

NH Pack English

25 May, 2016



Mr. Charles Mobus and Mr. Jose Antonio Castro Sousa
NH Hotel Group
Santa Engracia, 120
Main Building
28003 Madrid
Spain

PRIVATE AND CONFIDENTIAL

Dear Co-Chairmen of the Company, Mr. Mobus and Mr. Castro Sousa,

We write this letter on behalf of our investors to express serious concerns regarding conflicts of interest among HNA Group Co Limited ("HNA") representatives ("HNA Directors") on the board of directors of NH Hotel Group, S.A. ("NH" and such board, the "Board"). We believe that the independence of the Board has been compromised by a clear conflict of interest that has recently arisen for HNA Directors. These concerns were raised by Julian Garcia-Woods at the most recent Board meeting on Tuesday, 10 May, 2016. We believe other large institutional shareholders share, and have voiced, similar reservations. For the avoidance of doubt, the views described below are those of Oceanwood and Oceanwood alone.

Regulations of Conduct

According to the Spanish Corporations Law, directors must perform their duties under the principle of personal responsibility, freely using their judgement and independence regarding third party instructions and relationships and they must avoid situations that give rise to conflict of interests.

Any action which conflicts with shareholder interests not only fails to meet minimum standards of corporate governance, but also breaches the fiduciary duty to act in the best interests of shareholders. Prudent corporate governance requires, of each board member, independence and freedom from conflicts of interest. This is fundamental to the proper functioning of any board. The fiduciary duties of a director require him to act (i) in the interests of *all* the shareholders of the company *as a whole* and (ii) *only* in their interests, as opposed to his own or any other's interests.

As such, none of NH's directors may put themselves in a position, or enter into a transaction, whereby their personal interests or duty to another person or organisation may conflict with their duty to NH – i.e., to *all* of its shareholders.

Any failure to meet standards of corporate ethics are taken very seriously by the investment community at large.

Recent developments

As of the date of this letter, HNA is a 29.5% shareholder of NH. HNA recently announced the signature of a binding agreement for the acquisition of a 100% stake in Carlson Hotels, and thus a 51.3% majority stake in Rezidor Hotel Group. As a result, HNA must launch a mandatory takeover of the minority stake in Carlson Rezidor within four weeks of the closing of the transaction (if HNA's stake in Rezidor remains

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above 30%). Of NH's 12 current Board members, 4 (or 33%) are HNA-nominated members, including the chairman of the Board, and co-chairman of the Company, Mr. Mobus. The HNA Directors have been, and continue to be, actively involved in the Carlson Rezidor transaction. Furthermore, Charles Mobus's brokerage firm, Benedetto, Gartland & Co., is serving as financial advisors to HNA on the announced transaction.

Conflict of Interest

Rezidor is a direct competitor of NH in both the midscale and upscale hotel segments throughout Europe and especially in the Benelux countries and Germany¹.

The presence of HNA Directors at the Board and the fact that Mr. Mobus acts as its chairman represents a structural and permanent conflict. This is relevant for many decisions that NH needs to take in the forthcoming weeks and months, which could include:

- Assessing which hotels to sell from the NH portfolio to deleverage the company or in the normal course of business. HNA Directors may be influenced by Carlson Rezidor's presence in the relevant cities.
- Assessing expansion through new hotels under management contracts. HNA Directors may be influenced by Carlson Rezidor's presence or plans.
- Decisions on actions which may result in increased competition for Carlson Rezidor in a particular location.
- The possibility of a merger between NH and Carlson Rezidor, which may lead to decisions on cost cutting and efficiency at NH.
- The role of current NH management in an enlarged group.
- The presentation of NH's future potential to the investor community as either a standalone company or as part of a larger group.

For the reasons listed above, as well as the fact that HNA's Directors have access to sensitive financial and strategic information about NH, we believe that this presents a clear conflict of interest. We do not see how the HNA Directors can uphold their fiduciary duties to act in the best interests of *all* NH shareholders, without regard for the conflicting interests of HNA as owner of a direct NH competitor.

Since HNA's announcement of the Carlson deal, Mr. Mobus has openly alluded, both during Board meetings and in conversations with several board members, to the potential for some type of strategic combination or commercial partnership between NH and Carlson Rezidor. Mr. Mobus has also openly discussed possible solutions to the conflict of interest arising from the HNA/Carlson Rezidor transaction. These include: buying out NH minorities, letting NH manage Hotels where an overlap exists, and a merger between Rezidor and NH. We strongly believe that any of these proposals place the management and the Board of NH in an impossible situation while HNA still has 4 board members on the Board, including its chairman.

We believe that there could be strategic and financial merit to a potential partnership or joint venture between the two companies in the future, and we would certainly consider alternatives which would enhance shareholder value for all NH shareholders. However, any discussion or decision on such

¹ See 'Impact of Carlson Rezidor on NH Hotel Group Competitive Set' analysis attached herein.

important matters must be evaluated by the Board on an objective and “arms-length” basis. As long as HNA, as majority shareholders of Carlson Rezidor, holds significant influence on the Board of NH, including its chairman, we cannot be assured that the required standards of objectivity and fairness will be met.

The role of Mr. Mobus as chairman of the Board is critical, particularly at this time. As chairman he is responsible for convening Board meetings, setting its agenda, deciding what topics and materials are shared with the other Board members. He is also the key person liaising between the Board and the management team. We believe he should not remain chairman of NH’s Board while this conflict of interest exists. Furthermore, we do not believe that the HNA Directors can act independently and/or objectively as directors of NH in light of HNA’s acquisition of a majority stake in one of NH’s primary competitors, particularly given their continued and active involvement in the Carlson Rezidor transaction.

We want to ensure that the other Board members and senior members of NH’s management team can act without prejudice for the benefit of all shareholders and will not be swayed by the chairman or the HNA Directors who, in our view, are severely conflicted.

The role of Mr. Mobus’s firm, Benedetto, Gartland & Co.

Mr. Mobus is the managing partner of Benedetto, Gartland & Co., a New York-based boutique investment bank. Benedetto Gartland & Co. was one of the financial advisors to HNA’s purchase of Carlson Rezidor. Mr. Mobus, as chairman of NH, has in depth knowledge about NH and the market in operates in. This knowledge would have been invaluable in helping Benedetto Gartland & Co. advise HNA on the Carlson acquisition and in our view would have conflicted with his duty to act in the best interest of all shareholders of NH. Therefore, we perceive a strong conflict of interest in the chairman of the Board of NH having his own company advise HNA on the takeover of a competitor company. As shareholders, we feel we cannot trust that the knowledge acquired by Mr. Mobus as Chairman of the NH board was not used in an advisory capacity, e.g. in the assessment of potential future alternatives to avoid conflicts and estimating potential synergies.

Benedetto, Gartland & Co. have, in the last 12 months, also advised HNA on the CHF 2.7bn acquisition of Swissport. Given this, it would seem that HNA is an important client for Benedetto Gartland & Co. and in turn Mr. Mobus. Furthermore, Mr. Mobus is also a board member of Swissport. Therefore, we think this raises questions as to how committed Mr. Mobus is to carrying out his role at NH in the best interests of all shareholders and not just for the benefit of HNA, his client.

