



ACQUISITION OF MEDITER AND MEDIBELGE PROGRESSING ON SCHEDULE

Signature of the contribution agreement relating to the acquisition by means of a contribution in kind of 100% of Mediter and 49% of Medibelge

Puteaux, 9 December 2010

The process of carrying out the strategic acquisition announced on 19 October is progressing on schedule.

Orpea has announced that the Contribution agreement was signed on 8 December 2010, with a view to the acquisition of 100% of Mediter - which holds a majority stake in Mieux Vivre - and a 49% stake in Medibelge - which belongs to the holding companies of Mr Philippe Austruy. The acquisition of a stake in Medibelge is combined with an option to purchase the remainder of the company. The contribution agreement has been signed subject to the usual conditions, including in particular approval from the antitrust authorities.

The Contribution agreement was approved unanimously by Orpea's Board of Directors at its meeting of 25 November 2010.

Financing by means of a reserved capital increase and compensation balance

As stated at the time of the announcement, of the total acquisition cost of €129 million, €113.78 million will be financed through the creation of 3,500,923 new Orpea shares at a price of €32.50 per share (note that the average share price for the 60 trading days before the memorandum of understanding was signed on 18 October 2010 was €31.6), and the remainder in cash. The deal is due to be finalised at the end of 2010, after which Philippe Austruy will hold 8.3% of Orpea's share capital via his holding companies.

As a result, the Company's share capital will be increased by €4,376,153.75 from €48,564,840 to €52,940,993.75, divided into 42,352,795 shares with a par value of €1.25.

This contribution falls within the framework of a delegation of powers by the Combined General Meeting of 26 June 2009 granted to the Board of Directors¹.

As a reminder, the acquisition represents 4,866 beds at 57 facilities, including 3,810 beds in France and 1,056 in Belgium². It constitutes a major strategic opportunity for ORPEA, which has thereby confirmed its positioning as a key player in Europe in dependency care. Following a gradual ramp-up, the acquisition could reach potential sales³ of €250-280 million.

The acquisition, primarily financed by the issuing of new shares will enable ORPEA to maintain a high level of financial flexibility, which will be enhanced further by the recent €157 million OCEANE bond issue, which could be increased to a maximum of around €180 million.

¹ According to the eleventh resolution: delegation of authority to increase the company's share capital by up to 10%, with a view to paying for contributions in kind made to Orpea in the form of capital stock or miscellaneous marketable securities.

² 49% of Medibelge's beds are taken into account, i.e. 1,056 beds corresponding to 49% of Medibelge's total number of beds (2,156 beds).

³ Once all beds under redevelopment and under construction have become operational and assuming that the call option is exercised.

About ORPEA (www.orpea.com): Listed on Euronext Paris since April 2002 and a member of the Deferred Settlement Service, ORPEA is a leading player in the Long-Term Care and Post-Acute Care sectors. At 1st January 2011, the Group will have a unique network of healthcare facilities with 32,939 beds (27,123 of which are operational) across 356 sites, including:

- 26,702 beds in France: 22,058 operational (including 3,052 being renovated) + 4,644 under construction, spread across 298 sites,
- 6,237 beds elsewhere in Europe (Spain, Belgium Italy and Switzerland): 5,065 operational (including 674 being renovated) + 1,172 under construction, spread across 58 sites.

Listed on Euronext Paris Compartment A of NYSE Euronext
Member of the **SBF 120 index** and **SRD**
ISIN: FR0000184798- 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

Deputy CEO

Tel: +33 (0)1 47 75 78 07