12M 2012 PRELIMINARY SALES AND RESULTS

Madrid, 27th of February 2013

NH HOTELES, S.A.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

The Board of Directors approved today two strategic transactions of paramount importance for the future of the company. On the one hand, **the Chinese group HNA will become 20% shareholder in the company through a capital increase of €234M** (€3,8 share). On the other, the company has signed **a Letter of Intent (LoI) for an strategic alliance with the US investment fund Hospitality Properties Trust (HPT),** through which NH Hoteles will be granted a **loan of €170M, 5 hotels in Latin America will be sold in sale & management-back for $70M, and a JV will be set up to refurbish and manage the hotel NH Jolly Madison in New York**. The purpose of the agreements will allow the group to meet financial commitments, reduce leverage, and generate investment capacity to refurbish key assets and resume growth.

Highlights

- 2012 has been a year marked by a **sharp economic deterioration** mainly affecting **Spain and Italy,** with a fall in GDP in 2012 of 1.4% and 2.1% respectively. As announced in the latest publications and in line with negative macroeconomic trends in Spain and Italy, the group has **increased its impairment provision** to a total of **€268 million**, resulting in a **net consolidated loss of €292 million**.
- **Occupancy remained at similar levels to 2011 (-0.3%)**; however, **sales fell 3.4%** as a result of the **slowdown in sales of the MICE and restaurant business** (with a **6.8%** drop) and the fall in **average prices** (1.0%). **Recurring EBITDA fell 28%.**
- The company **managed to maintain stable lease payments** during 2012, offsetting hotel openings, increases from negotiations in previous years and CPI reviews.
- In line with the strategy of moving towards an **"asset-light" model**, with management/franchise contracts that do not require investment commitment, **during 2012 all openings and new contracts signed were management** contracts.
- In November, the NH Hoteles Board of Directors appointed **Rodrigo Echenique Gordillo as the new non-executive Chairman** of the company's maximum governing body and **Federico González Tejera as the new CEO**. With both of these appointments, NH Hoteles now has a new corporate governance model consisting of a non-executive Chairman of the Board, whose function is focused on the company's very highest level of administration and governance, and a chief executive who, as the CEO, will concentrate on running the business.

2013

- **2013 outlook**: The lack of changes in macro trends leads us to forecast a contraction in total income of between 1% and 3% for the first half of 2013, although during the second half of the year a growth in income of between 2% and 4% is expected, resulting in a slight increase in sales for the year as a whole compared to last year. The company continues to apply adjustments to the cost base to offset the current weak environment. For the year as a whole we expect improvements of between 5% and 10% in recurring EBITDA compared to last year.
- **Strategic and Operational Initiatives:** The company has been working since the beginning of the year on a strategic and operational plan that will substantially change its business model. The redesign of the NH brand, portfolio segmentation and reinventing the "NH experience" will allow the group to create unique solutions for everyone. There will also be major changes to sales, marketing and communication plans, direct online sales channels will be promoted and there will be a new customer communication focus, all accompanied by a new organisational model in the company.

- **Sale of assets**: There are no relevant news compared to the previous publication. The company has several processes open at various stages of progress. The company expects to conclude these deals in the next few weeks.

RevPar

Uncertainty throughout Europe continues to negatively affect the sector's recovery both in corporate business & events and leisure, and in particularly in the MICE segment. However, two clearly different patterns have been identified: firstly, the economies of Central Europe and The Americas which have performed positively (although a deterioration has been noticed in Argentina), and secondly, Southern European economies (Spain and Italy) with negative trends.

- During the fourth quarter of the year LFL RevPar performed better (-0.93%) than in the first 9 months of the year (-1.41%) due to an improved situation in Spain (9M -7.39% and Q4 -6.48%), Benelux (9M -2.56% and Q4 -1.81%) and Latin America (9M +2.54% and Q4 +2.85%).
- Overall in 2012, the LFL RevPar fell 1.30% compared to the previous year, as a result of a decrease in average prices (-1.01%) and only a slight decline in occupancy (-0.30%). The company continues to experience significant activity rates (occupancy of 64.6% in 2012 in contrast to 64.8% in 2011 in LFL terms), and both Central Europe and Benelux continue to demonstrate positive occupancy trends.

