3M 2015 PRELIMINARY SALES AND RESULTS

14 May 2015

NH | HOTEL GROUP

NH HOTELS

NH COLLECTION

nhow

Hesperia RESORTS

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***Note**: The "Like for Like plus Renovations" criteria (LFL&R) includes the hotels renovated in 2014 and 2015 so that the sample of "LFL" hotels is not reduced by the high number of hotels affected by renovations.*

- **Revenues and EBITDA of the group improved respectively by +4.5% and +35.1% due to the smooth evolution of the initiatives of the Strategic Plan and the integration of Hoteles Royal since the 1st of March.**

- **Without the contribution of Royal Hoteles in March revenues improved by +2.3% (vs. -1.0% in Q1 2014) and EBITDA improved by 23.8% (vs. -2.6 % in Q1 2014)**. Hereinafter data excludes Hoteles Royal unless otherwise specified.

- **Good performance in RevPar LFL&R for the first quarter +5.5% (+4.5% at constant exchange rates)** mainly **via price growth +7.4%** (+6.4% at constant exchange rates) with an increasing progression from January to March (ending March with an increase of +7.6%).

- **The adjustment in occupancy LFL&R -1.8%** in the quarter is due to the exit of **unprofitable rates** of tour operation which are **difficult to offset in the low-activity months but benefitting in high-demand** periods by releasing availability that will be sold to more profitable channels and segments.

- **All regions continued to report a positive RevPar behaviour during the first quarter, which was the fourth consecutive quarter with price rises.**

- **The adjusted recurring revenues due to exit of assets (€+2.2M) would have improved by +3.1% reaching €274.5M as opposed to €266.2M last year (€+8.3M).** Adjusting additionally the effect of the exchange rate recurring revenues would have improved by +2.5%, reaching €272.9M (€+6.7M).

- Total **recurring operating expenses including leases and adjusted for the exit of assets and for the currency would have increased in the quarter by +1.7%** reaching €277.3M (€+4.6M) **in line with the budget of the year** which assumes compensating increases in payroll expenses with reductions in operating expenses.

- **Payroll costs,** excluding the effect of €+0.9M of the exit of assets, the exchange rate impact of €-0.9M, the increase of €-0,8M due to collective agreements in Argentina by decree, and the temporary variation of €+0.7M of provision for the variable remuneration, **have increased by +2.1%** (+€ 2.3M), in line with the budget of the year. This increase is explained by the strengthening of management teams in Central Europe, Benelux and Latin America and by CPI increases and more hotels becoming Collection category.

- **Other operating expenses** excluding the impact of €-0.8M of the exchange rate and the effect of €+0.7M from the exit of assets **fell by -1.4% compared to the previous year (€-1.4M).** This decrease is mainly due to the reduction of €-2.1M of IT expenses by cancelling Oracle maintenance contracts and reducing the number of licenses, to the absence of €-0.4M of related to the strategic plan expenses and to the reversal of €-0,5M of provision for insolvencies. These reductions offset increases in commission expenses in line with higher sales and the increase of other variable expenses for the adequacy of the hotels to the Collection category.

- **The recurring EBITDA adjusted by the exit of assets and by the effect of the exchange rate has improved by +32.6% reaching €-4,3M against €-6,5M the previous year.**

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- **NH improves non-recurring net profit in Q1 2015 by +24.6% (+16.5% in recurring level)**, reducing losses of € -38,6M in Q1 2014 to € -29,1M in Q1 2015 in the first quarter of the second year of implementation of the strategic plan.

- The key initiatives of the Strategic Plan continue to develop positively in terms of timing and execution.

- On March the 4th the **acquisition of 87.28% of the shares of Hoteles Royal** from the majority shareholders was formalized. The payment of 20% is deferred to 2017 as security for possible contingencies. In addition with the 2.33% belonging to the same shareholder of the stake it has been agreed its acquisition in 2017. The **agreement with minority shareholders holding the remaining 10.4%** equity eliminates the deferral of payment and guarantees for possible contingencies, and as a result reduces the purchase price. It is expected to enforce the purchase of the 10.4% between the 19th and the 20th of May, 2015. With all, **the total price of the acquisition of Hoteles Royal amounts to €86.1M, € 1.0M below the statement with the announcement of the acquisition in February.**

- On February the 13th agreements were signed with four Spanish **finance institutions for a mortgage-secured loan with the hotel NH Carlton as guarantee for the sum of €40 million with a financial cost of Euribor +275pb and final maturity in November 2017**. The funds are destined for early repayment of the IMI mortgage loan (Euribor +425pb, maturing in 2015, with guarantee of 5 Italian hotels).

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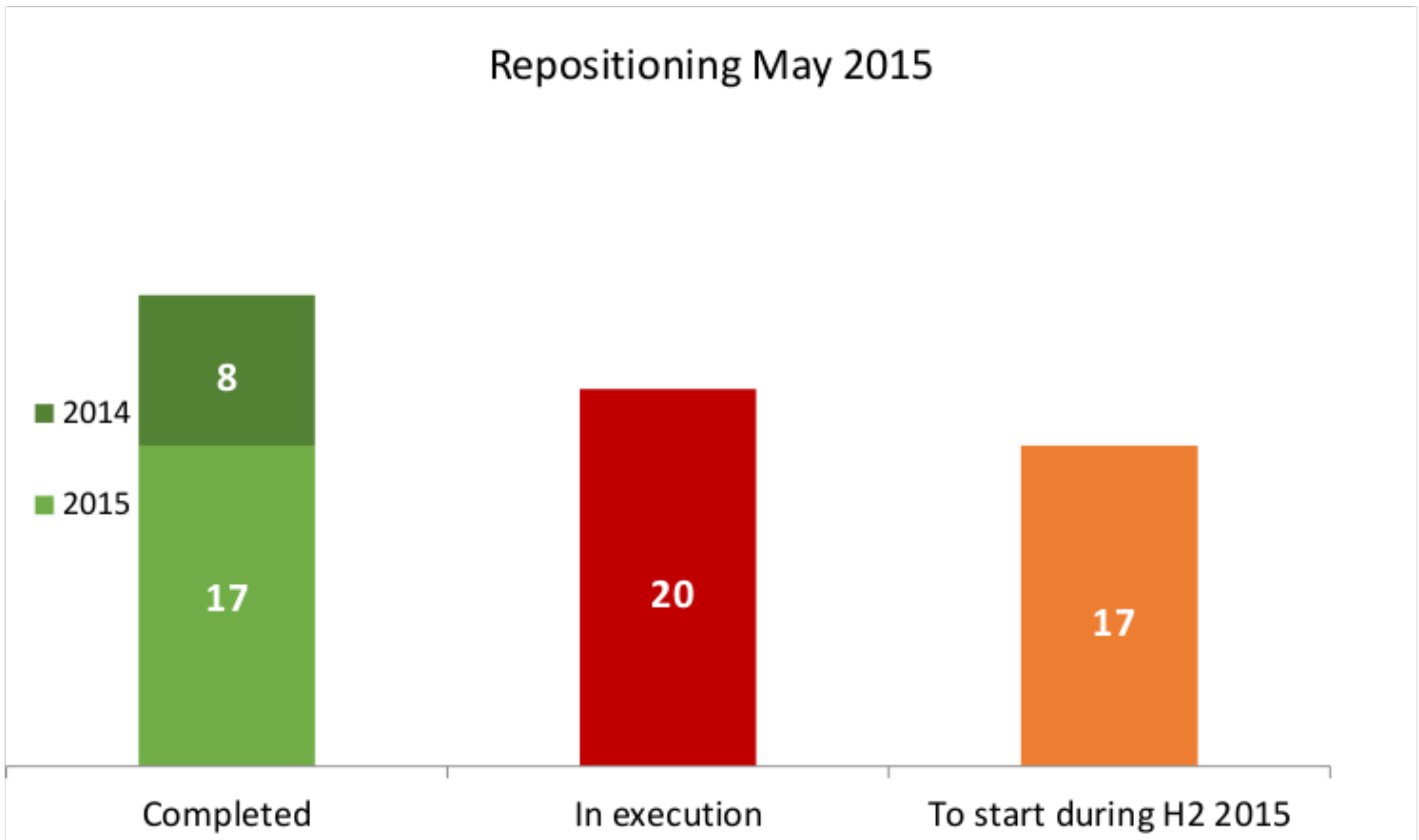
Outlook for 2015 and Status of the Strategic Plan:

