

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN

THIS PRESS RELEASE DOES NOT CONSTITUTE A SOLICITATION TO PURCHASE OR AN OFFER OF THE BONDS (AS DEFINED BELOW) OR THE SHARES OF ORPEA (TOGETHER, THE "SECURITIES") IN THE UNITED STATES (AS DEFINED IN REGULATION S UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES UNLESS THEY ARE REGISTERED OR EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT. ORPEA DOES NOT INTEND TO REGISTER ANY PORTION OF THE OFFERING OF THE BONDS IN THE UNITED STATES OF AMERICA OR TO CONDUCT A PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

THE BONDS HAVE BEEN OFFERED ONLY BY WAY OF A PRIVATE PLACEMENT TO INSTITUTIONAL INVESTORS COMPRISING, FOR THE PURPOSES OF THIS PRESS RELEASE, THE PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES (AS DEFINED HEREAFTER). THE BONDS MAY NOT BE OFFERED OR SOLD TO RETAIL INVESTORS (AS DEFINED HEREAFTER). NO KEY INFORMATION DOCUMENT UNDER PRIIPS REGULATION HAS BEEN AND WILL BE PREPARED.

STRONG SUCCESS OF THE ISSUANCE OF APPROXIMATELY €500 MILLION OF BONDS CONVERTIBLE INTO NEW SHARES AND/OR EXCHANGEABLE FOR EXISTING SHARES (OCEANE) DUE 2027

Puteaux, on May 14, 2019

ORPEA (the "Company") (Euronext Paris: FR0000184798), has successfully placed today bonds convertible into new shares and/or exchangeable for existing shares ("OCEANE") due May 17, 2027 (the "Bonds") for a total amount of approximately €500 million by way of a private placement to institutional investors only (the "Offering").

The net proceeds from the Offering will be used to address the Group's general financing needs, and will mainly be dedicated to its business development across all of its geographies, through both greenfield and targeted acquisitions projects. The issuance will enable the Group to pursue the diversification of its sources of funding, to extend the average maturity profile of its indebtedness and to optimize related costs.

Yves Le Masne, CEO of ORPEA, comments:

"This transaction attracted strong interest from investors allowing the Group to obtain the most favorable terms with a premium of 47.5% and a coupon of 0.375%, corresponding to the higher end of the range of conversion premium and to the lower end of the range of coupon respectively proposed at the launch of the transaction, for a long maturity of 8 years. The success of this issuance demonstrates investors' confidence in the geographical expansion strategy of ORPEA and in its value creation potential. Thanks to this new source of funding at a particularly low cost, ORPEA will be able to accelerate its business development while optimizing its financial structure".

The nominal unit value of the Bonds has been set at €146.50, corresponding to a premium of 47.5% above ORPEA's reference share price¹ on the regulated market of Euronext in Paris ("Euronext Paris").

The Bonds will be issued at par on May 17, 2019 (the "Issue Date"), being the expected settlement and delivery date of the Bonds, and will bear from the Issue Date a coupon of 0.375%, payable annually in arrears on May 17 of each year (or on the following business day if this date is not a business day), starting on May 17, 2020 (or on the following business day if this date is not a business day).

Unless previously converted, exchanged, redeemed or purchased and cancelled, the Bonds will be redeemed at par on May 17, 2027 (or on the following business day if this date is not a business day).

The Bonds may be redeemed prior to maturity at the discretion of the Company, under certain conditions. In particular, the Bonds may be fully redeemed earlier at par plus accrued interest, at the Company's option at any time from June 9, 2025 until the maturity date of the Bonds, subject to giving at least 30 (but not more than 60) calendar days' prior notice, if the arithmetic average, calculated over a period of 20 consecutive trading days chosen by the Company from among the 40 consecutive trading days preceding the publication of the early redemption notice, of the products of the Company's volume

¹ The reference share price is equal to the volume-weighted average price of ORPEA's shares recorded on Euronext Paris from the start of trading today until the determination of the final terms of the Bonds on the same day, i.e. €99.3238.

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN

weighted average price on Euronext Paris on each trading day within the relevant period and the applicable conversion/exchange ratio on each such trading day exceeds 130% of the nominal value of the Bonds.

In the event of a Change of Control of the Company (as defined in the terms and conditions of the Bonds), any bondholder may, at its discretion, request the early redemption in cash of all, but not some only, of the Bonds it owns at par plus accrued interest.

Existing shareholders of the Company shall have no preferential subscription rights (or priority subscription period) in connection with the issue of the Bonds or the underlying new shares of the Company issued upon conversion.

Application will be made for the listing of the Bonds on Euronext AccessTM in Paris to occur within 30 days from the Issue Date.

BNP Paribas, Crédit Agricole Corporate and Investment Bank, Natixis and Société Générale acted as joint global coordinators and joint bookrunners of the Offering (the "Joint Global Coordinators").

Conversion/Exchange Right

Bondholders will be granted a conversion/exchange right of the Bonds into new and/or existing shares of the Company which they may exercise at any time from the Issue Date and until 5.00 p.m. (Paris time) on the 7th business day (inclusive) preceding the maturity date or the relevant early redemption date.

The conversion/exchange ratio is set at one share per Bond subject to standard adjustments in certain cases. Upon exercise of their conversion/exchange right, bondholders will receive at the option of the Company new and/or existing Company's shares carrying in all cases all rights attached to existing shares as from the date of delivery.

Lock-up

In the context of the Offering, the Company agreed to a lock-up undertaking for a period starting from the announcement of the final terms of the Bonds and ending 90 days after the Issue Date, subject to certain customary exceptions or waiver from the Joint Global Coordinators.

