

PRESS RELEASE

**Strategic acquisition of 10 clinics**

**Pursuance of the growth momentum: +1,627 beds in 6 months**

**2009 sales target increased to €840 million**

**Puteaux, 13<sup>th</sup> October 2009**

ORPEA, a leading player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today announced further growth of 1,627 beds, thus bringing the total network to 26,526 spread across 284 sites.

**Buoyant growth momentum combining authorisations and acquisitions**

Over the last 6 months, ORPEA has pursued its development that meets two objectives: increase the value of the Group's assets and enhance visibility for years to come in terms of both sales and profitability. 65% of the new beds need to be renovated or constructed, and will thus provide a substantial contribution to the Group's profitability and cash flow once this is done.

Amongst these new beds, ORPEA notably made the most of a unique strategic opportunity to acquire a set of 10 clinics representing 840 beds.

These 1,627 new beds, spread across the long-term, post-acute care and psychiatric care sectors, correspond to 18 new sites and to extensions of existing facilities, and break down as follows:

- 584 operational beds;
- 427 beds being renovated;
- 616 beds under construction.

All of this growth over the last 6 months was in France.

In line with the strategy implemented for more than a decade now, these developments combine the Group's two areas of expertise:

- Granting of authorisations for 536 beds in dynamic regions where requirements are high, such as Provence-Alpes-Côte d'Azur and Ile-de-France. These authorisations, some of which were granted within the framework of the recovery plan implemented by the French government, authorising, in 2009, a further 5,000 beds in EHPAD (for a total of 12,500 beds), were obtained thanks to ORPEA's Authorisations / Conventions / Tariffs internal department teams who have been working with local regulatory authorities for 20 years and thanks to the efficiency of its engineering and works department.  
These new authorisations reflect real acknowledgement of ORPEA's know-how in constructing high-standard facilities and in the defining of innovative care and living projects enabling suitable and quality care for its residents and patients.
- Acquisition of 1,091 beds that meet the Group's strict investment criteria. As most of these beds require restructuring, they will develop their resulting potential over the medium and long term.

Over the last 12 months (from October 2008 to September 2009), ORPEA thus pursued its growth momentum, in line with its targets, with 3,000 new beds in France, whilst maintaining its solid profitability and reducing its main debt ratio.

### A growth and profitability reservoir of 8,490 beds

The Group's European network now comprises **26,526 beds spread across 284 sites**, broken down as follows:

	<b>TOTAL</b>	<b>France</b>	<b>Spain</b>	<b>Belgium</b>	<b>Italy</b>	<b>Switzerland</b>
Operational beds	21,565	17,619	1,776	1,513	582	75
<i>of which currently being renovated</i>	3,529	3,021	0	442	66	0
Beds under construction	4,961	3,966	0	577	418	0
<b>Total number of beds</b>	<b>26,526</b>	<b>21,585</b>	<b>1,776</b>	<b>2,090</b>	<b>1,000</b>	<b>75</b>
<b>Number of sites</b>	<b>284</b>	<b>238</b>	<b>16</b>	<b>19</b>	<b>10</b>	<b>1</b>

### 2009 sales target increased, 2011 target reaffirmed

Yves Le Masne, Deputy CEO, comments: *"The acquisition of a set of 10 clinics is a unique opportunity in this sector in France, and creates high potential, once these facilities are restructured. Backed by these recent developments and by the buoyant rate of growth of mature and recently-opened facilities, ORPEA possesses unique short, medium and long-term visibility. For this reason, the Group is increasing its 2009 annual sales guidance to €840 million and confidently reaffirming its 2011 sales target of significantly over a billion euros. Beyond 2011, the growth reservoir of close to 8,500 beds ensures the Group's visibility and growth for the coming 4 or 5 years. This growth will of course take place within a context of further solid profitability and an improvement in debt ratios."*

### Strategy and outlook

Dr. Jean-Claude Marian, Chairman and Chief Executive Officer, comments: *"ORPEA operates in a sector where requirements remain substantial, due to demographic growth but also due to insufficient capacity. Furthermore, some existing beds are inadequate given the rising dependence of residents, who require an increasing medicalisation of facilities, and will need to be renovated."*

*The Group possesses unique advantages enabling it to meet these requirements:*

- loyal and devoted teams;*
- over 10 years of experience in searching for land and in constructing facilities that meet the group's high standards of security and quality;*
- acknowledged innovative and Quality dependency care;*
- efficient management of facilities.*

*Thanks to these strengths that have made its model a success, ORPEA will pursue its development, notably by obtaining further authorisations, whether within the current regulatory context or via the demand for projects that will be implemented during 2010.*

*The developments will be carried out both in some major regional agglomerations where capacity remains insufficient and in less dynamic economic basins where ORPEA adapts its structures and its offer. Lastly, the group is reaffirming its intention of pursuing its momentum at a rate of around 3,000 beds a year."*

**Next Press Release:  
Q3 sales: 27<sup>th</sup> October 2009 before market opening**

**About ORPEA** ([www.orpea.com](http://www.orpea.com)): Listed on Euronext Paris since April 2002 and recently promoted to the Deferred Settlement Service, the ORPEA group is a leading player in the Long-Term Care and Post-Acute Care sectors. As of September 2009, the Group has a unique European network of healthcare facilities, with 26,526 beds (21,565 of them operational) across 284 sites, including:

- 21,585 beds in France: 17,619 operational (including 3,021 being renovated) + 3,966 under construction, spread across 238 sites.
- 4,941 beds in Europe (Spain, Belgium, Italy and Switzerland): 3,946 operational (including 508 being renovated) + 995 under construction, spread across 46 sites.

**Listed on Euronext Paris Compartment B** of NYSE Euronext - ISIN: FR0000184798  
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