- **2015:** Q1 evolution shows RevPar increases between +5% and +7% confirming the guidance of the year. The recurring EBITDA will grow by around 25% with respect to the previous year including the contribution of Hoteles Royal from 1 March 2015.

  In this second year of the Strategic Plan there will be special focus on the implementation of the pricing strategy, betting on growth in prices and leaving unprofitable channels and segments, complete the implementation of the IT systems and complete 75% of investments of the repositioning.

- **Repositioning Plan:**

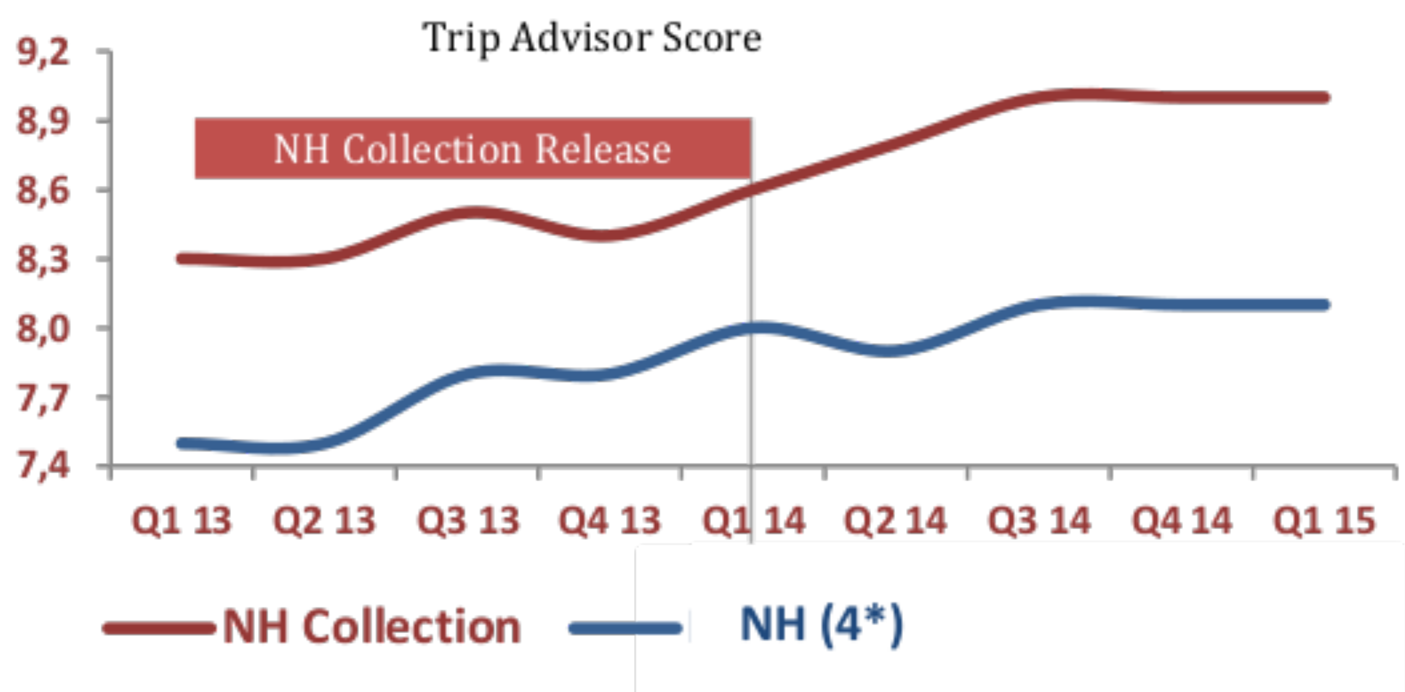


  Since the 5YP started, we have carried out the renovation of 25 hotels. The hotels that were completed before the start of 2015 and in which renovations had not yet started in Q1 2014 (NH Collection Eurobuilding (Madrid), NH Mitte (Berlin), NH Grand Place Arenberg (Brussels), NH Collection Abascal (Madrid), NH Munchen Messe (Munich), NH Frankfurt Airport West (Frankfurt) and NH Iruña Park (Pamplona) have achieved an average RevPar of 14.4% in Q1 2015.

  In terms of signage, 112 hotels are complete, and we can confirm the goal of changing all signages before the years end.

- **Brand:** NH Collection, with 31 hotels at the end of Q1 2015 (rising to 57 hotels in late 2015) is beginning to show its potential in terms of both quality (with better score even in hotels which have not been subject to refurbishment) and prices:

ADR Increase	Q1 2015
NH Collection	11,9%
NH 4*	5,9%



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We continue with the positive trend of increasing our TripAdvisor score as a group, after the implementation of the brilliant basics and the experience service elements. 25% of the group's portfolio are among the city Top 10 (40% for NH Collection hotels).

The marketing efforts of 2014, which will continue in 2015, have led to improved recognition and recommendation of the brand, obtaining improvements in several positions in Italy, Holland and Germany and maintaining the leading position in Spain.

We continue to strengthen our position in MICE ("meetings, incentives, conferences, and events") particularly in terms of technology (holographic telepresence and state of the art video conference) having entered into several commercial and collaboration agreements to promote the development of this technology in third-party hotel and conference centres. In addition, our agreement with Virtual Planner will allow us to display meeting spaces in high resolution on our website and improve conversion ratios. It will be implemented in the 17 hotels with the highest MICE component in the group throughout 2015.