Unsatisfactory Response

Firstly, in response to the accusation of a conflict of interest, it has been suggested that there is no conflict because the Carlson Rezidor deal is still contingent and therefore HNA does not yet own an actual competitor of NH. However, given HNA’s publicly stated intentions and its declared substantial down payment to the seller, we should assume that the deal will proceed. We contend that HNA’s interest in Carlson Rezidor creates a conflict of interest for HNA Directors and that there is no guarantee that they will not be influenced by conflicting interests, including those described above.

Secondly, it has been claimed that procedures could be put in place to prevent this conflict of interest from impacting decision making of the Board. Given the competition in certain geographies and the potential synergies resulting from a merger at favourable pricing, every decision of substance facing

the NH Board now raises a conflict of interest. This conflict taints all decision-making of any substance. Moreover, any solution that limits the full Board's ability to review and assess challenges and opportunities handicaps NH's decision-making capabilities. A complete and fully functioning Board is necessary to deal with the challenges and opportunities facing NH.

Lack of Effective Governance

We note that HNA Directors have physically attended an extremely limited number of Board meetings since joining the Board. According to the Company's 2014 Annual Report, attendance by the HNA Directors, as a percentage of total votes during the year, was just 54.5%. During our time on the Board, on the majority of occasions it has only been Mr. Mobus who physically attended the Board meetings. Furthermore, at the key Board meeting held on 25 February, 2016, where the company's annual accounts needed to be approved, Mr. Mobus was not physically present. This is unacceptable for a publicly-listed European company. We believe that physical attendance of all directors at Board meetings is crucial, particularly in light of the opportunities currently facing NH. We also believe that the chairman of the Board should have a physical presence in the head office in Madrid. Since the previous chairman, Mr. Echenique, left NH, the chairman's office in Madrid has been empty.

We believe that Board members should be paid only if they attend at least 80% of the year's Board meetings. It is in this context that we are particularly disappointed with the proposal by Mr. Mobus to increase Board remuneration. Since the last Board meeting on 10 May, 2016, Mr. Mobus has declared his intention to propose an increase in the Board's budget from €1.1 million to €1.5 million. Board expenditure for the 2015 financial year was €886,000. We do not see any need to increase the budget.

Failed Attempt to Appoint Taisa Markus to the Board

HNA's proposed acquisition of Carlson Rezidor has now taken centre stage, and the attempt to name a close friend of Mr. Mobus as an independent director is no longer the main issue. We were pleased to see that Ms. Markus declined to take her post as an independent director. We want to emphasise that we have nothing against Ms. Markus. We felt she was a good candidate and came across well in her interview. The reason our nominee director abstained from the vote to appoint her was due to logistics (she lives in New York) and her lack of board experience. Subsequent to the vote, we were disappointed to find out that she had a close personal relationship with Mr. Mobus. For the sake of clarity, we have included an extract of Mr. Mobus' description of their relationship (see below), which was disclosed to the Board after Ms. Markus had declined her nomination to the Board. It makes a mockery of hiring, at great expense, a recruitment consultant (Spencer Stuart) to carry out the process of finding an independent director. Although it may have been a coincidence, it is noteworthy that the attempt to name Ms. Markus to the board was passed only one day before the HNA/Carlson Rezidor announcement.

Mr. Mobus has said: "Our children attended school together until choosing to attend different high schools. One of her sons and one of my sons were in the same grade, and were friends. In the past 15 years, my wife and I have been a guest in their home six or eight times for dinner parties or larger cocktail parties, and once as two families, and Taisa and her husband..., have been a guest in our home three or four times. We have been an evening guest in their weekend home... twice, once for a large party, and they have been an evening guest in our weekend home... once. We have been out to dinner as two couples once or perhaps twice. We socialized at school functions. Contrary to the recent article, we have never vacationed together. We have never done business together. Taisa has never met or spoken to anyone from HNA, and has never done any business with HNA."

Why these points matter particularly now

It is important to emphasise that corporate governance issues must not be allowed to overshadow or impede the core focus of NH's management and its Board in driving operational improvements to the underlying business. NH has made important strides over the last few years in re-positioning the business and optimising the asset portfolio. Thanks to this, NH is now in a good position to benefit from the ongoing economic recovery in Spain and southern Europe, as evidenced by strong recent RevPAR trends. It is absolutely essential that management's attention is primarily focused on: additional operational improvements, further cost-cutting measures, increasing cash flow generation, deleveraging, refinancing, the reinstatement of a sustainable shareholder dividend policy, and the potential divestment of the under-utilised Jolly Madison property in New York City.

To that end, NH needs a fully engaged Board that can provide objective guidance, free from conflicts of interest and competition, to improve performance and enhance returns for all shareholders.

The potential for a tie-up of some sort with Carlson Rezidor requires a fully constituted and functioning Board, freely able to assess the merits of any such proposal for NH and all its shareholders, objectively and without constraint.

Our Proposal

For the reasons highlighted above, Oceanwood, speaking on behalf of our investors, requests that Mr. Mobus and other current HNA-nominated Board representatives stand down from NH's Board. We propose nominating 4 new independent Board Directors to replace HNA's current representatives at NH's forthcoming AGM on 21 June, 2016.

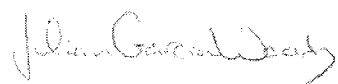
HNA's Directors, including Mr. Mobus, should stand down until these conflicts are permanently resolved. At such time, we would welcome their return, provided that the Board is able to ensure that it is carrying out its fiduciary duty to NH and *all* of its shareholders.

We want to emphasise that we have nothing against HNA. HNA is an important investor in NH and has every right to be represented on the Board once these competition concerns are resolved. Our aim is not to disenfranchise HNA, but rather to ensure a framework in which the Company can operate where all shareholders will benefit and where both management and the Board are able to act freely and efficiently without questions being raised over conflicts.

We believe that our proposal represents the best interests of NH and *all* shareholders and should avoid any potential disputes or suggestions of liability to shareholders embroiling the Board.

As is often the case, minority investors feel unprotected and under represented at the board level. This is a time of significant change for NH and crucial decisions need to be made that will affect the future of the Company. We feel that the 4 candidates we are proposing will help protect minority investors and ensure the prudent governance of the Company.

Sincerely,



Julian Garcia-Woods

Oceanwood Capital Management LLP

Impact of Carlson Rezidor on NH Hotel Group Competitive Set

Based on the analysis done on the NH Hotel Group portfolio's footprint vs. Carlson Rezidor we have the following findings:

- NH Hotel Group (NHHG) and Carlson Rezidor (CR) compete mainly in the European Market. Excluding Spain & LatAm, NH operates 180 Hotels compared to 116 on CR's Side.
- Holland, Belgium and Germany are most affected. The area of Rest of Central Europe is very fragmented, but also highly impacted.

Hotels By Country

	NH	Carlson Rezidor	CR as % of NH
Holland	36	10	28%
Belgium	11	10	91%
Germany	59	49	83%
Rest of CE	34	31	91%
Total	140	100	71%

- In terms of destinations, most of NH Hotels major destinations are impacted. The worst affected are Amsterdam, Brussels & major German capitals.

