



## **TRINITY HEALTH CORPORATION**

### **VOLUNTARY DISCLOSURE**

LIVONIA, MICH., June 29, 2020 --- The following voluntary disclosure contains updated information regarding the coronavirus disease 2019 (COVID-19) pandemic, the response of Trinity Health Corporation (“Trinity Health”) to the pandemic, and the potential effect of the COVID-19 pandemic on Trinity Health’s operations and financial condition. This disclosure supplements the voluntary disclosure made by Trinity Health on April 9, 2020, is made on a voluntary basis and is in addition to Trinity Health’s annual and quarterly continuing disclosure filings. This disclosure reflects events and conditions reasonably believed by management of Trinity Health to exist as of the date of this voluntary disclosure. Trinity Health undertakes no obligation to update this voluntary disclosure in the future.

#### ***Trinity Health COVID-19 Update***

Trinity Health’s Health Ministries are continuing to treat patients with COVID-19 but have for now seen declining numbers of very sick patients with COVID-19. However, Trinity Health has developed plans to rebuild our volumes and is seeing some moderate but steady inpatient and outpatient business returning to our Health Ministries. Our plans are dependent on the safe ramp up of services and the willingness of patients to return to our Health Ministries for care while the virus remains active in the environment. Our plans for reopening are built with this in mind, but naturally there are many unknowns.

#### ***Impact on Operations and Financial Performance***

Trinity Health’s results of operations were significantly impacted by the effects of the COVID-19 pandemic and shelter-in-place orders in most of its markets during the last two weeks of March 2020, which are continuing into the current quarter ending June 30, 2020.

The effect of COVID-19 on the operating margins and financial results of Trinity Health is adverse and significant and, at this point, the duration of the pandemic and the length of time until Trinity Health returns to normal operations is unknown. While the Federal Government has provided financial support, this funding does not completely cover operating losses incurred as a result of the pandemic. It is management’s belief that operating revenue will remain below historical levels for the remainder of this fiscal year and for much of the next fiscal year, until such time as a vaccine is available and hospital and outpatient services are restored to their previous full capacity.

As a result of COVID-19, Trinity Health management is projecting operating revenues of \$17.3 billion in fiscal year 2021. This lower revenue base will require an adjustment to Trinity Health’s cost structure, which will impact staffing and other expenses. Beyond this projection of operating

revenues in fiscal year 2021, management does not believe it is possible at this time to project with certainty the direct financial impact of the COVID-19 pandemic on Trinity Health's financial performance, including operating and cash flow margins.

### ***Cost Restructure, Re-Sizing and Colleague Transition Plans***

Trinity Health is undertaking a process to restructure and re-size its ministry, redesign work and reduce costs with the lower revenue base. On June 29, 2020, Trinity Health announced that this process will involve additional colleague transitions, including position eliminations and severances, extended or new furloughs, and extended or new reductions in schedules. These decisions are being customized across the system based on the related circumstances, including volume growth projections and the cost and revenue challenges in each market.

### ***Liquidity & Capital***

Trinity Health has drawn on credit facilities totaling \$1 billion to provide adequate liquidity during the COVID-19 pandemic and will continue to assess its liquidity position.

### ***Forward-Looking Statement Disclaimer***

Certain statements included or incorporated by reference in this voluntary disclosure constitute "forward-looking statements." Such statements generally are identifiable by the terminology used such as "plan," "expect," "predict," "project", "estimate," "anticipate," "budget" or other similar words. Such forward-looking statements include but are not limited to certain statements contained in the information under "Impact on Operations and Financial Performance." The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Trinity Health does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or fail to occur.