The NH Rewards loyalty programme reached 4.5 million members by the end of March, representing 31% of chain sales. The NH Rewards Corporate campaign is expected to be implemented in 30 corporations throughout the year.

- **Pricing & Revenue Management**: The new architecture of B2C tariffs and types of room and the price strategy or hotel indexation in the top 20 destinations are in the optimisation stage (segmentation changes, price strategy readjustment) after being implemented in the entire portfolio. The new Revenue Management structure is operative in all the Business Units except in America, which after the acquisition of Hoteles Royal will be operative in the third quarter of the year.
- **IT:** The month of January ended with migration of back office systems in Italy and in America in April and therefore all BU have now migrated. We continue to improve processes and optimise efficiency. The front office migration has been performed in 209 hotels in Spain, Benelux, and Germany. The final target for this year is considering migration of 100% hotels.

  Performance and usability improvements are being introduced in the new website to speed up growth (+6.5% in March vs 2014). In January the new brand was launched for NH Collection (www.nh-collection.com) and in May the Hesperia brand website will be operative.
- **Support functions:** in 2015 Italy joined the Spain, Benelux and Central Europe BU where implementation of the shared services centre has been completed. The transition of America is expected for the Q2 2015. We will maintain detailed monitoring to ensure that savings are reflected in the income statement.
- **Sale of assets and optimisation of the portfolio:** In January 2015 the NH Bogotá Parque 93 hotel was sold, as part of the restructuring of capital in the region following the acquisition of Hoteles Royal. As part of the portfolio optimisation plan, the 2015 target affects 13-15 hotels, of which 4 hotels exited up to April.
- **Rentals:** The initiative of rents is progressing well and is in line with the objectives of the company.
- **Hoteles Royal Integration:** The integration of Hoteles Royal began in March 2015. The change of signage has been completed in 13 hotels in Colombia (7 NH Collection) and it will end on May 26 in the remaining 7 hotels. Of the 20 hotels, 11 will be NH Collection. The change to the sales channels of NH is scheduled for May 20th in Colombia and Ecuador, and on May 26th in Chile. Radisson hotels will be added upon completion of the rebranding at the end of May. The brand launch, with special emphasis on the Collection, will be held locally on June 1 in Colombia, while global launch will be on September 10 with a press trip an event with international and relevant institutions

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RevPar Evolution

- The evolution of the RevPar LFL in the first quarter of the year (+5.5% and +4.4% at a constant exchange rate) consolidates the growth reported in the last quarters. The improvement in the composition of the RevPar became stronger with an increase in prices in Q1 2015 of +7.4% (+6.4% at constant exchange rate) and -1.8% occupancy after the exit of unprofitable tariffs hard to offset in low-activity months but benefitting high-demand months by releasing availability that will be sold to more profitable channels and segments.
- During Q1, as in the last quarter of 2014, all business units had a positive performance in terms of RevPar LFL . Within this evolution, the BU in Italy stand out with a growth of RevPar LFL&R of+7.0% and the BU in Spain, with a RevPar LFL&R growth of +6.5%, both with average price growth of +8.7%.
- Expectations for Q2 2015 are very positive, with forecasts for RevPar increments in LFL&R close to two digits based on ADR as in the first quarter.

NH HOTEL GROUP REVPAR Q1 2015

	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2.015	2.014	2.015	2.014	% Var	2.015	2.014	% Var	2.015	2.014	% Var
Spain & Portugal LFL&R	11.220	11.566	56,5%	57,6%	-2,0%	71,4	65,7	8,7%	40,3	37,9	6,5%
B.U. SPAIN	11.397	12.172	56,4%	56,9%	-1,0%	71,1	65,5	8,6%	40,1	37,3	7,6%
Italy LFL&R	7.211	7.100	54,7%	55,6%	-1,6%	94,9	87,3	8,7%	51,9	48,6	7,0%
B.U. ITALY	7.331	7.100	54,8%	55,6%	-1,5%	94,5	87,3	8,3%	51,8	48,6	6,6%
Benelux LFL&R	8.381	8.384	56,7%	57,8%	-1,9%	85,3	81,8	4,3%	48,4	47,3	2,3%
B.U. BENELUX	8.403	8.428	56,7%	57,7%	-1,7%	85,0	81,6	4,2%	48,2	47,1	2,4%
Central Europe LFL&R	12.555	12.628	62,5%	63,8%	-2,0%	81,8	77,9	5,1%	51,2	49,7	3,0%
B.U. CENTRAL EUROPE	12.555	12.628	62,5%	63,8%	-2,0%	81,8	77,9	5,1%	51,2	49,7	3,0%
Total Europe LFL&R	39.367	39.678	58,1%	59,3%	-1,9%	81,9	76,8	6,6%	47,6	45,5	4,6%
TOTAL EUROPE CONSOLIDATED	39.686	40.328	58,1%	59,0%	-1,5%	81,7	76,6	6,7%	47,5	45,2	5,0%
Latin America LFL&R	3.044	3.043	64,5%	64,7%	-0,3%	71,4	59,5	20,0%	46,1	38,5	19,6%
LATINAMERICA CONSOLIDATED	3.044	3.180	64,5%	64,8%	-0,4%	71,4	60,5	18,1%	46,1	39,2	17,6%
NH Hotels LFL&R	42.411	42.721	58,6%	59,7%	-1,8%	81,1	75,5	7,4%	47,5	45,0	5,5%
TOTAL CONSOLIDATED	42.730	43.508	58,6%	59,4%	-1,5%	80,9	75,3	7,4%	47,4	44,8	5,8%

