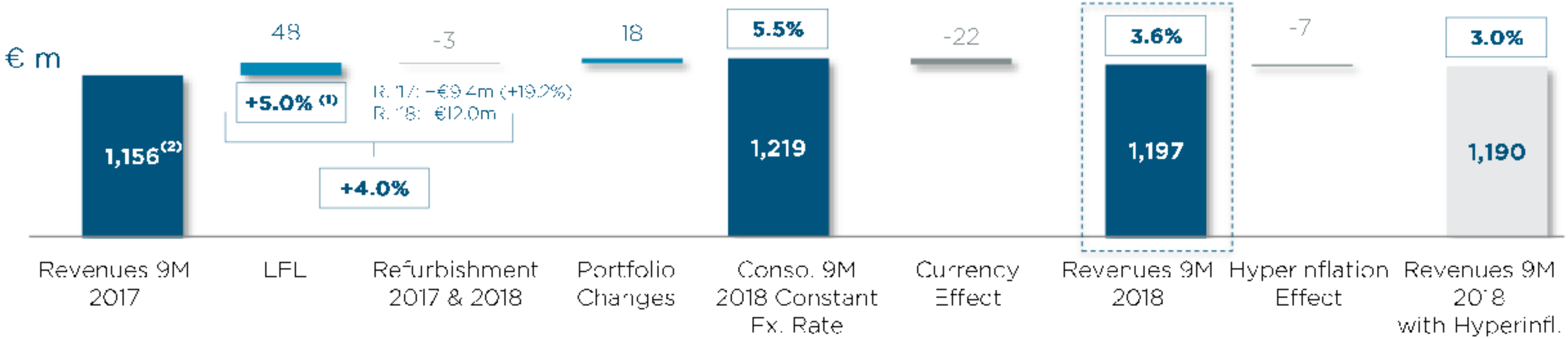
[2] Recurring EBITDA before onerous reversal and capital gains from asset disposals

Solid revenue performance in 9M 2018

- **Total Revenue growth of +3.6% reaching €1,197m (+€41m), despite 2018 reforms (-€12m) and the negative currency effect (-€22m). +5.5% revenue growth at constant exchange rate**
  - Revenue Like for Like ("LFL"): +5.0% with constant FX (+2.5% reported):
    - Sound performance in Europe with a growth of +3.6%. Strong performance in Benelux (+7.0%), Italy (+4.4%) and Central Europe (+3.1%). Spain (+0.7%; +2.0% excluding Barcelona) affected by the remarkable 9M 2017 LFL growth (+11%) and Barcelona evolution
  - Including the refurbished hotels, LFL&R grew +4.0% with constant FX (+2.0% reported)
    - 2017 refurbished hotels increased revenues by +€9.4m (+19.2%)
    - 2018 opportunity costs for renovations (-€12.0m): mainly from New York hotel (included in Spain B.U.), Central Europe and Italy
  - **Including hyperinflation** accounting effect (IAS 29) related to Argentina **revenue growth is +3.0%**

Revenue Split	Var. 9M 2018
Available Rooms	+1.3%
RevPAR	+2.0%
Room Revenue	+4.0%
Other Revenue	+1.8%
Total Hotel Revenue	**+3.4%**
Non Hotel Revenue*	+€1.7m
Total Revenue	**+3.6%**

* Other Capex Payroll Capitalization



Growth Contribution	+4.2%	+	-0.2%	+	+1.5%	=	+5.5%	+	-1.9%	=	+3.6%	+	-0.6%	=	+3.0%

(1) On its 2017 own base. With real exchange rate growth is +2.5%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

RevPAR growth supported by ADR (73% contribution)

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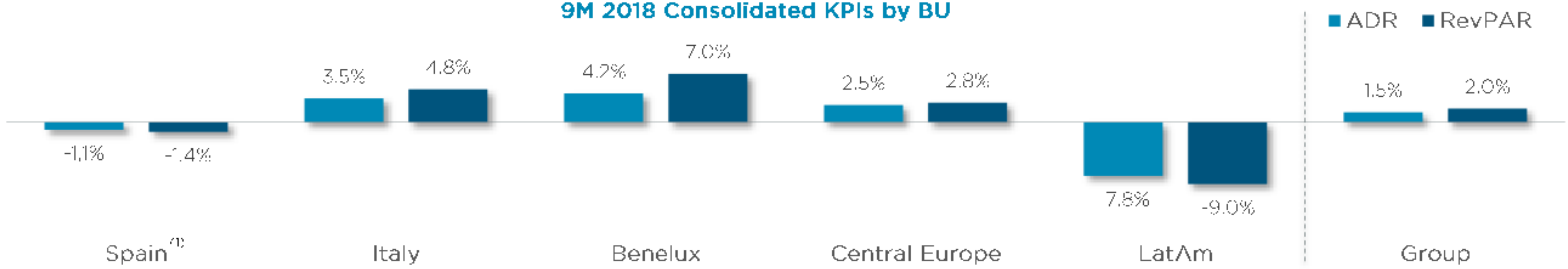
- **+2.0% RevPAR increase in 9M 2018, 73% through ADR**
  - Outstanding RevPAR growth in Benelux (+7.0%) and Italy (+4.8%)
  - ADR: +1.5% price increases (+€1.4) reaching €97. Remarkable growth in Benelux (+4.2%), Italy (+3.5%) and Central Europe (+2.5%). Spain affected by 2018 reforms and the remarkable 2017 evolution
  - Occupancy: +0.5% activity increase (+0.4 p.p.) reaching 71.6%. All regions increasing activity levels except LatAm (-1.5%) and Spain (-0.3%) highlighting the demand growth in Benelux (+2.7%) boosted by Brussels recovery
- **LFL (excluding reforms) RevPAR grew +2.7% in 9M**
  - Spain (0%): Madrid (flat) impacted by the strong congress calendar of 2017 and Barcelona (-6%) explained by the lower domestic leisure demand due to the political situation. Solid growth in secondary cities (+4%)
  - Italy (+5%): Excellent evolution of Rome (+10%), Milan (+4%) and secondary cities (+5%)
  - Benelux (+8%): Outstanding growth in Brussels (+14%; 75% through occupancy), Amsterdam (+7%) and Dutch secondary cities (+8%)
  - Central Europe (+3%): positive trade fair calendar in cities like Munich (+15%), Berlin (+13%) and Frankfurt (+9%). Secondary cities (+1%)
  - LatAm (-9%; real exchange rate): Buenos Aires -0.5%, Mexico DF -9% and Bogota -11%. All regions impacted by strong negative currency effect