Hotels by Destination

	NH	Carlson Rezidor	CR as % of NH
Amsterdam	13	6	46%
Brussels	6	3	50%
Berlin	10	5	50%
Dusseldorf	3	3	100%
Frankfurt	5	2	40%
Hamburg	4	3	75%
Munchen	3	2	67%
Vienna	5	2	40%
Total	49	26	53%

- Out of 130 NH Hotels with a valid compset on STR, we have a total of 48 CR properties within our compsets, with their different brands.

Competition by Country:

Country	CR Direct Competitor Hotels	NH Hotels with Valid Compset	% in Direct CR Competition*
Belgium	5	10	50%
Netherlands	11	18	61%
Austria	1	5	20%
Czech Republic	1	1	100%
Germany	19	29	66%
Hungary	2	1	200%
Slovakia	1	1	100%
Switzerland	1	1	100%
Italy	4	31	13%
Chile	1	1	100%
Spain	2	32	6%
Total	48	130	37%

* Hotels may be duplicated due to some NH hotels sharing same CR hotel as 1 competitor. Total individual properties are 35 with following split per country, excluding duplicated.

- Out of 130 NH Hotels with a valid compset on STR, we have a total of 48 CR properties within our compsets, with their different brands.
 - Belgium (50%)
 - Netherlands (61%)
 - Germany (66%)
- Out of 130 NH Hotels with a valid compset on STR, we have a total of 48 CR properties within our compsets, with their different brands.
 - Amsterdam (73%)
 - Berlin (133%)*
 - Brussels (71%)

Competition by Destination:

Destination	CR Hotels	NH Hotels with Valid Compset	% in Direct CR Competition*
Amsterdam	8	11	73%
Berlin	8	6	133%
Brussels	5	7	71%
Chile	1	1	100%
Cologne	1	2	50%
Czech Republic	1	1	100%
Dresden	1	2	50%
Dusseldorf	1	3	33%
Frankfurt	2	5	40%
Hamburg	1	3	33%
Madrid	2	12	17%
Milano	1	9	11%
Rest of CE	3	2	150%
Rest of Germany	5	4	125%
Rest of Holland	3	7	43%
Roma	3	3	100%
Slovakia	1	1	100%
Vienna	1	4	25%
Grand Total	48	83	58%

* Hotels may be duplicated due to some NH hotels sharing same CR hotel as 1 competitor. Total individual properties are 35 with following split per country, excluding duplicated.

Conclusion:

We can conclude from the above information, that Carlson Rezidor is a major player in the European Arena, and a direct competitor to NH Hotel Group, especially in Germany and the Benelux countries, and cities such as Amsterdam, Brussels and Berlin.

**JUSTIFIED PROPOSED RESOLUTIONS TO BE SUBMITTED TO THE 2016
ANNUAL GENERAL SHAREHOLDERS' MEETING OF NH HOTEL GROUP,
S.A. IN EXERCISE OF THE RIGHT TO SUPPLEMENT THE AGENDA
UNDER ARTICLES 172 AND 519 OF THE CAPITAL COMPANIES LAW AND
ARTICLE 22 OF THE COMPANY BYLAWS**

In exercise of the right granted under articles 172 and 519 of the Capital Companies Law and article 22 of the corporate bylaws of NH Hotel Group, S.A. (the "**Company**"), the shareholder Oceanwood Opportunities Master Fund, beneficial owner of 10,600,000 shares of NH Hotel Group, S.A., representing 3.026 % of the capital stock, has requested in due time and form a supplement to the call notice for the next Annual General Shareholders' Meeting of the Company called to be held on June 21 and 22, 2016, on first and second call, respectively, by means of the inclusion of the following items on the agenda:

Item nine: Appointment of Mr. Paul Daniel Johnson as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director.

Item ten: Appointment of Mr. Fernando Lacadena Azpeitia as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director.

Item eleven: Appointment of Ms. María Grecna as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director.

Item twelve: Appointment of Mr. José María Cantero de Montes-Jovellar as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director.

Item thirteen: Ratification of the appointment of Mr. Alfredo Fernández Agras as nominee director.

Item fourteen: Declaration of the conflict of competition of the shareholder HNA Group and the impossibility of exercising the power of proportional representation.

Item fifteen: Removal of the director Mr. Charles Bromwell Mobus.

Item sixteen: Removal of the director Mr. Ling Zhang.

Item seventeen: Removal of the director Mr. Xianyi Mu.

Item eighteen: Removal of the director Mr. Haibo Bai.

Item nineteen: Establishment of the number of members of the Board of Directors.

In this connection, this document sets out the proposed resolutions in relation to the indicated additional items on the agenda of the next Annual General Shareholders' Meeting of the Company and the corresponding justification as required by the applicable legislation.

1. PROPOSED RESOLUTIONS

The proposed resolutions presented in relation to each of the additional items on the agenda are as follows:

- (i) **Item nine:** Appointment of Mr. Paul Daniel Johnson as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director.

Proposed resolution: *“To appoint Mr. Paul Daniel Johnson as a director of NH Hotel Group, S.A. for the three-year period stipulated in the bylaws, with the category of other non-executive director.”*

- (ii) **Item ten:** Appointment of Mr. Fernando Lacadena Azpeitia as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director

Proposed resolution: *“To appoint Mr. Fernando Lacadena Azpeitia as a director of NH Hotel Group, S.A. for the three-year period stipulated in the bylaws, with the category of other non-executive director.”*

- (iii) **Item eleven:** Appointment of Ms. María Grecna as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director

Proposed resolution: *“To appoint Ms. María Grecna as a director of NH Hotel Group, S.A. for the three-year period stipulated in the bylaws, with the category of other non-executive director.”*

- (iv) **Item twelve:** Appointment of Mr. José María Cantero de Montes-Jovellar as a director for the three-year period stipulated in the bylaws, with the category of other non-executive director

Proposed resolution: *“To appoint Mr. José María Cantero de Montes-Jovellar as a director of NH Hotel Group, S.A. for the three-year period stipulated in the bylaws, with the category of other non-executive director.”*

- (v) **Item thirteen:** Ratification of the appointment of Mr. Alfredo Fernández Agras as nominee director.

Proposed resolution: *“To ratify the appointment of, and reiterate the trust placed in, the director Mr. Alfredo Fernández Agras, so that he continue to discharge his office on the Board of Directors of NH Hotel Group, S.A. as a nominee director representing the fund shareholders managed by Oceanwood Capital Management LLP.”*

- (vi) **Item fourteen:** Declaration of the conflict of competition of the shareholder HNA Group and the impossibility of exercising the power of proportional representation.

Proposed resolution: *“To declare the existence of conflict of interests deriving from the situation of structural and permanent competition of the shareholder HNA Group with NH Hotel Group, S.A. deriving from the agreement signed by said significant shareholder for the acquisition of the Carlson Hotels’ group, which is a major direct, current and effective competitor of the Company and, as a result, to declare the impossibility of it being represented on the Board of Directors of the Company and exercising the power of proportional representation, immediately removing any director that may have been appointed by said shareholder by virtue of said power.”*

- (vii) **Item fifteen:** Removal of the director Mr. Charles Bromwell Mobus.

