

PRESS RELEASE

**Growth achieved over the last 6 months: + 1,363 beds**

**Confirmation of the very high medium and long-term visibility**

**2009 sales target: €820 million**

**Puteaux, 24<sup>th</sup> March 2009**

ORPEA, a leading player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today announced that it has continued, more than ever through caution and rigorous analysis, its development policy by increasing its European network by 1,363 beds, bringing the total number of beds to 25,019 spread across 266 sites.

**Growth achieved between October 2008 and March 2009: + 1,363 beds**

The 1,363 new beds, spread across both the long-term and the post-acute care sectors, correspond to 15 new facilities as well as to extensions of existing facilities, and break down as follows:

- 512 operational beds
- 420 beds being renovated
- 431 beds under construction

These developments concern France only, with ORPEA thus reaffirming its will of giving priority to reaching normative profitability abroad before pursuing further developments. Indeed, the opening of the 1,530 beds currently being renovated or under construction, combined with gradual upramping of opened facilities, should enable the various European countries in which ORPEA operates to optimise their levels of profitability.

In accordance with ORPEA's traditionally cautious and value-creating development policy, the 1,363 new beds are the result of:

- Authorisations for 538 beds, i.e. 40% of new beds, that will allow the Group to open, over the next 2 or 3 years, new facilities in strict accordance with ORPEA's criteria in terms of standards of Quality and geographical location. Furthermore, the granting of these authorisations in France once again shows recognition and acknowledgement of the expertise of ORPEA's teams in terms of Quality care.
- The acquisition of 825 beds that meet the Group's Quality and economic criteria which remain very strict and that will be further increased within the current economic context. These acquisitions will strongly contribute to the Group's margin after optimisation of the management of facilities that are operational and highly value-creating in the long run, once the other facilities have been renovated or constructed.

Over the last 6 months, ORPEA thus pursued its value-creating strategy both through the strengthening of its growth reservoir and through the increase of its results and cash flow.

## A European network of 25,019 beds, including a secure growth reservoir of 7,788 beds

The Group's European network now comprises **25,019 beds spread across 266 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	20,540	16,474	1,776	1,513	702	75
<i>of which currently being renovated</i>	3,309	2,774	0	442	66	27
Beds under construction	4,479	3,484	0	577	418	0
<b>Total number of beds</b>	<b>25,019</b>	<b>19,958</b>	<b>1,776</b>	<b>2,090</b>	<b>1,120</b>	<b>75</b>
<b>Number of sites</b>	<b>266</b>	<b>219</b>	<b>16</b>	<b>19</b>	<b>11</b>	<b>1</b>

### Confidence and serenity regarding the pursuance of growth

ORPEA has a flexible financial structure that enables it to ensure its future development through 2,500 to 3,000 new beds per year. In the current crisis, its strong visibility on revenue and cash flow over the short, medium and very long term is a key factor regarding the confidence of the Group's banking partners.

Yves Le Masne, Chief Operating Officer, commented: "As shown by the buoyant growth in 2008 sales, including fourth-quarter sales, ORPEA's economic performance has very little dependence on the economic and financial environment. Moreover, our 2008 annual results, which will be published on 8<sup>th</sup> April, will again reflect the solidity of our model, with further growth in profit. These results will also confirm the robustness of the Group's financial structure, notably with an improvement in its principal debt ratio."

### 2009 / 2011 outlook

Thanks to its network of 17,231 operational beds, to the opening of around ten new facilities in 2009 and to the independence of the Group's activity vis a vis the economic outlook, ORPEA is fully confident in its ability to record another year of profitable growth in 2009, with a sales target of €820m and a further increase in profit.

The pursuance of this solid growth momentum remains secured, notably thanks to a growth reservoir of 7,788 beds either under construction or being renovated that will gradually be incorporated within the Group. ORPEA can thus confidently and serenely reiterate its target of achieving sales of over a billion euros in 2011.

Dr. Jean-Claude Marian, Chairman and Chief Executive Officer, added: "Thanks to a development policy that centres on creating value, to the daily efforts of our teams to optimise the Quality of care, and to our strictly controlled management, ORPEA will have doubled in size between 2006 and 2009 in terms of the number of beds, of sales and of the number of staff. With an acknowledged Quality offer, new facilities located in or close to major towns and substantial financial flexibility, ORPEA will serenely pursue its development whilst maintaining solid profitability. The 7,788 beds currently under construction or being renovated ensure, for coming years, remarkable revenue visibility and solid results within a sector favoured by demographic trends and an ongoing increase in requirements of high-quality dependency care."

**Next Press Release:  
2008 FY results: 8<sup>th</sup> April 2009 before market opening**

**About ORPEA** ([www.orpea.com](http://www.orpea.com)): Listed on Euronext Paris since April 2002 and elected to the Deferred Settlement Service, the ORPEA group is a leading player in the Long-Term Care and Post-Acute Care sectors. As of 1<sup>st</sup> March 2009, the Group has a unique European network of healthcare facilities, with 25,019 beds (20,540 of them operational) across 266 sites, including:

- 19,958 beds in France: 16,474 operational (including 2,774 being renovated) + 3,484 under construction, spread across 219 sites.
- 5,061 beds in Europe (Spain, Belgium, Italy and Switzerland): 4,066 operational (including 535 being renovated) + 995 under construction, spread across 47 sites.

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