9M 2018 Consolidated KPIs by BU



[1] Includes France and New York. Spain ADR -0.6% and RevPAR -0.5%

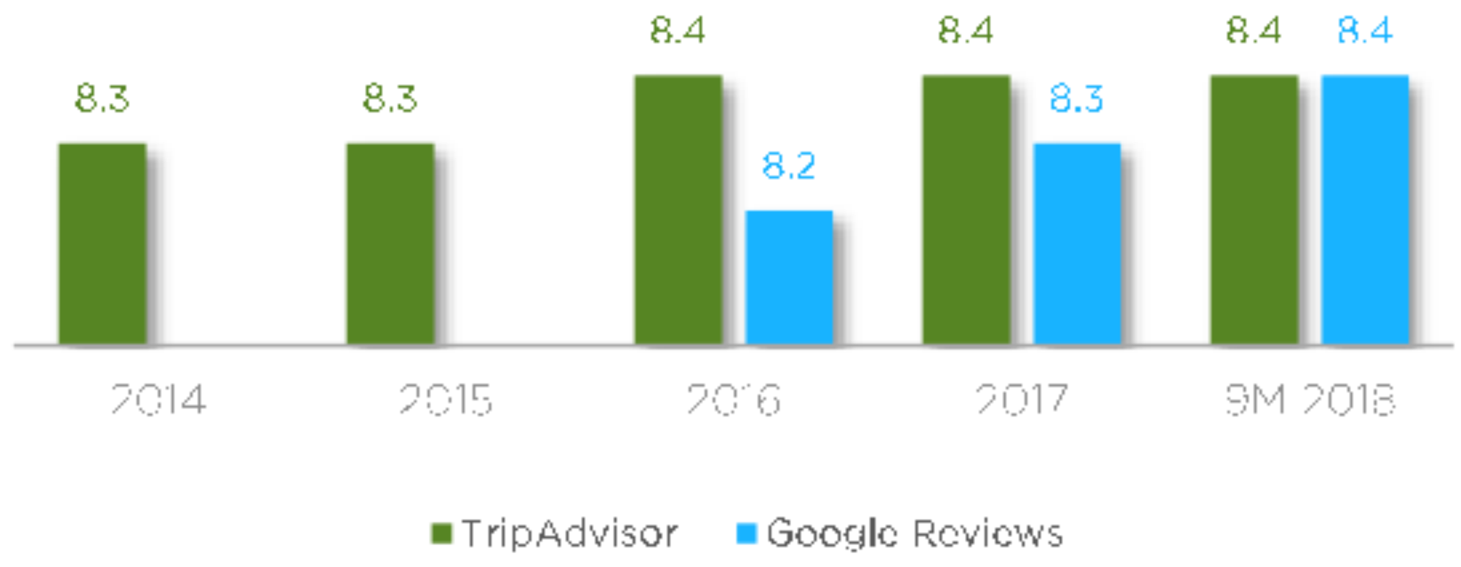
Focus on market share and quality

- **Relative RevPAR outperformance of +1.7 p.p. in top cities vs. competitors** through higher ADR (+1.1 p.p.) and relative occupancy (+0.5 p.p.)

9M 2018	ADR % var.		"Relative" ADR	"Rel." Occupancy	"Rel." RevPAR
	NH	Comp.Set	Var.	Var.	Var.
Spain	-1.7%	-2.7%	1.0 p.p.	0.0 p.p.	1.0 p.p.
Italy	5.4%	1.4%	4.0 p.p.	2.9 p.p.	7.1 p.p.
Benelux	4.0%	4.8%	-0.9 p.p.	2.0 p.p.	1.2 p.p.
Central Europe	4.0%	2.1%	1.9 p.p.	-1.5 p.p.	0.3 p.p.
Total NH	**2.6%**	**1.4%**	**1.1 p.p.**	**0.5 p.p.**	**1.7 p.p.**

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

- **Focus on quality**



- Outstanding performance in Italy with a relative RevPAR of +7.1 p.p. explained by higher relative ADR and occupancy boosted by the excellent performance of Rome
- Good result in Benelux with a relative RevPAR of +1.2 p.p. as a result of higher relative occupancy
- Central Europe: +0.3 p.p. relative RevPAR variation due to higher ADR with main cities reporting positive evolution
- Spain: +1.0 p.p. relative RevPAR outperformance explained by lower ADR decrease and similar relative occupancy
- **Strong performance in:**
  - **Barcelona:** Relative ADR +1.1 p.p.; RevPAR +4.0 p.p.
  - **Amsterdam:** Relative RevPAR +2.7 p.p.; Occupancy +3.4 p.p.
  - **Munich:** Relative RevPAR +8.9 p.p.; Occupancy +6.8 p.p.
  - **Vienna:** Relative ADR +5.5 p.p.; RevPAR +5.7 p.p.
  - **Rome:** Relative ADR +8.0 p.p.; RevPAR +15.7 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

