



NOTICE OF MEETING BROCHURE

COMBINED GENERAL MEETING
(Ordinary and Extraordinary)

Thursday 28 June 2018 at 9.30 a.m.

MAISON DES CENTRALIENS
8, rue Jean-Goujon - 75008 PARIS



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This Notice of Meeting Brochure, together with
the documents and information relating to this Meeting,
are available on the ORPEA website

www.orpea-corp.com
("Shareholders" section)

This is a free translation into English of the Notice of Meeting Brochure for the Shareholders Meeting scheduled on 28 June 2018; it is provided solely for the convenience of English speaking users. This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.



Notice of meeting

AGENDA

The shareholders of the Company are hereby notified that a Combined General Meeting (Ordinary and Extraordinary) will take place **on Thursday 28 June 2018 at 9.30 a.m., at the MAISON DES CENTRALIENS, 8, rue Jean Goujon, 75008 Paris,** to deliberate on the following agenda:

RESOLUTIONS WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING

1. Approval of the parent-company financial statements for the year ended 31 December 2017;
2. Approval of the consolidated financial statements for the year ended 31 December 2017;
3. Appropriation of income – Determination of the dividend;
4. Approval of agreements and commitments mentioned in the Statutory Auditors' special report in accordance with L. 225-38 of the French Commercial Code;
5. Renewal of Mr Jean-Patrick Fortlacroix's term of office as Director;
6. Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or granted with respect to the year ended 31 December 2017 to Mr Jean-Claude Marian, Chairman of the Board of Directors from 1 January to 28 March 2017;
7. Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or granted with respect to the year ended 31 December 2017 to Mr Philippe Charrier, Chairman of the Board of Directors from 28 March to 31 December 2017;
8. Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or granted with respect to the year ended 31 December 2017 to Mr Yves Le Masne, Chief Executive Officer;
9. Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or granted with respect to the year ended 31 December 2017 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer;
10. Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Philippe Charrier, Chairman of the Board of Directors;
11. Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Yves Le Masne, Chief Executive Officer;
12. Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer;
13. Determination of the amount of attendance fees to be allotted to members of the Board of Directors;
14. Authorisation to be granted to the Board of Directors for the purpose of dealing in the Company's shares.

RESOLUTIONS WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

15. Authorisation to be granted to Board of Directors to reduce the share capital by cancelling the Company's own shares held in treasury;
16. Authorisation to be granted to the Board of Directors to increase the Company's capital by issuing ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights maintained;
17. Authorisation to be granted to the Board of Directors to issue, through a public offering, ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld;
18. Authorisation to be granted to the Board of Directors to issue, through private placements as provided for by article L. 411-2 (II) of the French Monetary and Financial Code, ordinary shares in the Company and/or other securities giving access to the capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld;
19. Authorisation to be granted to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with shareholders' preferential subscription rights maintained or withheld;
20. Authorisation to be granted to the Board of Directors in the event of an issue, with shareholders' preferential subscription rights withheld, of shares or other securities giving access to the Company's capital, to determine, up to a limit of 10% of the Company's share capital, the issue price according to arrangements determined by the Meeting;
21. Authorisation to be granted to the Board of Directors to decide to increase the share capital by up to 10% in order to pay for contributions in kind made to the Company in the form of equity securities or other securities giving access to the capital, with shareholders' preferential subscription rights withheld;

Notice of meeting

Requirements for participating in the Meeting

22. Authorisation to be granted to the Board of Directors to decide to increase the Company's share capital through the capitalisation of reserves, earnings, premiums or similar;
23. Authorisation to be granted to the Board of Directors to allot shares in the Company free of charge to employees and/or corporate officers of the Company and of its subsidiaries, with shareholders' preferential subscription rights withheld;
24. Authorisation to be granted to the Board of Directors to carry out capital increases for the benefit of members of a Company savings plan, with shareholders' preferential subscription rights withheld;
25. Amendment of article 4 of the Company's articles of association relating to the transfer of the registered office, in accordance with the "Sapin 2" act;
26. Delegation of authority to be made to the Board of Directors to ensure that the articles of association comply with new legislative and regulatory provisions, in accordance with the "Sapin 2" act;
27. Powers to carry out formalities.

REQUIREMENTS FOR PARTICIPATING IN THE MEETING

CONDITIONS TO BE SATISFIED FOR PARTICIPATING IN THE MEETING

Any shareholder, regardless of the number of shares he/she holds, may take part in the Meeting, be represented by another shareholder, by his/her spouse or civil partner. A shareholder may also be represented by such other natural or legal person as he/she may choose (article L. 225-106 of the French Commercial Code) or vote by postal ballot.

However, only those shareholders who have provided evidence of their status as required under article R. 225-85 of the Commercial Code shall be entitled to participate in the Meeting under the following conditions.

For holders of shares in registered form, their shares must be registered in their name in the registered share accounts kept by Société Générale Securities Services, by midnight on the second business day prior to the Meeting, *i.e.* at **00.00 (Paris time) on 26 June 2018**.

For holders of shares in bearer form, their shares must be entered in the accounts kept by the authorised financial intermediary which manages their securities account, by midnight on the second business day prior to the Meeting, *i.e.* at **00.00 (Paris time) on 26 June 2018**. Such entries are evidenced by a certificate of participation issued by the financial intermediary.

WAYS OF PARTICIPATING

ATTENDANCE IN PERSON AT THE MEETING

Shareholders wishing to attend the Meeting in person must request an entry ticket as soon as possible in order to receive the ticket in good time.

Holders of shares in registered form must return the single postal or proxy voting form (having ticked box "A" on the form and then dated and signed it) to Société Générale Securities Services, using the envelope "T" enclosed with the notice of meeting, no later than **26 June 2018**.

Holders of shares in bearer form must either return the single postal or proxy voting form (having ticked box "A" on the form and then dated and signed it) to their financial intermediary, or request that their financial intermediary provide them with an entry ticket. The financial intermediary shall provide evidence of their status as a shareholder directly to Société Générale Securities Services (Société Générale - Département Titres et Bourse - Service des Assemblées - SGSS/SBO/CIS/ISS/GMS - 32, rue du Champ-de-Tir, CS 30812, 44308 Nantes Cedex 03, France), by delivering a certificate of participation. If a bearer shareholder has not received his/her entry ticket by **26 June 2018**, he/she should request his/her financial intermediary to provide him/her with a certificate of participation which he/she can hand over at the reception desk at the General Meeting to prove his/her capacity as shareholder.

GRANT OF PROXY OR POSTAL VOTE

If a shareholder is unable to attend the General Meeting in person, he/she may choose between one of the following three options:

- vote by post on each individual resolution;
- grant proxy to the Chairmavn of the General Meeting; or
- grant proxy to his/her spouse or any other person.

Holders of shares in registered form must return the single postal or proxy voting form, duly completed and signed, to Société Générale Securities Services, using the envelope "T" enclosed with the notice of meeting.

Holders of shares in bearer form must return their duly completed and signed single postal or proxy voting form to the authorised financial intermediary managing their securities account. Such intermediary shall provide evidence of their capacity as shareholder and return the form to Société Générale Securities Services.

In order to be acceptable, forms must reach Société Générale Securities Services (at the abovementioned address), no later than **25 June 2018**.

Holders of shares in bearer form may obtain the single postal or proxy voting form from the authorised intermediary that manages their securities account, it being stipulated that requests for voting forms must reach Société Générale via the authorised intermediary no later than six days before the date of the Meeting, *i.e.* **22 June 2018**.

Shareholders who have already voted by post, sent a proxy form or requested an entry ticket may no longer choose another mode of participation, but they may however sell all or some of their shares.

NOTICE OF GRANT OR REVOCATION OF PROXY

It should be noted that written and signed proxy forms should indicate the surname, forename and address of the shareholder as well as those of their proxy. Revocation of a proxy is effected in the same manner as the grant thereof.

As provided in article R. 225-79 of the Commercial Code, a notice of grant or revocation of proxy may also be given by electronic means, as follows:

■ **for holders of shares in registered form:** they must send an email bearing an electronic signature, obtained from a third-party certificate issuing authority, in accordance with applicable laws and regulations to the following email address: assemblees.generales@sgss.socgen.com; this e-mail must specify the surname, forename, address and Société Générale identifier, in the case of “pure registered” shareholders (as indicated at the top left of their account statement) or their financial intermediary identifier, in the case of “administered registered” shareholders, as well as the surname, forename and address of the appointed or revoked proxy;

■ **for holders of shares in bearer form:** they must send an email bearing an electronic signature, obtained from a third-party certificate issuing authority, in accordance with applicable laws and regulations to the following email address: assemblees.generales@sgss.socgen.com; this email must specify their surname, forename and address and that of the appointed or revoked proxy. They must then mandatorily ask the financial intermediary managing their securities account to send a written confirmation (by post or fax) to Société Générale (Société Générale – Département Titres et Bourse – Service des Assemblées – SGSS/SBO/CIS/ISS/GMS – 32, rue du Champ-de-Tir, CS 30812, 44308 Nantes Cedex 03, France).

Only notices of grant or revocation of a proxy may be sent to the above-mentioned email address. No other request or notice on any other subject matter will be accepted and/or processed.

Grants or revocations of proxy notified by electronic means shall only be admissible if the relevant email and/or written confirmation by the financial intermediary is duly received by Société Générale as indicated above no later than **25 June 2018**.

WRITTEN QUESTIONS

All shareholders may ask written questions to which the Board of Directors will reply during the course of the General Meeting. Such written questions must be sent to ORPEA's registered office (ORPEA SA, for the attention of the Chairman of the Board of Directors – “Written questions for the General Meeting” – 12, rue Jean-Jaurès – CS 10032 – 92813 Puteaux Cedex) by registered letter with acknowledgement of receipt requested or by email to the following address: financegroupe@orpea.net, no later than the fourth business day prior to the date of the General Meeting, namely **22 June 2018**. Such written questions must be provided

together with a certificate of registration, either in the registered shares accounts held by the Company, or in the bearer shares accounts held by an authorised financial intermediary.

In accordance with applicable laws and regulations, a collective response may be given to questions whose content or subject matter is the same. A response to a written question shall be deemed to have been given if it appears on ORPEA's website ([www.orpea-corp.com/Shareholders/General Meeting](http://www.orpea-corp.com/Shareholders/GeneralMeeting)).

INFORMATION AND DOCUMENTS AVAILABLE TO SHAREHOLDERS

In accordance with the law, documents to be made available to shareholders in connection with this General Meeting shall be available within the required deadlines at the head office of the Company and on its website at the following address: [www.orpea-corp.com/Shareholders/General Meeting](http://www.orpea-corp.com/Shareholders/GeneralMeeting).

Furthermore, all of the documents and information required under article R. 225-73-1 of the Commercial Code may be consulted on ORPEA's website at the same address, at the latest by the 21st day prior to the General Meeting, namely **7 June 2018**.

The text of points raised or draft resolutions presented, if applicable, by shareholders shall be published at the same address.

No voting by videoconference or other means of telecommunication is scheduled for this General Meeting and, accordingly, no site as referred to in article R. 225-89 of the Commercial Code shall be established.

The Board of Directors



Report of the Board of Directors on the draft resolutions

The purpose of this report is to comment on the important issues covered in the draft resolutions submitted by your Company's Board of Directors to the General Meeting.

This report does not purport to be exhaustive and is not a substitute for, but is supplemental to, a full reading of the entire text of the draft resolutions.

The full text of the draft resolutions is set forth in a schedule hereto.

Firstly, the Board of Directors informs you that:

- in accordance with the provisions of article L. 225-184 of the French Commercial Code, no transaction was carried out in the year ended 31 December 2017 under articles L. 225-177 to L. 225-185 of the French Commercial Code, i.e. provisions relating to the granting of options to subscribe or purchase shares in the Company;
- in accordance with the provisions of article L. 225-197-4 of the French Commercial Code, acting on the delegation of authority granted by the Combined General Meeting of 23 June 2016, it has adopted the following bonus share plans, under articles L. 225-197-1 and following of the French Commercial Code.

Information on bonus share plans	Plan No. 3	Plan No. 4	Plan No. 5
Date of the General Meeting	23/06/2016	23/06/2016	23/06/2016
Date of the Board of Directors Meeting	04/05/2017	13/12/2017	13/12/2017
Total number of shares that may be awarded free of charge	29,514	13,000	13,000
Vesting date of the shares	04/05/2019	13/12/2020	13/12/2021
End of the lock-up period	04/05/2021	13/12/2021	13/12/2021
Performance conditions	Returns from ORPEA shares, including dividends*	Revenue and EBITDA**	Revenue, EBITDA and organic growth***
Number of shares vested at 31 December 2017	N/A	N/A	N/A
Cumulative number of shares cancelled or lapsed	N/A	N/A	N/A
Bonus shares awarded but not fully vested at 31 December 2017	29,514	13,000	13,000

* In the event that the total shareholder return (TSR) from ORPEA shares (including dividends) is 10% or more higher than the average change in the MSCI Europe ex-UK and CAC 40 indexes, including dividend payments, in 2017 and 2018, all ORPEA bonus shares awarded will vest definitively. In the event that the total shareholder return (TSR) from ORPEA shares (including dividends) is equal to or lower than the average change in the MSCI Europe ex-UK and CAC 40 indexes, including dividend payments, in 2017 and 2018, no bonus shares will vest definitively.

In the event that the total shareholder return (TSR) from ORPEA shares (including dividends) is between 0% and 10% higher than the average change in the MSCI Europe ex-UK and CAC 40 indexes, including dividend payments, in 2017 and 2018, ORPEA bonus shares will vest proportionally, for each beneficiary, on a straight-line basis between those two boundaries. To obtain a whole number of ORPEA shares, that number will be rounded down to the nearest whole number.

To assess this condition, the average ORPEA share price shall be assessed over a reference period of 1 January 2019 to 30 April 2019, to which the dividend paid with respect to 2018 shall be added, compared with the same average between 1 January 2017 and 30 April 2017, to which the dividend paid with respect to 2016 shall be added.

** Revenue and EBITDA forecast in the 2018 and 2019 budgets as presented in meetings of ORPEA's Board of Directors.

*** Revenue and EBITDA forecast in the 2018 and 2019 budgets as presented in meetings of ORPEA's Board of Directors, average organic growth in 2018 and 2019, average EBITDA in 2018 and 2019.

In addition, pursuant to the decision by the Chief Executive Officer on 10 April 2017 and in accordance with article L. 225-197-1 (4) of the French Commercial Code, because of the definitive grant of 82,250 shares to certain senior executives on 10 April 2017 (bonus

share plan approved by the Board of Directors on 10 February 2016), the Company's capital was increased by €102,812.50 through the issue of 82,250 new shares with par value of €1.25 each.