Proposed resolution: *“To remove Mr. Charles Bromwell Mobus as a director of NH Hotel Group, S.A.”*

- (viii) **Item sixteen:** Removal of the director Mr. Ling Zhang.

Proposed resolution: *“To remove Mr. Ling Zhang as a director of NH Hotel Group, S.A.”*

- (ix) **Item seventeen:** Removal of the director Mr. Xianyi Mu.

Proposed resolution: *“To remove Mr. Xianyi Mu as a director of NH Hotel Group, S.A.”*

- (x) **Item eighteen:** Removal of the director Mr. Haibo Bai.

Proposed resolution: *“To remove Mr. Haibo Bai as a director of NH Hotel Group, S.A.”*

- (xi) **Item nineteen:** Establishment of the number of members of the Board of Directors.

Proposed resolution: *“To establish the number of members of the Board of Directors of NH Hotel Group, S.A. as the number of directors existing following the above resolutions.”*

2. OVERALL JUSTIFICATION FOR THE PROPOSED RESOLUTIONS RELATING TO THE APPOINTMENT OF DIRECTORS AND THE RATIFICATION OF THE DIRECTOR MR. ALFREDO FERNÁNDEZ AGRAS

In accordance with article 34 of the Company bylaws, the Board of Directors will be composed of no less than five and no more than twenty directors.

The Board of Directors is currently composed of twelve directors, of which seven are nominee directors (four representing HNA Group, two representing Grupo Inversor Hesperia and one representing funds managed by Oceanwood Capital Management LLP – “**Oceanwood**”), one is an executive director and the four remaining directors are independent directors.

In this context, Oceanwood, which also conveys the feeling and opinion of a large group of minority institutional investors, considers it important for the Company’s Board of Directors to include an additional number of directors who are renowned professionals and can discharge their office without being conditioned by their relationship with the Company or its group, its significant shareholders or executives, in order to better defend the corporate interest for the benefit of the Company and of all its shareholders and stakeholders.

Thus the proposed resolutions relating to the appointment of four additional non-executive directors (increasing as a consequence, if necessary, the number of members of the Board of Directors), within the upper limit of twenty directors established in article 34.1 of the Company bylaws, seek to ensure a greater weighting of non-nominee directors on the Board, proposing for such purpose a number of highly qualified candidates who can contribute knowledge and experience that is very useful to the Company, while also promoting diversity of knowledge, experience, background, nationality and gender on the Board.

With the proposal made here, and even without including the proposed removal of the four nominee directors proposed by HNA Group which is justified below, 50% the Board of Directors would be made up of non-executive directors not linked to the executive team or to the significant shareholders, which is considered very appropriate at this time, since a large number of institutional investors not represented on the Board have repeatedly expressed their concern and disagreement with the corporate governance of the Company.

In light of these considerations, a proposal is made to incorporate four new non-executive directors, within the upper limit established in article 34.1 of the Company

bylaws, with no link to the executive team or to the significant shareholders, to defend the corporate interest.

This proposal is made directly to the Shareholders' Meeting in light of the likely inability of the Board and of the Nominating, Compensation and Corporate Governance Committee to reach an agreement to propose the appointment of various additional non-executive candidates with no link to the executive team or to the significant shareholders, which is what the Company is deemed to require at this time. The lack of consensus on the Board of Directors has been compounded fundamentally as a result of the announcement of the acquisition of Carlson Hotels' group by the HNA Group, which has four nominee directors at the Company, one of whom is the Board Chairman and Co-chairman of the Company.

Set out below is the specific justification for each proposed candidate and the category of director that would correspond to each of them.

Moreover, bearing in mind that this supplement to the call notice is presented by a shareholder that is a fund managed by Oceanwood Capital Management LLP and which is represented on the Board of Directors of the Company by nominee director Mr. Alfredo Fernández Agras, it is considered appropriate to ask the shareholders' meeting to ratify his appointment and reiterate the trust placed in this director in the event of any petitions for his removal.

3. JUSTIFICATION FOR THE PROPOSED APPOINTMENT AS NON-EXECUTIVE DIRECTOR OF MR. PAUL DANIEL JOHNSON

3.1 Professional profile and résumé and notable experience

Mr. Paul Daniel Johnson has a degree in Hospitality Management.

An executive with almost 30 years' experience in management, marketing and sales in the hotel industry. In 2000 he founded the Kew Green Hotels chain, of which he is the Chief Executive Officer (an office he will vacate at the end of May 2016). Since its creation and under his leadership, the chain has grown to include 44 hotels and 5,200 beds in the UK, with revenues of almost £140 million. In 2015 he headed the successful sale of Kew Green Hotels to HK CTS for £400 million.

Mr. Paul Daniel Johnson previously worked for the Welcome Break Group as Hotels and Marketing Director from April 1999 to September 2000, and for Budget Rent a Car, as Sales and Marketing Director for Europe, the Middle East and Africa between February 1997 and January 1999, and as Marketing Director for Europe, the Middle East and Africa between April 1995 and February 1997.

Between 1991 and 1995 he held various positions at the Radisson Edwardian Hotels group and Hilton International Hotels group.

The full CV of the proposed candidate is attached as an annex.

3.2 Suitability of the candidate to discharge the office of director

The candidate meets the requirements of commercial and professional good standing and has adequate knowledge and experience to perform his functions as director of the Company.

Moreover, his broad experience in the hotel industry, both in operational and in commercial and financial areas, will be of great use to the Company.

Accordingly, it can be concluded that Mr. Paul Daniel Johnson meets the necessary suitability requirements for the discharge of the office.

3.3 Category of director and shareholder represented

Mr. Paul Daniel Johnson is not proposed to represent the fund shareholders of the Company managed by Oceanwood Capital Management LLP and has no significant or dependent relationship with them.

On the contrary, Mr. Paul Daniel Johnson is proposed on the strength of his personal and professional characteristics, it having been deemed that he can discharge his office without being conditioned by relationships with the Company or its group, its significant shareholders or executives. It is also stated that there is no record of his previously having met any of the current directors of the Company.

Since this proposal does not come from the Company's Appointments and Compensation Committee, the candidate will have the category of other non-executive director.

4. JUSTIFICATION FOR THE PROPOSED APPOINTMENT AS NON-EXECUTIVE DIRECTOR OF MR. FERNANDO LACADENA AZPEITIA

4.1 Professional profile and résumé and notable experience

Mr. Fernando Lacadena Azpeitia has a degree in Economics and Business Studies and a decree in Law from ICADE (Specialty E-3), Madrid.

An executive with more than 35 years' experience in the area of finance and particularly oriented towards management. In recent years he has specialized in financial matters at large listed multinational corporations, with extensive expertise in negotiating and structuring financing transactions, dealings with the capital markets and investment transactions (M&A).

He has been the CEO of real estate management company Testa Inmuebles en Renta SOCIMI, S.A., the leader in property rentals in the tertiary sector, since December 2014, having previously led the Company's IPO, which concluded with the acquisition of a stake by Merlin Properties in a deal worth close to €2 billion.