B.U. Spain

- Although it had the worst performance among all busines units, it performed better than in the first 9 months of the year (9M -7.39% and Q4 -6.48%). During the fourth quarter, October saw a far less pronounced fall than the trend for the rest of the year (-1.6%), due to a more favourable holidays and events calendar.
- The 12 month LFL RevPar declined 7.17%, due to lower occupancy (-3.66%) and average prices (-3.64%). Barcelona is performing better than other cities, maintaining occupancy and price levels. We expect the trend to continue during the first quarter with weak domestic corporate demand and declining prices, having a negative effect on Madrid and secondary destinations, whereas a similar trend to 2012 is forecasted in Barcelona.

B.U. Italy

- The Italian business unit performed more poorly during the fourth quarter than in the first 9 months (9M -4.79% and Q4 -5.55%), due to a very complicated October with a less favourable events calendar, particularly in Milan.
- The 12 month LFL RevPar figure fell 5.09%, due to both the fall in occupancy (-2.62%) and reduced average prices (-2.53%), being the most affected the business segment. During the first quarter we expect the trend to remain negative with a similar events calendar in January and February but less favourable in March.

B.U. Benelux

- Better results were obtained in the fourth quarter than in the first 9 months (9M -2.56% and Q4 -1.81%), being a quarter with a lot of pressure on prices (-4.41%) but with an increase in market share, resulting in an improved occupancy of +2.72%.
- For the 12 months, this business unit saw a reduction in its LFL RevPar of 2.37%, with higher occupancy rates than the previous year (+1.12%), but with a decline in average prices (- 3.45%). There was

strong RevPar growth in hotels in the UK, Luxembourg and France. The first quarter of the year is expected to follow last year's trends.

B.U. Central Europe

- This business unit continued to perform very positively, achieving the group's best growth figures in the fourth quarter with an increase in LFL RevPar of 6.04%, mainly due to a strong growth in occupancy rates (+5.21%) and an increase in prices of 0.79%.
- The 12 month LFL RevPar rose 6.16%, with a growth in both occupancy rates (+3.80%), due to a favourable trade fairs calendar, and average prices (+2.28%). In general, all German cities recorded a strong increase in occupancy and prices, particularly Munich and Berlin (RevPar growth above 12%). However, Switzerland experienced a drop in RevPar in 2012 compared to the previous year, due to falling demand (with an expensive Swiss Franc). This unit's positive trend is expected to continue during the first quarter of 2013.

B.U. The Americas

- The Americas business unit continued to demonstrate positive trends, achieving a higher LFL RevPar (+2.85%) during the fourth quarter of the year than in the first 9 months (+2.54%), due to increased prices (+1.84%) and occupancy rates (+1.00%). In Q4, there were positive trends in both Mexico and Mercosur.
- For the 12 months, it had the group's second highest growth rates. LFL RevPar rose 2.79%, with falls in occupancy rates (-2.71%), offset by an increase in average prices (+5.66%). Latin America had widely varying trends in its main markets. Mexico performed very positively with RevPar increases of over 10% for the year, boosted once again by a strong increase in hotel occupancy and average prices. However, Argentina exhibited weak performance, with reduced demand from its two main source markets (Brazil and Spain) due to the higher cost of this destination and deterioration of the Spanish economy. First-quarter expectations are negative for Argentina and for the continuing good progress of the business in Mexico.