RESOLUTIONS WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (1ST AND 2ND RESOLUTIONS) AND APPROPRIATION OF INCOME (3RD RESOLUTION)

In accordance with applicable laws and regulations, you have been called to this General Meeting within six months of our financial year-end to examine, and receive for your approval, the Company's parent-company and consolidated financial statements.

Having regard to the reports of the Board of Directors and of the Statutory Auditors, you are asked to approve:

- the parent-company financial statements which reveal a net profit of €111,201,810.02, compared to €29,908,915.82 in 2016 (**1st resolution**);
- the consolidated financial statements, which reveal a net profit of €89,788,826, compared to €293,532,672* in 2016 (**2nd resolution**).

Details of these financial statements are set forth in the Board of Directors' management report appearing in the 2017 Registration Document.

The Board of Directors proposes, in the **3rd resolution**, having allocated the required amount to the statutory reserve fund, to distribute an ordinary dividend of €1.10 per share.

If the General Meeting approves this proposal, the shares would go ex-dividend on 13 July 2018 and the dividend would be paid on 17 July 2018.

APPROVAL OF RELATED PARTY AGREEMENTS AND COMMITMENTS (4TH RESOLUTION)

The purpose of the **4th resolution** is to approve the agreements and commitments referred to in the special report of the Statutory Auditors.

It should be noted that, as provided by law, only new agreements, which have not previously been submitted to the approval of the meeting, are submitted to a vote at the Meeting; no new

agreements or commitments were approved in the year ended 31 December 2017. The Statutory Auditors' special report refers to agreements and commitments made in previous periods and that remained in effect during the year ending 31 December 2017, but merely by way of shareholder information (they are not submitted for a new vote at the Meeting).

BOARD OF DIRECTORS (5TH RESOLUTION)

1. BOARD OF DIRECTORS' DIVERSITY POLICY

The Board of Directors' discussions and strategic vision are enriched by the Directors' diversity of background and the complementary nature of their skills, as well as their various national origins.

2. COMPOSITION OF THE BOARD OF DIRECTORS AT 26 APRIL 2018

At 26 April 2018 (as at 31 December 2017), the Board of Directors comprised 11 Directors, including one employee representative Director, whose names, titles and term of office expiry date are summarised in the table below:

First name and last name / Company	Title	Expiry of term of office
Mr Philippe Charrier	Director and Chairman of the Board	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Yves Le Masne	Director and CEO	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mrs Laure Baume	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mr Xavier Coirbay	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
Mrs Bernadette Danet-Chevallier	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
FFP Invest (represented by Mr Thierry de Poncheville)	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Jean-Patrick Fortlacroix	Director	OGM 2018 voting on the financial statements for the financial year ending 31 December 2017
Mr Christian Hensley	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Brigitte Lantz	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Joy Verlé	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mrs Sophie Kalaidjian	Director representing employees	OGM 2018 voting on the financial statements for the financial year ending 31 December 2017

* 2016 net profit has been adjusted following the provisional allocation of Sanyres goodwill during the window period.

3. APPOINTMENT PROPOSAL

Renewal of Mr Jean-Patrick Fortlacroix's term of office as Director

It is proposed, by the **5th resolution**, that Mr Jean-Patrick Fortlacroix be re-appointed as Director for a duration of four years expiring at the end of the General Meeting to be held in 2022 and called to vote upon the financial statements for the 2021 financial year. In addition to his hard work and knowledge of the Company, Mr Fortlacroix, as an independent Director and because of his other roles, has financial and accounting skills that are important and useful for the Board.

Information on Mr Jean-Patrick Fortlacroix's candidacy:

Born on 14 September 1957 (French nationality).

Jean-Patrick Fortlacroix is a certified accountant with a graduate degree in banking and finance and a master's degree in accounting and financial science and techniques. As an accountant and Statutory Auditor, he has solid expertise in real estate, tax and consolidation matters, particularly in the health and medico-social sectors.

Number of shares held: 153

Positions held within the Group:

- Director of ORPEA

Positions held outside of the Group:

- Chairman of SA ADD Equation
- Manager of SARL Cadeco

Expiry of Directors' terms of office if the 5th resolution is approved by the Meeting

It should be noted that the terms of office of Mr Jean-Patrick Fortlacroix and Mrs Sophie Kalaidjian are due to expire at the end of this Meeting.

In addition, in accordance with French act No. 2013-504 of 14 June 2013 on job security, the Works Council of the ORPEA UES (economic and workforce-relations unit), in its meeting of 27 March 2018, decided to re-appoint the employee representative Director Mrs Sophie Kalaidjian for a term of four years expiring at the end of the General Meeting to be held in 2021 and called to vote upon the financial statements for the 2020 financial year.

For information, if the Meeting adopts the **5th resolution**, the terms of office of the 11 Directors of the Company, including the employee representative Director, shall expire as follows:

First name and last name / Company	Title	Expiry of term of office
Mr Philippe Charrier	Director and Chairman of the Board	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Yves Le Masne	Director and CEO	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mrs Laure Baume	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mr Xavier Coirbay	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
Mrs Bernadette Danet-Chevallier	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
FFP Invest (represented by Mr Thierry de Poncheville)	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Jean-Patrick Fortlacroix	Director	OGM 2022 voting on the financial statements for the financial year ending 31 December 2021
Mr Christian Hensley	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Brigitte Lantz	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Joy Verlé	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mrs Sophie Kalaidjian	Director representing employees	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020

Balanced male/female representation on the Board of Directors

At 26 April 2018 (as at 31 December 2017), of the 10 Directors on the Board (excluding the employee representative Director), four are women, i.e. 40%, in compliance with the French act of 27 January 2011 relating to balanced male/female representation.

If the Meeting approves the re-appointment proposed to it, there would be four women on the Board of Directors, for a Board of Directors comprising 10 Directors (excluding the employee representative Director), and so the proportion of women would be 40%.

Independence of Directors

At 26 April 2018 (as at 31 December 2017), of the 10 Directors on the Board (excluding the employee representative Director), nine were independent, i.e. 90%, in compliance with the recommendations of the AFEP-MEDEF Code, which recommends that at least half of Directors in non-controlled companies should be independent.

If the Meeting approves the re-appointment proposed to it, there would be nine independent members of the Board of Directors, for a Board of Directors comprising 10 Directors (excluding the employee representative Director), and so the proportion of independent Directors would be stable at 90%.

CORPORATE OFFICER COMPENSATION TERMS (6TH TO 12TH RESOLUTIONS)

1. SHAREHOLDER VOTE ON COMPONENTS OF COMPENSATION PAID OR AWARDED TO EXECUTIVE CORPORATE OFFICERS WITH RESPECT TO 2017 (EX POST “SAY ON PAY”) (6TH TO 9TH RESOLUTION)

In accordance with article L. 225-100 of the French Commercial Code, it is proposed, through the **6th, 7th, 8th and 9th resolutions**, that you approve the fixed, variable and exceptional components of total remuneration and benefits in kind paid or granted with respect to the year ended 31 December 2017 to each executive corporate officer, *i.e.* Mr Jean-Claude Marian, Chairman of the Board of Directors from 1 January to 28 March 2017, Mr Philippe Charrier, Chairman of the Board of Directors from 28 March to

31 December 2017, Mr Yves Le Masne, Chief Executive Officer, and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer (all of these components are detailed in section 4.3.4 of the 2017 registration document and repeated below).

In accordance with article L. 225-100 of the French Commercial Code, the payment of variable and exceptional compensation components is subject to your approval of the compensation components for the person concerned.

Mr Jean-Claude Marian, Chairman of the Board of Directors from 1 January to 28 March 2017

Components of compensation	Amounts or accounting value	Comments
Annual fixed compensation	€137,500	Mr Jean-Claude Marian's annual fixed compensation is €550,000 (unchanged compared with 2016). Since Mr Jean-Claude Marian resigned as Chairman of the Board of Directors on 28 March 2017, it was decided that for 2017 he should be paid compensation calculated on a <i>pro rata</i> basis, <i>i.e.</i> €137,500.
Annual variable compensation	N/A	Mr Jean-Claude Marian has not received any annual variable compensation.
Exceptional compensation	N/A	Mr Jean-Claude Marian has not received any exceptional compensation.
Attendance fees	€8,342.47	Mr Jean-Claude Marian has received €8,342.47 of attendance fees in respect of his role as a Director between 1 January and 28 March 2017.
Long-term compensation	N/A	Mr Jean-Claude Marian has not received any long-term compensation.
Welcome/leaving indemnity	N/A	There is no undertaking of this nature. He has not been paid any indemnity whatsoever in relation to his resignation as Director and Chairman of the Board of Directors.
Benefits in kind	N/A	Mr Jean-Claude Marian has not received any benefits in kind.

Mr Philippe Charrier, Chairman of the Board of Directors from 28 March to 31 December 2017

Components of compensation	Amounts or accounting value	Comments
Annual fixed compensation	€120,000	On 28 March 2017, the Board of Directors set the annual fixed compensation of Mr Philippe Charrier, Chairman of the Board of Directors from that date, at €120,000 and decided to award him the whole amount in respect of 2017.
Annual variable compensation	N/A	Mr Philippe Charrier has not received any annual variable compensation.
Exceptional compensation	N/A	Mr Philippe Charrier has not received any exceptional compensation.
Attendance fees	€26,753.42	Mr Philippe Charrier has received €26,753.42 of attendance fees in respect of his role as a Director between 28 March and 31 December 2017.
Long-term compensation	N/A	Mr Philippe Charrier has not received any long-term compensation.
Welcome/leaving indemnity	N/A	There is no undertaking of this nature. He has not received any welcome indemnity in whatever form when he took office.
Benefits in kind	N/A	Mr Philippe Charrier has not received any benefits in kind.

Mr Yves Le Masne, Chief Executive Officer

Components of compensation	Amounts or accounting value	Comments
Annual fixed compensation	€720,000	Annual fixed compensation unchanged relative to 2016.
Annual variable compensation*	€720,000	<p>The targets governing the payment of the Chief Executive Officer's variable compensation for 2017 are as follows:</p> <ul style="list-style-type: none"> ■ as regards the portion related to quantifiable targets (80%): <ul style="list-style-type: none"> ● revenue growth, ● organic growth in revenue and EBITDA, ● EBITDA growth and increase in EBITDA margin compared with the previous year, ● increase in free cash flow per share, ● increase in normalised consolidated net profit, ● change in adjusted financial leverage; ■ as regards the portion related to qualitative targets (20%): <ul style="list-style-type: none"> ● implementation of a succession plan also covering levels N-1 and the deployment of a policy for management and development of the principal managers, ● results of the annual satisfaction survey, ● increases in real-estate holdings, ● regular reporting to the Board of Directors regarding development projects, ● sending of documents on a D-7 basis. <p>Based on these criteria, the Board of Directors has set Mr Le Masne's gross variable compensation at €720,000 given that he has exceeded the aforementioned criteria.</p>
Exceptional compensation	N/A	Mr Yves le Masne has not received any exceptional compensation.
Attendance fees	€35,000	Mr Yves Le Masne has received €35,000 of attendance fees in respect of his role as a Director in 2017.
Long-term compensation	Vesting of 13,000 bonus shares	<p>Since Mr Le Masne met the performance conditions (revenue and EBITDA forecast in the 2015 and 2016 budgets as presented in meetings of ORPEA's Board of Directors), he received 13,000 bonus shares on 10 April 2017.</p> <p>Lock-up period: 2 years.</p> <p>Obligation to hold 25% of the vested shares until the end of his term of office.</p>
	Award of 15,625 bonus shares IFRS value: €720,000	<p>Presence condition</p> <p>Performance condition: total shareholder return (TSR) from ORPEA shares (including dividends) compared with the average change in the MSCI Europe ex-UK index (which includes more than 300 companies in Europe excluding the UK) and CAC 40 index, including dividend payments, in 2017 and 2018:</p> <ul style="list-style-type: none"> ■ maximum LTIP award achieved if the TSR from ORPEA shares is at least 10% more than the average performance of the two indexes during the period; ■ minimum LTIP award (<i>i.e.</i> zero) if the TSR from ORPEA shares is less than or equal to the average performance of the two indexes during the period; ■ <i>pro rata</i> LTIP award if the TSR from ORPEA shares is between 0% and 10% more than the average performance of the two indexes during the period. <p>Reference periods: average ORPEA share price during the period from 1 January 2019 to 30 April 2019, to which the dividend paid with respect to 2018 shall be added, compared with the same average between 1 January 2017 and 30 April 2017, to which the dividend paid with respect to 2016 shall be added.</p> <p>Vesting period: 2 years.</p> <p>Lock-up period: 2 years.</p> <p>Obligation to hold 25% of the vested shares until the end of his term of office.</p>

* The payment of this compensation component is subject to approval by the Meeting.