Sound revenue performance in all key markets

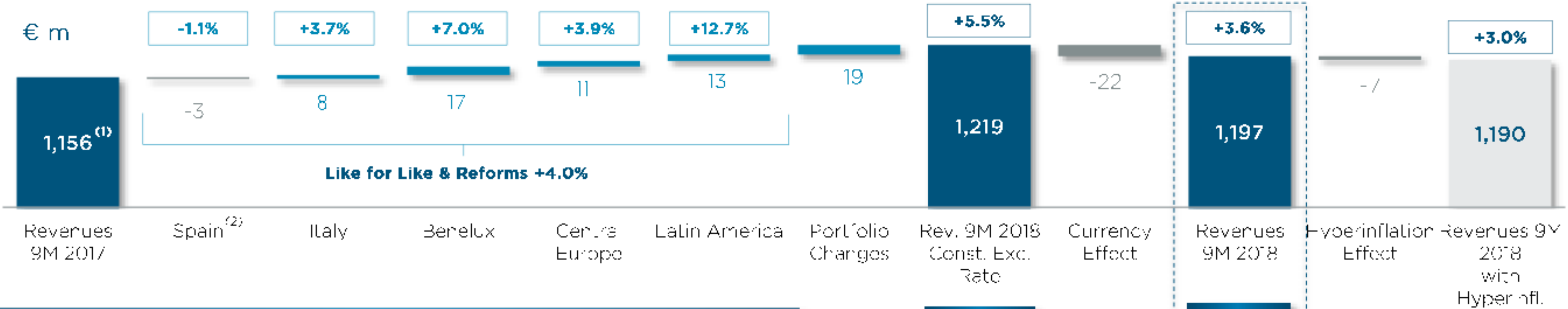
- **Spain:** positive +0.7% LFL growth (+2.0% excluding Barcelona) despite the remarkable 9M 2017 performance (+11% in LFL) and Barcelona (-4.4%) evolution. Madrid grew +0.8% despite by the strong congress calendar of 2017. Including reforms total revenue declined -1.1% mainly explained by NY refurbishment (-€6.7m)

- **Italy:** remarkable +4.4% growth in LFL with a strong performance of Rome (+9.5%). Sound growth in Milan (+4.5%) despite negative fair calendar in Q3. Including hotels under reform in Rome and Milan with an opportunity cost of -€2.4m, LFL&R grew +3.7%

- **Benelux:** outstanding +7.0% LFL growth partially driven by the recovery in Brussels (+13.1%). Strong performance in Amsterdam (+6.9%) and secondary cities (+4.9%). Total revenue +12.9% benefiting from the opening of 2 leased hotels in Brussels and 1 in Eindhoven

- **Central Europe:** Positive LFL increase (+3.1%) due to a slightly favorable trade fair calendar. Including the refurbished hotels in 2017 and the opportunity cost in 3 hotels under refurbishment in 2018 totaling -€4.9m, revenue increased +3.9% in LFL&R. Total revenue of +3.0% impacted by the exit of 1 hotel in 2017

- **LatAm:** +12.7% growth in LFL&R with constant exchange rate (-7.8% reported). By regions, Mexico increased revenues +5% at constant exchange rate and including the negative currency evolution (-8%) reported revenues decreased -3%. Argentina grew +52% in local currency and including the -64% currency evolution, reported figure is -7%. Hoteles Royal revenue decreased -2% in local currency and including the -6% currency evolution, reported figure is -7%



						Ex-Currency	Reported
Revenue LFL	+0.7%	+4.4%	+7.0%	+3.1%	+16.1%	+5.0%	+2.5%
Total Revenue	-1.1%	+4.8%	+12.9%	+3.0%	+15.2%	+5.5%	+3.6%

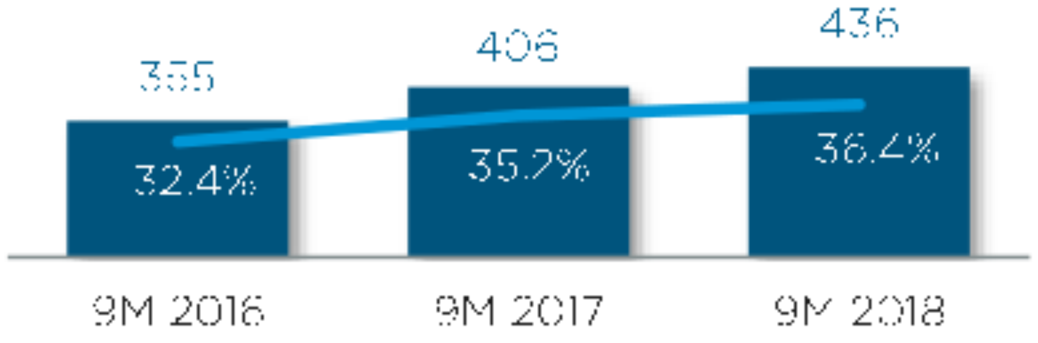
(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)
(2) Includes France and New York.