NH HOTELES KPI 12 MONTHS 2012

	AVERAGE ROOMS		OCCUPANCY %			ADR			REVPAR		
	2,012	2,011	2,012	2,011	% Var	2,012	2,011	% Var	2,012	2,011	% Var
Spain & Portugal "Like for like"	11,790	11,790	62.16%	64.52%	-3.66%	67.71	70.27	-3.64%	42.09	45.34	-7.17%
B.U. SPAIN	13,472	13,437	61.45%	64.13%	-4.18%	68.10	70.23	-3.04%	41.84	45.04	-7.09%
Italy "Like for like"	6,579	6,561	62.16%	63.84%	-2.62%	89.23	91.55	-2.53%	55.47	58.44	-5.09%
B.U. ITALY	7,542	7,683	59.81%	61.19%	-2.26%	91.60	91.94	-0.37%	54.78	56.26	-2.62%
Benelux "Like for like"	8,428	8,428	65.62%	64.89%	1.12%	87.70	90.84	-3.45%	57.55	58.95	-2.37%
B.U. BENELUX	8,896	9,067	66.22%	65.62%	0.91%	91.62	96.66	-5.21%	60.67	63.43	-4.35%
Central Europe "like for like"	12,320	12,322	67.81%	65.32%	3.80%	76.05	74.36	2.28%	51.57	48.57	6.16%
B.U. CENTRAL EUROPE	12,492	12,841	67.63%	65.13%	3.84%	76.12	73.84	3.09%	51.48	48.09	7.05%
TOTAL EUROPE "LIKE FOR LIKE"	39,116	39,101	64.69%	64.74%	-0.09%	78.31	79.53	-1.54%	50.66	51.49	-1.62%
TOTAL EUROPE CONSOLIDATED	42,402	43,027	63.98%	64.22%	-0.37%	79.61	80.70	-1.36%	50.93	51.83	-1.72%
Latin America "Like for like"	3,393	3,394	63.41%	65.18%	-2.71%	75.15	71.12	5.66%	47.65	46.35	2.79%
LATINAMERICA CONSOLIDATED	3,530	3,425	62.47%	64.72%	-3.48%	75.69	71.16	6.36%	47.28	46.05	2.67%
NH HOTELES "LIKE FOR LIKE"	42,509	42,495	64.58%	64.78%	-0.30%	78.06	78.86	-1.01%	50.42	51.08	-1.30%
TOTAL CONSOLIDATED	45,932	46,452	63.86%	64.25%	-0.61%	79.32	80.00	-0.85%	50.65	51.40	-1.46%

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

Consolidated Results

In 2012 income dropped €46.08 million (-3.4%) as a result of:

- A 3.8% decline in hotel activity (-€51.2 million), due to hotels sold in 2011 (most significant closures: Jolly Lotti, NH Ligure, NH Lucerna and NH Genk) which make up a 40% decrease in sales (-€20.4 million), the fall in sales of F&B (-6.8%) and the drop in RevPar.
- A 30% increase in Real Estate business revenue (+€5.1 million).

Declining F&B sales though have a lower margin than room sales, so the impact on GOP was less. Spain, Italy and Benelux experienced a sharper dip in these businesses, with falls of over 8% while Central Europe recorded slightly poorer sales than the previous year. Latin America performed positively with a 9.5% increase in the restaurant business, more than the increase in room sales.

As for operating expenses, efforts to make the company more efficient helped reduce these expenses by 0.3% in absolute terms, therefore absorbing the effects of inflation.

- Thanks to the contingency plan launched in 2012, personnel expenses fell by 2.9% despite having similar levels of activity to the previous year, having strengthened sales teams and compensating the effects of inflation.
- Other direct management costs rose 0.8% due to the increase in the extraordinary costs of IT/Systems (in line with the new IT/Systems plan being implemented by the company) and the increase in business expenditure (mainly commissions resulting from the increase in intermediated sales). On the other hand, purchases, advertising, laundry and other expenses fell with respect to the previous year. During the final quarter of the year, performance was worse due, firstly, to an increase in commission expenses resulting from the change in the sales mix and, secondly, the extraordinary costs of repairs and expenses associated with the new IT/Systems plan.
- Real Estate business costs rose due to the change in mix of products sold.

Remarkable is the efficiency improvements implemented in Spain and Italy which helped to considerably reduce costs, despite the fact that during the third and fourth quarter of 2011 major savings were recognised which makes the comparison for the second half of the year harder.