He is the chairman of ASPRIMA, the association of rental property companies in Spain.

Previously he spent seven years as CFO of Grupo Sacyr Vallehermoso, with overall responsibility for financial management with banks and dealings with analysts and investors, directly participating in investment processes and in the strategy of creating alliances to develop new businesses, in both local and international markets.

Prior to this he spent 13 years in similar positions at Grupo ACS – Dragados, having begun his career at the audit firm Arthur Andersen, where he spent the first 10 years of his professional career.

The full CV of the proposed candidate is attached as an annex.

4.2 Suitability of the candidate to discharge the office of director

The candidate meets the requirements of commercial and professional good standing and has adequate knowledge and experience to perform his functions as director of the Company.

Mr. Fernando Lacadena Azpeitia could contribute in-depth knowledge of the financial markets, both debt and equity, and great investor credibility. His extensive knowledge of both the real estate sector (including as owner of managed hotels) and the property development/construction sector would be an optimum complement of knowledge and experience for the current Board of Directors.

Accordingly, it can be concluded that Mr. Fernando Lacadena Azpeitia meets the necessary suitability requirements for the discharge of the office.

4.3 Category of director

Mr. Fernando Lacadena Azpeitia is not proposed to represent the fund shareholders of the Company managed by Oceanwood Capital Management LLP and has no relationship with or dependence on them.

On the contrary, Mr. Fernando Lacadena Azpeitia is proposed on the strength of his personal and professional characteristics, it having been deemed that he can discharge his office without being conditioned by relationships with the Company or its group, its significant shareholders or executives.

It is placed on record, in the interests of maximum transparency but without this affecting the independence of the candidate, that, to the best of the proposer's knowledge, this candidate is previously known in a professional capacity to various directors of the Company (Mr. Carlos González Fernández, Mr. Francisco Román Riechmann, Ms. Koro Usarraga Unsaín and Mr. Alfredo Fernández Agras) and that Mr. Fernando Lacadena Azpeitia is a senior executive of the Merlin Properties group, a company at which the non-executive nominee director Mr. Fernández Agras holds the position of independent director.

Since this proposal does not come from the Company's Appointments and Compensation Committee, the candidate will have the category of other non-executive director.

5. JUSTIFICATION FOR THE PROPOSED APPOINTMENT AS NON-EXECUTIVE DIRECTOR OF MS. MARÍA GRECNA

5.1 Professional profile and résumé and notable experience

Ms. María Grecna is a qualified economist from the School of Economics of Prague University (Czech Republic) and holds a Master's Degree in Finance from London Business School.

She has run Earlwoode Rental Properties, of which she is a co-founder, since 2013, a company engaged in the acquisition, renovation and management of residential properties, with a portfolio of over 100 properties in the center of Madrid and Barcelona and properties under construction and vacation properties in the Balearic Islands.

Between 2005 and 2013 she worked for the Värde Partners group (a global alternative investment adviser), first as CEO of Värde Partners Europe (London) between 2005 and 2011 and later as CEO of Värde Partners Iberia (Madrid) between 2011 and 2013.

She previously held various positions at Société Générale (Prague), from 2002 to 2003, at Crédit Suisse First Boston (London and Prague), from 2000 to 2002, and at Citigroup (Prague), from 1995 to 2000.

The full CV of the proposed candidate is attached as an annex.

5.2 Suitability of the candidate to discharge the office of director

The candidate meets the requirements of commercial and professional good standing and has adequate knowledge and experience to perform her functions as director of the Company.

Ms. María Grecna could contribute to the Company's Board of Directors a broad international outlook, in-depth knowledge of the real estate sector and her extensive investment analysis expertise.

Accordingly, it can be concluded that Ms. María Grecna meets the necessary suitability requirements for the discharge of the office.

5.3 Category of director

Ms. María Grecna is not proposed to represent the fund shareholders of the Company managed by Oceanwood Capital Management LLP and has no relationship with or dependence on them.

On the contrary, Ms. María Grecna is proposed on the strength of her personal and professional characteristics, it having been deemed that she can discharge her office without being conditioned by relationships with the Company or its group, its significant shareholders or executives. It is also stated that there is no record of her previously having met any of the current directors of the Company.

Since this proposal does not come from the Company's Appointments and Compensation Committee, the candidate will have the category of other non-executive director.

6. JUSTIFICATION FOR THE PROPOSED APPOINTMENT AS NON-EXECUTIVE DIRECTOR OF MR. JOSÉ MARÍA CANTERO DE MONTES-JOVELLAR

6.1 Professional profile and résumé and notable experience

Mr. José María Cantero de Montes-Jovellar has a degree in Law and in Economics and Business Administration from Universidad Pontificia Comillas (ICADE E-3) and is a graduate of the Senior Management Business Program (PADE) at Instituto de Estudios Superiores de la Empresa (IESE).

He has been a founding shareholder and managing partner of Results Mazimizer (a consultancy firm specializing in the execution and implementation of sales, marketing and communications projects) and Eubes (a digital marketing company) since September 2015.

Between July 2008 and August 2015 he held various positions of responsibility at the Mutua Madrileña group, first as Sales and Marketing Director (until May 2011) and then as Assistant General Manager, having also been a director at SegurCaixa Adeslas (since July 2011) and Mutuactivos Inversiones (since July 2013).

Between August 2003 and June 2008, Mr. José María Cantero de Montes-Jovellar was Marketing and Customer Director (commercial management and promotion of the Residential Business Unit) of the Amena/Orange group in Spain.

Previously, between July 1994 and July 2003, he worked at Procter & Gamble Spain, where he held various positions in the marketing department: Assistant Brand Manager, Brand Manager, with the last position held being Business Team Leader of the Fabric Care division for Spain and Portugal.

The full CV of the proposed candidate is attached as an annex.

6.2 Suitability of the candidate to discharge the office of director

The candidate meets the requirements of commercial and professional good standing and has adequate knowledge and experience to perform his functions as director of the Company.

Mr. José María Cantero de Montes-Jovellar could contribute to the Company's Board of Directors a broad perspective of consumer businesses, with extensive experience in marketing and account management with a particular focus on optimizing margins.

Accordingly, it can be concluded that Mr. José María Cantero de Montes-Jovellar meets the necessary suitability requirements for the discharge of the office.

6.3 Category of director

Mr. José María Cantero de Montes-Jovellar is not proposed to represent the fund shareholders of the Company managed by Oceanwood Capital Management LLP and has no relationship with or dependence on them.

On the contrary, Mr. José María Cantero de Montes-Jovellar is proposed on the strength of his personal and professional characteristics, it having been deemed that he can discharge his office without being conditioned by relationships with the Company or its group, its significant shareholders or executives. It is placed on record, in the interests of maximum transparency but without this affecting the independence of the candidate that, to the best of the proposer's knowledge, this candidate is previously known in a professional capacity to various directors of the Company (Mr. Federico González Tejera and Mr. Alfredo Fernández Agras).

Since this proposal does not come from the Company's Appointments and Compensation Committee, the candidate will have the category of other non-executive director.

7. JUSTIFICATION FOR THE PROPOSED RESOLUTIONS RELATING TO THE DECLARATION OF THE CONFLICT INVOLVING THE SHAREHOLDER HNA GROUP AND THE REMOVAL OF DIRECTORS

A proposal is also made, on the one hand, to declare the situation of conflict involving the significant shareholder HNA Group and, on the other, to remove the nominee directors Mr. Charles Bromwell Mobus, Mr. Ling Zhang, Mr. Xianyi Mu and Mr. Haibo Bai, all of whom are nominee directors representing the shareholder HNA Group, which holds 29.5% of the capital stock of the Company, due to a loss of confidence in their actions and having regard to the above referred conflict of interests deriving from the situation of structural and permanent conflict of competition with the Company deriving from the agreement signed by said significant shareholder for the acquisition of the Carlson Hotels' group, which is a major direct, current and effective competitor of the Company.

In these circumstances, it is the opinion of Oceanwood and of many other institutional investors that these four nominee directors, representing the shareholder HNA Group, have a permanent conflict of interest when it comes to defending the interests of the Company and of all of its shareholders, both if the two hotel groups continue to compete as they have done to date and if HNA Group, as new controlling shareholder of the Carlson Hotels' group, would intend to promote an integration agreement or commercial relationship between the latter and the Company.

Accordingly, a proposal is also made to have the shareholders' meeting declare the existence of a situation of structural and permanent competition of the shareholder HNA Group with the Company, which also entails a declaration of the impossibility of such shareholder being represented on the Board of Directors of the Company and exercising the power of proportional representation, immediately removing any director that may have been named by said shareholder by virtue of such power.

8. JUSTIFICATION FOR THE PROPOSED RESOLUTION RELATING TO THE ESTABLISHMENT OF THE NUMBER OF DIRECTORS

This resolution is proposed with a view to ensuring greater legal certainty with respect to the number of members of the Board of Directors of the Company following the end of the next shareholders' meeting, meaning that it will be shareholders' meeting itself that expressly establishes the number of members of the Board of directors and, consequently, resolves to establish such number as the number of directors resulting from the resolutions ultimately adopted for the appointment and removal of directors, which is expected to give rise to a Board of Directors made up of twelve members.

* * *

May 25, 2016.

Paul Daniel Johnson

Profile

A strong leader with extensive management, marketing and sales experience in travel and consumer sectors. A self-motivated individual with a track record for building business through innovative marketing, effective team leadership and strategic alliances as well as substantial acquisitions (£110m+). Successfully led exit (£400m++) to international strategic buyer.

Career history

Sept 2000–May 2016

Kew Green Hotels Ltd

Founder & Joint Managing Director

Founded Kew Green Hotels with a business partner and raised £4.5MM of institutional private equity backing. Grew the company through development and acquisitions to a turnover of c. £140m and £40m EBITDA with 44 owned hotels and 5,200 bedrooms throughout the UK. Led a successful exit in 2015 to HK CTS, a Chinese State Owned Enterprise.

- Researched and wrote business plan for multi-site hotel chain.
- Raised £4.5MM of 'venture capital' funding from institutional investors, and negotiated shareholder and investor legal agreements.
- Bought and integrated the £79MM Courtyard business into the existing Kew Green hotel portfolio addressing commercial, financial and cultural issues.
- Led a successful financial restructuring in 2010.
- Acquired thirty hotels via three portfolios during 2013/14
- Successfully developed the management team through all stages of growth and won numerous awards including Management Team of the Year in the 2006 Sunday Times / FastTrack Awards .
- Developed management contract division which operates a further 10 hotels turning over £50m and generating additional management fees.

Led a successful exit for Goldman Sachs/TPG through a £400m++ sale to HK CTS in 2015

April 1999–Sept 2000

Welcome Break Group Ltd

Marketing and Hotels Director

Head Office, Newport Pagnell, UK

Main Responsibilities:

- Full responsibility for the hotel division (20 hotels) including operations commercial, development etc.
- Responsible for all marketing including brand marketing and retail/catering tactical initiatives
- Turned around hotel division performance from a 20% year on year decline to 8% growth in 1 year

Feb 1997–Jan 1999

Budget Rent a Car International Inc

Director, Sales and Marketing –
Europe, Middle East, Africa
Regional HQ, Hemel Hempstead,
UK

Main Responsibilities

- develop sales and marketing strategies for the region to drive growth
- direct responsibility for four international sales offices and four country marketing offices
- 'dotted line' responsibility for domestic sales teams within the region

Key Achievements:

- restructured the international sales force to achieve 10% annual growth in corporate sales and US\$40m in leisure sales
- introduced the car rental industry's first electronic loyalty programme for travel agents which helped to increase market share of travel agency business from 4% to 10%

Director, Marketing – Europe, Middle East, Africa

Apr 1995 – Feb 1997, Regional HQ, Hemel Hempstead, UK

Main Responsibilities:

- develop pan-regional marketing strategies to drive international business including partnership marketing, pricing programmes and distress selling techniques
- re-position the Budget brand through innovative marketing and PR
- re-motivate and build a first class marketing team

Jan 1994–Apr 1995

Radisson Edwardian Hotels

Director of Marketing
Hayes, Middlesex, UK

Main Responsibilities:

- increase brand awareness and boost promotional revenue
- develop and introduce partnership marketing, relationship marketing and database marketing disciplines

Sep 1991–Jan 1994

Hilton International Hotels

Marketing Manager, Europe, Africa,
West Asia
Corporate Offices, Watford, UK

Marketing Manager, Gulf

Dec 1989 – Sept 1991, Dubai, UAE

Corporate Distribution Co-ordinator

Oct 1988 – Dec 1989, Corporate Offices, Watford, UK

Jun 1987–Oct 1988

Network Catering Limited

Catering Manager
Wheatley, Oxford, UK

Education

1983-1987

BSc (Hons) Hospitality Management

1978-1983

A Levels – Physics, Chemistry, Geography, General Studies

O Levels – Nine

Fernando Lacadena Azpeitia

Dynamic and results-oriented senior executive, with more than 35 years of demonstrated expertise in the field of finance and management. Specialized during the last period in the top management, financial-economic area of multinational corporations, with extensive experience in negotiating and structuring financial agreements with banks, analysts and investor relationship, M&A and strategic alliances and business development, both local and internationally.

Proven ability to improve operations, impact business growth and maximize profits through achievements in finance strategic planning and management and efficiency improvements.

Proven ability to manage stressful situations and lead high level relationships. High degree of discretion, mature judgement and tact in handling issues of a sensitive nature. Strong analytical, effectual problem-solving and outstanding communication and multi-disciplinary/multi-national team leading skills.

Working in English and Spanish. Corporate work in different countries, inside and outside Europe.

Professional experience

2014–Current

C.E.O. At Testa Inmuebles en Renta Socimi, S.A.

TESTA is the leader company in Spain in the real estate/office leasing segment. It has a portfolio of very emblematic buildings in the Commercial Property Assets segment. The company is listed in the Madrid Stock Exchange with a portfolio of assets worth 3,3 Bn euro and with excellent profitability ratio for the shareholder.

Main role: CEO

Responsibilities:

- As CEO of the company, to define the general strategy, risk policies and management of the daily operations, leading a professional team of 100 people.
- As member of the Board of Directors, to decide on business development and operations, and control procedures.
- Institutional relationships with authorities, regulators, market and shareholders.

Main Achievements:

- Drive the Company to consolidate its leading position in the Spanish market, and become the reference in asset quality and effective management. Its profitability ratio for the shareholder has become one of the highest in the sector.
- Designed and managed an IPO of the Company in the Stock Exchange market, that led to the participation of Merlin Properties as shareholder and its subsequent take over. An operation worth 2 Bn euro.
- Coordinated the global merger of TESTA with Merlin, both at business operation level and at corporate level, to become a unique organization through team integration, synergies enhancement and costs control.
- Chairman of ASPRIMA (Asociación de Inmobiliarias con Patrimonio en Alquiler), the main association in Spain of real estate leasing companies

2004-2014
C.F.O. at Sacyr Vallehermoso
Group

Listed company (IBEX – 35) and one of the biggest Spanish corporations working in different areas, such as construction, real estate, concessions and public services. Present in different countries of Europe, America, Africa and Australia. The Group had more than 300 companies, with 20.000 employees and revenues of 5,0 Bn Eur.

CFO of the Group, reporting to the Chairman.

Responsibilities:

- Financial management of the Group: high level bank negotiation (both structured long term financing and short term-working capital deals, both bilateral and syndicated deals with local and international banks). Management control of all the Group Divisions and supervising the corporate accounts annual closing.
- Part of the Group Management Committee and of several corporate commissions both in the Board of Directors and in the business lines, deciding on business development and operations, and management control.
- Institutional investor and market analysts' relationships, instrumental to the road shows at main international stock markets to present the Group's financial information.
- Investment/disinvestment operations related to the several Group divisions and companies, key element in the negotiation processes. The Group was the main shareholder (20%) of REPSOL, the biggest Spanish oil company, and invested through a syndicated loan of 5 Bn € with 50 banks, that was refinanced twice.
- Drafting of the economic reports and documents to base the projects of the business lines that require structured financing for their execution.

Main achievements:

- Reduction of the bank debt that was in 2008 of 21,3 Bn € to the 6,0 Bn €, with a bank pool of more than 100 entities and through several local and international processes of asset disinvestment.
- Refinancing of the Real Estate Division, executed during 2010-2011 with 30 banks to obtain more than 5 years new financing lines to cover the operative needs of the business during that period. Especially remarkable given the country situation in this sector.
- Several financing operations in the capital market, right issue and issuance of convertible bonds in Frankfurt stock market.

1994 a 2004
Dragados + ACS Group

During this period of 10 years, worked in different management roles:

CFO of the Services and Concessions Division. This business division, with a revenue of 3 Bn €, was created after the merger between two big multinational groups, ACS and Dragados.

Managed the Financial Direction of both Groups' Services and Concessions Business lines, with financial and accounting responsibilities.

Previously, **CFO of the Services Division at Dragados multinational Group, with total responsibility over Administration, Finances and Accounting.**

Main achievements:

- During this period, intensive in diversification and internationalization, led important processes of acquisition and investment in LATAM and other international markets, obtaining the financial resources needed for such operations.

1981 a 1994

Arthur Andersen

Auditor and consultant (Senior Manager) specialized in construction and real estate.

Education-

Private University ICADE Madrid (Spain). (E – 3, double grade),

Bachelor of Economy

Bachelor of Law

Different Universities and Financial Institutions in several countries

Post graduate studies related to finance and banking

Languages

Spanish as main language.

Fluent in English and French.

Others

Dictated several courses and conferences for Universities and Financial Institutions (IIR, ICADE, etc).

Maria Grecna

Business experience

2013–present

Earlwoode Rental Properties

Co-founder

- Founded a company to opportunistically acquire residential real estate mainly from distressed developers and individuals and converts them into affordable, yet high quality, rental accommodation. All properties are developed and managed in-house.
- Currently managing 100 units in central Madrid and Barcelona as well as vacation and development properties in Balearic Islands.

2011–2013

Värde Partners (Iberia), Madrid, España

Managing Director

- Managing Spanish office of Värde Partners, built a captive mortgage / loan servicing unit with 30 employees and €500 million of assets under management. The unit was successfully sold to a private equity buyer in early 2013.
- Driving illiquid investment strategy in Iberia; key investment classes include performing and non-performing loans, both consumer and corporate and real estate.
- Established close relationships with key sellers, advisers and regulators, Värde has been one of the most successful participants in Spanish distressed debt market.
- Excellent deal track record despite challenging macroeconomic conditions.

2005–2011

Värde Partners Europe, London, UK

Managing Director

- Co-head of the private / illiquid group, responsibility for investment strategy and origination
- Built private investments team of 7 analysts in Europe, negotiated over 40 joint-venture agreements since 2005.
- Underwritten and executed multiple distressed debt investments in six European jurisdictions (UK, Germany, Poland, Italy, Romania, Greece) mainly within investing excess of \$1 billion in loan portfolios, structured products, and residential real estate assets.
- Proven track record with strong investment returns over the 8 years+ period.

2002–2003

Societe Generale, Praga, República Checa

IBD / Capital Markets

- Involved in defining organisational structure and strategy of investment banking arm for the region (Czech Republic, Slovak Republic and Hungary).
- Set up a team focusing on structured products (including structured loans, strategic transactions, interest rate and commodity derivatives).

2000-2002

**Credit Suisse First Boston;
London & Prague
IBD / Emerging Markets Group**
Associate

- Led a team in the acquisition and work-out of a distressed asset portfolio from Slovak consolidation agency (bad bank), the first such deal for the firm in the region.
- Executed a number of distressed assets/ corporate restructuring deals in the region (Czech consolidation agency, Nova Hut (Czech republic), private deals in Romania, Slovakia and Bulgaria.
- Member of the team advising Slovak government on privatisation of the Slovak Gas Industry (SPP), the largest oil & gas privatisation in the region. .

1995-2000

Citigroup, Prague, Czech Republic
Fixed Income Structured Products
Associate

- Structuring of fixed income structured products, with focus on interest rate, commodity and single credit derivatives and structured products (including structured loans).

Other

2014 – present

International Tree Foundation, Oxford, UK

Trustee / Treasurer

Treasurer of one of the oldest environmental charities which is active in sustainable forestry/agroforestry, re-forestation and tree – related education, mainly in Africa and UK. Responsible for financial reporting, budgeting and investment strategy.

Formación

2003 – 2004 London Business school

MSc in Finance – quantitative training with focus on fixed income, risk management and financial engineering

1992 – 1995 Prague School of Economics, Czech Republic

Major: Finance, Accounting

Languages

English (fluent), Slovak/ Czech (native), German (very good), Spanish (good), Polish (good)

Personal

Czech National

José María Cantero de Montes-Jovellar

Professional experience

Sept. 15 - present
Results maximizer & Eubes.
Madrid
Managing Partner

- Eubes is a digital marketing company that helps businesses to maximize the potential of their digital environment.
- Results Maximizer is a consultancy for the design and implementation of marketing, sales and communications projects that help businesses improve their results.

June 11 – August 15
MUTUA MADRILEÑA SOCIEDAD DE SEGUROS. Spain.
Deputy General Manager.
Director of SegurCaixa Adeslas (from July 11)
Director of Mutuactivos Inversiones (from July 13)

- In recent years, Mutua Madrileña has achieved strong organic and inorganic growth. From an organic viewpoint, it is the only Spanish insurance company among the top ten that has maintained yearly growth in revenue and customers during the economic crisis. From an inorganic viewpoint, thanks to its financial and commercial strength, it acquired 50% and took control of the insurance company SegurCaixa Adelas; I was fully involved in the success of the acquisition and post-acquisition phase.
- Main projects led and achievements with my team:

<u>Mutua Madrileña Aseguradora.</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Customers (million)	8,361	8,915	9,961
Revenue (million euro)	3,644	3,870	4,159
EBITDA (million euro)	273	275	355

- The main initiatives I led to achieve these results were: i) Implementing a platform based on digital, pricing&analytics, and segmentation to achieve profitable growth, ii) Redefining the go-to-market strategy of SegurCaixa Adeslas, iii) Leveraging the strengths of Mutua Madrileña to build value – increasing customers, revenue and profits – for Mutuactivos inversiones.

July 08 - May 11
Sales and Marketing Director

- Mutua Madrileña, as a multi-business insurance company, went through an extremely difficult period in 2006, 2007 and 2008, losing customers continuously for over a year from the middle of 2007. In view of this situation, there was a change in the company's Chairman and the new Chairman decided to hire me to turn around this critical commercial situation.

- I led a team of over 500 persons with responsibility for revenue, customers and profits. I oversaw all the company's distribution channels as well as the acquisition, loyalty, retention, communications, research and cross-selling areas of the company

Main projects led and achievements with my team:

During 2009, 2010 and 2011, together with my team, I succeeded in turning this situation around:

<u>Mutua Madrileña Aseguradora.</u>	<u>2009</u>	<u>2010</u>	<u>2011(*)</u>
Customers (million)	2,126	2,263	7,927
Revenue (million euro)	1,293	1,358	3,476
EBITDA (million euro)	94	120	270

(*) Includes acquisition of SegurCaixa Adeslas

- Growth: Mutua Madrileña has been growing continuously since 2009 and among the top ten, it is the company that has achieved highest revenue and profit growth.
- Customer loyalty: Mutua Madrileña has achieved the highest loyalty rate in the market - 93% per year – thanks to a business model centered on customer satisfaction
- To achieve these results, I worked on four key projects: i) repositioning of the company, ii) creation of an organization, products and services that supported the repositioning, iii) reorganization of distribution channels, iv) Creation of a mathematical model that optimizes demand generation.

August 03 - June 08

AMENA/ ORANGE. Mobile telephony operator. Spain

Director of Marketing, Customers and Business Development, Residential Business Unit.

- Amena was the third mobile telephony operator launched in Spain. Eight years after its launch, it was the third best operator in Europe by customers, revenue and profits.
- I led the residential business in Amena (80% of the company's total income). Full responsibility over a team of 70 persons, leading the pre-pay and post-pay businesses (acquisition, loyalty and retention), advertising, research and innovation.

Main projects led and achievements with my team:

<u>Amena residential business unit</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Customers (million)	6.7	7.6	8.7	9.1	9.3
Revenue (million euro)	1.850	1.975	2.315	2.400	2.450
EBITDA (million euro)	575	740	800	825	850

- Increased revenue and EBITDA: i) Definition and execution of a plan to extract value during the customer life cycle, ii) Creation and implementation of a call management service, iii) Launch of a cross-selling program particularly focused on value added services, iv) Launch and development of a migration plan, v) Creation and leadership of a specific plan to attract, develop and retain high-turnover customers.
- Customer attraction and retention: i) Change perception of Amena to a value-for-money operator, ii) Creation and implementation of a new segmentation strategy ii) Change in the promotions strategy, from a handset strategy to a global mobile telephony operator strategy, iv)

Creation and implementation of a loyalty plan based on the customers' life cycle and value.

- Key contribution for the sale of the company. The residential business unit accounted for 80% of Amena's EBITDA, thanks to increasing EBITDA and revenue by 40% and 25%, respectively, in the last two years. These results allowed the former shareholders to sell Amena for 6.4 trillion euros and make a profit of 3 billion euros.

July '00 – July '03

Procter & Gamble España S.A.

Business Team Leader for the Fabric Care division in Spain and Portugal

Leader of the multifunctional team for Marketing, Sales, Finance and Logistics for all fabric care brands: Ariel, Bold, Tide, Dash, ACE, Neoblanc, Lenor and new launches in Spain and Portugal.

Main achievements with my team:

- Design and implementation of a new strategy for Ariel Spain. Results: during the first half of 2003 Ariel achieved the best results, in terms of volume and penetration, in the preceding five years.
- Design and implementation of a new strategy to leverage the P&G laundry portfolio against Lever in Portugal. Results: during FY 02/03 volume grew by 20%.
- Relaunching of the ACE brand in Spain under the new Marsella typology. Results: ACE achieved its best results during FY 03/04.
- Recruitment, development and motivation of the Fabric Care business team. Results: it was considered the best team in Europe.

September '97 - June '00

Brand Manager Ariel and ACE in Spain and Portugal and Don Limpio and Febreze in Spain

Main projects led and achievements with my ABMs:

Convergence plan for Ariel Portugal. Results: +2 points in market share in 4 months.

- Creation of a new promotional environment in the laundry area in Spain. Results: \$3m saving per promotion.
- Restoring profitability at CE Spain. The result was a \$1.5m decrease in brand spending as products ceased to be given away free.
- Launch of Ariel Líquido. The key components of the plan were subsequently used as a model in Europe.
- Launch of Febreze in Spain and Portugal.
- Definition and implementation of the Don Limpio strategy. As a result, during FY 97/98 Don Limpio's profits doubled.
- Launch of new Viakal with long lasting shine. After the launch, the volume of Viakal sales was multiplied by 1.5.

July '94 - August '97

Assistant Brand Manager for Don Limpio, Old Spice and Dash España

Main projects led and achievements:

- Launch plan for Don Limpio Neutral pH and Don Limpio Gel with bleach. Best launch plan and best Neutral pH results on a European level.

- Europe-level market analysis for a new High Endurance deodorant from Old Spice. Results: it was the only model approved for launching a new masculine Deodorant on a European level.
- Development of new concepts for mid-range detergents.
- Development of a new pricing strategy. As a result, the brand price was increased without any impact on volume

Personal details

Spanish. Born on 20 March 1969. Married with three children.

Academic background

1988 - 1994	Degree in Economics and Business Administration. UNIVERSIDAD PONTIFICIA COMILLAS. ICADE (E-3). MADRID.
1988 - 1993	Degree in Law. UNIVERSIDAD PONTIFICIA COMILLAS. ICADE (E-3). MADRID.
2010 - 2011	Advanced Management Program. INSTITUTO DE ESTUDIOS SUPERIORES DE LA EMPRESA. IESE. MADRID.

Languages

Spanish: mother tongue.

English: fluent spoken and written.