



Press Release

GAROFALO HEALTH CARE S.P.A.: ADDENDUM TO AGREEMENT BETWEEN SUBSIDIARY VILLA VON SIEBENTHAL, LAZIO REGION AND LOCAL HEALTHCARE AUTHORITY SIGNED.

Rome, April 17, 2019 – Garofalo Health Care S.p.A. (the “**Company**” or “**GHC**”), listed on the MTA segment of the Italian Stock Exchange and an accredited private healthcare leader, following that announced on March 18, 2019 with regards to the subsidiary Villa Von Siebenthal S.r.l. (the “**Subsidiary**”), announces that a private agreement was signed today constituting an addendum to that with the Lazio Region and the Rome 6 Local Healthcare Authority (ASL).

The previous agreement, signed on May 26, 2017, allowed for the definitive accreditation of the facility, including a new module of 20 beds for the care of adolescents suffering from severe psychiatric issues.

The agreement signed today supplements the 2018 budget, applying an increase in fees for the adolescents module; this adjustment was extended also to activities provided from January 1, 2017 as final settlement of pending disputes.

The effects from this supplement, as per international accounting standards, shall be reflected in the GHC Group’s results for 2018, to be approved by the Board of Directors tomorrow, improving by approximately 2% consolidated Adjusted Operating EBITDA⁽¹⁾ announced to the market on February 27, 2019.

This supplement will also produce additional effects, to be defined by the competent bodies over the coming months, on the financial statements for the year ending December 31, 2019 and to be announced to the market according to the applicable legal provisions.

Claudia Garofalo, CEO of the Subsidiary, commented: *“I am greatly satisfied with this agreement, following the major efforts made over the last two years, which aligns the performances of Villa Von Siebenthal, in terms of profitability, also for the future and on a regular and recurring basis, with those of the other GHC Group facilities”*.

Villa Von Siebenthal, a psychiatric residential clinic located in Genzano di Roma (Rome), is the first facility in Italy to be accredited for the intensive care of adolescent psychiatric patients and the first facility in the Lazio Region to be accredited for the extensive care of these patients.

⁽¹⁾ Adjusted Operating EBITDA, neutralising the IPO costs, is defined as EBIT + depreciation and amortisation + provisions and write-downs + listing costs incurred and expensed to the Income Statement (this latter amounting to Euro 4.0 million)



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FOR FURTHER DETAILS:

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The GHC Group

The GHC Group, listed on the Milan Stock Exchange, is an Italian accredited private healthcare leader operating through 19 healthcare facilities demonstrating excellence, located in Italy's strongest regions and offering a comprehensive range of services covering all areas of healthcare thanks to diversified specialties, the use of cutting-edge technologies and highly-qualified personnel. The Group in fact operates across six regions in Northern and Central Italy (Piedmont, Veneto, Emilia Romagna, Liguria, Tuscany and Lazio), covering in the hospital sector acute admissions, long hospitalization, post-acute rehabilitations and outpatient services (the "Hospital Sector"), and in the regional and social-care sector covering residential admissions and district outpatient services (the "Dependency Care Sector").