As announced in the latest publication, the group will continue to focus its efforts on both personnel expenses in Spain and Italy (with a much higher personnel cost than sales than the rest of the business units), and the leases expenses from these business units.

By market (hotel activity LFL):

Central Europe, with a similar size of consolidated rooms to Spain, is now the leading business unit in revenue and second in terms of EBITDA after Benelux.

- **Central Europe** achieved during the year an increase in revenues of 4.4%, which helped to boost EBITDA by 20.7% with respect to the previous year. It is the only business unit with GOP and EBITDA growth with regard to the previous year.
- **The Americas** achieved good sales growth during the year of 7.0% (mainly through ADR). However, the inflationary spiral in Argentina continues to see costs rise faster than income, which led to a fall in EBITDA of 8.2%.
- **Benelux** experienced a 12 month fall in sales of 3.8%. Despite containing operating expenses, +0.3%, falling sales caused by the reduction in prices with higher occupancy rates than the previous year negatively affected results. It is the business unit which contributes the most EBITDA to the group due to the ownership component.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

- **Spain** is the business unit which experienced the worst deterioration, with a fall in income of 8.7%. Most of the decline in the Spanish market was in the group segment. Despite the reduction in personnel expenses (-5.3%), operating expenses (-3.2%) and leases costs (-0.1%), the sharp fall in income meant the business unit did not achieve positive EBITDA. The resulting loss of EBITDA had a negative impact on the results of the company as a whole.
- **Italy** suffered the second biggest fall in income (-5.2%) and results. However, we should point out the improved efficiency of the business unit, which managed to absorb 46% of the drop in sales to GOP.

RECURRING HOTEL ACTIVITY 2012 VS 2011

(€ million)	2012 4Q	2011 4Q	%DIF	2012 12 months	2011 12 months	%DIF
SPAIN	67.81	74.11	(8.5%)	285.53	312.78	(8.7%)
ITALY	46.18	49.86	(7.4%)	191.32	201.88	(5.2%)
BENELUX	71.65	74.41	(3.7%)	281.92	293.03	(3.8%)
CENTRAL EUROPE	88.25	84.88	4.0%	343.86	329.39	4.4%
AMERICA	24.12	22.42	7.6%	85.83	80.24	7.0%
REVENUE LIKE FOR LIKE HOTELS	**298.02**	**305.67**	**(2.5%)**	**1,188.45**	**1,217.31**	**(2.4%)**
OPENINGS, CLOSINGS, REFURBISH. & OTHER 12/11	**25.48**	**27.42**	**(7.0%)**	**99.57**	**121.93**	**(18.3%)**
REVENUE	**323.50**	**333.09**	**(2.9%)**	**1,288.02**	**1,339.24**	**(3.8%)**
SPAIN	(50.39)	(48.04)	4.9%	(202.93)	(209.68)	(3.2%)
ITALY	(34.19)	(34.71)	(1.5%)	(137.59)	(142.45)	(3.4%)
BENELUX	(48.20)	(44.03)	9.5%	(184.33)	(183.85)	0.3%
CENTRAL EUROPE	(57.88)	(49.88)	16.0%	(214.35)	(205.80)	4.2%
AMERICA	(16.79)	(14.00)	19.9%	(60.09)	(53.28)	12.8%
OPEX LIKE FOR LIKE HOTELS	**(207.45)**	**(190.67)**	**8.8%**	**(799.29)**	**(795.07)**	**0.5%**
OPENINGS, CLOSINGS, REFURBISH. & OTHER 12/11	**(19.44)**	**(21.34)**	**(8.9%)**	**(76.97)**	**(94.24)**	**(18.3%)**
OPERATING EXPENSES	**(226.89)**	**(212.01)**	**7.0%**	**(876.26)**	**(889.31)**	**(1.5%)**
SPAIN	17.41	26.07	(33.2%)	82.60	103.09	(19.9%)
ITALY	11.99	15.15	(20.8%)	53.73	59.43	(9.6%)
BENELUX	23.45	30.38	(22.8%)	97.59	109.17	(10.6%)
CENTRAL EUROPE	30.37	34.99	(13.2%)	129.51	123.59	4.8%
AMERICA	7.33	8.42	(12.9%)	25.74	26.95	(4.5%)
GOP LIKE FOR LIKE HOTELS	**90.56**	**115.01**	**(21.3%)**	**389.17**	**422.24**	**(7.8%)**
OPENINGS, CLOSINGS, REFURBISH. & OTHER 12/11	**6.05**	**6.07**	**(0.4%)**	**22.59**	**27.69**	**(18.4%)**
GOP	**96.61**	**121.08**	**(20.2%)**	**411.76**	**449.93**	**(8.5%)**
LEASES&PT LIKE FOR LIKE HOTELS	**(69.08)**	**(68.03)**	**1.5%**	**(276.94)**	**(273.31)**	**1.3%**
OPENINGS, CLOSINGS, REFURBISH. & OTHER 12/11	**(4.89)**	**(2.83)**	**72.7%**	**(15.36)**	**(15.78)**	**(2.7%)**
LEASES & PROPERTY TAXES	**(73.97)**	**(70.86)**	**4.4%**	**(292.30)**	**(289.09)**	**1.1%**
SPAIN	(3.06)	4.72	(164.8%)	(2.66)	17.76	(115.0%)
ITALY	1.62	5.27	(69.2%)	13.55	20.59	(34.2%)
BENELUX	13.14	20.47	(35.8%)	54.57	66.69	(18.2%)
CENTRAL EUROPE	3.87	9.66	(60.0%)	26.97	22.34	20.8%
AMERICA	5.92	6.86	(13.8%)	19.80	21.56	(8.2%)
EBITDA LIKE FOR LIKE HOTELS	**21.48**	**46.98**	**(54.3%)**	**112.23**	**148.93**	**(24.6%)**
OPENINGS, CLOSINGS, REFURBISH. & OTHER 12/11	**1.16**	**3.24**	**(64.3%)**	**7.23**	**11.91**	**(39.3%)**
EBITDA	**22.64**	**50.22**	**(54.9%)**	**119.46**	**160.84**	**(25.7%)**

