



Press release

JULY 31TH, 2019

The trends observed over the first half, confirmed the growth robustness of the Company

- Business model transformation by focusing on real estate portfolio
- Solid operating indicators in the EE region (+5% RevPAR growth)
- EBITDA growth by 19.3% like-for-like up to EUR 51 million
- 12 new management and franchised contracts signed (almost 1,600 rooms)
- Aon certifies Orbis "Best Employer in Poland" for the second year in a row

"2019 will be a fundamental year for Orbis. Following comprehensive analyses, the Company decided to split the business into two business lines – light and heavy, which has been a natural step in the development path of the international hotel groups. The trigger to split was: fast development of our asset light part (already almost 50% of the network) and differences of Orbis' and Accor's (our strategic partner) business models.

*By splitting its 2 business models Orbis will be able to value the asset light business through a disposal to Accor and to focus all its attention on its core business - asset heavy, which is a core of its DNA. Once done, Orbis, with 73 solely owned hotels will be ready to start a period of growth. As Accor has announced intention to sell its entire stake in Orbis we strongly believe that our new shareholders will share a newly developed strategy. We have been transforming our profile but our top three priorities remain the same: Performance, Portfolio and People." - said **Gilles Clavie**, President and CEO of Orbis.*

First half 2019 performance highlights the effectiveness of Orbis strategy. The results in the whole Eastern Europe region remained strong with +5% RevPAR growth. The main driver of the growth was average price with the +4.4% ADR increase. Consolidated first half 2019 revenue totaled EUR 155.3 million, up 4.8%. Group EBITDA amounted to EUR 51 million with 19.3% growth.

Orbis keep its fast pace in expanding the network. In the first half of 2019 the Company have opened 3 new hotels i.e.: Bachleda Luxury Hotel Krakow MGallery By Sofitel (64 rooms); Mercure Sibiu Airport in Romania (85 rooms), both under the franchise agreements and one management contract on ibis Tallinn (190 rooms), entering the new country Estonia. In the same period Orbis team signed 12 new asset light agreements, which would add almost 1,600 new rooms in the hotels to be opened in 2020-2022. New contracts have strengthened the pipeline, which remain solid with 49 hotels (over 6,800 rooms) already. In the first half 2019 started the construction of the new development project – ibis Styles Szczecin (161 rooms). In the period the Company have modernized Mercure Budapest Buda and Korona, completed Sofitel Warsaw Victoria modernization and ibis & Novotel Poznan Center. The total Capex spent amounted to EUR 19 million.

“Our landscape is changing but Orbis remains strong as a regional leader and keeps strengthening its operating and financial results. Once again our teams, through their engagement and professionalism, have proven to be a driving force of our growth. We look optimistically in the future and we confirm our forecast released in June.” - summarized **Gilles Clavie**.

Orbis Hotel Group	1H 2019	1H 2018	change
<i>Operating like-for-like</i>			
Occupancy rate %	71,3%	70,9%	0,4 p.p.
Average Room Rate without VAT in EUR	62,0	59,4	4,4%
Revenue per Available Room in EUR	44,2	42,1	5,0%
<i>Financial m EUR</i>			
Revenue like-for-like	155,3	148,2	4,8%
EBITDAR	53,5	51,6	3,6%
EBITDA operating like-for-like	51,0	42,7	19,3%
Income before tax	33,5	54,5	-38,4%



ORBIS GROUP

The Orbis Hotel Group is the largest network of hotels in Poland and in Eastern Europe. Orbis comprises more than 135 hotels and is the sole licensor of all Accor brands in 16 countries including Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia. It offers a total of more than 21,000 rooms. The hotels operate under the brand names Sofitel, Pullman, MGallery by Sofitel, Novotel, Mercure, ibis, ibis Styles and ibis budget. These brands, recognized throughout the world, provide a quality of service to various standards, ranging from luxury 5-star to budget 1-star hotels.

Orbis' strategic partner is Accor.

Contact:

Emilia Maraszek

Corporate Communication

Coordinator

Press Office

T. +22 829 39 34

emilia.maraszek@accor.com

T. +22 829 39 97

katarzyna.nowak@accor.com

Investor Relations:

Dorota Nowotny

IR & BMI Manager

T. +22 829 39 24

dorota.nowotny@accor.com