

PRESS RELEASE

Wednesday, June 17th, 2009

NOT FOR DISTRIBUTION OUTSIDE OF FRANCE

Successful completion of Korian's capital increase

- The € 70 million capital increase without preferential subscription rights and with a priority offer period for existing shareholders has been fully subscribed
- 1,785,162 shares have been subscribed on an irreducible basis by the shareholders within the priority offer and 1,900,806 shares have been subscribed in the public offering, including the complementary subscription by two of the reference shareholders
- This operation allows the Group to increase its financial flexibility in the implementation of its investment programme. It is also part of the adaptation of Korian's business model to the current market environment.

The subscription price of the capital increase was set at € 19 per new share i.e, a 16% premium over the closing price (€ 16.44) on June 5th, 2009.

Total demand for the capital increase stood at approximately € 70.6 million.

- 1,785,162 shares have been subscribed by existing shareholders on an irreducible basis within the priority period, resulting in a 48.4% take-up ratio
- Demand in the public offering reached 1,928,874 shares for a total number of 1,900,806 available shares. The allotment ratio of the public offering, including the demand from two of the reference shareholders, has been set at 98.545%

Settlement, delivery and listing of the new shares on Eurolist by Euronext Paris are scheduled to occur on June 19, 2009. From this date on, the issued capital of Korian will be comprised of 31,372,627 shares with a nominal value of € 5 each, for an entire amount of 156,863,135 euros.

The new shares will be listed for trading on Euronext Paris on a separate quotation line (ISIN code FR0010769646) until the close of the record date for the dividend that could be voted by the shareholders' meeting in respect of fiscal year 2008. As from the ex-dividend date, the new shares will become fungible with the existing shares and will be traded on the same quotation line.

BNP PARIBAS and Rothschild acted as Joint Lead Managers and Joint Bookrunners of the offering.

Centralisation agent

Société Générale Securities Services / Global Issuer Services, BP 81236, 32 rue du Champ-de-Tir, 44312 Nantes Cedex 03.

KORIAN

The Korian Group, founded in 2001, is the European temporary and permanent dependency care market leader. A private group employing over 12,000 people, Korian has a broad portfolio of activities that dovetail effectively with one another in France, Italy and Germany. Its 216 Korian facilities represented a combined total of 19,890 beds at 31 December 2008:

In France: 119 retirement homes (EHPAD), 35 follow-up care and rehabilitation clinics (SSR) and 12 psychiatric clinics for a total of 13,836 beds.

In Europe: 19 facilities in Italy for a total of 2,495 beds and 31 facilities in Germany for 3,559 beds.

Korian has authorisations to open 1,800 new beds in the three countries in which it is established.

The company has been listed on Eurolist Paris Euronext (Compartment B) since November 2006.

Information for the public

A prospectus approved by the Autorité des marchés financiers (the "AMF", the French Securities Regulator) under No. 09-180 Visa on June 8, 2009 is available free of charge at the head office of Korian, through the Joint Lead Managers and Joint Bookrunners, as well as on the Internet websites of Korian (www.groupe-korian.com) and the AMF (www.amf-france.org). The prospectus consists of the reference document filed with the AMF on June 3, 2009 under No R.09-051 and an offering memorandum (note d'opération) (which includes a summary) on June 8, 2009.

Korian Group draws the attention of investors to the sections concerning risk factors of the prospectus approved by the AMF.

Analysts / Investor relations: Alexis JUNGELS

Tél : +33 1 55 37 52 25

Email : a.jungels@groupe-korian.com

Press contact: Francis WEILL

Tél : +33 1 55 37 52 15

Email : f.weill@groupe-korian.com

This press release must not be published, transmitted or distributed, directly or indirectly, outside France and in particular within the territory of the United States, Canada, Australia or Japan. This press release and the information it contains do not constitute an offer to sell or a solicitation of an order to buy or subscribe for Korian shares in any country.

This press release does not constitute an offer to sell or subscribe or a solicitation of an order to buy or subscribe for securities in the United States. Securities may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement under the United States Securities Act of 1933. Korian does not intend to register its shares under the Securities Act of 1933 and does not intend to carry out a public offer of its shares in the United States.

No public offer of Korian shares will be made in the United Kingdom. In the United Kingdom, this press release is intended only for persons (i) who have professional investment experience, or (ii) meet the criteria laid down in the provisions of Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as modified.

The diffusion, publication or distribution of this press release in certain countries may constitute a violation of legal or regulatory provisions. Accordingly, persons who are physically located in such countries and in which this press release is circulated, published or distributed must inform themselves of and comply with those legal and regulatory provisions.