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

Income statement

NH HOTELES, S.A. P&L ACCOUNT						
(€ million)	**Q4 2012**	**Q4 2011**	**2012/2011**	**12 M 2012**	**12M 2011**	**2012/2011**
Hotel Revenues	323.5	333.1	(2.9%)	1,288.0	1,339.2	(3.8%)
Real estate sales and other	7.1	5.4	30.7%	22.1	17.0	30.3%
TOTAL REVENUES	**330.6**	**338.5**	**(2.3%)**	**1,310.1**	**1,356.2**	**(3.4%)**
Real estate cost of sales	(4.0)	(0.9)	359.8%	(10.0)	(2.0)	390.7%
Staff Cost	(115.4)	(114.1)	1.1%	(465.8)	(479.9)	(2.9%)
Operating expenses	(115.6)	(100.3)	15.2%	(423.3)	(420.0)	0.8%
GROSS OPERATING PROFIT	**95.6**	**123.2**	**(22.4%)**	**411.1**	**454.3**	**(9.5%)**
Onerous contract reversal provision				0.4	5.3	92.1%
Lease payments and property taxes	(73.6)	(72.4)	1.7%	(293.4)	(295.5)	(0.7%)
EBITDA	**21.6**	**52.2**	**(58.6%)**	**118.2**	**164.2**	**(28.0%)**
Depreciation	(28.2)	(29.9)	(5.8%)	(112.7)	(119.0)	(5.3%)
EBIT	**(6.6)**	**22.3**	**(129.5%)**	**5.5**	**45.2**	**(87.8%)**
Interest expense	(15.5)	(16.5)	(6.1%)	(54.8)	(51.3)	6.8%
Income from minority equity interests	(3.2)	1.2	360.3%	(4.2)	(2.3)	(83.5%)
EBT	**(25.2)**	**7.0**	**(460.4%)**	**(53.6)**	**(8.5)**	**(532.3%)**
Corporate income tax	(24.5)	(4.3)	471.5%	(28.9)	(7.3)	(294.9%)
NET RESULT before minorities	**(49.7)**	**2.7**	**(1932.1%)**	**(82.4)**	**(15.8)**	**(422.4%)**
Minority interests	9.3	2.7	248.9%	15.5	6.7	132.3%
NET RECURRING RESULT	**(40.4)**	**5.4**	**(851.3%)**	**(66.9)**	**(9.1)**	**(635.5%)**
Non Recurring EBITDA	(30.0)	22.6	(233.1%)	(40.2)	38.2	(205.1%)
Other Non Recurring items	(171.7)	(23.1)	(642.8%)	(185.0)	(22.9)	(708.4%)
NET RESULT including Non-Recurring activity	**(242.1)**	**4.8**	**(5118.5%)**	**(292.1)**	**6.2**	**(4785.2%)**

