



PRESS RELEASE

STRENGTH OF THE ORPEA MODEL CONFIRMED GROWTH CONTINUES

Puteaux, 30th June 2008

Following certain market concerns in the wake of erratic fluctuations in its share price, ORPEA, a leading player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today confirmed its confidence in both its growth and business model.

An important British nursing home company today announced that it is experiencing serious difficulties.

In the UK, the specific difficulties facing certain companies in the sector are related to radically different business models than ORPEA's, involving systematic renting of homes and relatively low occupancy rates due to an absence of barriers to entry in the sector.

As far as ORPEA is concerned, the company operates in countries – France, Belgium, Spain and Italy – where regulations are fundamentally different from the UK, with high barriers to entry due to tightly controlled authorisation systems.

ORPEA has always pursued a cautious growth strategy, combining search of authorisations and selective, value-creating acquisitions.

For this reason, ORPEA is completely confident that sales will continue to grow and profitability will remain robust. Over the last few months, activity remained very steady, as the quarterly release scheduled on 16 July will show. ORPEA therefore confirms that its full-year sales target will exceed €665m, with margins remaining solid.

ORPEA's financial structure, sound and flexible, enables the company to pursue its expansion strategy in order to increase its growth reservoir.

Finally, the creation of a real estate subsidiary owning a part of the company's properties, of which ORPEA will be a majority shareholder and to which one or more partners will be associated, is progressing at a normal pace.

The recent disposals of a number of properties under the same terms as in 2007, demonstrated that specialist investors are interested in the security, reliability and visibility offered by a business tenant such as ORPEA in this specific kind of dedicated asset.

**Next Press Release:
2008 H1 revenue: 16th July 2008 before market opening**

About ORPEA (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 1st March 2008, the Group has a unique European network of healthcare facilities, with 21,403 beds (17,283 of them operational) across 229 sites, including:

- 17,173 beds in France: 13,886 operational (including 2,440 being renovated) + 3,287 under construction, spread across 189 sites.
- 4,230 beds in Europe (Spain, Belgium, Italy and Switzerland): 3,483 operational (including 404 being renovated) + 747 under construction, spread across 40 sites.

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

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