9M 2018 EBITDA increased +10%

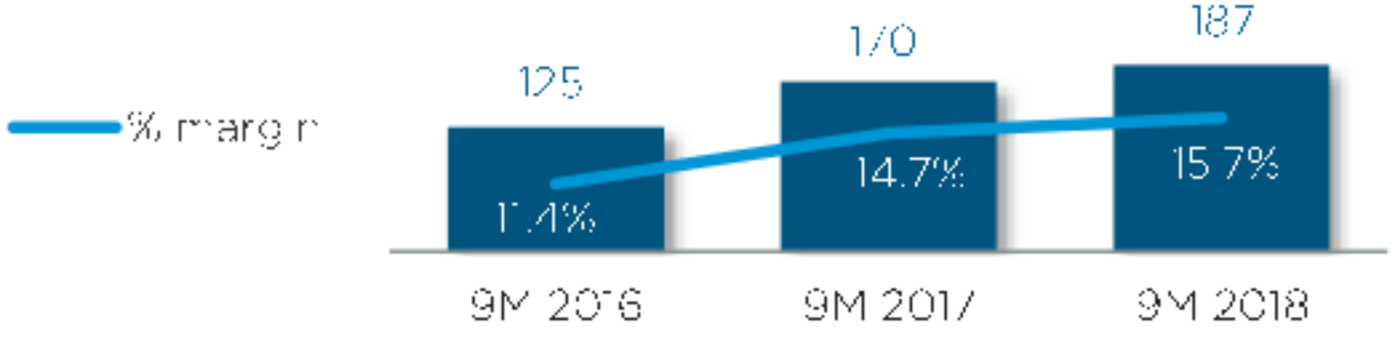
€ million / Recurring Activity	9M 2018 (1)	9M 2017	VAR.		9M 2018 with Hyperinflation	
	€m.	€m.	€m.	%.	€m.	%.
TOTAL REVENUES	**1,196.9**	**1,155.7**	**41.2**	**3.6%**	1,190.0	3.0%
Staff Cost	(402.4)	(396.2)	(6.2)	1.6%		
Operating expenses	(358.7)	(353.1)	(5.6)	1.6%		
GROSS OPERATING PROFIT	**435.9**	**406.4**	**29.5**	**7.2%**		
Lease payments and property taxes	(248.5)	(236.0)	(12.4)	5.3%		
EBITDA BEFORE ONEROUS	**187.4**	**170.4**	**17.0**	**10.0%**	185.3	8.8%

- **Cost control** in 9M 2018 **despite the occupancy growth (+0.5%)**
  - +1.6% increase in **Payroll cost** and +1.6% in **Operating Expenses** due to new openings. Impact of perimeter changes (openings and closings) fully explains the increase of staff costs and Operating expenses
- Improvement in GOP of +€29.5m (+7.2%). GOP margin improved by +1.2 p.p. reaching 36.4% due to a sound conversion rate of 71%
- Lease payments and property taxes increased -€12.4m (+5.3%). Perimeter changes and 2017 reforms explain respectively 37% and 14% of the increase. Variable lease components explain 19% of the total increase
- **Recurring EBITDA before onerous in 9M 2018 reached €187.4m (+€17.0m; +10.0%)** with a 41% conversion rate from incremental revenue to EBITDA affected by new openings. Excluding perimeter changes and reforms, LFL conversion rate reached 62%. EBITDA margin improved by +0.9 p.p. to 15.7%.
  - **Including hyperinflation** accounting standard effect (IAS 29) **recurring EBITDA reached €185.3m** (+€15.0m; +8.8%)

Gross Operating Profit (€m)(1)



Recurring EBITDA (€m)(1)



(1) Excluding hyperinflation accounting effect (IAS 29)

Significant improvement in Net Recurring Income

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€ million	9M 2018 [1]	9M 2017	VAR.	
	€m.	€m.	€m.	%.
EBITDA BEFORE ONEROUS	**187.4**	**170.4**	**17.0** [1]	**10.0%**
Margin % of Revenues	15.7%	14.7%		0.9 p.p.
Onerous contract reversal provision	1.9	3.1	(1.2)	-39.2%
EBITDA AFTER ONEROUS	**189.2**	**173.4**	**15.8**	**9.1%**
Depreciation	(82.3)	(81.0)	(1.3) [2]	1.6%
EBIT	**107.0**	**92.5**	**14.5**	**15.7%**
Interest expense	(24.9)	(41.5)	16.6 [3]	-40.0%
Income from minority equity interest	(0.1)	0.0	(0.1)	N/A
EBT	**82.0**	**51.0**	**31.0**	**60.9%**
Corporate income tax	(29.0)	(21.2)	(7.8) [4]	36.6%
NET INCOME BEFORE MINORITIES	**53.0**	**29.7**	**23.3**	**78.3%**
Minorities interests	(2.3)	(2.7)	0.4	14.9%
NET RECURRING INCOME	**50.7**	**27.1**	**23.7** [5]	**87.5%**
Non Recurring EBITDA [2]	101.4	8.8	92.6	N/A
Other Non Recurring items [3]	(52.5)	(11.4)	(41.1) [6]	N/A
NET INCOME INCLUDING NON-RECURRING	**99.6** [7]	**24.4**	**75.1**	**N/A**
TOTAL NET INCOME WITH HYPERINFLATION	**106.5** [8]	**24.4**	**82.1**	**N/A**

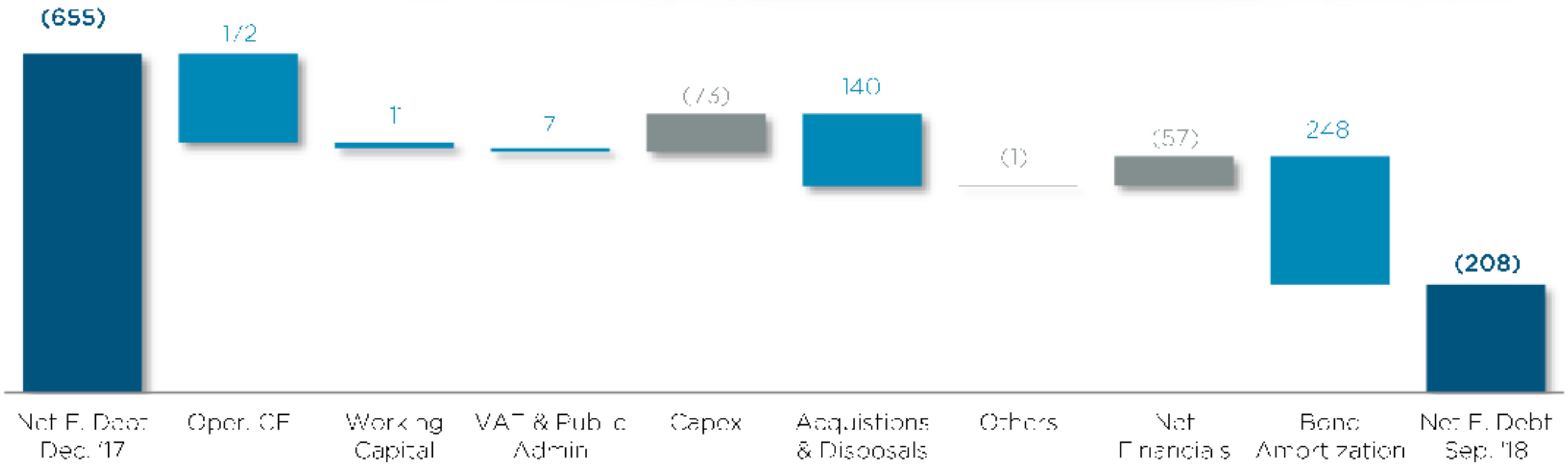
(1) Excludes hyperinflation accounting effect (IAS 29) unless it is included