Financial performance and Other

- **Leases:** The company managed to maintain stable leases costs during 2012 (reduction of 0.7%), offsetting hotel openings, increases from negotiations in previous years and CPI reviews. Between 2011 and 2012, a total of 84 actions were carried out on leased hotels with negative EBITDA, achieving therefore the early exiting from 8 contracts. In 2013, additional leases reductions are anticipated to those already obtained.
- **Net Debt and Financial Expenses**: The net financial debt rose to €996 million at 31 December 2012 from €963 million at 31 December 2011. The increase in financial costs is explained by the terms of the new financing arrangement (both the syndicated loan from April and that for NH Italy agreed in July), with an increase in margins in line with market trends, not totally offset by the decrease in the Euribor.
- **Minority Interests:** mainly show losses attributable to the NH Hoteles partner in the Italian business unit.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

Non-recurring EBITDA

In 2011, €72.1 million was included in revenues from both capital gains generated in asset sales transactions and the compensation for the termination of the investment agreement with the HNA group at that time. €32.6 million was included in expenses mainly from staff restructuring and various provisions.

In 2012, €1.54 million in income and €36.6 million in expenses were included in EBITDA. In line with the goal of reducing existing differences in personnel expenses in Spain or Italy compared to other far more efficient business units (Benelux and Central Europe), there was an increase in the severance and provisions expense due to staff restructuring, which made up virtually all of the amount.

Other non-recurring items

- **Impairment:** The group has assessed the recoverability of the book value of its assets based on its business plan. Therefore, in line with the macroeconomic situation in Spain and Italy, which is producing a worse than expected impairment in certain hotel and Real Estate assets, the group has increased its impairment provision totalling €268 million. This provision includes €51.66 million for the Real Estate business. In terms of the net result, the total figure is reduced by the expected recovery through taxation on this provision and the part corresponding to minority shareholders for impairments in Italy.
- **Market Value Derivatives:** this includes the reduction of the provison (€+3.04 million) in reference to the Equity Swap which covers the Option Plan approved in 2007 and which, as a result of the rise in the share price since the end of 2011 (from €2.18 to €2.61), it has positive sign. The provision is reversible, to the extent that the share price recovers until the year of expiry of the plan in 2013, and does not represent, until then, a cash outflow.

Real Estate Activity

- The Real Estate business achieved €22.11 million in revenues compared to €16.97 million in the same period of previous year, with a total of 25 homes being legally registered for an amount of €10.79 million in contrast to 4 homes during 2011 for a total of €1.58 million. During 2012, there were no sales of plots, while the previous year 9 plots were legally registered for a total of €3.09 million.
- During the final quarter of 2011, the organisation was restructured by incorporating the company's back-office/support departments within NH Hoteles' corporate structure to improve efficiency and control, which helped reduce personnel expenses by 15.9%.
- Recurring EBITDA was €1.3 million, compared to €3.3 million in 2011. Real Estate sales rose 30%, while GOP fell due to the type of products sold (lower margin).
- The net result was -€57.28 million, compared to -€8.09 million the previous year. The company's net result worsened due to the provision for impairment of Real Estate and hotel assets of €51.66 million (€8.46 million in 2011), already included in the consolidated figure, and it incurred a severance expense of €0.85 million.
- At 31 December 2012, Sotogrande had committed sales pending to be booked, for €2.54 million, corresponding mainly to the Ribera del Marlin (€2.23 million) and the rest of the moorings at the Marina for €0.31 million.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

New Agreements and Openings

In accordance with the asset-light business model looked-for by the group (management/franchise contracts with no investment commitment by NH's side), all openings and new agreements as of december are under management formulas.

