



Press release

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Increase of Orbis results 6th year in a row

"Orbis has gone through a fundamental transformation in 2019. We have redefined our business model by splitting into two business lines – Service company (Asset Light) and Hotel Real Estate (Asset Heavy). The sale of asset light part to Accor, allowed Orbis to become a pure hospitality real estate player. Both companies have now been developing fast and need to follow their guests' and partners' expectations and therefore get the most of their know-how in both businesses separately.

With 73 hotels located in 6 CEE countries Orbis enters a new era of growth together with a new shareholder – AccorInvest that is in the acquisition process of Orbis shares from Accor. In order to ensure best service quality and have access to international brands, Orbis entered into a management agreement with Accor for its 73 hotels, which is the next step in our cooperation. Our perspective is changing but we still strive to strengthen our leading position in the region and despite the intensive transformation process through the whole year, we were able to improve our performance in all strategic areas." - said **Gilles Clavie**, President and CEO of Orbis.

This very intensive year in terms of transformation and strategic changes in Orbis, not affect Company ability to take full advantage of favourable economic climate and execution of its strategic targets to increase results 6th year in a row. Robust financial performances was confirmed by 4.6% increase of revenue up to PLN 1,419.6 million and operating EBITDA growth of 12.6% (up to PLN 499.1 million).

Orbis delivered these very strong results in most of its key markets at the operational level as well, represented by 5.5% RevPAR increase up to PLN 201 for the whole Group. We observed diversified performances depending on the country: +4.4% in Poland, +9.1% in Hungary and +4.2% in Czech Republic like-for-like growth . The growth came from the price strategy. Orbis succeeded to leverage of its average price by +4.6% comparing to 2018, and kept stable occupancy rate.

After the closing of the Light Asset business sale by Orbis to Accor, all 66 franchise and managed hotels agreements together with asset light pipeline

(42 hotels) were transferred to Accor portfolio. The transaction value amounted to PLN 1,218.4 million. Since then, Orbis portfolio consists of 73 owned and leased properties in 6 countries, i.e.: Poland, Hungary, Czech Republic, Romania, Slovakia and Lithuania. Orbis will capitalize on its unique know-how and expertise in the hotel investment space in CEE, to optimize its asset portfolio and create a long-term value with CAPEX investments. The Company already have 4 hotels in pipeline in key cities and prime locations of Poland and Hungary and looks for other valuable projects to expand the portfolio.

"Looking forward, I have no doubts that the Group is well prepared to get the most of the opportunities arising from implementing a new strategy to strengthen its leading position in the CEE region. 2020 will be extremely important for Orbis not only due to integration with our new strategic partner but also due to the 100 year anniversary of Orbis we will celebrate soon. I am proud to be a part of this history and I would like to thank all our employees for their constant engagement, professionalism and trust which build our success and which will be crucial for the next one." - summarized **Gilles Clavie**.

Orbis Hotel Group	2019	2018	change
<i>Operating like-for-like</i>			
Occupancy rate %	74,3%	73,7%	0,6 p.p.
Average Room Rate without VAT in EUR	62,9	60,1	4,6%
Revenue per Available Room in EUR	46,7	44,3	5,5%
<i>Financial m EUR</i>			
Revenue like-for-like	330,0	315,6	4,6%
EBITDAR	121,1	118,8	1,9%
EBITDA operating like-for-like	116,0	103,1	12,6%
Income before tax	65,9	91,8	-28,3%



ABOUT ORBIS

Orbis SA is the largest group investing in hotel assets in Poland and Eastern Europe. It comprises 73 hotels, including 63 own and 10 in lease (total of over 14,000 rooms), in 6 countries of the region: in the Czech Republic, Lithuania, Poland, Romania, Slovakia and Hungary. Hotels operate under Accor brand names: Sofitel, MGallery by Sofitel, Novotel, Mercure, ibis, ibis Styles and ibis budget, soon also adagio and Tribe. Recognized brands guarantee the quality of services of various standards, from luxury 5-star to economy 1-star hotels.

Orbis SA is a leader in the EE hotel real estate market, invests in the construction and modernization of hotels. It is also active in the field of asset management

Since 1997 Orbis SA has been listed on the Warsaw Stock Exchange. The strategic partner of Orbis is Accor SA.

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