Components of compensation	Amounts or accounting value	Comments
Welcome/leaving indemnity	No payment	<p>In the Board of Directors meeting held on 28 March 2017, and at the time of renewal of Mr Yves Le Masne's appointment as Chief Executive Officer, the Board of Directors confirmed the continuation of the indemnity mechanism established in the event of his appointment being terminated.</p> <p>That mechanism was decided and defined at Board of Directors meetings held on 25 March 2013 and 25 April 2013 and approved by the General Meeting of 20 June 2013. Having regard to the major contribution of the Chief Executive Officer to the Group's development over several years, and given his waiver in respect of his employment contract, this mechanism provides that he be entitled to payment of an indemnity equal to 24 months gross fixed and variable compensation (multiple of the average monthly compensation due and paid in respect of the last two financial years) in the event of termination of his functions as executive corporate officer.</p> <p>The payment of that indemnity will take place in the following cases:</p> <ul style="list-style-type: none"> ■ in the event of a forced departure: departure by decision of the Board of Directors, whatever the form such termination takes, including by dismissal, solicited resignation or non-renewal of directorship (excluding termination for gross negligence); or ■ in the event of a change of control over the Company or a change in its strategy, based on a decision by the Board of Directors or officer concerned. <p>A change of control means any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquires a percentage of the Company's share capital or voting rights conferring effective control over the Company.</p> <p>Furthermore, such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-exceptional target variable compensation (excluding exceptional variable compensation), a <i>pro rata</i> reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-exceptional target variable compensation with no indemnity being paid below 50%.</p> <p>If Mr Le Masne were able to claim his basic pension at full rate within six months of the end of his term of office, this indemnity would not be payable to him.</p>
Benefits in kind	€66,036.68	<p>Unemployment insurance premiums, paid for by the Company, amounting to €62,490.20 with respect to 2017.</p> <p>Company car representing a benefit in kind in an amount of €3,546.48 with respect to 2017.</p> <p>Application of collective benefit and healthcare plans in force within the Company under the same conditions as those applicable to the category of employees to which he is deemed to belong.</p>

Mr Jean-Claude Brdenk, Deputy Chief Executive Officer

Components of compensation	Amounts or accounting value	Comments
Annual fixed compensation	€640,000	Annual fixed compensation unchanged relative to 2016.
Annual variable compensation*	€640,000	<p>The targets governing the payment of the Deputy Chief Executive Officer's variable compensation for 2017 are as follows:</p> <ul style="list-style-type: none"> ■ as regards the portion related to quantifiable targets (80%): <ul style="list-style-type: none"> ● revenue growth, ● organic growth in revenue and EBITDA, ● EBITDA growth and increase in EBITDA margin compared with the previous year, ● increase in free cash flow per share, ● increase in normalised consolidated net profit, ● change in adjusted financial leverage; ■ as regards the portion related to qualitative targets (20%): <ul style="list-style-type: none"> ● implementation of a succession plan also covering levels N-1 and the deployment of a policy for management and development of the principal managers, ● results of the annual satisfaction survey, ● increases in real-estate holdings, ● regular reporting to the Board of Directors regarding development projects, ● sending of documents on a D-7 basis. <p>Based on these criteria, the Board of Directors has set Mr Brdenk's gross variable compensation at €640,000 given that he has exceeded the aforementioned criteria.</p>
Exceptional compensation	N/A	Mr Jean-Claude Brdenk has not received any exceptional compensation.
Attendance fees	N/A	Since Mr Jean-Claude Brdenk is not a Director, he does not receive attendance fees.
Long-term compensation	Vesting of 13,000 bonus shares	<p>Since Mr Brdenk met the performance conditions (revenue and EBITDA forecast in the 2015 and 2016 budgets as presented in meetings of ORPEA's Board of Directors), he received 13,000 bonus shares on 10 April 2017.</p> <p>Lock-up period: 2 years.</p> <p>Obligation to hold 25% of the vested shares until the end of his term of office.</p>
	Award of 13,889 bonus shares Accounting value: €640,005.12	<p>Presence condition</p> <p>Performance condition: total shareholder return (TSR) from ORPEA shares (including dividends) compared with the average change in the MSCI Europe ex-UK index (which includes more than 300 companies in Europe excluding the UK) and CAC 40 index, including dividend payments, in 2017 and 2018:</p> <ul style="list-style-type: none"> ■ maximum LTIP award achieved if the TSR from ORPEA shares is at least 10% or more than the average performance of the two indexes during the period; ■ minimum LTIP award (<i>i.e.</i> zero) if the TSR from ORPEA shares is less than or equal to the average performance of the two indexes during the period; ■ <i>pro rata</i> LTIP award if the TSR from ORPEA shares is between 0% and 10% more than the average performance of the two indexes during the period. <p>Reference periods: average ORPEA share price during the period from 1 January 2019 to 30 April 2019, to which the dividend paid with respect to 2018 shall be added, compared with the same average between 1 January 2017 and 30 April 2017, to which the dividend paid with respect to 2016 shall be added.</p> <p>Vesting period: 2 years.</p> <p>Lock-up period: 2 years.</p> <p>Obligation to hold 25% of the vested shares until the end of his term of office.</p>

* The payment of this compensation component is subject to approval by the Meeting.

Components of compensation	Amounts or accounting value	Comments
Welcome/leaving bonuses	No payment	<p>In the Board of Directors meeting held on 28 March 2017, and at the time of renewal of Mr Jean-Claude Brdenk's appointment as Deputy Chief Executive Officer, the Board of Directors confirmed the continuation of the benefit mechanism established in the event of his appointment being terminated.</p> <p>That mechanism was decided and defined at Board of Directors meetings held on 25 March 2013 and 25 April 2013 and approved by the General Meeting of 20 June 2013. Having regard to the major contribution of the Deputy Chief Executive Officer to the Group's development over several years, and given his waiver in respect of his employment contract, this mechanism provides that he be entitled to payment of an indemnity equal to 24 months gross fixed and variable compensation (multiple of the average monthly compensation due and paid in respect of the last two financial years) in the event of termination of his functions as executive corporate officer.</p> <p>The payment of that indemnity will take place in the following cases:</p> <ul style="list-style-type: none"> ■ in the event of a forced departure: departure by decision of the Board of Directors, whatever the form such termination takes, including by dismissal, solicited resignation or non-renewal of directorship (excluding termination for gross negligence); or ■ in the event of a change of control over the Company or a change in its strategy, based on a decision by the Board of Directors or officer concerned. <p>A change of control means any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquires a percentage of the Company's share capital or voting rights conferring effective control over the Company.</p> <p>Furthermore, such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-exceptional target variable compensation (excluding exceptional variable compensation), a <i>pro rata</i> reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-exceptional target variable compensation with no indemnity being paid below 50%.</p> <p>If Mr Brdenk were able to claim his basic pension at full rate within six months of the end of his term of office, this indemnity would not be payable to him.</p>
Benefits in kind	€66,940.88	<p>Unemployment insurance premiums, paid for by the Company, amounting to €62,490.20 with respect to 2017.</p> <p>Company car representing a benefit in kind in an amount of €4,450.68 with respect to 2017.</p> <p>Application of collective benefit and healthcare plans in force within the Company under the same conditions as those applicable to the category of employees to which he is deemed to belong.</p>

2. SHAREHOLDER VOTE ON THE COMPENSATION POLICY FOR EXECUTIVE CORPORATE OFFICERS WITH RESPECT TO 2018 (EX ANTE "SAY ON PAY") (10TH TO 12TH RESOLUTIONS)

In accordance with article L. 225-37-2 of the Commercial Code, the General Meeting is called upon every year to approve the principles and criteria for determination, distribution and award of the fixed, variable and exceptional components of the overall compensation and benefits in kind awarded to executive corporate officers in respect of their roles.

Through the 10th, 11th and 12th resolutions, you are asked to approve the compensation policy applicable to Mr Philippe Charrier, Chairman of the Board of Directors, Mr Yves Le Masne, Chief Executive Officer, and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer, from 1 January 2018, as presented in the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code and set out in Schedule 1 to this Notice of Meeting Brochure.

3. DETERMINATION OF ATTENDANCE FEES (13TH RESOLUTION)

The Combined General Meeting of 23 June 2016 set the overall amount of attendance fees to be allotted to Directors at €500,000 per year and that, in accordance with the recommendations of the AFEP-MEDEF Code which provide that attendance fees should consist mainly of an attendance-related variable portion, the attendance fees are currently allotted as follows:

- for attendance at Board of Directors meetings (for Directors who are not employees): a maximum fixed annual sum of €35,000, including a €15,000 fixed component and a €20,000 variable component, an amount of €2,500 being deducted for each absence as from the second absence;
- for attendance at meetings of Board Committees (*i.e.* the Audit Committee and the Appointments and Compensation Committee): €2,000 per meeting, and double that amount for Committee Chairmen;
- for the Director who is an employee: €1,000 per meeting.

In the 13th resolution, you are asked to increase the overall annual amount of attendance fees to €550,000. The proposed increase follows a comparative study of compensation paid for similar roles, carried out by an internationally renowned independent consultancy and covering a sample of 46 listed constituents of the SBF 120 index with market capitalisations ranging between €651.9 million and €82.1 billion at 13 March 2018, and will allow the Company to increase:

- the variable portion of attendance fees related to attendance at meetings of the Board of Directors to €25,000;
- attendance fees related to attendance at Board Committee meetings to €3,000 per meeting;
- the attendance fee for the Director representing employees to €1,500 per meeting.

AUTHORISATION FOR THE PURCHASE BY THE COMPANY OF ITS OWN SHARES (14TH RESOLUTION)

The Combined General Meeting of 22 June 2017 authorised the Board of Directors to carry out transactions in the Company's shares. The use made of the programme during the 2017 financial year is described in section 2.4.4 of the 2017 Registration Document available on the ORPEA website.

We propose, through the **14th resolution**, that you renew the annual authorisation granted to the Board of Directors to buy back the Company's shares in accordance with articles L. 225-209 and following of the French Commercial Code, particularly with a view to:

- allotting or selling shares to employees as a profit-sharing bonus or implementing any employee savings plan in accordance with the law, and in particular articles L. 3332-1 and following of the French Labour Code; and/or
- allotting shares free of charge in accordance with articles L. 225-197-1 and following of the French Commercial Code; and/or
- allotting shares as part of stock option plans and/or bonus share plans (or similar plans) for the benefit of employees and/or corporate officers of the Group and/or any other method of allotting shares to the employees and/or corporate officers of the Group; and/or
- allotting shares upon the exercise of rights attached to securities convertible into the Company's shares by way of redemption, conversion, exchange, presentation of a warrant or in any other way; and/or
- cancelling all or part of the shares thus purchased, subject to the adoption of the 15th resolution below; and/or
- purchasing any shares following a reverse split of the Company's shares, in order to facilitate the amalgamation and management of fractional shares; and/or
- ensuring a secondary market in, or the liquidity of, the Company's shares via an investment service provider acting under a liquidity

agreement that complies with the professional code of conduct recognised by the *Autorité des Marchés Financiers*; and/or

- allowing the Company to deal in its own shares for any other purpose that is authorised or may come to be authorised by laws or regulations in force. In that event, the Company would inform its shareholders through a press release.

This authorisation is valid for a period of 18 months and shall replace, for the unused portion, the equivalent authorisation granted by the General Meeting on 22 June 2017.

This will enable the implementation of a share buyback programme with the following features:

- maximum percentage of share capital that may be bought back: 10% of the total number of shares forming the share capital of the Company;
- maximum purchase price: €150;
- maximum overall amount of the programme: based on the share capital as at 10 April 2017, not counting shares already held, the amount would be €968,794,800;
- buyback procedure: the acquisition, sale, transfer or exchange of such shares may be carried out and paid for by any means in compliance with applicable regulations, on one or several occasions, on- or off-market, including over-the-counter, and by block sale or purchase (the portion of the buyback programme thus carried out being unlimited), through the use of options or other derivative financial instruments, in each case either directly or indirectly through an investment services provider, and at such times as the Board of Directors may determine.

The shares purchased and retained by the Company shall be stripped of their voting rights and will not be entitled to dividend payments.

RESOLUTIONS WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

DELEGATIONS OF AUTHORITY REGARDING FINANCIAL MATTERS (15TH-24TH RESOLUTIONS)

Through the **15th to 24th resolutions**, you are asked to renew the delegations of authority granted to your Board of Directors by the Combined General Meetings of 23 June 2016 and 22 June 2017, which allow it, as the case may be and in accordance with regulations in force, to carry out various types of issues.

Given the organisational constraints and timetable relating to holding a General Meeting, it is essential that the Board of Directors has financial authorisations that allow it, as the case may be and by using the financial markets, to access quickly and flexibly the financial resources needed for the development of the Company and Group.

The table below provides details of the delegations of authority regarding financial matters that your Board of Directors is asking you to grant to it.

Type of authorisation / Maximum aggregate par value / Other information	Validity period
15th resolution – Reduction in the share capital through the cancellation of own shares: ■ maximum amount: 10% of the share capital.	18 months
16th resolution – Issue of ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights maintained: ■ maximum par value of capital increases: €40,000,000; ■ maximum par value of debt securities: €750,000,000.	26 months
17th resolution – Issue, through a public offering, of ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld: ■ maximum par value of capital increases: €8,073,290; ■ maximum par value of debt securities: €750,000,000.	26 months
18th resolution – Issue, through private placement as provided for by article L. 411-2-II of the French Monetary and Financial Code, of ordinary shares in the Company and/or other securities giving access to the capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld: ■ maximum par value of capital increases: 10% of the share capital; ■ maximum par value of debt securities: €500,000,000.	26 months
19th resolution – Increase in the number of securities to be issued in the event of a capital increase with shareholders' preferential subscription rights maintained or withheld: ■ up to 15% of the initial issue; ■ amount deducted from each of the issues decided under the 16 th and 17 th resolutions.	26 months
20th resolution – In the event of an issue, with shareholders' preferential subscription rights withheld, of shares or other securities giving access to the capital under the 17 th and 18 th resolutions, determination, up to a limit of 10% of the share capital, of the issue price according to arrangements determined by the Meeting.	26 months
21st resolution – Capital increase in order to pay for contributions in kind made to the Company in the form of equity securities or other securities giving access to the capital, with shareholders' preferential subscription rights withheld: ■ up to 10% of the share capital.	26 months
22nd resolution – Capital increase through the capitalisation of reserves, profit, premiums or other: ■ maximum par value of capital increases: €30,000,000.	26 months
23rd resolution – Allotment of bonus shares, existing or to be issued, to corporate officers and employees with preferential subscription rights withheld: ■ subject to a limit of 1% of the share capital, with a sub-limit of 0.2% of the share capital for executive corporate officers; ■ presence condition for all beneficiaries; ■ performance conditions assessed over a three-year period for executive corporate officers; ■ 3-year vesting period.	38 months
24th resolution – Capital increases for the benefit of members of a Company savings plan, with shareholders' preferential subscription rights withheld: ■ maximum par value: €400,000.	26 months
Overall limit for capital increases carried under resolutions 16-19, 21 and 23: ■ maximum par value of capital increases: €40,000,000/€8,073,290; ■ maximum par value of debt securities: €750,000,000.	

MAKING THE ARTICLES OF ASSOCIATION COMPLIANT WITH CERTAIN PROVISIONS OF THE SAPIN 2 ACT (25TH AND 26TH RESOLUTIONS)

Through the 25th and 26th resolutions, you are asked to make the articles of association compliant with certain provisions of the Sapin 2 act, *i.e.*:

- to amend article 4-2 of the Company's articles of association to make them compliant with the new provisions of article L. 225-36-1 of the French Commercial Code, which allow the Board of Directors to decide to move the registered office anywhere within France, and no longer simply within the same *département* or to an adjacent *département*, subject to that

decision being ratified at the next Ordinary General Meeting (25th resolution);

- to delegate authority to the Board, in accordance with the new provisions of article L. 225-36-2 of the French Commercial Code, to amend the Company's articles of association to make them compliant with the new legislative and regulatory provisions, subject to those changes being ratified at the next Extraordinary General Meeting (26th resolution).