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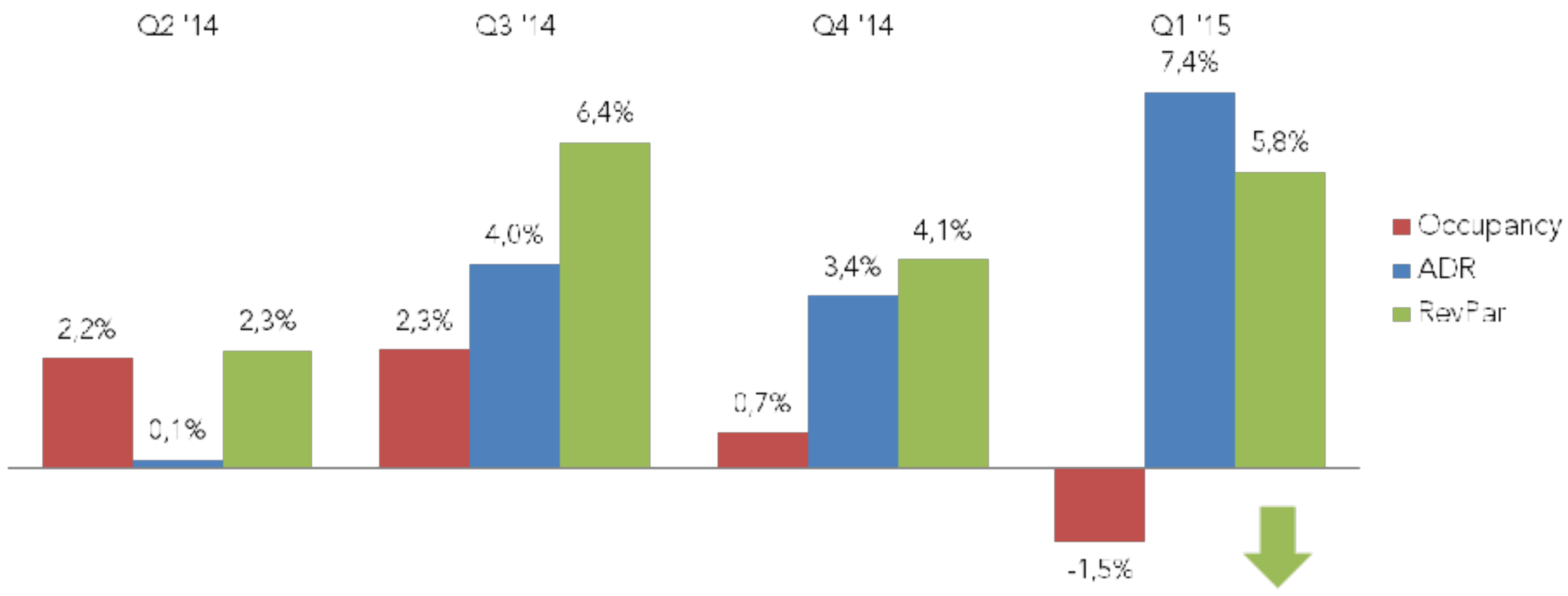
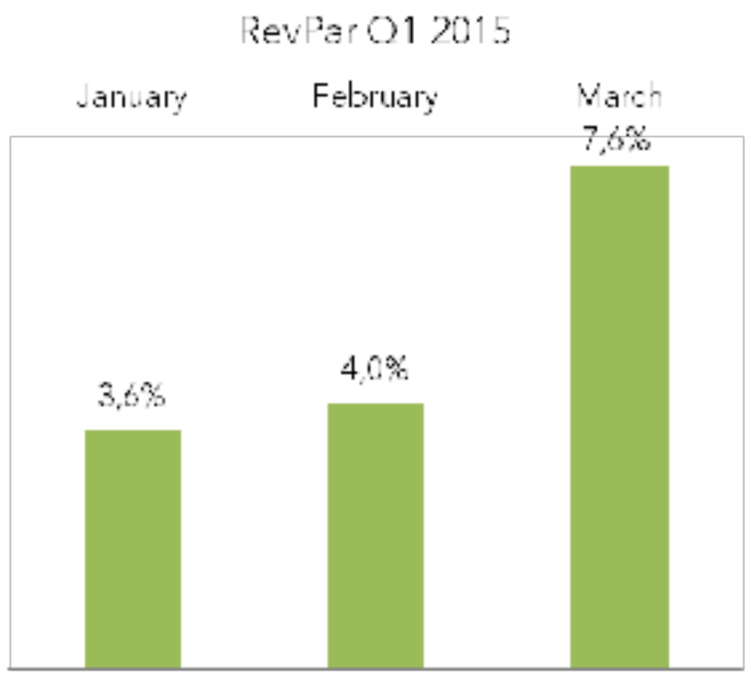
Quarterly Consolidated Ratio evolution:





The good performance of the RevPar in March is partly due to the change of date of the Barcelona Mobile World Congress 2015, which was held in February in 2014. Nonetheless, the preliminary results for April confirm this positive trend.

	Business Unit Evolution											
Consolidated Ratios	Occupancy				ADR				RevPar			
% Var	Q2 '14	Q3 '14	Q4 '14	Q1 '15	Q2 '14	Q3 '14	Q4 '14	Q1 '15	Q2 '14	Q3 '14	Q4 '14	Q1 '15
Spain	2,3%	1,2%	2,1%	-1,0%	1,7%	8,2%	5,8%	8,6%	4,0%	9,4%	8,1%	7,6%
Italy	1,6%	2,6%	3,4%	-1,5%	6,1%	6,9%	5,3%	8,3%	7,7%	9,7%	8,9%	6,6%
Benelux	1,6%	0,7%	-2,2%	-1,7%	-4,1%	-0,5%	3,9%	4,2%	-2,5%	0,3%	1,6%	2,4%
Central Europe	2,2%	3,5%	0,4%	-2,0%	-0,6%	4,2%	0,1%	5,1%	1,7%	7,8%	0,5%	3,0%
TOTAL EUROPE	2,1%	2,2%	0,9%	-1,5%	0,5%	4,7%	3,4%	6,7%	2,6%	7,1%	4,4%	5,0%
Latin America real exchange rate	3,6%	3,6%	-1,7%	-0,4%	-6,0%	-6,4%	2,1%	18,1%	-2,5%	-3,1%	0,3%	17,6%
NH HOTELS	**2,2%**	**2,3%**	**0,7%**	**-1,5%**	**0,1%**	**4,0%**	**3,4%**	**7,4%**	**2,3%**	**6,4%**	**4,1%**	**5,8%**
Latin America cst exchange rate	3,6%	3,6%	-1,7%	-0,4%	22,6%	20,7%	28,1%	10,3%	27,1%	25,0%	25,9%	9,8%

