

In compliance with the information duties foreseen in article 228 of Royal Decree 4/2015 of 23th October, approving the Law on Securities Market, NH Hotel Group, S.A. and supplementary regulations (hereinafter, “**NH**” or the “**Company**”) hereby notifies the *Comisión Nacional del Mercado de Valores* (CNMV) of the following

SIGNIFICANT EVENT

In connection with the communication no. 243007 registered today with the CNMV, NH announces that it has executed today a purchase agreement (“**Purchase Agreement**”) pursuant to which NH has undertaken to issue and a group of credit institutions has agreed, subject to the fulfilment or waiver of certain conditions, to purchase senior secured notes for an aggregate principal amount of €285,000,000 (the “**Notes**”). The Notes will be issued at 100.0% of their nominal value, will bear interest at a fixed annual rate of 3.750% and will mature in 2023. Interest on the Notes will be payable semi-annually.

The Notes are only offered in the United States of America to qualified institutional buyers in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and outside the United States of America to non-U.S. persons pursuant to Regulation S under the Securities Act.

The issuance of the Notes is subject to customary closing conditions and settlement is expected to occur in the upcoming days.

Madrid, September 23, 2016

Carlos Ulecia Palacios
General Secretary

Relevant legal information

This announcement does not constitute or form part of any offer or solicitation to purchase or subscribe for securities in the United States of America or in any other jurisdiction. The Notes and the guarantees related thereto have not been, and will not be, registered under the Securities Act. The Notes and the guarantees may not be offered or sold in the United States of America absent registration or an applicable exemption from the registration requirements of the Securities Act. There will be no public offer of the Notes or the guarantees in the United States of America. Copies of this announcement are not being, and should not be, distributed in or sent into the United States of America.

It may be unlawful to distribute this announcement in certain jurisdictions. This announcement is not for distribution, directly or indirectly, in or into the United States of America (including its territories and dependencies, any state of the United States of America and the District of Columbia), Canada, Japan or Australia. The information in this announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States of America, Canada, Japan or Australia.

In member states of the Economic European Area (“**EEA**”), this announcement and any offer of securities if made subsequently is directed only at persons who are “qualified investors” within the meaning of Article 2(1)(e) of the Directive 2003/71/CE (the “**Prospectus Directive**”), as amended, in particular by the Directive 2010/73/UE (“**Qualified Investors**”). Any person in the EEA who acquires securities in any offer of securities (an “**investor**”) or to whom any offer of securities is made will be deemed to have represented and agreed that it is a Qualified Investor. Any investor will also be deemed to have represented and agreed that any securities acquired by them in the offer have not been acquired on behalf of persons in the EEA other than Qualified Investors or persons in the UK and other Member States (where equivalent legislation exists) for whom the investor has authority to make decisions on a wholly discretionary basis, nor have the securities been acquired with a view to their offer or resale in the EEA to persons where this would result in a requirement for publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive. The Company and others will rely upon the truth and accuracy of the foregoing representations and agreements.

This communication is being distributed only to, and is directed at (i) persons who are outside the United Kingdom or (ii) persons in the UK falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (iii) the high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order or (iv) persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). The securities to which this announcement relates are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be available only to or will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this

communication or any of its contents. This announcement is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons.