

**ALL THE GROUP'S RESOURCES ARE BEING COMMITTED TO THE FIGHT AGAINST COVID-19
TO PROTECT RESIDENTS, PATIENTS, FAMILIES AND EMPLOYEES**

- ✦ **AN EXTRAORDINARY BONUS TO BE AWARDED TO EMPLOYEES BY THE END OF JUNE**

A SOLID AND STRENGTHENED FINANCIAL STRUCTURE

- ✦ **FINANCING CAPACITY OF ALMOST €1 BILLION**

Q1 2020 REVENUE: +7.8% (€981 MILLION)

- ✦ **ORGANIC GROWTH OF +3.9%**

2020 GUIDANCE TEMPORARILY SUSPENDED

Puteaux, 5 May 2020 (6:00 pm CEST)

The ORPEA Group, world leader in long-term care (nursing homes, post-acute and rehabilitation hospitals, psychiatric hospitals, and homecare services), today announces its revenue for the first quarter of 2020 to 31 March, as well as the impact of the COVID-19 pandemic on its business.

ORPEA is fully committed to the fight against COVID-19

Over the past 3 months, the Group has mobilised all of its human and financial means to fight COVID-19 across all countries in which it operates to protect its residents, patients and employees to the best of its ability:

- very early implementation of strong barrier measures to avoid the virus entering its facilities;
- close and permanent cooperation with the supervisory authorities and public and private healthcare facilities in all countries;
- restocking, from January, of personal protective equipment (PPE) and real-time stock management. ORPEA would notably like to thank the Air France Group for very rapidly providing dedicated space in its aircraft. The French airline contributed massively to the implementation of efficient logistics to meet the Group's aim of shipping equipment from China as swiftly as possible. ORPEA was thus able to meet the needs of its French facilities and optimise redistribution to its European sites;
- permanent adaptation of hygiene protocols, and specific training for all employees with a team of more than 40 doctors and nurses specialised in Hospital Hygiene;
- creation of a Group psychological support unit for employees worldwide;
- creation of a scientific committee dedicated to understanding this new virus and the daily scientific monitoring of its evolution;
- strengthening of cooperation between nursing homes and post-acute and rehabilitation hospitals, with the creation of COVID units within these hospitals;
- appropriate and clear communication to families, employees and the supervisory authorities.

The Group has managed, at this stage, to alleviate the impact of this unprecedented crisis thanks, first and foremost, to the extraordinary commitment and solidarity of its 65,000 employees around the world. To thank and support them, they will be paid a recognition bonus between now and the end of June, the amount and conditions of which will vary according to the country and the challenges faced.

At a time when most countries are preparing to ease lockdown conditions, and even though two-thirds of the Group's facilities have not recorded any Covid-19 cases, ORPEA and its teams remain extremely vigilant regarding the risk of the virus spreading and are continuing to focus on protecting all of its stakeholders. The Group is working closely with one of the leading European medical analysis laboratories to extend testing to all residents and employees in regions affected by the virus. Finally, to maintain social contact, new family visiting guidelines have been introduced with strict barrier measures and hygiene rules.

The Group is thus deploying all of its experience, contacts, and resources to ensure a very gradual easing of lockdown measures, when appropriate and according to the country and local spread of the virus, with the priority remaining the safety and quality of care of its residents, patients, and employees.

Q1 2020 revenue growth: +7.8%

<i>In €m</i>	Q1 2020	Q1 2019	Change
France Benelux	582.3	540.6	+7.7%
Central Europe	253.7	234.1	+8.4%
Eastern Europe	91.1	87.0	+4.7%
Iberian Peninsula and LATAM	53.0	47.4	+11.7%
Other countries	0.8	0.8	+7.6%
Total revenue	980.9	909.9	+7.8%
<i>Including organic growth¹</i>			+3.9%

Consolidation dates: TLC in Ireland has been consolidated since 1 January 2020; SIS Brazil and SIS Portugal have been consolidated since 1 October 2019.

Clusters' composition: France Benelux (France, Belgium, the Netherlands, Ireland), Central Europe (Germany, Italy and Switzerland), Eastern Europe (Austria, Poland, Czech Republic, Slovenia, Latvia), Iberian Peninsula and LATAM (Spain, Portugal, Brazil, Uruguay, Mexico), Other countries (China).

Q1 2020 revenue totalled €980.9 million, up +7.8%. Half of this growth was organic, with a strong rate of 3.9%, and half came from acquisitions, notably in Ireland, as well as in Portugal and Latin America.

The COVID-19 pandemic began impacting business over the last 10 days of the first quarter, as well as in the second quarter with, in particular:

- the full closure of 15 Austrian rehabilitation hospitals, decided on in agreement with the pension funds in order to prioritise the allocation of funding to COVID-dedicated facilities. They are expected to reopen in May;
- the reduction of activity in German rehabilitation centres, due to the immediate suspension of surgery, despite the limited impact of COVID-19 in this country. Occupancy rates have started to climb gradually over the past 10 days or so;
- the limited decrease in the number of stays in post-acute and rehabilitation hospitals in France, followed by increased demand for COVID-19 patients requiring rehabilitation following time spent in intensive care;
- a slowdown in activity in nursing homes in France, Italy and Spain, which is currently stabilising;
- the postponement of openings as of March.

¹Organic growth of Group revenue reflects the following factors: 1. The year-on-year change in the revenue of existing facilities as a result of changes in their occupancy rates and per diem rates; 2. The year-on-year change in the revenue of redeveloped facilities or those where capacity has been increased in the current or previous year; 3. Revenue generated over the current period by facilities created during the current or previous year, and the change in revenue of recently acquired facilities by comparison with the previous equivalent period.

2020 guidance temporarily suspended

Since 17 March, when 2019 results were published, the spread of the COVID-19 pandemic has considerably accelerated and has impacted the Group's business in certain regions. For this reason, ORPEA has decided to temporarily suspend its 2020 financial guidance. Indeed, current volatility in the recovery, at a time when most countries are beginning to ease lockdown measures, and the implementation of possible compensatory measures in almost all countries do not allow us to accurately define our 2020 outlook at the current time. Nevertheless, the Group remains confident in the medium and long term.

A solid financial structure: financing capacity of almost €1 billion

Due to the current global pandemic, the Group's financial structure, which was already solid at the beginning of March before the initial impact of the crisis was felt, has been further strengthened. ORPEA's financing capacity now stands at close to €1 billion, thanks to its cash position and available lines of credit. This financial solidity reflects the confidence of the Group's financial partners in its medium- and long-term growth prospects. ORPEA is also benefiting from the Group's longstanding real-estate strategy of holding more than €6 billion in its healthcare real-estate portfolio, which is particularly resilient and sought after in this crisis.

This financial solidity means that ORPEA can weather this period and rely on its financial resources to protect residents, patients and staff and, where applicable, take advantage of any external growth opportunities. The Group would like to take this opportunity to thank all of its financial partners for their continued trust.

Yves Le Masne, Chief Executive Officer of ORPEA, commented:

"The current COVID-19 pandemic, which is affecting the entire world, is extraordinary and unprecedented. We would first of all like to express our heartfelt thoughts to the families and loved ones of residents who have been affected and to thank families for their support of our teams.

Our thoughts also go out to our 65,000 employees who have impressed us with their daily dedication, commitment and support to residents, patients, and families. They will be rewarded financially before the end of this half year.

Over the past three months, the Group's Management and the Board of Directors have deployed all the financial and human resources possible to limit the impact and, most importantly, protect our 80,000 residents and patients and our 65,000 employees.

It goes without saying that this crisis is having a temporary impact on the Group's business. Nevertheless, the Group's strategy and the sector's fundamentals, associated with the ageing population and the enhanced medical care of our facilities, mean that we are confident for the future.

Over the past 30 years, ORPEA has faced several crises relating to external factors (the 2003 heatwave, the 2008 financial crisis, the 2017 flu epidemic) and has always come out the other side stronger and more unified, notably thanks to the loyalty of our employees and the extensive experience of our management team.

The key focus for ORPEA is, and will continue to be, maintaining a strong link between our residents, patients, families, employees and all stakeholders who have placed their trust in us."

About ORPEA (www.orpea-corp.com)

Founded in 1989, ORPEA is one of the major world players in long-term care, with a network of 1,014 facilities comprising 104,234 beds (20,932 of which are under construction) across 22 countries, which are divided into five clusters:

- France Benelux: 509 facilities/45,068 beds (of which 4,752 are under construction)
- Central Europe: 249 facilities/26,491 beds (of which 4,885 are under construction)
- Eastern Europe: 136 facilities/14,621 beds (of which 3,647 are under construction)
- Iberian Peninsula/Latin America: 119 facilities/17,914 beds (of which 7,648 are under construction)
- Rest of the world: 1 facility/140 beds

ORPEA is listed on Euronext Paris (ISIN code: FR0000184798) and a constituent of the SBF 120, STOXX 600 Europe, MSCI Small Cap Europe and CAC Mid 60 indices.

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