(2) Includes gross capital gains from asset rotation

(3) Includes taxes from asset rotation

1. **Recurring EBITDA before onerous reached €187.4m (+€17.0m; +10.0%). Including hyperinflation** accounting standard (IAS 29) **recurring EBITDA reached €185.3m**
2. **Depreciation:** increase of -€1.3m due to 2017-2018 repositioning capex
3. **Financial Expenses:** decrease of +€16.6m 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 +€5.1m
   - Early redemption convertible bond: coupon savings (+€3.9m) and write off equity portion & arranging expenses reported as financial expense (-€0.9m). Annual cash savings €10m from 2019
   - The rest is mainly explained by the dollarization of cash balances in Argentina, which given the depreciation of ARS versus USD, generates a financial income
4. **Taxes:** The higher Corporate Income Tax (-€7.8m) is mainly explained by a better EBT performance (-€8.6m) partially compensated by lower adjustment for non-deductible financial expenses (+€0.7m)
5. **Net Recurring Income:** significant growth of +€23.7m (higher than EBITDA growth) reaching €50.7m due to business improvement and lower financials (€56.5m including hyperinflation accounting standard effect (IAS 29))
6. **Non Recurring Items:** mainly net capital gains from asset rotation (+€66m), partially offset by accelerated depreciation (-€12m) due to repositioning capex investments and redundancy payments of the efficiency plan (-€3m)
7. **Total Net Income reached €99.6m**, +€75.1m higher than in 9M 2017, affected by the higher contribution of net capital gains from asset rotation
8. **Including hyperinflation** accounting standard (IAS 29) **Total Net Income of €106.5m** positively affected by the revaluation of fixed assets in Argentina

Cash Flow Evolution



Financial Position: 30th September 2018
Gross Financial Debt: (€482m)
Cash: €273m
Net Financial Debt: (€208m)(1)

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

- **(+) Operating Cash Flow:** +€172.0m, including -€12.6m of credit card expenses and taxes paid of -€18.9m (excluding -€23.5m CIT Barbizon)
- **(+) Working Capital:** strong working capital management with focus on overdue recovery and DSR
- **(-) Capex payments:** -€73.5m in 9M 2018 due to the deployment of the capex throughout the year (2018 guidance c.€125m. Estimated final figure to be lower due to some calendar payments between the end of the year and beginning 2019)
- **(-) Other:** payment of severance and legal provisions
- **(+) Acquisitions & Disposals:** mainly +€130.6m Barbizon S&LB in Q1 (net of €23.5m taxes paid in 9M. €9m pending to be paid in Q4). The rest corresponds to other asset rotation transactions and second payment of Hesperia contract
- **(-) Net Financials & Dividends:** -€57.2m, including -€16.9m net interest expense and -€39.8m dividend payment (-€0.6m minority dividend)
- **Early Redemption Convertible Bond (€250m)** in June 2018. €1.7m paid in cash

(1) NFD excluding accounting adjustments arrangement expenses €15.7m, accrued interest €7.9m and (2) IFRS 9 adjustment €7.7m. Including these accounting adjustments, the Adj. NFD would be (€193m) at 30th September 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 (€7.7m as of 30th September 2018 as per the financial expense)

Strong deleverage achieved & Rating improvement

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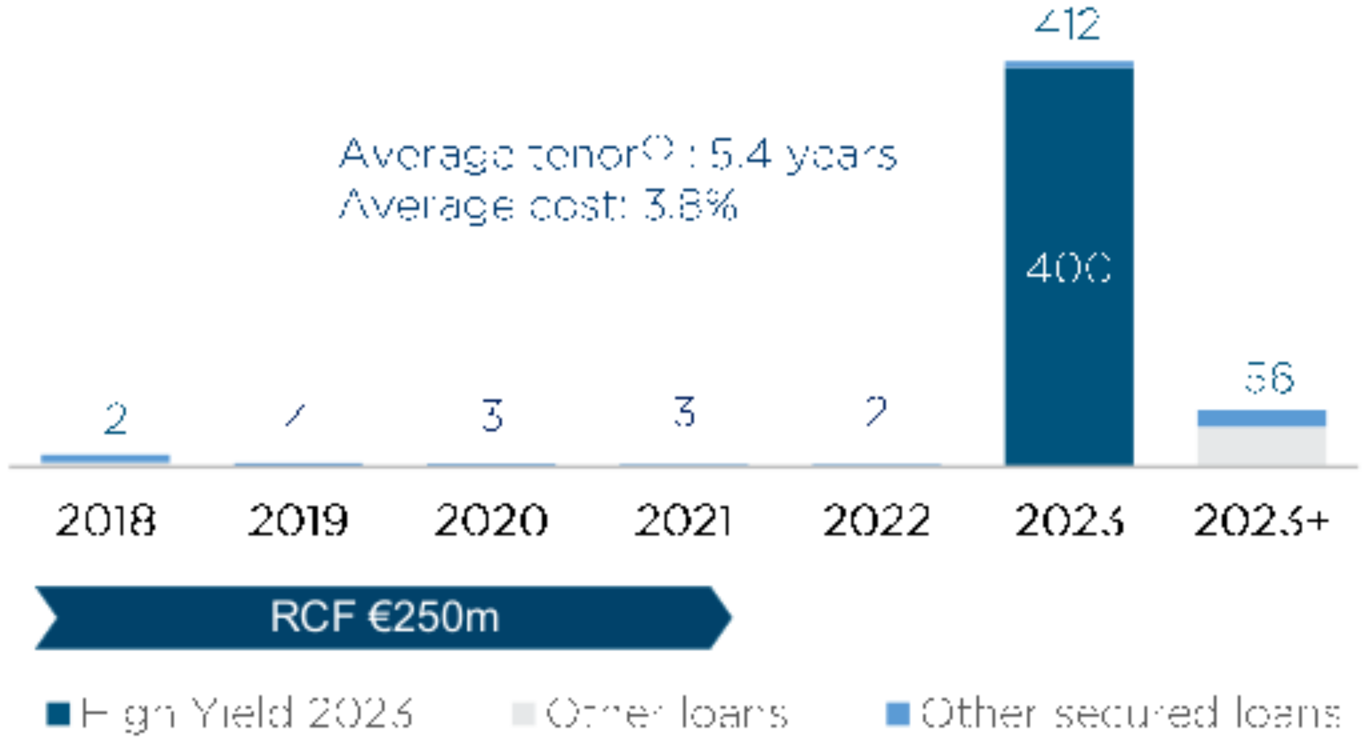
Debt Maturity Profile
30th September 2018: Gross debt (€482m)



