

2016 REVENUE AHEAD OF GUIDANCE: €2,842M (UP 18.8% ON 2015)

ACQUISITION OF “SPITEX VILLE ET CAMPAGNE”, LEADING PRIVATE SWISS PROVIDER OF HOMECARE SERVICES

2017 REVENUE TARGET SET AT €3,125M (UP 10% ON 2016), WHICH IS ALREADY SECURED

Puteaux, 7 February 2017, 6.00 pm (CET)

The ORPEA group, one of the leading European providers of long- and medium-term care (nursing homes, post-acute and rehabilitation hospitals, psychiatric hospitals, and homecare services), has today announced its revenue for the 2016 financial year ended on 31 December, as well as the acquisition of “Spitex Ville et Campagne” in Switzerland

Strong growth of 18.8% in 2016 revenue to €2,841.8m

In €m IFRS	Full-year			Quarterly		
	2016	2015	Change	Q4 2016	Q4 2015	Change
France	1,697.0	1,596.6	+6.3%	432.7	406.2	+6.5%
<i>% of total revenue</i>	<i>60%</i>	<i>67%</i>		<i>59%</i>	<i>68%</i>	
International	1,144.8	795.0	+44.0%	303.9	242.8	+25.2%
<i>% of total revenue</i>	<i>40%</i>	<i>33%</i>		<i>41%</i>	<i>32%</i>	
Germany	501.4	287.5		128.2	100.9	
Austria	176.2	109.5		47.4	37.2	
Belgium	161.1	157.8		40.8	41.5	
China	0.4	-		0.2	-	
Spain	101.8	63.9		34.6	16.2	
Italy	48.4	45.9		11.9	11.1	
Poland	11.1	-		3.0	-	
Switzerland	142.7	130.1		37.2	35.8	
Czechy	1.7	0.3		0.6	0.1	
Total revenue	2,841.8	2,391.6	+18.8%	736.6	649.0	+13.5%
<i>Including organic growth¹</i>			+6.0%			+6.2%

Medi-System in Poland and Vitalis in Germany have been consolidated since 1 January 2016, and Sanyres in Spain since 1 July 2016.

¹ Organic growth reflects the following factors: 1. The year-on-year change in the revenues of existing facilities as a result of changes in their occupancy rates and daily rates; 2. The year-on-year change in the revenues of redeveloped facilities or those where capacity has been increased in the current or year-earlier period; 3. Revenues generated in the current period by facilities created in the current or year-earlier period, and the change in revenues at recently acquired facilities by comparison with the previous equivalent period.

Commenting on the figures, Yves Le Masne, ORPEA's Chief Executive Officer, said:

"2016 was another record year for ORPEA with its 2016 revenue rising 18.8% to €2,841.8m. This figure was €122m ahead of the initial guidance we provided at the beginning of last year and even beat the revised target set mid-way through last year.

As in previous years, the growth and development of the international businesses drove our 2016 performance with contributions from acquisitions, which now generate 40% of our consolidated revenue, and from organic growth, which held up at a brisk pace of 6.0%.

This robust organic growth, which was ahead of the target, reflected:

- consistently high occupancy rates across all markets
- the ramp-up in new facilities opened over the past two years, mostly in large towns and cities or in areas with strong purchasing power
- the opening of over 2,700 beds during 2016 in 26 facilities and extensions - 70% of them located outside France - and in leading cities.

Thanks to our powerful and sustained development momentum, our business has doubled in size over the past four years (from 2012 to 2016), just as it did between 2007 and 2011.

We achieved this brisk top-line growth without deviating from our target of quality as well as solid and carefully controlled profitability, in keeping with our longstanding strategy."

2017: continuing drive to open facilities (2,000 new beds) and create jobs

In 2017, ORPEA is set to open close to 2,000 beds in 18 new or extended facilities across 7 European countries. These high-quality facilities are predominantly located in areas with strong purchasing power such as the 16th arrondissement of Paris, Zurich, Bern, and Lake Maggiore in Italy. These new facilities and extensions are the result of projects launched over the past few years and will drive organic growth and create value.

In 2017, thanks to this flurry of new openings, ORPEA will continue to contribute employment growth in Europe, with over 1,500 new direct jobs - around 700 of them in France - being created. These sustainable jobs that cannot be relocated abroad provide major training and career development opportunities in professions as diverse as care services, accommodation, and management.

Acquisition of "Spitex Ville et Campagne", the leading Swiss homecare provider

Founded in 1986, "Spitex Ville et Campagne" has built Switzerland's largest private network of care and homecare services for the elderly. With a presence in 25 of the 26 Swiss cantons, "Spitex Ville et Campagne" has a unique nationwide footprint in a sector with substantial barriers to entry, requiring separate permits in each canton.

"Spitex Ville et Campagne" has built a very strong reputation among its customers and with the cantonal health authorities and insurers, which will give Senevita, ORPEA's Swiss subsidiary, an invaluable network.

Spitex posted revenue of €40m in 2016.

For Senevita, this acquisition represents a unique opportunity to:

- build a seamless homecare and facility-based offering that fits the needs of the elderly at every stage of their later life and for every degree of dependence

- hasten its development in nursing homes, especially in locations where ORPEA does not yet have a presence. Senevita will be able to accelerate the construction of independent living facilities, with “Spitex Ville et Campagne” providing an additional “homecare” building block in these facilities.

Guidance for 2017: revenue target of €3,125 million (up 10% on 2016)

In 2017, ORPEA now confidently forecasts revenue of €3,125m. This represents a healthy increase of 10% (or €283m) from consistently brisk organic growth and from acquisitions, including Sanyres in Spain over a full 12 months and “Spitex Ville et Campagne” in Switzerland over a full 12 months. As it stands, this guidance does not factor in any other developments.

Thanks to dedicated expert teams in each country, supported by those at its corporate headquarters, ORPEA continues to pursue a number of projects to create new facilities at prime locations in the 10 countries in which it is active. It also remains on the look-out for opportunities to acquire independent or family-owned facilities meeting its quality criteria across the various segments of the dependency sector.

ORPEA will provide an update on these developments, which will contribute to future profits, in the presentation of its full-year results.

Financial reporting schedule for 2017

The following dates are subject to change. Press releases will be published after the market close.

Event	Date
Full-year 2016 results	Tuesday 28 March 2017
First-quarter 2017 sales	Tuesday 2 May 2017
Half-year 2017 sales	Tuesday 18 July 2017
Half-year 2017 results	Tuesday 26 September 2017

About ORPEA (www.orpea-corp.com)

Founded in 1989, ORPEA is a European leader in integrated Long-Term Care and Post-Acute Care, with a network of 733 healthcare facilities, with 74,272 beds (9,041 of them under refurbishment or construction), including:

- 32,688 beds in France at 352 facilities (2,993 beds under refurbishment or construction);
- 41,584 beds in the rest of Europe (Germany, Austria, Belgium, Spain, Italy, Czech Republic, Poland and Switzerland) at 381 facilities (6,048 beds under refurbishment or construction).

ORPEA is listed on Euronext Paris (ISIN: FR0000184798) and member of SBF 120, STOXX Europe 600, MSCI Small Cap Europe and CAC Mid 60 indices.

Investor Relations:

ORPEA

Yves Le Masne Steve Grobet
 CEO Investor Relations Officer
 Tel: +33 (0)1 47 75 74 66
 s.grobet@orpea.net

Investor and Media Relations:

NewCap
 Dusan Oresansky / Nicolas Merigeau
 Tel: +33 (0)1 44 71 94 94
 orpea@newcap.eu