POWERS TO CARRY OUT FORMALITIES (27TH RESOLUTION)

Under this last resolution, you are asked to grant the powers needed to carry out any formalities required subsequent to this Meeting.

SCHEDULE 1

REPORT OF THE BOARD OF DIRECTORS PREPARED PURSUANT TO ARTICLE L. 225-37-2 OF THE FRENCH COMMERCIAL CODE ON THE PRINCIPLES AND CRITERIA FOR DETERMINING, DISTRIBUTING AND AWARDED THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS IN KIND AWARDED TO THE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICER WITH RESPECT TO 2018

In this report prepared pursuant to article L. 225-37-2 of the French Commercial Code, the Board of Directors sets forth the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the overall compensation and benefits in kind awarded to executive corporate officers with respect to 2018.

The General Meeting of 28 June 2018 is asked to approve the compensation policy for executive corporate officers in respect of the 2018 financial year based on this report. For such purpose, three resolutions are presented concerning the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer respectively.

The Board of Directors refers particularly to the recommendations in the AFEP-MEDEF Code for determining compensation and benefits granted to executive corporate officers.

In accordance with these recommendations, and on the proposal of the Appointments and Remuneration Committee, the Board of Directors strives to ensure that its compensation policy for executive corporate officers respects the principles of exhaustiveness, balance, comparability, coherence, transparency and moderation, and takes market practices into consideration.

COMPENSATION COMPONENTS FOR MR PHILIPPE CHARRIER, CHAIRMAN OF THE BOARD OF DIRECTORS IN 2018

Fixed compensation

On 26 April 2018, on the recommendation of the Appointments and Compensation Committee, having considered a comparative study of compensation paid for similar roles carried out by an internationally renowned independent consultancy (covering a sample of 38 listed constituents of the SBF 120 index with market capitalisations ranging between €651.9 million and €82.1 billion at 13 March 2018) and commensurate with his experience and the tasks allocated to him (as detailed in section 4.1.2 above), decided to increase the annual fixed compensation of Mr Philippe Charrier's, Chairman of the Board of Directors, to €260,000.

Attendance fees

Mr Philippe Charrier receives attendance fees in respect of his role as a Director, calculated as indicated in section 4.3.1 above.

Annual variable compensation and other compensation components

Mr Philippe Charrier does not receive any annual variable compensation. He receives no other compensation components or benefits in kind.

COMPENSATION COMPONENTS FOR MR YVES LE MASNE, CHIEF EXECUTIVE OFFICER AND MR JEAN-CLAUDE BRDENK, DEPUTY CHIEF EXECUTIVE OFFICER

Principles

On 26 April 2018, on the recommendation of the Appointments and Compensation Committee, having considered an update of the comparative study carried out in 2017 of compensation paid for similar roles carried out by an internationally renowned consultancy (covering a sample of 19 listed constituents of the SBF 80 index with market capitalisations ranging between €2.2 billion and €10.7 billion at 7 March 2018 and 2017 revenue of between €1.2 billion and €6.5 billion) decided to maintain with respect to 2018 the compensation structure for Mr Yves Le Masne, Chief Executive Officer and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer adopted as part of the 2017 compensation policy and approved by the General Meeting of 22 June 2017:

- one third fixed compensation;
- one third annual variable compensation; and
- for the final third, a long-term Company share incentive plan.

Under this proposal, for the 2018 financial year, the compensation payable to Mr Yves Le Masne, Chief Executive Officer and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer is determined as follows:

- Mr Yves Le Masne, Chief Executive Officer:
 - fixed compensation: €760,000 (representing a 5.55% increase, based on the aforementioned update of the study carried out in 2017, taking it from the first quartile to the median, it being noted that Mr Yves Le Masne's annual fixed compensation had remained unchanged since 1 June 2013),
 - annual variable compensation: a target bonus equal to 100% of fixed compensation with a maximum of 150% of the target bonus payable in the event of outperformance, i.e. a total maximum bonus equal to 150% (150% x 100%) of fixed compensation,
 - a three-year long-term incentive plan in the form of bonus share allotments or another similar plan, up to a maximum of 100% of fixed compensation in IFRS value terms as defined by an independent consultancy;
- Mr Jean-Claude Brdenk, Deputy Chief Executive Officer:
 - fixed compensation: €640,000 (unchanged for the second consecutive year),

- annual variable compensation: a target bonus equal to 100% of fixed compensation with a maximum of 150% of the target bonus payable in the event of outperformance, i.e. a total maximum bonus equal to 150% (150% x 100%) of fixed compensation,
- a three-year long-term incentive plan in the form of bonus share allotments or another similar plan, up to a maximum of 100% of fixed compensation in IFRS value terms as defined by an independent consultancy.

In addition, Mr Yves Le Masne, Chief Executive Officer and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer enjoy the following benefits in kind:

- a company car;
- the application of collective benefit and healthcare plans in force within the Company under the same conditions as those applicable to the category of employees to which they are deemed to belong.

Finally, Mr Yves Le Masne, Chief Executive Officer, receives attendance fees in respect of his role as a Director, calculated as indicated in section 4.3.1 above.

The components of variable compensation, or exceptional compensation as the case may be, awarded with respect to the most recent financial year to the Chief Executive Officer and Deputy Chief Executive Officer, can only be paid after approval of the components concerned by the General Meeting scheduled for 28 June 2018, under articles L. 225-37-2 and L. 225-100 of the French Commercial Code.

Criteria

Annual variable compensation breaks down between:

- a portion linked to quantifiable targets, with a target proportion of 70% (versus 80% in the previous year) of overall variable compensation, and
- a portion linked to qualitative targets, with a target proportion of 30% (versus 20% in the previous year) of overall variable compensation.

This change in the weighting of quantifiable and qualitative criteria aims to put the emphasis on meeting targets that are non-financial but nevertheless important for the Group's long-term development.

The targets for the annual variable compensation of Mr Yves Le Masne, Chief Executive Officer and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer for 2018 are defined principally as follows:

- **as regards the portion related to quantifiable targets (70%):**
 - revenue growth,
 - organic growth in revenue and EBITDA,
 - EBITDA growth and increase in EBITDA margin compared with the previous year,
 - increase in free cash flow per share,
 - increase in normalised consolidated net profit,
 - change in adjusted financial leverage,
 - change in gearing.

Attainment of these quantifiable criteria has been established accurately but not made public for confidentiality reasons;

■ **as regards the portion related to qualitative targets (30%):**

- implementing recommendations arising from the report assessing the operational arrangements of the Board of Directors,
- structuring the Group for the future,
- conclusions of a Quality review;

■ **as regards the share-based LTIP:**

- amount equal to fixed salary, converted into shares at the IFRS value defined by an independent consultancy, with the reference date being 26 April 2018, i.e. the date of the relevant meeting of the Board of Directors,
- presence condition,
- performance condition: total shareholder return (TSR) from ORPEA shares (including dividends) compared with the average change in the MSCI Europe ex-UK index (which includes more than 300 companies in Europe excluding the UK) and CAC 40 index, including dividend payments, in 2018, 2019 and 2020:
 - maximum LTIP award achieved if the TSR from ORPEA shares is at least 10% or more than the average performance of the two indexes during the period,
 - minimum LTIP award (i.e. zero) if the TSR from ORPEA shares is less than or equal to the average performance of the two indexes during the period,
 - *pro rata* LTIP award if the TSR from ORPEA shares is between 0% and 10% more than the average performance of the two indexes during the period;
- reference periods: average ORPEA share price during the period from 1 January 2021 to 30 April 2021, to which the dividend paid with respect to 2020 shall be added, compared with the same average between 1 January 2018 and 30 April 2018, to which the dividend paid with respect to 2017 shall be added,
- the shares will vest according to the performance condition after a three-year period,
- obligation to hold 25% of the vested shares until the end of their term of office.

Undertakings made to Mr Yves Le Masne, Chief Executive Officer and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer, on the basis of article L. 225-90-1 of the French Commercial Code

Severance pay

At the Board of Directors meeting held on 28 March 2017, and at the time of renewal of the appointments of Mr Yves Le Masne as Chief Executive Officer and Mr Jean-Claude Brdenk as Deputy Chief Executive Officer, the Board of Directors confirmed the continuation of the indemnity mechanism established in the event of termination of their appointments.

That mechanism was decided and defined at Board of Directors meetings held on 25 March 2013 and 25 April 2013 and approved by the General Meeting of 20 June 2013.

Having regard to the major contribution of the Chief Executive Officer and the Deputy Chief Executive Officer to the Group's development over several years, and given their waiver in respect of their employment contracts, this mechanism provides that these officers are entitled to payment of an indemnity equal to 24 months gross fixed and variable annual compensation (multiple of the average monthly compensation due and paid in respect of the last two financial years) in the event of termination of their functions as executive corporate officers.

The payment of that indemnity will take place in the following cases:

- in the event of a forced departure: departure by decision of the Board of Directors, whatever the form such termination takes, including by dismissal, solicited resignation or non-renewal of directorship (excluding termination for gross negligence); or
- in the event of a change of control over the Company or a change in its strategy, based on a decision by the Board of Directors or officer concerned.

A change of control means any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquired a percentage of the Company's share capital or voting rights conferring effective control over the Company.

Furthermore, such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-exceptional target variable compensation (excluding exceptional variable compensation), a *pro rata* reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-exceptional target variable compensation with no indemnity being paid below 50%.

If Mr Yves Le Masne and Mr Jean-Claude Brdenk were able to claim their basic pension at full rate within six months of the end of their term of office, this indemnity would not be payable to them.

Unemployment insurance

Mr Yves Le Masne and Mr Jean-Claude Brdenk benefit from unemployment insurance, premiums for which are paid by the Company.

DRAFT RESOLUTIONS SUBMITTED TO A SHAREHOLDER VOTE**Tenth resolution**

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Philippe Charrier, Chairman of the Board of Directors

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the overall compensation and benefits in kind attributable with respect to 2018 to Mr Philippe Charrier, Chairman of the Board of Directors, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.

Twelfth resolution

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the overall compensation and benefits in kind attributable with respect to 2018 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.

Eleventh resolution

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind payable with respect to 2018 to Mr Yves Le Masne, Chief Executive Officer

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the overall compensation and benefits in kind attributable with respect to 2018 to Mr Yves Le Masne, Chief Executive Officer, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.



Text of the draft resolutions

RESOLUTIONS WITHIN THE AUTHORITY OF THE ORDINARY GENERAL MEETING

First resolution

Approval of the parent-company financial statements for the year ended 31 December 2017

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors regarding the draft resolutions, the management report of the Board of Directors and the report of the Statutory Auditors, approves, in the form presented, the parent-company financial statements for the financial year ended 31 December 2017, comprising the balance sheet, income statement and notes, along with the operations reflected in those

financial statements or summarised in those reports, showing a net profit of €111,201,810.02.

Under article 223 *quater* of the French General Tax Code, the Meeting approves the non-tax-deductible expenses and charges under article 39-4 of the French General Tax Code, which amounted to €239,548 for the financial year ended 31 December 2017, and the corresponding estimated tax charge of €94,454.

Second resolution

Approval of the consolidated financial statements for the financial year ended 31 December 2017

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors regarding the draft resolutions, the management report of the Board of Directors and the report of the Statutory Auditors, approves, in the form presented, the consolidated financial statements for the financial year ended

31 December 2017, comprising the balance sheet, consolidated income statement and notes, along with the operations reflected in those financial statements or summarised in those reports.

The Meeting approves the consolidated net profit attributable to owners of the parent in 2017, which amounted to €89,788,826.

Third resolution

Appropriation of income - Determination of the dividend

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors regarding the draft resolutions, the management report of the Board of Directors and the report of the Statutory Auditors, resolves to appropriate the profit for the financial year ended 31 December 2017, amounting to €111,201,810.02, as follows:

Profit for the year	€111,201,810.02
Allocation to the statutory reserve	€2,074,740.26
Remainder	€109,127,069.77
Dividends	€71,044,955.30
Other reserves	€38,082,114.47

The overall dividend of €71,044,955.30 was based on 64,586,323 shares making up the share capital on 10 April 2018. A dividend of €1.10 per share will therefore be distributed to each of the Company's shares with dividend rights.

The shares will go ex-dividend on Euronext Paris on 13 July 2018 and the dividend will be paid on 17 July 2018.

In accordance with the provisions of article L. 225-210 of the Commercial Code, the amount of the dividend corresponding to treasury shares on its payment date, together with any amount which shareholders may decide to waive, will be allocated to retained earnings account.

For natural persons resident in France, dividends constitute income from moveable assets that is subject to income tax at the flat rate of 12.8% introduced by the 2018 finance act (act No. 2017-1837 of 30 December 2017) – or, if a shareholder makes an irrevocable election, when filing his/her tax return and no later than the tax return submission deadline, to have all income from moveable assets and capital gains in a given year taxed at progressive rates, in which case he/she is eligible for the 40% allowance provided

for by article 158-3-2 of the French General Tax Code – and to social security contributions at the rate of 17.2%.

In accordance with article 243 *bis* of the French General Tax Code, the Meeting notes that dividends and distributed income eligible for the 40% tax allowance referred to in article 158-3-2 of the French General Tax Code with respect to the last three financial years have been as follows.

Financial year concerned (year of distribution)	Dividend paid per share	Distributed income per share	
		Eligible for the 40% tax allowance referred to article 158-3-2 of the French General Tax Code	Not eligible for the 40% tax allowance referred to article 158-3-2 of the French General Tax Code
2014 (2015)	€0.80	€0.80	-
2015 (2016)	€0.90	€0.90	-
2016 (2017)	€1.00	€1.00	-

Fourth resolution

Approval of agreements and commitments mentioned in the Statutory Auditors' special report in accordance with L. 225-38 of the French Commercial Code

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the special report of the Board of Directors on agreements and commitments subject to the provisions of articles L. 225-38 and following of the French Commercial Code, approves the entirety

of that report, which does not mention any new agreement or any new commitment approved by the Board of Directors in 2017, and notes the information relating to agreements formed and commitments made in previous years and still in effect in 2017.

Fifth resolution

Renewal of Mr Jean-Patrick Fortlacroix's term of office as Director

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors regarding the draft resolutions and noting that Mr Jean-Patrick Fortlacroix's term of office as

Director is due to expire at the end of this Meeting, decides to renew his term of office for four years, *i.e.* until the end of the General Meeting convened to vote on the financial statements for the period ended 31 December 2021.