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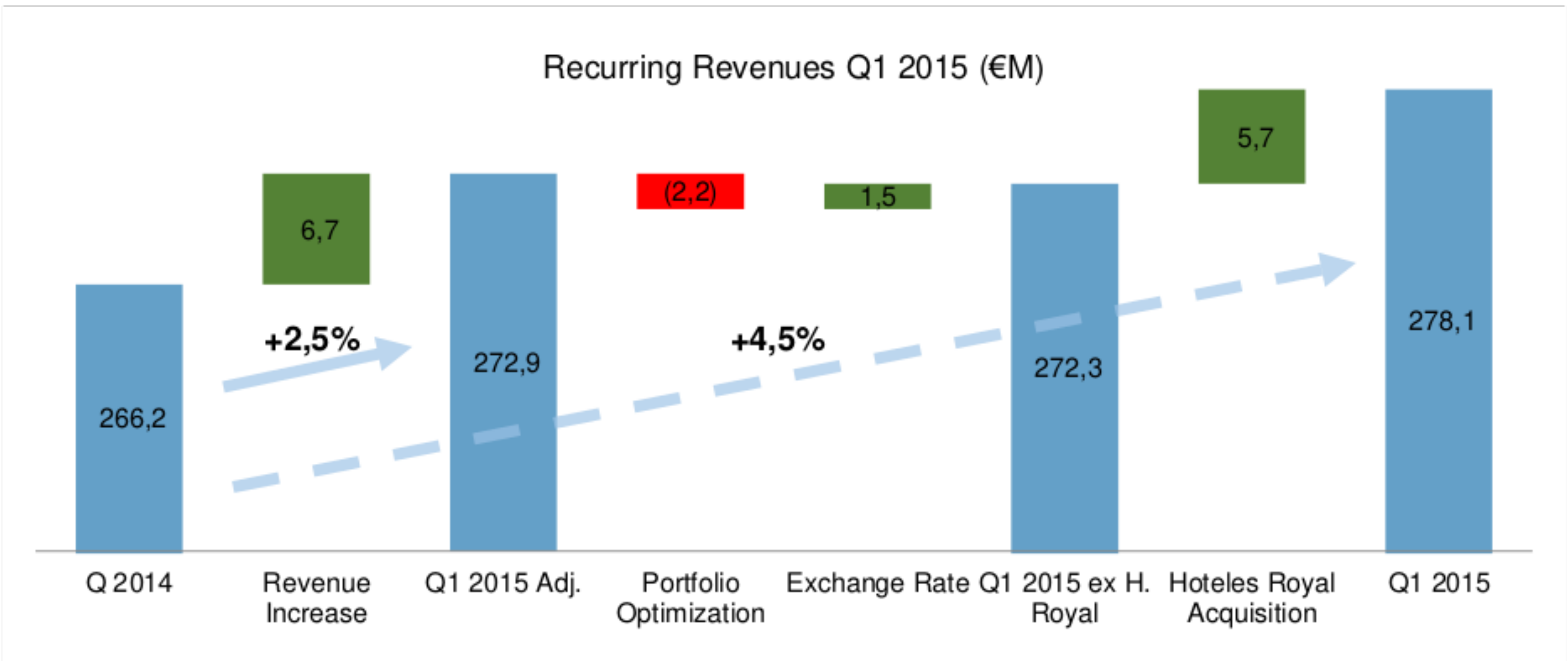
Recurrring Results

- **The adjusted recurring revenues due to exit of assets (€+2.2M) would have improved by +3.1%** reaching €274.5M as opposed to €266.2M last year (€+8.3M). **Adjusting additionally the effect of the exchange rate recurring revenues would have improved by +2.5%**, reaching €272.9M (€+6.7M). Including revenues Royal Hotel from 1 March, revenues increased +4.5% increase.



- **Total operating expenses including leases and adjusted for the exit of assets and the effect of exchange rates, rose by +1.7%,** in line with the plan which assumes increase of payroll expenses compensated by reductions of operating expenses and lower than the increase in revenue.

- **Personnel expenses**, excluding the effect of €+0.9M of the exit of assets, the exchange rate impact of €-0.9M, the increase of €-0,8M due to collective agreements in Argentina by decree, and the temporal variation of €+0.7M of provision for the variable remuneration, **increased by +2.1%** (+€ 2.3M), in line with the budget of the year. This increase is explained by the strengthening of management teams in Central Europe, Benelux and Latin America and by CPI increases and more hotels becoming Collection category.

- **Other operating expenses** excluding the impact of €-0,8M of the exchange rate and the effect of €+0.7M from the exit of assets **fell by -1.4% compared to the previous year (€-1.4M).** This decrease is mainly due to the reduction of €-2.1M of IT spending by cancelling Oracle maintenance contracts and reducing the number of licenses, to stop incurring in expenses of €-0.4M related to the strategic plan and to the reversal of € -0,5M provision for insolvencies. These reductions offset increases in commission expenses in line with higher sales and the increase of other variable expenses for the adequacy of the hotels to the Collection category.
- As a result the recurring **EBITDA adjusted by the exists and by the effect of the exchange rate** it has improved in Q1 2015 by **+ 32.6%** to €-4,3M against € -6,5M last year.

- Due to all this and to the -44.4% reduction in the net financial expense, the recurring net result of the Company has improved by +16.5%, reducing the €-33.8M losses to €-28.2M.

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B.U. Spain

- Favourable performance during the first quarter with a RevPar LFL&R growth of +6.5%, explained by the growth in price level (+8.7%) greater than in previous quarters and adjustments in occupancy levels.
- Revenues LFL&R grew by +2.6% (€+1.6M) due to the 3.0% decrease in available rooms in hotels under renovation and to the lower revenues from the fees of the hotels under management due to the exits of last year.
- Operating expenses increased by +1.7% (€+0.9M) due to variable expenses (€+0.8M) (i.e. purchases, room materials, laundry etc.) which increased due to the adaptation of hotels to the new standards of NH Collection. The performance of payroll expenses are remarkable (+0.1%).
- Lease payments decreased by -2.9% as a result of rent renegotiation. Due to the lower reversal of the onerous provision in 2015, the level of rents increase by +7.0%.
- Without considering such provision, the EBITDA LFL&R stands at €-7.7M as opposed to €-9.0M from last year, showing improvement of €+1.3M (+14.6% vs 2014).Taking into consideration the onerous provision, EBITDA LFL&R is positioned at €-5.3M as opposed to €-4.9M from last year, showing a decrease of €-0.4M (-8.8% vs 2014).
- Perspectives for the second quarter are positive with two digit RevPar increases.

B.U. Italy

- Continues to experience the good trend of 2014, with a RevPar LF&RL increase of +7.0%, 125% of which is explained by the growth in price level (+8.7%) and a reduction in occupancy of -1.6%.
- The lower revenue growth is explained by the reduced Food and Beverages and salon rental, due to the renovation of NH Milanofiori and its conference centre.
- Excellent performance of operating expenses of +0.7% (€+0.3M), which have made it possible to increase the GOP LFL&R by +25.2%.
- The reopening of NH Collection Palazzo Barocci, which was being renovated in Q1 2014, has led to a growth in the rent level of +4.9% (€+0.5M), as an exemption in the rent was agreed with the owner while it been refurbished.
- Outlook for the second quarter continues to be positive: the opening of the Expo in Milan in May with a significant presence of 11 hotels with 2,157 rooms.

B.U. Benelux

- This is the business unit that has released the most inventory from tour operation rates (less profitable), which are hard to offset in low-activity months, both Q4 and Q1, but will benefit us in high-demand months. For this reason, the RevPar LFL&R in Q1 grew by +2.3%, explained by the good performance of average prices (+4.3%) and occupancy adjustment (-1.9%)
- The lower Food and Beverage revenue, due to the release of inventories, meant that revenues LFL&R decreased by -1.1% (€-0.6M) less than the RevPar increase.
- The reduction in operating expenses -2.1% (€-1.0M) was caused by the increase in payroll expenses of +2.7%, due to the additional support of the regional team and by the reduction in operating expenses of -7.9%, mainly caused by the change in the calculation of city tax in Belgium and to the reversal of the default provision. Due to the above and together with the reduction in lease payments of -1.7% (€-0.2M), the EBITDA LFL&R increased by +22.1% (€+0.6M) reaching the amount of €2.9M.