From the 1st of January 2012 to the 31st of December 2012, NH Hoteles signed five management contracts covering a total of 906 rooms.

New Hotel Agreements from January 1st to December 31st 2012

City	Contract	# Rooms	Opening
Punta Cana, Dominican Republic	Management	66	2012
Orense, Spain	Management	48	2012
Prague, Czech Republic	Management	442	2012
Rotterdam, Holland	Management	278	2013
Puerto Principe, Haiti	Management	72	2013
		906	

New Openings

In the first twelve months of 2012, the company opened four new hotels with a total of 673 rooms and expanded two existing hotels to add additional 180 and 139 rooms.

New Hotel Openings from January 1st to December 31st 2012

Hotels	City	Contract	# Rooms
NH Gate One	Bratislava, Slovaquia	Management	117
NH Punta Cana	Punta Cana, Dominican Republic	Management	66
NH Orense	Orense, Spain	Management	48
NOW Larimar Garden View	Punta Cana, Dominican Republic	Management	180
NH Prague	Prague, Czech Republic	Management	442
Hesperia Playa el Agua	Isla Margarita, Venezuela	Management	139
Total New Openings			**992**

January saw the opening of the first NH hotel in Bratislava, Slovakia with 117 rooms.

In March, the group opened its first urban hotel in the Dominican Republic in Punta Cana with 66 rooms.

In April, the group opened its first hotel in Orense, Spain with 48 rooms and expanded the Punta Cana NOW Larimar hotel, adding 180 additional rooms for a total of 822 rooms.

In October, the group opened a hotel in Prague, Czech Republic with 442 rooms and in November expanded the Hesperia Playa El Agua hotel, in Isla Margarita, Venezuela, adding 139 rooms for a total of 559 rooms.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

Asset Management

Hotels that left the NH Group from the 1st of January to the 31st of December 2012

Hotels	City	Contract	# Rooms
Hesperia Sport Barcelona	Barcelona, Spain	Management	63
Hesperia London Victoria	London, UK	Franchise	212
NH Condor	Barcelona, Spain	Lease	78
NH Radlicka	Prague, Czech Rep.	Lease	134
NH Mercader	Madrid, Spain	Lease	124
NH Trier	Trier, Germany	Lease	215
Hesperia Carlit	Barcelona, Spain	Management	38
NH Venus Sea Garden	Brucoli, Italy	Franchise	59
Hesperia Gelmirez	Santiago Compostela, Spain	Management	138
Hesperia Patricia	Menorca, Spain	Management	44
Total Exits			**1.105**

In January 2012, the group cancelled two lease projects that were signed and pending opening: a 99-room project in Budapest, Hungary with a projected investment of €1.8 million and another project in Madrid with 72 rooms and a total projected investment of €0.4 million.

The lease agreement for the NH Condor hotel (Barcelona, Spain), which had negative operating profits, was not renewed, and it ceased to form part of the group on the 1st of April.

Five Hesperia hotels have also left the group: two in Barcelona, one in Menorca, one in Santiago Compostela and another in London.

In March, the group signed to cancel the lease agreement for the NH Radlicka hotel in Prague, which had been closed since September 2011.

Since the 16th of April, the NH Mercader hotel, with negative operating profits, is no longer being operated by the group.

The lease agreement for the NH Trier hotel (Trier, Germany), which had negative operating profits, was not renewed, and it ceased to form part of the group of the 2nd of July.

In November, the NH Venus Sea Garden, (Brucoli, Italy), with a franchise contract, ceased to form part of the group.

In December, the NH Villa de Coslada, Madrid, with 78 rooms, is no longer being operated as a leased contract and it is now being operated as a franchise contract.