- **Change of Control clauses:**
  - €250m RCF: Waiver obtained by unanimity of lenders on September 6th. Maturity preserved in 2021
  - €400m Bond 2023: NH has offered bond-holders to repurchase all outstanding 2023 Bond at 101% of principal amount. The tendered amount reached €3.2m of total nominal

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**

FitchRatings

- On March 28th, Fitch **upgraded the Corporate rating to 'B+' from 'B', and maintained the Positive Outlook**. 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

(1) Excluding subordinated debt (2023)

Tender offer by Minor International Group

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- **Addressed to the entire share capital** of NH excluding the shares owned by Minor International (46.4%)
- **Acceptance period:** 8th October – 22nd October
- **Tender Results acceptance (26th October):** 187.3 million shares, representing 88.85% of the shares addressed
- **Settlement:** 31st October

After the Tender Offer Minor International owns 369.2 million shares of NH Hotel Group representing 94.1% of the share capital constituted by 392.2 million shares

- Management team of NH has started to work with Minor International to define the Strategic Plan of NH to unlock value-accretive benefits across both complementary businesses, with the aim of maximizing shareholder value

Change of Control: Hesperia Management Contract

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Management Agreement	▪ On March 2017 NH signed a Framework Agreement with Grupo Inversor Hesperia S.A. (GIHSA) to manage 28 hotels in Spain (~4,000 rooms) for 9 years ▪ Investment by NH: €38.6m (€31m net investment due to the €7m compensation received for the early termination of the previous contract). Calendar of payments: • €17m on the date of signature • €10m on April 2018 • €11.6m on April 2019 (not disbursed) ▪ Change of Control clause incorporated in the Framework Management, with a right for NH to recover the non-amortized investment
Resolution	▪ Notification of termination sent by GIHSA on 4th September 2018 due to the expected change of control as a result of the Tender Offer by Minor International Group ▪ Contract resolution signed on 31st October 2018 with effective resolution date 30th November 2018
Compensation	▪ Return of Net Price Amount amounting €20.1m (guarantee granted within Framework Agreement signed in 2017) and withdrawal of the third payment (€11.6m on April 2019). ▪ Payment expected 30th November 2018 ▪ This Net Price return (€20.1m), together with the management fees received since 2017 (€7.5m in 2017 and €7.0m in 2018E) and Hesperia Brand repurchase (€1.4m), will allow NH to make profitable the investment made in 2017 & 2018

Annex

- Q3 Revenue:
  - Per Perimeter
  - Per B.U.
- Q3 RevPAR
- Q3 P&L

Note: Hyperinflation accounting (IAS 29) not included in business performance figures. See page 3 for financial impacts

Revenue performance in Q3 2018

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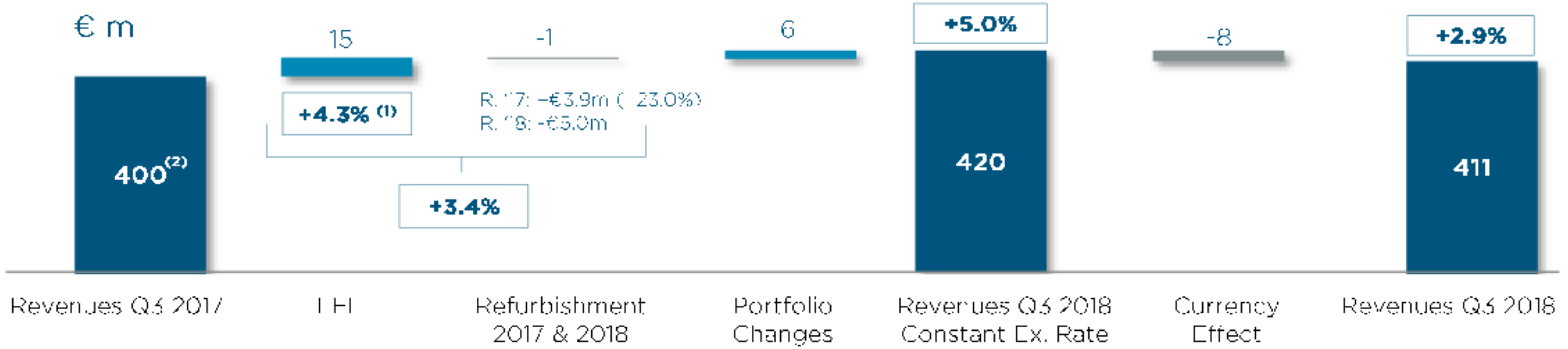
- **Total Revenue growth of +2.9% reaching €411m (+€12m), despite 2018 reforms (-€5m) and the negative currency effect (-€8m). +5.0% revenue growth at constant exchange rate**
  - Revenue Like for Like ("LFL"): +4.3% with constant FX (+1.7% reported):
    - Sound performance in Europe with a growth of +2.3%. Strong performance in Benelux (+6.4%) and Central Europe (+4.8%). Italy grew +2.0% despite the negative fair calendar in Milan and Spain (-3.2%) explained by the remarkable Q3 2017 LFL growth (+12%, strong congress calendar in Madrid) and Barcelona situation
  - Including the refurbished hotels, LFL&R grew +3.4% with constant FX (+1.3% reported)
    - 2017 refurbished hotels increased revenues by +€3.9m (+23.0%)
    - 2018 opportunity costs for renovations (-€5.0m): mainly from New York hotel (included in Spain B.U.) and Central Europe