Sixth resolution

Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or allotted with respect to the year ended 31 December 2017 to Mr Jean-Claude Marian, Chairman of the Board of Directors from 1 January to 28 March 2017

The Meeting, having been consulted in accordance with article L. 225-100-II of the French Commercial Code and voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves the fixed, variable and

exceptional components of the overall compensation and benefits in kind paid or allotted with respect to 2017 to Mr Jean-Claude Marian, Chairman of the Board of Directors from 1 January to 28 March 2017, as set forth in the section 4.3.4 of the 2017 registration document and in the notice of Meeting Brochure.

Text of the draft resolutions

Resolutions within the authority of the Ordinary General Meeting

Seventh resolution

Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or allotted with respect to the year ended 31 December 2017 to Mr Philippe Charrier, Chairman of the Board of Directors from 28 March to 31 December 2017

The Meeting, having been consulted in accordance with article L. 225-100-II of the French Commercial Code and voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves the fixed, variable

and exceptional components of the overall compensation and benefits in kind paid or allotted with respect to 2017 to Mr Philippe Charrier, Chairman of the Board of Directors from 28 March to 31 December 2017, as set forth in the section 4.3.4 of the 2017 registration document and in the notice of Meeting Brochure.

Eighth resolution

Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or allotted with respect to the year ended 31 December 2017 to Mr Yves Le Masne, Chief Executive Officer

The Meeting, having been consulted in accordance with article L. 225-100-II of the French Commercial Code and voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves the fixed, variable and

exceptional components of the overall compensation and benefits in kind paid or allotted with respect to 2017 to Mr Yves Le Masne, Chief Executive Officer, as set forth in the section 4.3.4 of the 2017 registration document and in the notice of Meeting Brochure.

Ninth resolution

Approval of the fixed, variable and exceptional elements of total remuneration and benefits in kind paid or allotted with respect to the year ended 31 December 2017 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer

The Meeting, having been consulted in accordance with article L. 225-100-II of the French Commercial Code and voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves the fixed, variable

and exceptional components of the overall compensation and benefits in kind paid or allotted with respect to 2017 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer, as set forth in the section 4.3.4 of the 2017 registration document and in the notice of Meeting Brochure.

Tenth resolution

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind capable of being allotted with respect to 2018 to Mr Philippe Charrier, Chairman of the Board of Directors

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determination, distribution

and award of the fixed, variable and exceptional components of the overall compensation and benefits in kind capable of being allotted with respect to 2018 to Mr Philippe Charrier, Chairman of the Board of Directors, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.

Eleventh resolution

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind capable of being allotted with respect to 2018 to Mr Yves Le Masne, Chief Executive Officer

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determining, distributing and

awarding the fixed, variable and exceptional components of the overall compensation and benefits in kind capable of being allotted with respect to 2018 to Mr Yves Le Masne, Chief Executive Officer, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.

Twelfth resolution

Approval of the principles and criteria for determining, distributing and awarding the total remuneration and benefits in kind capable of being allotted with respect to 2018 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors prepared in accordance with article L. 225-37 of the French Commercial Code, approves all of the principles and criteria for determination, distribution

and award of the fixed, variable and exceptional components of the overall compensation and benefits in kind capable of being allotted with respect to 2018 to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer, as set forth in the section 4.3.5 of the 2017 registration document and in the notice of Meeting Brochure.

Thirteenth resolution

Determination of the amount of attendance fees to be allotted to members of the Board of Directors

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, decides to amend the amount of attendance fees decided by the Combined General Meeting of

23 June 2016 and to set, from the time of the present Meeting, the annual amount of attendance fees at €550,000. This decision is applicable for subsequent years until the Ordinary General Meeting of Shareholders makes a new decision.

Fourteenth resolution

Authorisation to be granted to the Board of Directors for the purpose of dealing in the Company's shares

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions:

1. authorises the Board of Directors, with the power of sub-delegation on terms set out by the law, in accordance with articles L. 225-209 and following of the French Commercial Code, with the directly applicable provisions of European Commission regulation 596/2014 of 16 April 2014 published on 12 June 2014 and with the market practices accepted by the *Autorité des Marchés Financiers*, to buy or arrange for the purchase of the Company's shares, in particular with a view to:
 - a) allotting or selling shares to employees as a profit-sharing bonus or implementing any employee savings plan in accordance with the law, and in particular articles L. 3332-1 and following of the French Labour Code, and/or
 - b) allotting shares free of charge in accordance with articles L. 225-197-1 and following of the French Commercial Code, and/or
 - c) allotting shares as part of stock option plans and/or bonus share plans (or similar plans) for the benefit of employees and/or corporate officers of the Group and/or any other method of allotting shares to the employees and/or corporate officers of the Group, and/or
 - d) allotting shares upon the exercise of rights attached to securities convertible into the Company's shares by way of redemption, conversion, exchange, presentation of a warrant or in any other way, and/or
 - e) cancelling all or part of the shares thus purchased, subject to the adoption of the 15th resolution below, and/or
 - f) purchasing any shares following a reverse split of the Company's shares, in order to facilitate the amalgamation and management of fractional shares, and/or

- g) ensuring a secondary market in, or the liquidity of, the Company's shares via an investment service provider acting under a liquidity agreement that complies with the professional code of conduct recognised by the *Autorité des Marchés Financiers*, and/or
- h) allowing the Company to deal in the Company's shares for any other purpose that is authorised or may come to be authorised by laws or regulations in force. In that event, the Company would inform its shareholders through a press release.

The Company's purchases of shares may involve a number of shares such that:

- a) the number of the shares that the Company buys over the course of the buyback programme will not exceed 10% of the shares comprising the Company's capital at any time, that percentage applying to the capital as adjusted to take account of operations affecting it after this Meeting, or, by way of illustration, 64,586,323 shares at 10 April 2018, it being stipulated that (i) when the Company's shares are purchased to promote liquidity under the conditions defined in the *Autorité des Marchés Financiers'* General Regulation, the number of shares taken into account in the calculation of the 10% limit provided for above shall relate to the number of shares purchased minus the number of shares resold during the period under consideration and (ii) the number of shares purchased with a view to their retention and subsequent delivery in the context of a merger, demerger or asset transfer transaction may not exceed 5% of the share capital, and
- b) the number of shares that the Company owns at any time will under no circumstances exceed 10% of the shares comprising its capital on the date in question.

The shares may be purchased, sold or transferred at any time within the limits authorised by the statutory and regulatory provisions in force, on one or more occasions, by any means,

Text of the draft resolutions

Resolutions within the authority of the Extraordinary General Meeting

on any markets including regulated markets, a multilateral trading system or over-the-counter, including by the purchase or sale of blocks (without limitation on the proportion of the buyback programme that may be carried out in that way), by public offers to buy, sell or exchange shares, or by the use of options or derivatives or other forward financial instruments traded on regulated markets, a multilateral trading system or over-the-counter or by the delivery of shares following the issue of securities giving access to the Company's capital by way of conversion, exchange, redemption, exercise of a warrant or in any other way, either directly or indirectly through an investment services provider.

The maximum purchase price for shares under this authorisation shall be €150 per share, or the equivalent of that amount on the same date in any other currency or monetary unit established with reference to several currencies. The Meeting delegates to the Board of Directors the authority to adjust the aforementioned maximum purchase price if the shares' par value is altered, if the capital is increased through a capitalisation of reserves, if bonus shares are granted, if a share split or reverse split takes place, if a distribution of reserves or any other assets takes place, if the capital is redeemed, or if any other transaction involving the Company's equity takes place.

The aggregate amount allocated to the buyback programme may not exceed, on the basis of the share capital at 10 April 2018, €968,794,800 (or the equivalent of that amount on the same date in any other currency or monetary unit established with reference to several currencies);

2. confers all powers on the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to make decisions pursuant to this authorisation and to implement it, in order to specify and determine, if necessary, the terms and conditions of such implementation, to carry out the buyback programme, and in particular to place any stock market orders, conclude any agreement, allocate or reallocate the shares purchased to the objectives pursued in accordance with the applicable statutory and regulatory conditions, to determine the conditions and arrangements under which the rights of holders of securities or options will be preserved, if necessary, in accordance with statutory, regulatory or contractual provisions, to make any declarations to the *Autorité des Marchés Financiers* and to any other competent authority, to complete any other formalities, and, in general, to do whatever is necessary;
3. decides that this authorisation is granted for a period of 18 months from today's date; and
4. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

RESOLUTIONS WITHIN THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

Fifteenth resolution

Authorisation to be granted to Board of Directors to reduce the share capital by cancelling the Company's own shares held in treasury

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors, in accordance with the provisions of articles L. 225-209 and following of the French Commercial Code:

1. authorises the Board of Directors to reduce the share capital, on one or more occasions, in such proportions and at such times as it may decide, by cancelling some or all of the Company's shares that it holds as a result of implementing the share buyback programmes authorised by the General Meeting of Shareholders, up to a limit of 10% of the Company's share capital at the date of this Meeting, within each 24-month period, and to make a corresponding reduction in the share capital, it being stipulated that the 10% limit shall apply to the amount of the Company's share capital after adjustment, as the case may be, to take into account transactions affecting the share capital subsequent to this Meeting;
2. decides that the Board of Directors will have all powers, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this resolution, and particularly to:
 - a) determine the definitive amount of the capital reduction,
 - b) determine the arrangements of the capital reduction and carry it out,
 - c) charge the difference between the carrying amount of the cancelled shares and their par value to any available reserve and premium accounts,
 - d) officially record the capital reduction and amend the articles of association accordingly, and
 - e) carry out all formalities, take all steps and in general do whatever is necessary to make the capital reduction effective;
3. decides that this authorisation is granted for a period of 18 months as from the date of this Meeting; and
4. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Sixteenth resolution

Authorisation to be granted to the Board of Directors to increase the Company's capital by issuing ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights maintained

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors:

1. delegates authority to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions in force, in accordance with articles L. 225-129 to L. 225-129-6, L. 225-132, L. 225-133, L. 225-134 and L. 228-91 and following of the French Commercial Code, to decide, on one or more occasions, in such proportions and at such times as it may decide, in France and abroad, in euros, foreign currencies or any other monetary unit established with reference to several currencies, to issue, with shareholders' preferential subscription rights maintained, (i) ordinary shares in the Company or (ii) securities governed by articles L. 228-91 and following of the French Commercial Code that are equity securities in the Company giving access to other equity securities in the Company and/or conferring the right to an allotment of debt securities of the Company or (iii) debt securities whether or not governed by articles L. 228-91 and following of the French Commercial Code, giving access or potentially giving access to equity securities of the Company to be issued (where those securities may, as the case may be, also give access to existing equity securities and/or debt securities of the Company);
2. decides that the maximum par value of increases in the Company's capital that may be carried out, immediately and/or in future, under this delegation, may not exceed a total of €40,000,000, it being stipulated that the overall maximum amount of capital increases that may be carried out under this delegation and those conferred by the seventeenth, eighteenth, nineteenth, twenty-first and twenty-third resolutions put to this Meeting may not exceed the amount stated in this paragraph;
3. decides that to that amount will be added, as the case may be, the par value of additional shares to be issued to preserve the rights of holders of securities giving access to the capital in accordance with statutory and regulatory provisions and with applicable contractual stipulations;
4. also decides that the par value of debt securities that may be issued under this delegation may not exceed a total of €750,000,000 or the equivalent of that amount in a foreign currency or monetary unit established with reference to several currencies, it being stipulated that the overall maximum par value of debt securities that may be issued under this delegation and those conferred by the seventeenth, eighteenth, nineteenth and twenty-first resolutions put to this Meeting may not exceed the amount stated in this paragraph;
5. decides that this delegation is valid for a term of 26 months as from the date of this Meeting;
6. decides that the subscription of shares or other securities giving access to the capital may take place either in cash or by set-off against amounts owed by the Company;
7. decides that shareholders may exercise, in accordance with conditions provided for by law, their preferential subscription right by irrevocable entitlement; in addition, the Board of Directors shall have the ability to grant shareholders the right to subscribe, through entitlement subject to reduction, a number of shares or securities over and above the number that they may be able to subscribe by irrevocable entitlement, in proportion to the number of shares they hold and, in any event, up to the amount requested; if subscriptions by irrevocable entitlement and, as the case may be, through entitlement subject to reduction, have not accounted for the entirety of an issue of shares or securities as defined above, the Board of Directors may use, in the order it deems appropriate, some or all of the options set out below:
 - a) limit the capital increase to the amount of subscriptions in accordance with article L. 225-134-I-1 of the French Commercial Code,
 - b) allot some or all of the securities not subscribed by irrevocable entitlement and, as the case may be, through entitlement subject to reduction,
 - c) offer to the public some or all of the unsubscribed securities;
8. decides that in the event of an issue of share warrants, the issue may take place either through subscriptions in cash in the terms set out above, or by the warrants being allotted free of charge to holders of existing shares;
9. notes that, as the case may be, this delegation entails, by operation of law and for the benefit of holders of securities that may be issued and that give access to the Company's capital, the surrender by shareholders of their preferential right to subscribe the new shares to which those securities may give an entitlement;
10. decides that the Board of Directors shall have all powers, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this delegation, and particularly to:
 - a) determine the dates, prices and other terms of the issues, as well as the form and characteristics of the securities to be created,
 - b) determine the amounts and dividend entitlement date, with or without retroactive effect, of the securities to be issued,
 - c) determine the way in which the shares or other securities issued will be paid up and, as the case may be, the terms under which they will be bought back or exchanged,
 - d) suspend, as the case may be, the exercise of share allotment rights attached to securities to be issued for a period not exceeding three months,
 - e) carry out any adjustments, in accordance with legislative and regulatory provisions and any contractual stipulations, in order to take into account the impact of transactions affecting the Company's capital, particularly if the shares' par value is altered, if the capital is increased through a capitalisation of reserves, if bonus shares are granted, if a share split or reverse split takes place, if a distribution of reserves or any other assets takes place, if the capital is redeemed, or if any other transaction involving the Company's equity takes place,
 - f) determine the arrangements for preserving, as the case may be, the rights of holders of securities giving access to capital, of stock options or entitlements to bonus shares in the Company in accordance with statutory and regulatory provisions and contractual stipulations,
 - g) charge any amount to the issue premium(s), including fees arising from issues, and generally make any arrangements necessary and form any agreements to complete the proposed issues, carry out all formalities required to have the rights, shares or securities issued admitted to trading on a regulated market, and officially record the capital increase(s) arising from any issue carried out under this delegation,

