

ORPEA

LIFE GOES ON WITH US

STRONG GROWTH IN 2014 REVENUES, OUTSTRIPPING GUIDANCE: UP 21.2% TO €1,948.4 MILLION

ANOTHER YEAR OF DEVELOPMENT AND STRONG GROWTH AHEAD IN 2015

- 2015 REVENUE TARGET: €2,310 MILLION (GROWTH OF 18.6%)
- 25 FACILITIES TO OPEN AND 1,300 JOBS TO BE CREATED

Puteaux, 11 February 2015: ORPEA, a leading European player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, has today announced its sales for the fourth quarter and for the 2014 financial year ended on 31 December.

Full-year 2014 revenues ahead of guidance

| In €m IFRS | Full-Year | | | Quarterly | | |
|---------------------------------------------------------|-----------------------|----------------|-------------------------------|---------------------|--------------|-------------------------------|
| | 2014 | 2013 | % | Q4 2014 | Q4 2013 | % |
| France <i>% of total sales</i> | 1,499.7 77% | 1,342.3 83% | +11.7% | 388.9 73% | 351.8 84% | +10.5% |
| International <i>% of total sales</i> | 448.8 23% | 265.6 17% | +69.0% | 144.5 27% | 67.0 16% | +115.5% |
| Belgium | 164.9 | 158.0 | | 40.4 | 39.7 | |
| Spain | 55.6 | 49.6 | | 15.6 | 12.3 | |
| Italy | 41.6 | 38.4 | | 10.8 | 9.8 | |
| Switzerland | 84.2 | 19.5 | | 27.4 | 5.2 | |
| Germany | 102.4 | 0.0 | | 50.3 | 0.0 | |
| Total sales <i>Organic growth¹</i> | 1,948.4 | 1,607.9 | +21.2% +6.0% | 533.4 | 418.9 | +27.3% +5.7% |

Senevita in Switzerland has been consolidated as of 1 April 2014 and Silver Care in Germany as of 1 July 2014.

¹ Organic growth reflects the following factors: 1. the growth in sales (in period n vs. period n-1) of existing facilities as a result of changes in their occupancy rates and daily rates, 2. the growth in sales (in period n vs. period n-1) of restructured facilities or those with capacity increased during period n or n-1, and 3. sales generated in period n by facilities set up in period n or n-1. Organic growth includes the improvement in sales recorded at recently-acquired facilities by comparison with the previous equivalent period.

Record top-line growth in 2014 with €340.5 million in additional revenues

Commenting on the figures, Yves Le Masne, ORPEA's Chief Executive Officer, said: *"The pace of ORPEA's growth accelerated sharply in 2014, with its revenues increasing by 21.2% to €1,948.4 million, double the pace implied by our guidance at the beginning of 2014 (10.1%), owing in particular to the strategic acquisitions we made in Switzerland and Germany. This growth provided €340.5 million in additional revenues over just one year—more than double the revenues of €156 million we posted in 2002, the year of our IPO.*

This impressive performance was driven by two factors:

- *robust organic growth of 6.0% (equivalent to close to €100 million) underpinned by a firm performance at our existing facilities and the opening of 2,350 beds (through construction or restructuring) during the year, half in international markets;*
- *a brisk pace of acquisition-led growth outside France, with the acquisitions of Senevita in Switzerland and Silver Care in Germany, as well as further selective developments.*

All our geographical regions recorded an increase, demonstrating once again the resilience of ORPEA's model amid an uncertain economic and financial environment.

These outstanding developments and top-line growth were achieved with continued strong margins, in keeping with our longstanding strategy of focusing on value creation."

2015: 25 new facilities and 1,300 new jobs to be created

In 2015, the Group will step up the pace of its expansion even further by opening 2,500 beds over the course of the year at 25 new facilities and extensions, with approximately one-third located in France and two-thirds outside France. These new facilities will meet the highest quality standards, and most of them will be located in high-potential regions, such as the 16th arrondissement of Paris, Cannes, Ostend, Berlin and Zurich.

As it strives to bring these projects to fruition, ORPEA will remain a major creator of new jobs despite the uncertain economic climate. In 2015, the Group is set to create 1,300 direct jobs that are sustainable and cannot be relocated abroad.

Once the Austrian SeneCura has been integrated, the Group will have over 38,000 employees in Europe.

What's more, ORPEA has set up a Scientific and Ethical Advisory Board, consisting, among others, of leading European professors of medicine from outside the Group. It has been charged with enriching and enhancing the Group's responsibility-based corporate culture in the fields of business ethics, research and training. This Board will help to harmonise its culture by providing the benefit of its insight, experience and expertise in issues related to quality and medical safety, health and well-being, science and technology.

Objectives and outlook for 2015: continued strong growth

In early 2015, ORPEA demonstrated its ability to pursue very active development and to achieve its international expansion goals by:

- acquiring SeneCura, the Austrian leader in the private long-term care sector, which has over 4,000 beds; and
- repaying its OCEANE 2016 bonds ahead of schedule, giving it greater financial flexibility with an increase of around €180 million in its equity.

Building on this success, ORPEA now forecasts 2015 revenues of €2,310 million, implying strong growth of 18.6% (increase of €361.6 million), including robust organic growth. This objective includes a full-year contribution from Senevita and SilverCare and a 9-month contribution from SeneCura, as well as the growth secured to date.

This forecast does not include any other development.

Dr Jean-Claude Marian, ORPEA's Chairman, added: *"After a remarkable year in 2014 on the network development and business expansion fronts, the ORPEA Group has kept up the same pace in early 2015 by acquiring SeneCura in Austria and the Czech Republic.*

Leveraging an organisation primed and scaled for international expansion, its financial clout and its three new platforms in German-speaking countries with dynamic economies, ORPEA will resolutely pursue its development strategy by creating new facilities and making selective acquisitions.

The Group intends to meet the challenges posed by population ageing in Europe and China by offering high-quality long-term care."

Financial reporting schedule for 2015

The following dates are subject to change. Press releases will be published before the market opens.

| Event | Date |
|--------------------------|-----------------------------|
| Full-year 2014 results | Tuesday 31 March 2015 |
| First-quarter 2015 sales | Tuesday 5 May 2015 |
| First-half 2015 sales | Wednesday 22 July 2015 |
| Interim 2015 results | Wednesday 23 September 2015 |

About ORPEA (www.orpea-corp.com)

Listed on Euronext Paris since April 2002 and a member of the Stoxx 600 index, ORPEA is a European leader in integrated Long-Term Care and Post-Acute Care. The Group has a unique network of 579 healthcare facilities, with 56,314 beds (49,905 of them operational), including:

- 31,871 beds in France (3,979 under refurbishment or construction) across 345 facilities
- 24,443 beds in Europe – in Austria, Belgium, Germany, Italy, Spain, Switzerland and Czech Republic² – (5,430 under refurbishment or construction) across 234 facilities

Listed on **Euronext Paris Compartment A**, a Euronext Group market
Member of the **Stoxx Europe 600, MSCI Small Cap Europe, SBF 120 and CAC Mid 60 indexes**
ISIN: FR0000184798 - Reuters: **ORP.PA** - Bloomberg: **ORP FP**



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