Revenue Split	Var. Q3 2018
Available Rooms	+1.5%
RevPAR	+2.0%
Room Revenue	+3.6%
Other Revenue	+0.4%
Total Hotel Revenue	**+2.8%**
Non Hotel Revenue*	+€0.6m
Total Revenue	**+2.9%**

* Other: Capex Fees, Capitalization



Growth Contribution	+3.6%	+	-0.3%	+	+1.6%	=	+5.0%	+	-2.0%	=	+2.9%

Note: Hyperinflation accounting (IAS 29) not included in business performance figures

(1) On its 2017 own base. With real exchange rate growth is +1.7%

(2) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

Revenue performance by markets

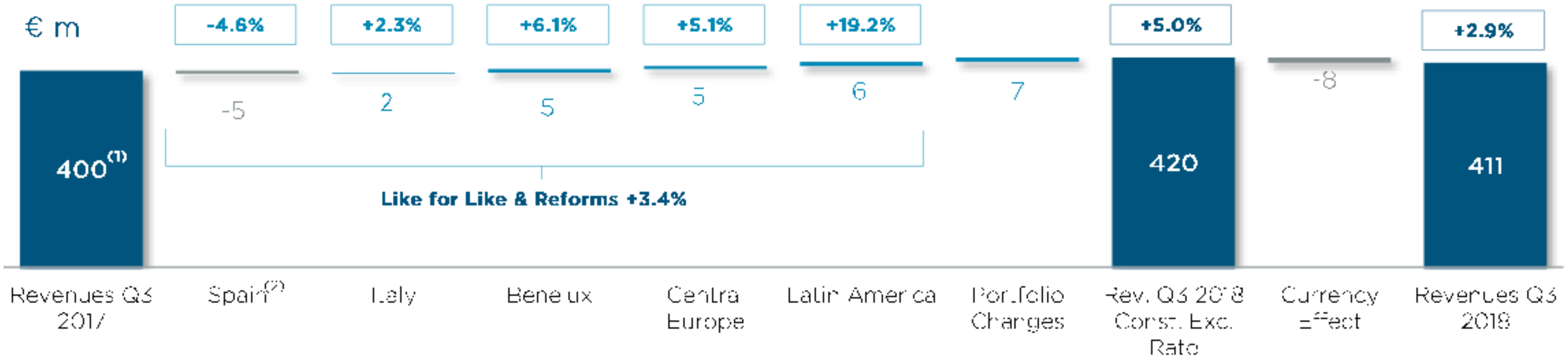
- **Spain:** -3.2% evolution on a LFL basis explained by the remarkable Q3 2017 LFL growth (+12%). Madrid declined -3.6% due to strong congress calendar in Sept. 2017 and Barcelona -8.0% due to the situation. Including reforms total revenue declined -4.6% mainly explained by NY refurbishment (-€2.5m)

- **Italy:** +2.0% growth in LFL with a strong performance in Rome (+9.0%) and secondary cities (+3.2%). Milan (-3.5%) negatively affected by the trade fair calendar in September. Including reforms and changes of perimeter total revenue grew +4.4%

- **Benelux:** outstanding LFL Revenue growth of +6.4% partially driven by the recovery in Brussels (+12.7%). Strong performance in Amsterdam (+5.9%) and secondary cities (+3.4%). Total revenue +10.9% benefiting from the opening of 2 leased hotels in Brussels and 1 in Eindhoven

- **Central Europe:** strong +4.8% LFL revenue growth due to a slightly favorable trade fair calendar and warm summer. Including the refurbished hotels in 2017 and the opportunity cost in 2 hotels under refurbishment in Q3 totaling -€2.6m, revenue increased +5.1% in LFL&R.

- **LatAm:** +19.2% growth in LFL&R with constant exchange rate (-4.8% reported). By regions. Mexico increased revenues +9% at constant exchange rate and including the negative currency evolution (-5%) reported revenues increased +4%. Argentina grew +69% in local currency and including the -85% currency evolution, reported figure is -9%. Hoteles Royal revenue decreased -4% with a flat currency evolution



	Spain	Italy	Benelux	Central Europe	Latin America	Ex-Currency	Reported
Revenue LFL	-3.2%	+2.0%	+6.4%	+4.8%	+25.2%	+4.3%	+1.7%
Total Revenue	-4.6%	+4.4%	+10.9%	+5.3%	+21.1%	+5.0%	+2.9%

Note: Hyperinflation accounting (IAS 29) not included in business performance figures

(1) From Q2 2018, rebates from procurement have been reclassified as less cost instead of an income in the revenue figure (Q1 2018 and 9M 2017 figures also reclassified)

(2) Includes France and New York.