Text of the draft resolutions

Resolutions within the authority of the Extraordinary General Meeting

- h) decide, in the event of an issue of debt securities giving access to the Company's capital and on terms determined by the law, whether or not such securities shall be subordinated, set their interest rate and currency, their term to maturity, which may be unlimited, their fixed or variable redemption price with or without premiums, the arrangements for their repayment depending on market conditions and the conditions under which such securities shall confer rights to shares in the Company and their other issue terms (including whether guarantees or collateral are provided in respect of them) and repayment terms,
- i) carry out, either by itself or through a representative, all acts and formalities to render definitive the issues of securities that may take place under the delegation that is the subject of this resolution,
- j) amend the articles of association accordingly and, generally, to do whatever is necessary;
- 11. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
- 12. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Seventeenth resolution

Authorisation to be granted to the Board of Directors to issue, through a public offering, ordinary shares and/or other securities giving access to the Company's capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors:

1. delegates authority to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions in force, in accordance with articles L. 225-129 to L. 225-129-6, L. 225-135, L. 225-136, L. 228-91 and L. 228-92 of the French Commercial Code, to decide, on one or more occasions, in such proportions and at such times as it may decide, in France and abroad, in euros, foreign currencies or any other monetary units established with reference to several currencies, to issue, through a public offering as defined in article L. 411-1 of the French Monetary and Financial Code, (i) ordinary shares in the Company or (ii) securities governed by articles L. 228-91 and following of the French Commercial Code that are equity securities in the Company giving access to other equity securities in the Company and/or conferring the right to an allotment of debt securities of the Company or (iii) debt securities whether or not governed by articles L. 228-91 and following of the French Commercial Code, giving access or potentially giving access to equity securities of the Company to be issued (where those securities may, as the case may be, also give access to existing equity securities and/or debt securities of the Company); issues through public offerings decided under this resolution may be associated, as part of the same issue or several issues carried out simultaneously, with one or more offerings covered by article L. 411-2-II of the French Monetary and Financial Code under the eighteenth resolution put to this Meeting; those securities may be issued to pay for securities transferred to the Company as part of a public offer involving an exchange component initiated by the Company in France or abroad according to local rules regarding securities, in accordance with article L. 225-148 of the French Commercial Code;
2. decides that the maximum par value of the capital increases which may be carried out immediately and/or in the future under this delegation shall not exceed €8,073,290 million, to which will be added, as the case may be, the par value of additional shares to be issued to preserve the rights of holders of securities giving access to the capital in accordance with statutory and regulatory provisions and with contractual stipulations; the total par value of the capital increases that may be carried out under this delegation shall be deducted from the total maximum amount of capital increases stated in the sixteenth resolution;
3. also decides that the par value of debt securities that may be issued under this delegation may not exceed €750,000,000 or the equivalent of that amount in a foreign currency or monetary unit established with reference to several currencies; the par value of debt securities that may be issued under this delegation shall be deducted from the total maximum amount of debt securities stated in the sixteenth resolution;
4. decides that the maximum par value of capital increases that may be carried out, immediately and/or in the future, under this delegation and those conferred by the eighteenth, nineteenth and twenty-first resolutions shall not exceed the amount stated in the point 2 of this resolution;
5. decides that the par value of debt securities that may be issued under this delegation and those conferred by the eighteenth, nineteenth and twenty-first resolutions shall not exceed the amount stated in the point 3 of this resolution;
6. decides to withhold shareholders' preferential rights to subscribe the securities to be issued, it being understood that the Board of Directors may grant shareholders a priority subscription right to part or all of the issue, for a period and according to conditions that it shall determine in accordance with article L. 225-135 of the French Commercial Code.
7. decides that this delegation is valid for a term of 26 months as from the date of this Meeting;
8. decides that the subscription of shares or other securities giving access to the capital may take place either in cash or by set-off against amounts owed by the Company;
9. notes that, as the case may be, this delegation entails, by operation of law and for the benefit of holders of securities that give access to the Company's capital, the surrender by shareholders of their preferential right to subscribe the new shares to which those securities give an entitlement;

10. decides, in accordance with article L. 225-136 of the French Commercial Code, that:
- a) the share issue price will be equal to or more than the minimum price provided for by statutory and regulatory provisions in force at the time of the issue, *i.e.* currently the weighted average ORPEA share price in the three trading sessions on the Euronext Paris regulated market prior to the price being set, possibly with a discount of up to 5%, and
 - b) the issue price of the securities giving access, by any means and either immediately or in future, to the Company's capital shall be such that the sum immediately received by the Company, plus any amount received subsequently by it shall in respect of each share or other equity security of the Company issued as a result of the issue of such securities is at least equal the sum that it would receive through application of the minimum subscription price defined in the previous paragraph, after correction of this amount, if necessary, to take account of the difference in the dividend entitlement date;
11. decides that the Board of Directors shall have all powers, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this delegation, and particularly to:
- a) determine, within the limits determined by the law, the dates, prices and other terms of the issues, as well as the form and characteristics of the securities to be created,
 - b) determine the amounts to be issued and the dividend entitlement date, with or without retroactive effect, of the securities to be issued,
 - c) determine the way in which the shares or other securities issued will be paid up and, as the case may be, the terms under which they will be bought back or exchanged,
 - d) suspend, as the case may be, the exercise of share allotment rights attached to securities to be issued for a period not exceeding three months,
 - e) carry out any adjustments, in accordance with legislative and regulatory provisions and any contractual stipulations, in order to take into account the impact of transactions affecting the Company's capital, particularly if the shares' par value is altered, if the capital is increased through a capitalisation of reserves, if bonus shares are granted, if a share split or reverse split takes place, if a distribution of reserves or any other assets takes place, if the capital is redeemed, or if any other transaction involving the Company's equity takes place,
 - f) determine the arrangements for preserving, as the case may be, the rights of holders of securities giving access to the Company's capital in accordance with statutory and regulatory provisions and contractual stipulations,
 - g) charge any amount to the issue premium(s), including fees arising from issues, and generally make any arrangements necessary and form any agreements to complete the proposed issues, carry out all formalities required to have the rights, shares or securities issued admitted to trading on a regulated market, and officially record the capital increase(s) arising from any issue carried out under this delegation, and amend the articles of association accordingly,
 - h) decide, in the event of an issue of debt securities giving access to the Company's capital and on terms determined by the law, whether or not such securities shall be subordinated, set their interest rate and currency, their term to maturity, which may be unlimited, their fixed or variable redemption price with or without premiums, the arrangements for their repayment depending on market conditions and the conditions under which such securities shall confer rights to shares in the Company and their other issue terms (including whether guarantees or collateral are provided in respect of them) and repayment terms,
 - i) carry out, either by itself or through a representative, all acts and formalities to render definitive the capital increases that may take place under the authorisation that is the subject of this resolution,
 - j) amend the articles of association accordingly and, generally, to do whatever is necessary; and
12. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
13. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Eighteenth resolution

Authorisation to be granted to the Board of Directors to issue, through private placements as provided for by article L. 411-2-II of the French Monetary and Financial Code, ordinary shares in the Company and/or other securities giving access to the capital and/or securities giving the right to the allotment of debt securities, with shareholders' preferential subscription rights withheld

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors:

1. delegates authority to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions in force, in accordance with articles L. 225-129, L. 225-129-2, L. 225-135, L. 225-136, L. 228-91, L. 228-92 and following of the French Commercial Code, to decide, on one or more occasions, in such proportions and at such times as it may decide, in France and abroad, in euros, foreign currencies or any other monetary unit established with reference to several currencies, to issue, in the French market, foreign markets or international market, through an offering made through a private placement under article L. 411-2-II of the French Monetary and Financial Code,

(i) ordinary shares in the Company or (ii) securities governed by articles L. 228-91 and following of the French Commercial Code that are equity securities in the Company giving access to other equity securities in the Company and/or conferring the right to an allotment of debt securities of the Company or (iii) debt securities whether or not governed by articles L. 228-91 and following of the French Commercial Code, giving access or potentially giving access to equity securities of the Company to be issued (where those securities may, as the case may be, also give access to existing equity securities and/or debt securities of the Company); offerings covered by article L. 411-2-II of the French Monetary and Financial Code decided under this resolution may be associated, as part of the same issue or several issues carried out simultaneously, with one or more issues carried out through a public offering decided under the seventeenth resolution put to this Meeting;

Text of the draft resolutions

Resolutions within the authority of the Extraordinary General Meeting

2. decides that the par value of increases in the Company's capital which may be carried out immediately or in the future under this delegation shall not exceed 10% of the share capital during any 1-year period or exceed the maximum amounts set by the sixteenth resolution of this Meeting, to which will be added, as the case may be, the par value of additional shares to be issued to preserve the rights of holders of securities giving access to the capital in accordance with statutory and regulatory provisions and with contractual stipulations, and which will be deducted from the total maximum amounts determined by the sixteenth and seventeenth resolutions of this Meeting;
3. also decides that the par value of debt securities that may be issued under this delegation may not exceed €500,000,000 or the equivalent of that amount in a foreign currency or monetary unit established with reference to several currencies; the par value of debt securities that may be issued under this delegation shall be deducted from the total maximum amount of debt securities stated in the sixteenth and seventeenth resolutions of this Meeting;
4. decides that this delegation is valid for a term of 26 months as from the date of this Meeting;
5. decides that the subscription of shares or other securities giving access to the capital may take place either in cash or by set-off against amounts owed by the Company;
6. notes, as the case may be, that this delegation shall entail, by operation of law, the surrender by shareholders of their preferential right to subscribe new shares to which securities issued under this delegation confer rights;
7. decides, in accordance with article L. 225-136 of the French Commercial Code and subject to this resolution, that:
 - a) the share issue price will be equal to or more than the minimum price provided for by statutory and regulatory provisions in force at the time of the issue, *i.e.* currently the weighted average ORPEA share price in the three trading sessions on the Euronext Paris regulated market prior to the price being set, possibly with a discount of up to 5%, and
 - b) the issue price of the securities giving access, by any means and either immediately or in future, to the Company's capital shall be such that the sum immediately received by the Company, plus any amount received subsequently by it shall in respect of each share or other equity security of the Company issued as a result of the issue of such securities be at least equal the sum that it would receive through application of the minimum subscription price defined in the previous paragraph, after correction of this amount, if necessary, to take account of the difference in the dividend entitlement date;
8. decides that the Board of Directors shall have all powers, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this delegation, and particularly to:
 - a) determine, within the limits determined by the law, the dates, prices and other terms of the issues, as well as the form and characteristics of the securities to be created,
 - b) determine the amounts to be issued and the dividend entitlement date, with or without retroactive effect, of the securities to be issued,
 - c) determine the way in which the shares or other securities issued will be paid up and, as the case may be, the terms under which they will be bought back or exchanged,
 - d) suspend, as the case may be, the exercise of share allotment rights attached to securities to be issued for a period not exceeding three months,
 - e) carry out any adjustments, in accordance with legislative and regulatory provisions and any contractual stipulations, in order to take into account the impact of transactions affecting the Company's capital, particularly if the shares' par value is altered, if the capital is increased through a capitalisation of reserves, if bonus shares are granted, if a share split or reverse split takes place, if a distribution of reserves or any other assets takes place, if the capital is redeemed, or if any other transaction involving the Company's equity takes place,
 - f) determine the arrangements for preserving, as the case may be, the rights of holders of securities giving access to the Company's capital in accordance with statutory and regulatory provisions and contractual stipulations,
 - g) charge any amount to the issue premium(s), including fees arising from issues, and generally make any arrangements necessary and form any agreements to complete the proposed issues, carry out all formalities required to have the rights, shares or securities issued admitted to trading on a regulated market, and officially record the capital increase(s) arising from any issue carried out under this delegation, and amend the articles of association accordingly,
 - h) decide, in the event of an issue of debt securities giving access to the Company's capital and on terms determined by the law, whether or not such securities shall be subordinated, set their interest rate and currency, their term to maturity, which may be unlimited, their fixed or variable redemption price with or without premiums, the arrangements for their repayment depending on market conditions and the conditions under which such securities shall confer rights to shares in the Company and their other issue terms (including whether guarantees or collateral are provided in respect of them) and repayment terms,
 - i) carry out, either by itself or through a representative, all acts and formalities to render definitive the capital increases that may take place under the authorisation that is the subject of this resolution,
 - j) amend the articles of association accordingly and, generally, to do whatever is necessary; and
9. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
10. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Nineteenth resolution

Authorisation to be granted to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with shareholders' preferential subscription rights maintained or withheld

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors:

1. delegates to the Board of Directors, with the power of sub-delegation on terms set out by the law, in accordance with article L. 225-135-1 of the French Commercial Code, its authority to increase the number of securities to be issued in the event of an issue with preferential subscription rights maintained or withheld decided under the sixteenth, seventeenth, eighteenth and twentieth resolutions of this Meeting, subject to the terms and timeframes set out in the aforementioned article L. 225-135-1, subject to a limit of 15% of the initial issue and at the same price as the initial issue;
2. decides that the par value of increases decided under this delegation shall be deducted from the total maximum amounts set by the sixteenth and seventeenth resolutions of this Meeting;
3. notes, as the case may be, that this delegation shall entail, by operation of law, the surrender by shareholders of their preferential right to subscribe new shares to which securities issued under this delegation confer rights;
4. decides that this authorisation is valid for a term of 26 months as from the date of this Meeting;
5. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twentieth resolution

Authorisation to be granted to the Board of Directors in the event of an issue, with shareholders' preferential subscription rights withheld, of shares or other securities giving access to the Company's capital, to determine, up to a limit of 10% of the Company's share capital, the issue price according to arrangements determined by the Meeting

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors:

1. authorises the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, subject to (i) the adoption of the sixteenth and seventeenth resolutions put to this Meeting and (ii) compliance with the maximum amount(s) provided for by the resolution in respect of which the issue is decided, for each issue decided on the basis of the seventeenth and eighteenth resolutions, and as an exception to the terms they contain in relation to the setting of the issue price, to set the issue price in the way described below, subject to a limit of 10% of the Company's share capital per year (that 10% percentage applying to the capital adjusted for the result of capital transactions that may take place after this Meeting):
 - a) the issue price of ordinary shares will be equal to or more than the weighted average share price in the three trading sessions on the Euronext Paris regulated market preceding the price-setting decision, possibly with a discount of up to 10%,
 - b) the issue price of the securities giving access to the capital other than ordinary shares shall be such that the sum immediately received by the Company, plus any amount received subsequently by the Company shall in respect of each ordinary share issued as a result of the issue of such securities be at least equal to the amount referred to the paragraph above, after correction of this amount, if necessary, to take account of the difference in the dividend entitlement date;
2. decides that this authorisation is valid for a term of 26 months as from the date of this Meeting;
3. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twenty-first resolution