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

HOTELS ON OPERATION BY COUNTRIES AS OF DECEMBER 31ST 2012

BUSINESS UNIT	COUNTRY	TOTAL		LEASED			OWNED		MANAGED		FRANCHISE	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
B.U. SPAIN	SPAIN	171	20.677	3	93	10.712	16	2.428	56	7.108	6	429
B.U. SPAIN	PORTUGAL	2	165	-	2	165	-	-	-	-	-	-
B.U. SPAIN	ANDORRA	1	60	-	-	-	-	-	1	60	-	-
B.U. ITALY	ITALY	52	8.239	1	32	5.300	15	2.280	5	659	-	-
B.U. BENELUX	HOLLAND	35	6.509	4	16	2.441	18	3.988	1	80	-	-
B.U. BENELUX	BELGIUM	10	1.550	-	2	434	8	1.116	-	-	-	-
B.U. BENELUX	FRANCE	3	556	-	2	397	-	-	1	159	-	-
B.U. BENELUX	ENGLAND	2	321	-	1	121	-	-	1	200		
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	521	-	3	399	1	122	-	-	-	-
B.U. CENTRAL EUROPE	CZECH REPUBLIC	2	579	-			-	-	2	579	-	-
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. LAS AMERICAS	MEXICO	13	2.040	-	5	689	4	681	4	670	-	-
B.U. LAS AMERICAS	ARGENTINA	13	2.049	-	-	-	11	1.524	2	525	-	-
B.U. LAS AMERICAS	DOMINICAN REPUBLIC	3	1.261	-	-	-	-	-	3	1.261	-	-
B.U. LAS AMERICAS	VENEZUELA	3	1.147	-	-	-	-	-	3	1.147	-	-
B.U. LAS AMERICAS	UNITED STATES	1	242	-	-	-	1	242	-	-	-	-
B.U. LAS AMERICAS	URUGUAY	1	136	-	-	-	1	136	-	-	-	-
B.U. LAS AMERICAS	COLOMBIA	1	137	-	-	-	1	137	-	-	-	-
B.U. LAS AMERICAS	CHILE	1	122	-	-	-	1	122	-	-	-	-
OPEN HOTELS		**391**	**58.853**	20	**220**	**31.868**	**83**	**13.820**	**81**	**12.643**	**7**	**522**

NH HOTELES – INVESTOR RELATIONS
Santa Engracia. 120, 28003 Madrid
T: +34 91 396 05 06 - F: +34 91 451 97 95
www.nh-hotels.com – investor.relations@nh-hotels.com

NH HOTELES AGREED PROJECTS AS OF DECEMBER 31ST 2012

Following the latest negotiations and after the cancellation of several signed projects, the number of hotels and rooms pending to be opened would be the following.

BUSINESS UNIT	COUNTRY	TOTAL		LEASED			OWNED		MANAGED	
		Hotels	Rooms	Call Option	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
B.U SPAIN	SPAIN	7	564	-	3	222	-	-	4	342
B.U ITALY	ITALY	6	919	-	3	515	-	-	3	404
B.U BENELUX	HOLLAND	1	278	-	-	-	-	-	1	278
B.U CENTRAL EUROPE	HUNGARY	2	145	-	1	93	-	-	1	52
B.U CENTRAL EUROPE	CZECH REPUBLIC	1	236	-	1	236	-	-	-	-
B.U THE AMERICAS	HAITI	1	72	-	-	-	-	-	1	72
B.U THE AMERICAS	VENEZUELA	-	50	-	-	-	-	-	-	50
B.U THE AMERICAS	PANAMA	1	200	-	-	-	1	200	-	-
B.U THE AMERICAS	MEXICO	1	135	-	-	-	-	-	1	135
TOTAL PROJECTS		**20**	**2.599**	**-**	**8**	**1.066**	**1**	**200**	**11**	**1.333**

Committed investment corresponding to the aforementioned hotels by year of execution:

	2013	2014	2015
Expected Investment (€ million)	3.4	5.7	1.8