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- With April results, showing a two-digit RevPar growth, we expect an increasing performance during the second quarter. Both in Amsterdam and in Brussels we expect above average performance due to the 5 in-depth refurbishments expected to be completed after the summer, of which 3 will be hotels upgraded to NH Collection.

B.U. Central Europe

- RevPar LFL&R growth of +3.0%, due to the effect of the change in segmentation with occupancy adjustment of -2.0%, achieving price increase of +5.1% despite the lower number of trade fairs in the main cities. Special mention to the city of Munich with a two digit growth.
- Revenues LFL&R grew by +1.9% (€+1.6M), due to the lower number of rooms available (-0.6%), caused by the refurbishments in hotels and the depreciation of the Euro with respect to the Swiss Franc (€-0.4M).
- Good performance of operating expenses with a slight increase of +0.5% (€+0.3M). Payroll expenses have increased by +1.6% (€+0.5) due to the implementation of the minimum salary affecting externalizations conducted during 2014, the increase in the collective bargaining agreements in 2014 (starting in Q2) and in 2015 starting in January (having a negative effect in Q1) and finally due to the effect of the Swiss franc. This performance was partially offset by a reduction in the other operating expenses by -1.8% (€0.2M) due to energy savings resulting from renegotiation of contracts and a warmer winter.
- The increase in the rent levels was +1.2% due to the CPI increase, the impact of variable rents, and the appreciation of the Swiss Franc exchange rate, obtaining a EBITDA LFL&R of +17.1% (€+1.0M).
- An increasing performance is expected as the 8 hotels refurbished during Q2 and Q3 are completed. There will be 4 Collection hotels by the end of 2015.

B.U. The Americas

- Starting the next quarter we will report separately the results of Mexico and Mercosur.
- The RevPar LFL&R increased by +19.6% (+11.7% at constant exchange rate), mainly explained by a significant price increase of +20.0% (+12.1% at constant exchange rate).
- Revenues LFL&R at real exchange rate grew by +12.4%, below the RevPar LFL increase due to a lower growth rate in Food and Beverage revenues. Operating expenses as a whole increase by +18.5%. The EBITDA reported by the business unit decreased by €-0.3M, mainly because of the performance of Argentina.
- Mexico experienced a RevPar LFL&R increase in the first quarter of the year of +12.3%, with an ADR increase of +21.4% and a decrease in occupancy of -7.4%. At constant exchange rate RevPar LFL&R has increased by +4.1% and an ADR increase of +12.5%.
- Revenues have increased in Mexico by +1.0% in local currency, due to lower F&B sales, caused by a lower occupancy and operating costs of +1.9%. Obtaining a GOP similar to the previous year.
- Argentina, at real exchange rate, RevPar LFL increased in Q1 by +28.8%, caused by a strong increase in ADR +22.0% and an increase in occupancy of +5.6%. At constant exchange rate, RevPar LFL increased in Q1 by +21.5% and ADR increase by +15.0%, below the CPI increase.
- Argentina has marked the negative evolution of the business unit, causing the fall in EBITDA in €-0.3M, motivated by a revenue increase in local currency of +19.5%, with an ADR increase of +15.6%, below the operating expenses increase of +39.3%. Payroll expenses have increased by +42.5%, mainly because of the collective bargaining agreement salaries increase by +32.3%. On the other hand, operating expenses have increased by +36.2% as a result of the real CPI experiences in the country and the increase in occupancy. We are working to solve this problem.

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CLOSING AS OF MARCH 2015 VS 2014 HOTEL ACTIVITY (Excluding H. Royal)			
(€ millon)	**2015 3 meses**	**2014 3 meses**	**%DIFF**
SPAIN	62.959	61.362	2,6%
ITALY	47.222	44.818	5,4%
BENELUX	58.678	59.315	-1,1%
CENTRAL EUROPE	82.967	81.416	1,9%
AMERICA	17.213	15.315	12,4%
RECURRING REVENUE LFL&R	**269.039**	**262.226**	**2,6%**
OPENING, CLOSING & OTHERS	**3.291**	**3.971**	**-17,1%**
RECURRING REVENUE	**272.330**	**266.197**	**2,3%**
SPAIN	50.719	49.848	1,7%
ITALY	36.543	36.287	0,7%
BENELUX	44.966	45.953	-2,1%
CENTRAL EUROPE	61.182	60.908	0,5%
AMERICA	13.247	11.183	18,5%
RECURRING OPEX LFL&R	**206.657**	**204.179**	**1,2%**
OPENING, CLOSING & OTHERS	**2.543**	**2.529**	**0,6%**
RECURRING OPERATING EXPENSES	**209.200**	**206.707**	**1,2%**
SPAIN	12.240	11.514	6,3%
ITALY	10.678	8.531	25,2%
BENELUX	13.712	13.363	2,6%
CENTRAL EUROPE	21.785	20.508	6,2%
AMERICA	3.966	4.132	-4,0%
RECURRING GOP LFL&R	**62.382**	**58.048**	**7,5%**
OPENING, CLOSING & OTHERS	**748**	**1.442**	**-48,1%**
RECURRING GOP	**63.130**	**59.490**	**6,1%**
SPAIN	17.556	16.401	7,0%
ITALY	10.852	10.344	4,9%
BENELUX	10.731	10.920	-1,7%
CENTRAL EUROPE	26.335	26.036	1,2%
AMERICA	1.363	1.217	12,0%
RECURRING LEASES & PT LFL&R	**66.838**	**64.919**	**3,0%**
OPENING, CLOSING & OTHERS	**1.242**	**1.071**	**15,9%**
RECURRING LEASES & PROPERTY TAXES	**68.080**	**65.990**	**3,2%**
SPAIN	-5.316	-4.887	-8,8%
ITALY	-174	-1.814	90,4%
BENELUX	2.981	2.442	22,1%
CENTRAL EUROPE	-4.550	-5.527	17,7%
AMERICA	2.603	2.915	-10,7%
RECURRING EBITDA LFL&R	**-4.456**	**-6.871**	**35,2%**
OPENING, CLOSING & OTHERS	**-494**	**371**	**-233,3%**
RECURRING EBITDA	**-4.950**	**-6.500**	**23,8%**

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Consolidated Profit and Loss Account

