

PRESS RELEASE

**INCREASE OF 2,011 BEDS IN 6 MONTHS:
A EUROPEAN NETWORK OF 18,014 BEDS
NEW 2007 REVENUE TARGET: €520m
SRD LISTING**

Puteaux, 13th March 2007: The ORPEA group, a leading player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today announced further dynamic development, with the Group now having 18,014 beds (14,790 of which are operational).

- **New developments**

Over the last six months, the ORPEA group has actively continued its development, notably abroad, with a further 2,011 beds, including 19 new facilities, split as follows:

- Long-term care (nursing homes):
 - 500 beds in France
 - 743 beds in Europe
- Temporary care (post-acute and psychiatric care clinics)
 - 768 beds in France

Subsequently, the Group has accelerated the increase of its European implementation by acquiring an additional 700 beds in Belgium, Spain and Italy.

The Group's network of facilities now consists of:

18,014 beds, 14,790 of them operational, spread over 193 sites, split as follows:

- **Long-term care:** 14,053 beds over 150 sites,
 - 11,446 operational, including 994 being restructured and 2,607 under construction.
- **Post-acute care:** 3,800 beds over 43 sites,
 - 3,344 operational, including 820 being restructured and 617 under construction.

Yves Le Masne, the Group's Chief Financial Officer, comments: *"With a network that now amounts to about 14,800 beds that are operational, out of a total of 18,014 beds, in our two complementary activities that are long-term care and temporary care, the ORPEA group's new revenue target for 2007 is now anticipated at €520m. The acquisition of 743 long-term care beds in the three countries where ORPEA is already implemented further strengthens the Group's European positioning. Steadily increasing requirements, both in France and in neighbouring countries, warrant a high visibility for our growth."*

- **Financing development**

In order to continue its development at a sustained rate in the coming months, ORPEA has obtained a €150m medium-term credit line from its banking pool, which is to be used exclusively to finance the acquisition of operating structures. This new financing facility comes on top of major lines in terms of leasing and ever-increasing interest from large property investors in ORPEA's land and buildings.

- **Deferred settlement service SRD**

Meeting the capitalisation and liquidity criteria defined by Euronext, ORPEA is to be transferred to the SRD market (*Service à Règlement Différé*, or Deferred Settlement Service). From 27th March 2007, ORPEA shares will thus be SRD-processed.

This SRD admission comes a few weeks after ORPEA's admission to the SBF 120 index and its transfer to Section A of Euronext Paris. These developments mark a major milestone in ORPEA's stock market path, with the stock first listed on the *Second Marché* in March 2002, and will enable the Group to appeal to new investors. The stock's SRD promotion reflects its substantial liquidity, with average daily trading volumes exceeding €1 million.

- **Quality award from "Quotidien du Médecin" and "Décision Santé" delivered at the Senate**

Within the framework of the "*Management des Ressources Humaines en Santé*" (HR management in the health sector) award created by "*Quotidien du Médecin*" and "*Décision Santé*" publications, in which numerous major public and private health structures competed, ORPEA was granted the Quality award. This trophy, which was handed over at the French Senate, rewards the work of ORPEA's Quality department, which each year single out the best establishments according to two criteria: the knowledge and good application of internal procedures and the quality of care given to residents and patients. This internal ORPEA award, based on regular audits and permanent training, rewards the work of all ORPEA employees who improve patients' and residents' welfare on a daily basis, within the framework of the clearly-defined procedures set up by the Group.

Doctor Jean-Claude Marian, the Group's Chairman and CEO, concludes: *"These developments strengthen the ORPEA's economic model of targeted selective value-creating growth supported by guaranteed medium and long-term financial means. The trophy received by ORPEA, the Quality award from "Quotidien du Médecin" and "Décision Santé", is dedicated to all of our personnel for their action in favour of residents and patients in a business where the responsibility of professional and respectful care is a must each and every day."*

Next press release:
2006 annual results: Wednesday 25th April 2007, before market opening

About ORPEA (www.orpea-corp.com): Listed on Euronext Paris since April 2002, the ORPEA Group is one of the most important players in the Long-Term Care and Post-Acute Care sectors. ORPEA had a unique network of healthcare facilities with a total of 18,014 beds (14,790 of them operational) on 193 sites as at 1st March 2007, including:

- 14,053 beds: 11,446 operational including 994 under renovation + 2,607 under construction, spread across 150 sites for long-term care (nursing homes),
- 3,961 beds: 3,344 operational including 820 under renovation + 617 under construction, spread across 43 sites for post-acute care (medium-term clinics and psychiatry).

Listed on Eurolist Compartment A of Euronext Paris - ISIN: FR0000184798
Member of the SBF 120 index
Reuters: **ORP.PA** - Bloomberg: **ORP FP**



Investor relations:

NewCap.
Emmanuel Huynh / Steve Grobet
Tel: +33 (0)1 44 71 94 94
orpea@newcap.fr

ORPEA
Yves Le Masne
CFO
Tel: +33 (0)1 47 75 78 07