

Oslo – 25 November 2016

Corporate reorganisation, contemplated acquisition of minority interests and bond issue

Over the last years, Hospitality Invest AS ("**Hospitality Invest**") has observed a positive development in all its investments within the care segments, and at the same time, the group companies have entered into new geographical areas.

Hospitality Invest strongly believes that the core segments in which it is invested will continue to experience a positive trend in the Nordic and European countries in the years to come. In order to arrange for the continued growth in its current investments in the care segments, Hospitality Invest intends to consolidate all its holdings within the preschools, care, individual & family and integration services segments under its fully-owned and newly incorporated subsidiary to be named Norlandia Health & Care Group AS (NHCG).

After the reorganisation, NHCG plans to acquire all outstanding minority stakes in Norlandia Care Group AS, Kidsa Drift AS, Hero Group AS and Aberia Healthcare AS (all companies collectively referred to as "**Norlandia**"), and Hospitality Invest will simultaneously contribute its majority shareholdings in the same companies as equity in kind to the NHCG.

Norlandia will become a leading player in the Nordic private care market with more than eight thousand employees and 2016e revenues of NOK 5,500 million. The company is expected to benefit from significant synergies between its segments and vastly improved diversification across geography and product.

Contemplated bond issue

In relation to the transaction described above, Norlandia is contemplating the issuance of a senior secured bond in the Nordic bond market with maturity in 2021. The bond issue will be equivalent to NOK 1,750 million, and will consist of a NOK and/or a SEK tranche.

The net proceeds from the contemplated bond issue will be used to:

- Repay approximately NOK 844 million of current debt, including Norlandia Care Group AS' NOK 650 million bond maturing in April 2018 (OSE: NCG01), which will be called in connection with a successful placement of the new bond; and
- Finance the acquisition of shares in Norlandia Care Group AS, Kidsa Drift AS, Hero Group AS and Aberia Healthcare AS from minority shareholders; and
- General corporate purposes.

Consolidated overview of the financial position of Norlandia for the period from 1Q-3Q16, estimates for 4Q16 and full year 2016 are included in the table below:

<i>All numbers in NOK th</i>	Consolidated Q1-Q3'16	NCG Forecast Q4	Hero Forecast Q4	Aberia Forecast Q4	Kidsa Forecast Q4	Elim.	FORECAST Q4'2016	FORECAST 2016
NET OPERATING REVENUE	4,213,483	783,320	307,887	123,000	84,164	0	1,298,371	5,511,854
TOTAL OPERATING EXPENSES	-3,935,606	-754,714	-303,727	-121,386	-82,287	-948	-1,263,062	-5,198,668
Depreciation, amortisation, impairm.	74,149	10,507	16,401	5,411	1,634	948	34,901	109,050
EBITDA	352,026	39,113	20,561	7,025	3,511	0	70,210	422,236

ABG Sundal Collier, DNB Markets and Pareto Securities have been appointed as Joint Lead Managers of the contemplated bond issue.

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The statements in this press release that are not historical facts may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause the outcome to be materially different. Norlandia Health and Care Group AS undertakes no obligation to revise or update any forward looking statements, unless required to do so under the securities laws.

About Hospitality Invest AS

Hospitality Invest AS is a private investment company controlled by Roger Adolfsen and Kristian A. Adolfsen. The company invests across a variety of sectors, including Hotel Operations, Care Services, Staffing and Real Estate. The company has a bond listed on the Oslo Stock Exchange under the symbol "HOIN01".