NH HOTEL GROUP P&L ACCOUNT					
	NH (ex. Hoteles Royal)			NH TOTEL	
(€ million)	3M 2015	3M 2014	2015/2014	3M 2015	2015/2014
	M Eur.	M. Eur	Var. %	M. Eur	Var. %
Hotel Revenues	272,3	266,2	2,3%	278,1	4,5%
TOTAL REVENUES	**272,3**	**266,2**	**2,3%**	**278,1**	**4,5%**
Staff Cost	(113,2)	(109,4)	3,4%	(115,1)	5,2%
Operating expenses	(96,1)	(97,3)	(1,3%)	(98,4)	1,1%
GROSS OPERATING PROFIT	**63,1**	**59,5**	**6,1%**	**64,6**	**8,6%**
Onerous contract reversal provision	2,6	4,5	(40,8%)	2,6	(40,8%)
Lease payments and property taxes	(70,7)	(70,5)	0,4%	(71,5)	1,4%
EBITDA	**(5,0)**	**(6,5)**	**23,8%**	**(4,2)**	**35,1%**
Depreciation	(21,9)	(22,5)	(2,7%)	(22,2)	(1,6%)
EBIT	**(26,9)**	**(29,0)**	**7,4%**	**(26,4)**	**9,1%**
Interest expense	(7,6)	(13,7)	(44,4%)	(7,8)	(43,4%)
Income from minority equity interests	(0,02)	(0,04)	(50,0%)	(0,0)	(50,0%)
EBT	**(34,5)**	**(42,8)**	**19,3%**	**(34,2)**	**20,1%**
Corporate income tax	6,6	4,4	51,8%	6,4	47,0%
NET INCOME before minorities	**(27,9)**	**(38,4)**	**27,4%**	(27,8)	**27,8%**
Minority interests	(0,3)	4,6	(107,2%)	(0,4)	(108,9%)
NET RECURRING INCOME	**(28,2)**	**(33,8)**	**16,5%**	**(28,2)**	**16,7%**
Non Recurring EBITDA	(0,7)	(3,5)	80,5%	(0,8)	76,7%
Other Non Recurring items	(0,2)	(1,3)	88,4%	(0,1)	91,5%
NET INCOME including Non-Recurring activity	**(29,1)**	**(38,6)**	**24,7%**	**(29,1)**	**24,6%**

- **Leases:** Isolating the rent increase due to the change in ownership of the NH Amsterdam Centre, the renegotiation of contracts made it possible to obtain savings for €0.7M offsetting the increases in negotiations in prior years and CPI reviews. In this quarter, 3 actions took place with respect to leased hotels, and one lease agreements with negative contribution was terminated. The expected annual impact of this actions, and as well as the 9 actions of the end of 2014 which impact in 2015 have achieved annualized savings of €2,7M (40% of the annual target)
- **Financial expenses:** the reduction of financial expenses is accounted for by the positive impact of €+4.0M due to differences in the exchange rate and other financial revenues. Gross financial expenses decreased due to the reduction of the debt and the lower reference interest rate.
- **Non-Controlling Interests:** in 2014, these mainly show results attributable to the NH Hotel Group partner in the Italian business unit up to acquisition of 44.5% remaining capital of NH Italia at the end of June 2014.

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Non-recurring activity:

- **Non-recurring EBITDA**: The variation in EBITDA is mainly due to capital gains for the sale of Parque de la 93.
- **Other non-recurring items:** The variation is mainly due to differences in exchange rate for denominated investments in USD and to the accelerated depreciation of assets that exited the perimeter.

Financial debt and liquidity

Financial Debt, unaudited (incorpora deuda y caja Hoteles Royal)

As of 31/03/2015 Data in Euro million	Maximum Available	Availability	Drawn	Debt maturities * 2015	2016	2017	2018	≥ 2019
Senior Credit Facilities								
Syndicated Term Loan Facility	114,3		114,3	19,0	19,0	76,3	-	-
Syndicated Revolving Credit Facility	66,7	66,7						
Senior Secured Notes due 2019	250,0		250,0	-	-	-	-	250,0
Total debt secured by the Collateral	**431,0**	**66,7**	**364,3**	**19,0**	**19,0**	**76,3**	-	**250,0**
Other Secured loans	144,6		144,6	26,2	52,4	39,3	7,9	18,9
Total secured debt	**575,6**	**66,7**	**508,9**	**45,2**	**71,4**	**115,6**	**7,9**	**268,9**
Senior Unsecured Convertible Bonds due 2018	229,4		229,4	-	-	-	229,4	-
Unsecured loans	27,6	11,5	16,1	16,1				
Subordinated loans	75,0		75,0	-	-	-	-	75,0
Total unsecured debt	**331,9**	**11,5**	**320,5**	**16,1**	**0,0**	**0,0**	**229,4**	**75,0**
Arranging loan expenses			(18,5)	(1,3)	(0,3)	(2,2)	(5,1)	(9,7)
Accrued interests			9,1	9,1	-	-	-	-
Total debt	**907,5**	**78,1**	**820,0**	**69,1**	**71,1**	**113,5**	**232,2**	**334,2**
Cash and cash equivalents **			75,6					
Net debt			**744,4**					

* According to original amortization schedules
** Does not include the market value of nine million treasury shares we lend to the joint lead managers of the convertible bonds.

Note: Net debt at 31/03/2015, incorporating the nominal amount of the convertible bond for the sum of 250 million Euros and excluding costs of formalising the debt, and debt for interests rose to 774.4 million Euros.

- The increase in the consolidated gross debt at 31/03/2015 by comparison to the one reported at 31/12/2014 is mainly due to the consolidation of the Hoteles Royal debt for €25.3 million, The lower level of cash at 31/03/2015 by comparison with the one reported at the closing of 2014 is partly due to the seasonal nature of the business, that makes the first quarter of the year the one with the least activity, to the acquisition of the majority of the share capital in Hoteles Royal for €48M (net of the sale of Parque de la 93), and the repositioning and maintenance investments for about €50M. At 31/03/2015, our liquidity position (cash plus available credit lines) amounts to €154 million.

New Agreements and Openings

Between 1 January 2015 and 31 March 2015, the NH Hotel Group signed lease agreements in Brussels, Belgium, with 65 rooms, which was opened in March 2015 (NH Carrefour de l'Europe), a lease agreement in Taormina, Italy, with 63 rooms whose opening is envisaged for the 2015, a management agreement in San Luis, Argentina, with 78 rooms, expected to be opened in 2016, and a lease in Graz, Austria, with 159 rooms and which is scheduled to open in 2017.

Hotels Agreements from 1 January to 31 March 2015

City / Country	Contract	# Rooms	Opening
Brussels / Belgium	Leased	65	March 2015
Taormina / Italy	Leased	63	2015
San Luis / Argentina	Management	78	2016
Graz / Austria	Leased	159	2017
		365	

New Openings

During the first quarter of 2015 the NH Carrefour de l'Europe hotel opened in Brussels, Belgium, with 65 rooms along with the NH Collection Porto Batalha in Oporto, Portugal with 107 rooms. In addition, as a result of the acquisition of Hoteles Royal in March 2015, we have added 20 hotels and 2,257 rooms to our portfolio in Colombia, Chile, and Ecuador.