Authorisation to be granted to the Board of Directors to decide to increase the share capital by up to 10% in order to pay for contributions in kind made to the Company in the form of equity securities or other securities giving access to the capital, with shareholders' preferential subscription rights withheld

The General Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with articles L. 225-129 and following and L. 225-147 of the French Commercial Code:

1. delegates authority to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions in force, to decide, on the basis of the report of the Statutory Auditors mentioned in the first and second paragraphs of article L. 225-147 of the French Commercial Code, on one or more occasions, in such proportions and at such times as it may decide, in France and abroad, in euros, foreign currencies or any other monetary unit established with reference to several currencies, subject to a limit of 10% of the Company's capital (as at the date on which the Board of Directors uses this delegation), i.e. for information 6,458,632 shares at 10 April 2018, to issue (i) shares and/or (ii) equity securities of the Company giving access in any way, immediately and/or in future, to other equity securities in the Company and/or conferring the right to an allotment of debt securities and/or (iii) debt securities giving access to equity securities of the Company to be issued or already existing, with a view to paying for transfers in kind to the Company and consisting of equity securities or other securities giving access to the capital, where article L. 225-148 of the French Commercial Code does not apply;
2. decides that, aside from the statutory limit equal to 10% of the Company's capital, issues that may take place under this delegation shall be deducted from the maximum amounts determined by paragraphs 2 and 4 of the sixteenth resolution and paragraphs 2 and 3 of the seventeenth resolution put to this Meeting. To that maximum amount will be added, as the case may be, the par value of shares or other securities to be issued to preserve, in accordance with applicable statutory and regulatory provisions and any contractual stipulations providing for other adjustment situations, the rights of holders of securities or of holders of other rights giving access to the Company's capital;
3. decides that this delegation is valid for a term of 26 months as from the date of this Meeting;
4. notes insofar as is necessary, that this delegation entails shareholders surrendering their preferential right to subscribe shares, other equity securities and other securities issued in that way, and shares and other equity securities of the Company to which the securities issued on the basis of this delegation may confer rights;
5. confers all powers on the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this delegation, and particularly to:
 - a) give its opinion on the report of the expert appraiser(s),
 - b) set the terms, conditions and arrangements of the transaction, subject to the limits set by applicable statutory and regulatory provisions and this resolution,
 - c) set the exchange ratio and, where applicable, the amount the amount of any cash balance payable,
 - d) formally note the number of shares tendered to the exchange,
 - e) determine the dates and issue terms, including the price and dividend entitlement date (which may be retroactive) of new shares or other equity securities and, as the case may be, securities giving access immediately or in the future to a portion of the Company's capital, and in particular assess the contributions and any grant of particular benefits and reduce the assessment of contributions or remuneration of particular benefits if the contributors agree to it,
 - f) enter the difference between the issue price of the new shares and their par value in the balance sheet, as a liability in a "transfer premium" account, which will be subject to the rights of all the shareholders,
 - g) at its sole discretion, charge the costs of any issue to the "transfer premium" account and deduct from that account the amount necessary to increase the statutory reserve to 10% of the Company's new capital after each increase, and
 - h) in general take all necessary measures, enter into any agreements (including in order to ensure the successful conclusion of the issue), request any authorisations, carry out any legal formalities and do whatever is necessary to complete or postpone the planned issues, and in particular, recognize the capital increase(s) resulting from any issue carried out by virtue of this delegation, modify the Company's articles of association accordingly, request the admission of any securities issued by virtue of this delegation to the Euronext Paris regulated market, and ensure the financial servicing of the securities concerned and the exercise of rights attached to them;
6. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
7. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twenty-second resolution

Authorisation to be granted to the Board of Directors to decide to increase the Company's share capital through the capitalisation of reserves, earnings, premiums or similar

The Meeting, voting in compliance with the *quorum* and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions:

1. delegates to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, in accordance with the provisions of articles L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code, its authority to decide to increase the Company's capital, on one or more occasions, in such proportions and at such times as it may decide, by capitalising some or all reserves, profits, premiums or similar whose capitalisation may be allowed, to be carried out through the issuing of new shares allotted free of charge or by increasing the par value of the Company's shares or by a combination of those two methods;
2. decides that the maximum nominal amount of the capital increases which may be carried out immediately and/or in the future under this delegation shall not exceed €30,000,000 million, to which will be added, as the case may be, the par value of additional shares to be issued to preserve the rights of holders of negotiable securities giving access to the capital in accordance with statutory and regulatory provisions and with contractual stipulations; the total par value of the capital increases that may be carried out under this delegation is independent of any other delegation granted by this Meeting and shall not be deducted from any other total maximum amount of capital increases determined by this Meeting;
3. decides that this delegation is valid for a term of 26 months as from the date of this Meeting;
4. decides that fractional rights will be neither tradable or assignable and that the corresponding shares will be sold, the proceeds being allocated to the rights holders in accordance with the applicable legislative and regulatory provisions;
5. decides that the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, will have all powers to implement this delegation, and particularly to:
 - a) determine the arrangements and terms of the transactions authorised above, including determining in that respect the amount of sums to be capitalised, along with the equity item(s) from which they will be taken,
 - b) determine the amounts to be issued and the dividend entitlement date, with or without retroactive effect, of the securities to be issued,
 - c) make any adjustments to take into account the impact of transactions involving the Company's capital; determine the arrangements for preserving, as the case may be, the rights of holders of securities giving access to the Company's capital in accordance with statutory and regulatory provisions and contractual stipulations,
 - d) carry out, either by itself or through a representative, all acts and formalities to render definitive the capital increases that may take place under the delegation that is the subject of this resolution,
 - e) amend the articles of association accordingly and, generally, do whatever is necessary;
6. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
7. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twenty-third resolution

Authorisation to be granted to the Board of Directors to allot shares in the Company free of charge to employees and/or corporate officers of the Company and of its subsidiaries, with shareholders' preferential subscription rights withheld

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors, and voting in accordance with articles L. 225-197-1 and following of the French Commercial Code:

1. authorises the Board of Directors to allot free of charge, on one or more occasions, the Company's existing shares or shares to be issued;
2. decides that the beneficiaries of the allotments may be employees of the Company and/or of companies or groups directly or indirectly related to it on terms set out by article L. 225-197-2 of the French Commercial Code, along with corporate officers of the Company or certain of them and/or of companies or groups directly or indirectly related to it on terms set out by article L. 225-197-1-II of the French Commercial Code;
3. decides that the Board of Directors will determine the identity of the allottees as well as the terms and any criteria for share allotments, including performance conditions, it being stipulated that the vesting of the shares will be subject to a condition of presence within the Group for all beneficiaries, along with performance conditions assessed over a three-year period for executive corporate officers;
4. notes that if allotments are made to corporate officers mentioned in paragraphs 1 and 2 of article L. 225-197-1-II of the French Commercial Code, they will only be made on the terms set out in article L. 225-197-6 of the same Code;
5. decides that the total number of shares allotted free of charge under this authorisation shall not represent more than 1% of the share capital on the day the Board of Directors makes its decision and that the par value of capital increases resulting from the allotment of shares made under this authorisation shall be deducted from the maximum amount set out in the sixteenth resolution;

Text of the draft resolutions

Resolutions within the authority of the Extraordinary General Meeting

6. decides that the total number of shares allotted free of charge under this authorisation to executive corporate officers of the Company shall not represent more than 0.2% of the share capital on the day the Board of Directors makes its decision;
7. decides that the allotment of shares to their beneficiaries shall become definitive, for some or all of the shares allotted, at the end of a vesting period, the length of which shall be determined by the Board of Directors, it being stipulated that the length of that period shall not be less than three years;
8. decides that the length of the period during which beneficiaries must hold the allotted shares will be, as the case may be, determined by the Board of Directors;
9. notes that no shares may be allotted to employees or corporate officers who hold more than 10% of the share capital and that the allotment of shares free of charge cannot result in any employee or corporate officer individually holding more than 10% of the share capital;
10. notes that the Board of Directors must determine, for executive corporate officers, the number of registered shares they will be required to retain until the end of their terms of office;
11. notes that this decision shall entail, by operation of law, for the benefit of those receiving the allotted shares, the surrender by shareholders of their preferential subscription right and of the portion of reserves, profits or issue premiums that may be capitalised in the event of an issue of new shares;
12. decides that the shares shall vest before the end of the vesting period if the beneficiary becomes an invalid, i.e. falls into the second or third categories set out in article L. 341-4 of the French Social Security Code;
13. delegates all powers to the Board of Directors, including the power to sub-delegate in accordance with statutory and regulatory provisions, to implement this authorisation, particularly in order to:
 - a) determine the dates and terms of allotments,
 - b) determine the identity of beneficiaries, or the category of beneficiaries, of share allotments among staff members and executive corporate officers of the Company or the aforementioned companies or groups and the number of shares allotted to each of them,
 - c) set the terms and any criteria for the allotment of shares, including the vesting period and any lock-up period for each beneficiary, according to the terms set out above,
 - d) set the performance criteria to which the vesting of shares in the executive corporate officers is subject,
 - e) make any adjustments to the number of shares allotted in the event of transactions affecting the capital,
 - f) provide for the ability to suspend allotment rights temporarily,
 - g) deduct, at its sole discretion where it deems appropriate, fees, duties and other expenses connected with issues from issue premiums and deduct from that amount the sums required to raise the legal reserve to one tenth of the share capital following each issue,
 - h) more generally, form any agreements, prepare any documents, formally record capital increases resulting from definitive allotments, amend the articles of association accordingly, complete all formalities and make all declarations to all organisations;
14. decides that this authorisation is given for a term of 38 months as from the date of this Meeting;
15. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
16. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twenty-fourth resolution

Authorisation to be granted to the Board of Directors to carry out capital increases for the benefit of members of a Company savings plan, with shareholders' preferential subscription rights withheld

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and the special report of the Statutory Auditors, and voting in accordance with articles L. 225-129 and following and L. 225-138 and following of the French Commercial Code and article L. 3332-1 of the French Labour Code:

1. delegates to the Board of Directors, with the power of sub-delegation on terms set out by statutory and regulatory provisions, its authority to carry out the increase in the Company's capital, on one or more occasions, in such proportions and at such times as it may decide, with a maximum par value of €400,000 through the issue of shares or other securities giving access to the Company's capital reserved for members of a Company savings plan (or other savings plan reserved for members for whom article L. 3332-18 of the French Labour Code allows a capital increase on equivalent terms to be reserved) that may be set up within the group consisting of the Company and French or foreign companies forming part of the Company's scope of consolidation in accordance with article L. 3344-1 of the French Labour Code, and which also meet any conditions set by the Board of Directors; the maximum par value of capital increases that may be carried out under this delegation is independent of any other delegation granted by this Meeting and shall not be deducted from any other total maximum amount of capital increases;
2. decides, in favour of the beneficiaries mentioned above, to cancel shareholders' preferential subscription rights in respect of the shares or securities giving access to the Company's capital issued under this delegation;
3. notes, insofar as is necessary, that this delegation entails shareholders surrendering their preferential right to subscribe shares and other equity securities of the Company to which the securities issued on the basis of this delegation may confer rights;
4. reiterates that the subscription price for new shares in each issue will be set in accordance with article L. 3332-19 of the French Labour Code;
5. decides that the Board of Directors may allot free of charge, subject to the limits set by article L. 3332-21 of the French Labour Code, shares or other securities giving access to the Company's capital in respect of the employer's contribution and/or in lieu of the discount;
6. decides that, subject to the limits set out above, the Board of Directors shall have all powers, with the power of sub-delegation on terms set out by statutory and regulatory provisions, to implement this delegation, and particularly to:

- a) determine, subject to the limits set out above, the characteristics, amounts and terms of any issue or allotment, free of charge, of shares, equity securities or other securities thus issued,
- b) determine that the issues or allotments shall take place directly in favour of the beneficiaries or through collective organisations acting as intermediaries,
- c) carry out capital increases resulting from this delegation, subject to the maximum amount determined above,
- d) set the cash subscription price for the shares in accordance with statutory provisions,
- e) provide, insofar as is necessary, for the arrangement of a Company savings plan or the amendment of existing plans,
- f) draw up a list of companies whose employees will be the beneficiaries of issues or allotments made free of charge under this delegation, set the timeframe in which the shares will be paid up and, as the case may be, the seniority of employees required to take part in the transaction, all subject to statutory limits,
- g) carry out any adjustments in order to take into account the impact of transactions affecting the Company's capital, particularly if the shares' par value is altered, if the capital is increased through a capitalisation of reserves, if bonus shares are granted, if a share split or reverse split takes

place, if a distribution of reserves or any other assets takes place, if the capital is redeemed, or if any other transaction involving the Company's equity takes place,

- h) deduct, at its sole discretion where it deems appropriate, fees, duties and other expenses connected with issues from issue premiums and deduct from that amount the sums required to raise the legal reserve to one tenth of the share capital following each issue,
 - i) carry out, either by itself or through a representative, all acts and formalities to render definitive the capital increases that may take place under the delegation that is the subject of this resolution,
 - j) amend the articles of association accordingly and, more generally, to do what is necessary;
7. decides that this delegation is given for a term of 26 months as from the date of this Meeting;
 8. notes that the Board of Directors must report to the General Meeting every year, in accordance with statutory and regulatory provisions, about the use of the delegation of authority granted by this resolution; and
 9. notes that this authorisation renders any previous delegation with the same purpose ineffective in respect of its unused portion from today's date.

Twenty-fifth resolution

Amendment of article 4 of the Company's articles of association relating to the transfer of the registered office, in accordance with the "Sapin 2" act

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and in order to comply with the new provisions of article L. 225-36-1 of the French Commercial Code, introduced by act No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of the economy, decides to amend paragraph 2 of article 4 "Registered Office" of the Company's articles of association as follows.

(former wording)

"It may be transferred to any other place in the same département or a neighbouring département through a simple decision by the Board of Directors, subject to that decision being ratified in the next Ordinary General Meeting of Shareholders, or anywhere else in France through a decision in an Extraordinary General Meeting."

(new wording)

"The Board of Directors may decide to move the registered office to any location in France, subject to that decision being ratified at the next Ordinary General Shareholders' Meeting."

The rest of the article shall remain unchanged.