RevPAR growth supported by ADR (85% contribution)

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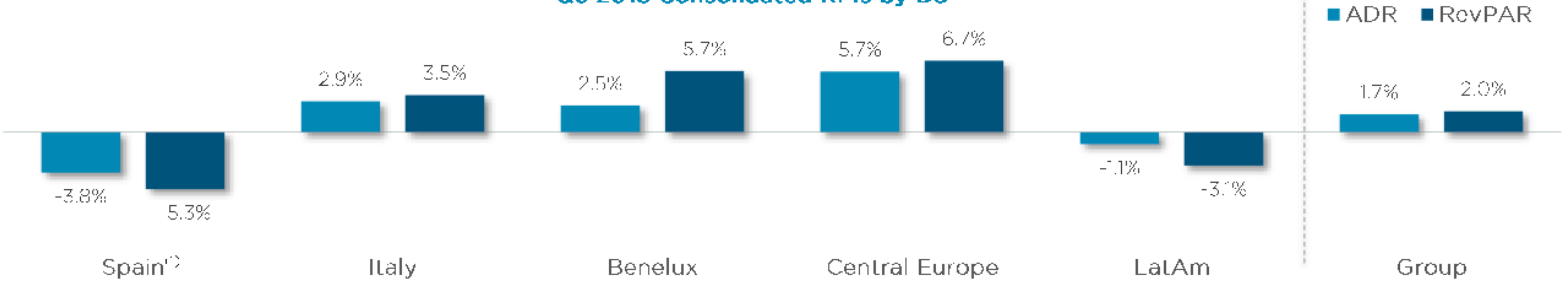
- **+2.0% RevPAR increase in Q3 2018, 85% through ADR**
  - Highlighting RevPAR growth in Central Europe (+6.7%), Benelux (+5.7%) and Italy (+3.5%)
  - ADR: +1.7% price increases (+€1.6) reaching €97. Remarkable growth in Central Europe (+5.7%) and Italy (+2.9%). Spain affected by 2018 reforms and the remarkable 2017 evolution
  - Occupancy: +0.3% activity increase (+0.2 p.p.) with strong demand growth in Benelux (+3.2%) due to Brussels recovery
- **LFL (excluding reforms) RevPAR grew +2.4%**
  - Spain (-4%): explained by the remarkable Q3 2017 (+15%). Madrid (-6%) negatively impacted by a relevant congress in September 2017, Barcelona (-11%) explained by the lower domestic leisure demand and secondary cities (+1%)
  - Italy (+3%): Good performance of Rome (+8%) and secondary cities (+5%). Milan (-4%) negatively affected by the trade fair calendar
  - Benelux (+8%): Outstanding performance in Brussels (+13%; due to higher occupancy), Amsterdam (+6%) and Dutch secondary cities (+6%)
  - Central Europe (+6%): Munich +20%, Berlin +14%, Frankfurt +7% and secondary cities (+4%) due to the favorable trade fair calendar and warm summer
  - LatAm (-2%; real exchange rate): Buenos Aires +8%, Mexico DF -7% and Bogota +5%. Argentina and Mexico impacted by strong negative currency effect

Q3 2018 Consolidated KPIs by BU



(1) Includes France and New York. Spain ADR -3.7% and RevPAR -4.8%

Significant improvement in Net Recurring Income

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€ million	Q3 2018 (1)	Q3 2017	VAR.	
	€m.	€m.	€m.	%.
TOTAL REVENUES	**411.5**	**399.8**	**11.7**	**2.9%**
Staff Cost	(135.1)	(133.7)	(1.4)	1.0%
Operating expenses	(121.0)	(120.2)	(0.8)	0.7%
GROSS OPERATING PROFIT	**155.4**	**145.9**	**9.5**	**6.5%**
Lease payments and property taxes	(83.0)	(78.6)	(4.4)	5.6%
EBITDA BEFORE ONEROUS	**72.4**	**67.3**	**5.1**	**7.6%**
Margin % of Revenues	17.6%	16.8%		0.8 p.p.
Onerous contract reversal provision	0.6	1.0	(0.4)	43.3%
EBITDA AFTER ONEROUS	**73.0**	**68.3**	**4.7**	**6.9%**
Depreciation	(27.7)	(27.1)	(0.6)	2.1%
EBIT	**45.3**	**41.2**	**4.1**	**10.0%**
Interest expense	(4.6)	(12.0)	7.4	-61.6%
Income from minority equity interest	(0.0)	(0.0)	0.0	N/A
EBT	**40.7**	**29.2**	**11.5**	**39.4%**
Corporate income tax	(12.1)	(9.8)	(2.3)	24.0%
NET INCOME BEFORE MINORITIES	**28.6**	**19.4**	**9.2**	**47.1%**
Minorities interests	(0.8)	(1.0)	0.2	-19.0%
NET RECURRING INCOME	**27.8**	**18.4**	**9.3**	**50.6%**
Non Recurring EBITDA	15.0	(1.1)	16.1	N/A
Other Non Recurring items	(7.5)	(0.5)	(7.0)	N/A
NET INCOME including non-recurring	**35.2**	**16.8**	**18.4**	**109.6%**

1. **Revenue** grew +2.9% reaching €411.5m (+€11.7m)
2. **GOP:** cost control allows to report a growth of +€9.5m in the third quarter reaching a margin of 38%
3. **EBITDA:** recurring EBITDA growth of +7.6% reaching €72.4m, which represents an increase of +€5.1m compared to Q3 2017. EBITDA margin improved +0.8 p.p. reaching 17.6%
4. **Net Recurring Income:** significant growth of +€9.3m (higher than EBITDA growth) reaching €27.8m due to the business improvement and lower financial costs
5. **Total Net Income** reached €35.2m, positively impacted by the contribution of net capital gains from asset rotation

(1) Excludes hyperinflation accounting effect (IAS 29)

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