Dilution

As a result of the Offering, the issue of the Bonds in an aggregate amount of approximately €500 million represented by 3,412,969 Bonds each with a nominal value of €146.50, would lead to a dilution of approximately 5% of the outstanding share capital, should the Company decide to exclusively deliver new shares upon conversion.

Legal framework of the Offering and placement

The Offering has been conducted solely on a private placement basis. The Offering has been made in compliance with Article L.411-2-II of the French monetary and financial code (*Code monétaire et financier*), pursuant to the authorisation granted by the Company's extraordinary general meeting held on June 28, 2018 (18th resolution), by way of an accelerated bookbuilt private placement to institutional investors only, in France and outside of France (excluding in particular the United States of America, Canada, Australia or Japan).

Available information

The Offering is not subject to a prospectus approved by the French Financial Market Authority (*Autorité*

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN

des marchés financiers) (the « AMF »). Detailed information on ORPEA, including its business, results, prospects and related risk factors are described in the Company's registration document (*Document de Référence*) filed with the AMF on May 10, 2019 under number D.19-0474 which is available, together with the press releases and other regulated information about the Company, on ORPEA's website (www.orpea-corp.com).

About ORPEA (www.orpea-corp.com)

Founded in 1989, ORPEA is one of the main world leader in long-term care, with its network of 950 facilities, with 96,577 beds (17,388 of them under construction) in 14 countries, including:

- 33,443 beds in France (2,587 beds under construction) at 354 facilities
- 63,134 beds outside France (Austria, Belgium, Brazil, China, Czech Republic, Germany, Italy, Luxembourg, Netherlands, Poland, Portugal, Spain and Switzerland) at 596 facilities (14,801 beds under construction)

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.

Investor Relations

ORPEA

Steve Grobet

Finance Corporate Secretary

s.grobet@orpea.net

Investor Relations

NewCap

Dusan Oresansky

Tel.: +33 (0)1 44 71 94 94

orpea@newcap.eu

Media Relations

Image 7

Priscille David Reneaume

Tel.: +33 (0)1 53 70 74 61

preneaume@image7.fr

Hélène de Watteville

Investor Relations Officer

h.dewatteville@orpea.net

This press release does not constitute a solicitation to purchase or an offer of the Bonds or the shares of ORPEA (together, the "Securities") in the United States (as defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"). The Securities may not be offered or sold in the United States unless they are registered or exempt from registration under the Securities Act. ORPEA does not intend to register any portion of the offering of the Bonds in the United States of America or to conduct a public offering of the Securities in the United States.

The Bonds have been offered only by way of a private placement to institutional investors comprising, for the purposes of this press release, the professional clients and the eligible counterparties within the meaning of MiFID II (as defined hereafter). The Bonds may not be offered or sold to retail investors (as defined hereafter). No Key Information Document under PRIIPS Regulation has been and will be prepared

Disclaimer - Important information

This press release may not be released, published or distributed, directly or indirectly, in or into the United States of America, Australia, Canada or Japan. The distribution of this press release may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No communication or information relating to the offering of the Bonds may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of ORPEA and the Joint Global Coordinators assumes any liability in connection with the breach by any person of such restrictions.

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN

This press release is an advertisement and not a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4, 2003 as amended (the "Prospectus Directive").

This press release is not an offer to the public, an offer to subscribe or designed to solicit interest for purposes of an offer to the public in any jurisdiction, including France. The Bonds have been offered only by way of a private placement in France and/or outside France (excluding the United States of America, Australia, Canada and Japan), solely to persons referred to in article L. 411-2-II of the French monetary and financial code (*Code monétaire et financier*). There will be no public offering in any country (including France) in connection with the Bonds. This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the shares of ORPEA can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.

Prohibition of sales to European Economic Area retail investors

No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or
 - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a "qualified investor" as defined in the Prospectus Directive; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Retail investors, professional investors and ECPs only target market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is retail investors, eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to retail investors, eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, even if the target market includes retail investors, the manufacturers have decided that the Bonds will be offered, as part of the initial offering, only to eligible counterparties and professional clients.

France

The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France. Any offer or sale of the Bonds and distribution of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French monetary and financial code (*Code monétaire et financier*).

United Kingdom

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order

NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN

2005, as amended (the “Order”), (iii) to people designated by Article 49(2) (a) to (d) of the Order or (iv) to any other person to whom this press release may otherwise lawfully be communicated pursuant to applicable law (the persons mentioned in paragraphs (i), (ii), (iii) and (iv) all deemed relevant persons (the “Relevant Persons”)).

The Bonds and, as the case may be, the shares of ORPEA to be delivered upon exercise of the conversion rights (the “Financial Instruments”), are intended only for Relevant Persons and any invitation, offer of contract related to the subscription, tender, or acquisition of the Financial Instruments may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein. This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

United States of America

This press release may not be released, published or distributed in or into the United States (as defined in Regulation S under the Securities Act). This press release does not constitute or form a part of an offer of securities for sale or an offer of securities for sale or of any offer or solicitation to purchase securities in the United States, except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act or the law of any state of the United States. The Bonds are and will be offered or sold only in offshore transactions outside of the United States, in accordance with Regulation S of the Securities Act. ORPEA does not intend to register any portion of the proposed offering of the Bonds in the United States and no public offering will be made in the United States

Australia, Canada and Japan

The Bonds may not and will not be offered, sold or purchased in Australia, Canada or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada or Japan.

The distribution of this press release in certain countries may constitute a breach of applicable law.