Hotels Openings from 1 January to 31 March

Hotels	City / Country	Contract	# Rooms
NH Carrefour de l'Europe	Brussels, Belgium	Leased	65
NH Collection Porto Batalha	Porto, Portugal	Management	107
NH Antofagasta	Chile, Antofagasta	Owned	136
NH Collection Plaza Santiago	Chile, Santiago de Chile	Owned	159
NH Iquique	Chile, Iquique	Owned	78
NH Collection Bogotá Andino Royal	Colombia, Bogotá	Leased	70
NH Collection Bogotá Royal	Colombia, Bogotá	Leased	251
NH Collection Bogotá Hacienda Royal	Colombia, Bogotá	Leased	82
NH Collection Cartagena La Merced Royal	Colombia, Cartagena	Leased	9
NH Collection Medellín Royal	Colombia, Medellín	Leased	134
NH Collection Barranquilla Smartsuites Royal	Colombia, Barranquilla	Leased	118
NH Collection Bogotá Terra 100 Royal	Colombia, Bogotá	Leased	73
NH Collection Bogotá WTC Royal	Colombia, Bogotá	Leased	144
NH Cali Royal	Colombia, Cali	Leased	145
NH Bogotá Boheme Royal	Colombia, Bogotá	Leased	66
NH Bogotá Metrotel Royal	Colombia, Bogotá	Leased	336
NH Bogotá Pavillon Royal	Colombia, Bogotá	Leased	72
NH Bogotá Urban 26 Royal	Colombia, Bogotá	Leased	118
NH Bogotá Urban 93 Royal	Colombia, Bogotá	Leased	54
NH Cartagena Urban Royal	Colombia, Cartagena	Leased	28
NH Collection Quito Royal	Ecuador, Quito	Leased	112
NH Collection Concón	Chile, Concón	Leased	66
Total New Openings			**2.423**

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Asset Management

Hotels that left the NH Group from 1 January to 31 March 2015

Hotels	City / Country	Date	Contract	# Rooms
NH Bogotá 93	Bogotá, Colombia	January	Owned	137
NH Ciudad de Mataró	Mataró, Spain	February	Leased	123
Total Exits				**260**

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OPEN NH HOTEL GROUP HOTELS BY COUNTRY AT 31 MARCH 2015

BUSINESS UNIT	COUNTRY	TOTAL		LEASED			OWNED		MANAGED		FRANCHISE	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
B.U. SPAIN	SPAIN	143	17.923	3	80	9.511	13	1.975	43	5.852	7	585
B.U. SPAIN	PORTUGAL	3	272	-	2	165	-	-	1	107	-	-
B.U. SPAIN	ANDORRA	1	60	-	-	-	-	-	1	60	-	-
B.U. ITALY	ITALIA	51	8.265	1	32	5.320	14	2.078	5	867	-	-
B.U. BENELUX	HOLLAND	35	6.709	4	17	2.673	16	3.290	2	746	-	-
B.U. BENELUX	BELGIUM	11	1.619	-	3	502	8	1.117	-	-	-	-
B.U. BENELUX	FRANCE	2	397	-	2	397			-	-	-	-
B.U. BENELUX	ENGLAND	1	121	-	1	121	-	-	-	-	-	-
B.U. BENELUX	SOUTH AFRICA	2	242	-	1	198	1	44	-	-	-	-
B.U. BENELUX	LUXEMBOURG	1	148	1	1	148	-	-	-	-	-	-
B.U. CENTRAL EUROPE	GERMANY	59	10.438	10	54	9.438	5	1.000	-	-	-	-
B.U. CENTRAL EUROPE	AUSTRIA	6	1.183	1	6	1.183	-	-	-	-	-	-
B.U. CENTRAL EUROPE	SWITZERLAND	4	522	-	3	400	1	122	-	-	-	-
B.U. CENTRAL EUROPE	CZECH REPUBLIC	2	577	-			-	-	2	577	-	-
B.U. CENTRAL EUROPE	ROMANIA	2	161	-	1	83	-	-	1	78	-	-
B.U. CENTRAL EUROPE	HUNGARY	1	160	-	1	160	-	-	-	-	-	-
B.U. CENTRAL EUROPE	SLOVAQUIA	1	117	-	-	-	-	-	1	117	-	-
B.U. CENTRAL EUROPE	POLAND	1	93	-	-	-	-	-	-	-	1	93
B.U. CENTRAL EUROPE	UNITED STATES	1	242	-	-	-	1	242	-	-	-	-
B.U. THE AMERICAS	MEXICO	12	1.984	-	4	581	4	681	4	722	-	-
B.U. THE AMERICAS	ARGENTINA	13	2.050	-	-	-	11	1.525	2	525	-	-
B.U. THE AMERICAS	DOMINICAN REPUBLIC	4	2.011	-	-	-	-	-	4	2.011	-	-
B.U. THE AMERICAS	VENEZUELA	3	1.195	-	-	-	-	-	3	1.195	-	-
B.U. THE AMERICAS	URUGUAY	1	136	-	-	-	1	136	-	-	-	-
B.U. THE AMERICAS	COLOMBIA	15	1.700	-	15	1.700			-	-	-	-
B.U. THE AMERICAS	HAITI	1	72	-	-	-	-	-	1	72	-	-
B.U. THE AMERICAS	CUBA	1	220	-	-	-	-	-	1	220	-	-
B.U. THE AMERICAS	ECUADOR	1	112	-	1	112	-	-	-	-	-	-
B.U. THE AMERICAS	CHILE	5	561	-	1	66	4	495	-	-	-	-
OPEN HOTELS		**383**	**59.290**	20	**225**	**32.758**	**79**	**12.705**	**71**	**13.149**	**8**	**678**

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SIGNED NH HOTEL GROUP PROJECTS AT 31 MARCH 2015

After the latest negotiations and after the cancellation of several signed projects, the number of hotels and rooms pending opening would be as follows:

BUSINESS UNIT	COUNTRY	TOTAL		LEASED			OWNED		MANAGED	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
B.U. CENTRAL EUROPE	AUSTRIA	1	159	-	1	159	-	-	-	-
B.U. ITALY	ITALY	3	356	-	2	267	-	-	1	89
B.U. BENELUX	FRANCE	1	169	-	1	169	-	-	-	-
B.U. THE AMERICAS	PERU	1	164	-	-	-	-	-	1	164
B.U. THE AMERICAS	PANAMA	1	200	-	-	-	1	200	-	-
B.U. THE AMERICAS	BRAZIL	2	354	-	2	354	-	-	-	-
B.U. THE AMERICAS	CHILE	1	146	-	-	-	-	-	1	146
B.U. THE AMERICAS	ARGENTINA	1	78	-	-	-	-	-	1	78
B.U. THE AMERICAS	MEXICO	1	142	-	-	-	-	-	1	142
TOTAL PROJECTS		**12**	**1.768**	-	**6**	**949**	**1**	**200**	**5**	**619**

Committed investment corresponding to the hotels described above by year of execution:

	2015	2016	2017E
Expected Investment (€M)	10,5	7,5	0,3

NH | HOTEL GROUP

NH HOTELS

NH COLLECTION

nhow

Hesperia RESORTS