Twenty-sixth resolution

Delegation of authority to be made to the Board of Directors to ensure that the articles of association comply with new legislative and regulatory provisions, in accordance with the "Sapin 2" act

The Meeting, voting in compliance with the *quorum* and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors on the draft resolutions and in accordance with the new provisions of article L. 225-36-2 of the French Commercial Code, introduced by act No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption

and the modernisation of the economy, delegates all powers to the Board of Directors to make all necessary changes to the Company's articles of association to make them compliant with the new legislative and regulatory provisions, subject to those changes being ratified by the next Extraordinary General Meeting.

Text of the draft resolutions

Resolutions within the authority of the Extraordinary General Meeting

Twenty-seventh resolution

Powers to carry out formalities

The Meeting confers all powers on a person bearing a copy or excerpt of this document setting out its deliberations for the purpose of fulfilling all statutory formalities.



Overview

In 2017, ORPEA continued its international development and expansion strategy with the acquisition of two groups, the development of partnerships in two new countries (Brazil and Portugal) along with organic growth (creation of new facilities) and targeted acquisitions of independent facilities. As a result, in 2017, ORPEA increased its number of beds by 9,556, of which 60% were newly created.

ORPEA also continued its real-estate strategy, increasing its proportion of owned premises to 45% by the end of 2017.

2017 KEY FIGURES

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED INCOME STATEMENT

(in € millions) (IFRS)	31/12/2017	31/12/2016	31/12/2015
Revenue	3,138.2	2,841.2	2,391.6
EBITDAR*	846.2	769.4	652.5
EBITDA**	547.7	474.5	400.5
Current EBIT or Current operating income	394.4	348.1	303.6
Operating income	413.4	408.1	323.0
Cost of net debt***	(135.4)	(111.6)	(96.8)
Profit before tax***	275.1	296.5	226.2
Net profit excluding ORNANes and the updated measurement of deferred taxes***	197.8	214.7	153.3

* EBITDAR = EBITDA before rent, includes provisions relating to "external expenses" and "payroll costs".

** EBITDA = current operating income before net depreciation and amortisation expense, includes provisions relating to "external expenses" and "payroll costs".

*** Excluding the non-cash expense of €160.9 million relating to the accounting treatment of the early redemption of ORNANes (fully offset by an increase in equity) and excluding the positive €52.9 million effect from the updated measurement of deferred taxes in 2017.

CONSOLIDATED REVENUE

In 2017, 15 years after it floated on the stockmarket, ORPEA generated revenue of €3,138.2 million, higher than its target and 10.5% or almost €300 million higher than the 2016 figure.

Once again, the international business made a major contribution to growth. In the space of only three years, ORPEA's revenue from outside France has tripled, rising from €449 million in 2014 to more than €1.36 billion in 2017, representing an average annual increase of 45%.

This business expansion again resulted from the combination of:

- solid organic growth (5.4%). Mature institutions have consistently high occupancy rates due to the structural needs of the

sector and the location, attractiveness and good reputation of ORPEA facilities.

Like every year, organic growth was also fuelled by the increase in the number of facilities opened in 2016 and by the opening in 2017 of 1,864 beds (resulting from construction or restructuring);

- firm growth from acquisitions, particularly outside France with the full-year contribution of Sanyres in Spain and Spitex in Switzerland acquired in 2016, and contributions from companies acquired in 2017, i.e. Anavita in the Czech Republic (nine months) and Dr. Dr. Wagner in Austria (six months).

(in € millions) (IFRS)	2017	2016	Δ 2017/2016	2015
France	1,775.1	1,695.4	+4.7%	1,596.6
% of total revenue	57%	60%		67%
International	1,363.1	1,145.8	+19.0%	795.0
% of total revenue	43%	40%		33%
Of which:				
Germany	531.7	501.0		287.5
Austria	242.6	176.3		109.8
Belgium	167.6	162.1		157.8
China	1.5	0.4		
Spain	142.8	101.7		63.9
Italy	51.7	48.5		45.9
Poland	13.0	11.3		
Switzerland	199.0	142.9		130.1
Czech Republic	13.2	1.7		
TOTAL REVENUE	3,138.2	2,841.2	+10.5%	2,391.6
Of which organic growth*			+5.4%	

* The Group's organic revenue growth includes: 1. the change in revenue (N vs. N-1) of existing facilities as a result of changes in their occupancy rates and day prices; 2. the change in revenue (N vs. N-1) of facilities restructured or whose capacity was increased in N or N-1; 3. revenue achieved in N by facilities created in N or N-1, and the change in revenue of recently acquired facilities over a period in N equivalent to the consolidation period in N-1.

In France, revenue increased by 4.7% in 2017 to €1,775.1 million, due to the good momentum of mature facilities and the build-up of facilities opened or restructured over the last two years.

In Germany, revenue totalled €531.7 million, up 6.1% year-on-year, mainly due to the good pace of organic growth.

In Austria, revenue increased by 37.6% to €242.6 million because of the 6-month contribution from the Dr. Dr. Wagner group and from other bolt-on acquisitions.

In Belgium, revenue for the year amounted to €167.6 million, compared with €162.1 million in 2016. The 3.4% increase resulted from the restructuring of the Belgian network. Between 2015 and 2017, the Belgian network underwent a major transformation with the completion of numerous restructuring operations and the opening of new high-quality facilities in areas with a high level of purchasing power, such as Brussels or Flanders.

In China, the Nanjing establishment generated revenue of €1.5 million in its second year.

In Spain, revenue increased by 40.4% to €142.8 million. This growth resulted from:

- good performance at long-standing facilities, mostly located in Madrid and enjoying a solid reputation in dependency care;
- the consolidation of Sanyres, acquired on 1 July 2016, over a full year instead of six months in 2016, along with another bolt-on acquisition.

In Italy, ORPEA's revenue amounted to €51.7 million, up 6.8%. The increase resulted from the build-up of recently opened facilities.

In Poland, revenue totalled €13.0 million, an increase of 15.0%.

In Switzerland, revenue rose 39.3% with respect to 2016 due to the full-year consolidation of Spitex and the build-up of recently opened Senevita facilities.

In the Czech Republic, revenue amounted to €13.2 million, compared with €1.7 million in 2016, following various acquisitions.

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED CASH FLOW STATEMENT

(in € millions)	2017	2016	2015
Gross cash flow from operations	432	386	301
Net cash flow from operating activities	398	347	314
Net cash flow from investing activities	(1,068)	(787)	(1,014)
Net cash flow from financing activities	744	461	597
Change in cash and cash equivalents	74	21	(103)
Cash and cash equivalents at the end of the period	614	540	519

Net cash flow from operating activities increased by 14.7% to €398 million in 2017, close to the increase in EBITDA.

Net cash flow used by investing activities amounted to €1,067 million, of which 85% related to real estate investments: further construction work and purchases of buildings operated

by the Group, including in the Czech Republic, Italy, Germany and Austria to secure long-term profitability.

Net cash flow from financing activities was positive at €743 million due to the various transactions carried out during the year.

SELECTED FINANCIAL INFORMATION FROM THE CONSOLIDATED BALANCE SHEET

(in € millions)	31/12/2017	31/12/2016	31/12/2015
Equity	2,715	2,113	1,810
Current financial liabilities*	469	559	514
Non-current financial liabilities	4,621	3,801	3,219
- Cash and cash equivalents	(614)	(540)	(519)
Net debt	4,476	3,820	3,214
Goodwill	1,013	982	842
Intangible assets**	2,082	1,889	1,824
Property, plant and equipment***	5,042	4,124	3,572
TOTAL ASSETS	9,695	8,375	7,371

* Including liabilities related to assets held for sale.

** Excluding €31 million of intangible assets held for sale in 2017 as opposed to €73 million in 2016.

*** Excluding €33 million of property, plant and equipment held for sale in 2017 as opposed to €67 million in 2016.

At 31 December 2017, on the asset side of the balance sheet, goodwill totalled €1,013 million, compared with €982 million at 31 December 2016. Intangible assets (mainly operating authorisations) amounted to €2,082 million⁽¹⁾ as opposed to €1,889 million at end-2016. The increase was mainly the result of the Dr. Dr. Wagner acquisition in Austria and other acquisitions in the Czech Republic, Switzerland, Italy and Spain.

Impairment tests for goodwill, intangible assets and real estate assets reveal that there is no impairment to be recognised.

The total value of the real-estate portfolio was €5,042 million⁽²⁾, including €369 million of land and assets under construction or restructuring.

At 31 December 2017, equity attributable to equity holders of the parent amounted to €2,715 million, as opposed to €2,113 million at 31 December 2016. That increase in equity was mainly due to the early conversion of ORNANes into new shares.

At end-2017, the Group had €614 million of cash and cash equivalents as opposed to €540 million at end-2016, the increase being partly due to the proceeds of financing transactions in the second half of 2017, including *Schuldschein* borrowings and traditional bilateral loans.

Net debt amounted to €4,413 million⁽³⁾, compared with €3,680 million at 31 December 2016. This increase is the result of the sustained pace of real estate investment and operational activities over the 2017 financial year. Net debt at the end of 2017 comprised:

- gross short-term debt: €405 million;
- gross long-term debt: €4,622 million;
- cash and cash equivalents: €614 million.

(1) After the deduction of €31 million of intangible assets held for sale.

(2) After the deduction of €33 million of real-estate assets in the process of being sold.

(3) Excluding €63.7 million of debt relating to assets held for sale.

EVENTS SINCE 1 JANUARY 2018

INAUGURAL €400 MILLION PUBLIC BOND PLACEMENT

In February 2018, ORPEA carried out its first public bond placement in a total amount of €400 million, with a 7-year maturity (March 2025) and a fixed annual coupon of 2.625%.

The success of that inaugural issue, in a volatile market context, showed the confidence of credit investors – which numbered 115, including 44% from outside France – in the Group.

The issue fits perfectly with the Group's financing strategy, which it initiated in 2012:

- diversifying financing sources – after its private placements and *Schuldschein* borrowings, tapping the public market has further expanded the Group's base of credit investors;
- extending the maturity of debt at an attractive cost.

FIRST-QUARTER 2018 REVENUE

The first quarter of 2018 was a particularly buoyant period, with revenue rising strongly again, by 10.7% to €832 million. That excellent performance was again the result of ORPEA's business model, combining very solid organic growth of 5.4% with the contribution of acquisitions, particularly in Austria, Czech Republic and Germany.

Organic growth remained firm in all geographical zones, due to:

- uniformly high occupancy rates across the network, resulting from the quality of care and the well-chosen location of the Group's facilities;
- the build-up of facilities opened in the last two years, most of which are large cities or attractive, high-income areas;
- openings comprising 650 beds in the first quarter of 2018 alone, in France, Switzerland, Italy and Belgium.

(in € millions)	Q1 2018	Q1 2017	Change
France / Benelux	499.3	474.9	+5.1%
Central Europe	214.5	187.0	+14.8%
Eastern Europe	80.1	55.0	+45.4%
Iberia	37.8	34.5	+9.6%
Other countries	0.4	0.3	+70.7%
TOTAL REVENUE	832.1	751.7	+10.7%
<i>Of which organic growth*</i>			+5.4%

* The Group's organic revenue growth includes: 1. the change in revenue (N vs. N-1) of existing facilities as a result of changes in their occupancy rates and day prices; 2. the change in revenue (N vs. N-1) of facilities restructured or whose capacity was increased in N or N-1; 3. revenue achieved in N by facilities created in N or N-1, and the change in revenue of recently acquired facilities over a period in N equivalent to the consolidation period in N-1.

Anavita in the Czech Republic has been consolidated since 1 April 2017, Dr. Dr. Wagner in Austria since 1 July 2017 and Inoges in Germany since 1 January 2018.

Central Europe consists of Germany, Italy and Switzerland. Eastern Europe consists of Austria, Poland and the Czech Republic. Iberia consists of Spain and Portugal. The Other Countries zone currently consists only of China.

MOVE INTO THE NETHERLANDS WITH THE ACQUISITIONS OF DAGELIJKS LEVEN AND WOONZORGNET

As part of its European expansion strategy, ORPEA is moving into the Netherlands with the acquisition of one of that country's leading nursing homes operators and a company specialising in psychiatric care. With these two new platforms, the Group is further increasing its organic growth potential for the next few years.

The Dutch dependency care sector has solid growth prospects:

- the number of people aged over 80 is expected to triple between now and 2050;
- the ratio of nursing home beds to the number of elderly people is low, 35% lower than the European average, and so 100,000 new beds need to be created by 2040;
- the private sector has a very small market share of only 4%.

Dagelijks Leven was founded in 2013 and is one of the Netherlands' leading nursing home operators with a network of 40 facilities containing 800 beds, including 220 beds in facilities under construction and due to open in 2018. Its facilities are all less than four years old, and have a solid reputation for care and service quality, both among residents and the supervisory authorities.

Dagelijks Leven has an attractive and highly standardised business model:

- its facilities are all the same size (20 beds), in accordance with the country's culture;
- they charge a single per-day price;
- all support functions are centralised;
- the development method can be replicated easily and quickly, and it takes less than one year from site selection to the opening of a new facility;
- the company has an expert management team that created the model and will continue to support its development.

ORPEA will acquire a majority stake in Dagelijks Leven. The transaction remains subject to approval by the Dutch healthcare authorities.

In addition, in early 2018 ORPEA acquired Woonzorgnet, an acknowledged expert in psychiatric care for dependent adults, with 162 beds in seven facilities.



Requests for documents and information

These documents and this information are also available
on the ORPEA website

www.orpea-corp.com
("Shareholders" section)

Form to be detached and returned, in the case of holders of shares in registered form, using envelope "T" enclosed with the notice of meeting bundle, and in the case of holders of shares in bearer form, to the following address:

SOCIÉTÉ GÉNÉRALE

Département Titres et Bourse

Service des Assemblées – SGSS/SBO/CIS/ISS/GMS

32, rue du Champ-de-Tir, CS 30812

44308 Nantes Cedex 03, France



COMBINED GENERAL MEETING

Thursday 28 June 2018

I the undersigned: ☐ Mrs ☐ Miss ☐ M ☐ Company:

Last name (or company name): First name:

Address:

.....

Owner of: registered ORPEA shares (registered securities account No.)

Or/and: bearer shares, held in an account with

(Attach a certificate of entry in the bearer securities account held by your financial intermediary)

Wish to receive at the address above (or the email address below) the documents and information referred to in article R. 225-83 of the Commercial Code in relation to the Combined General Meeting to be held on 28 June 2018.

I wish to receive these documents and information by email. My email address is as follows:

.....@.....

At:,

on: 2018

Signature required:

N.B. Shareholders owning registered shares may, if they have not already done so, make a single request to the Company to send the documents and information referred to in articles R. 225-83 of the Commercial Code, for each subsequent Shareholders' General Meeting.



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