



PRESS RELEASE

MEDICA: stronger growth in first-quarter 2010

€127.2 million in Q1-2010 revenue up 10.1% on first-quarter 2009

PARIS - 7 May 2010 – MEDICA, a leading provider of long and short-term dependency care in France, has released its quarterly review for the three months ended 31 March 2010.

REVENUE BY SECTOR - €m	Q1-2010	Q1-2009	Reported growth	Organic growth
Long-term care - France % of revenue	78.7 61.8%	68.8 59.5%	+ 14.4%	+ 9.1%
Post-acute and psychiatric care - France % of revenue	35.4 27.8%	34.8 30.2%	+ 1.6%	+ 1.6%
Italy % of revenue	13.1 10.3%	12.0 10.4%	+ 9.8%	+ 3.6%
TOTAL	127.2	115.6	+ 10.1%	+ 6.2%

“Revenue rose by more than 10% in first-quarter 2010, led by a more than 6% gain in organic growth,” said Jacques Baillet, Chairman and Chief Executive Officer. “This performance makes us very confident in our ability to meet the 2010 revenue growth target of at least 10% and supports our medium-term growth strategy, which is expected to drive a 45% increase in revenue over the 2010-2012 period.”

REVENUE

Consolidated revenue amounted to €127.2 million in first-quarter 2010, representing a 10.1% increase from the prior-year period.

- During the quarter, MEDICA pursued its carefully managed growth strategy.
- Three facilities totalling 247 beds were **opened** in France, in Evrecy (88 beds), La Roche sur Yon (75 beds) and Saint-Martin de Crau (84 beds).
- Several other facilities were **acquired** during the period:
 - Two independent nursing homes totalling 154 beds, in the Paris area (80 beds) and in Florence, Italy (74 beds).
 - Two companies representing around 620 beds:
 - A nursing home company operating around 300 beds, primarily in the Languedoc Roussillon region. The acquisition has extended MEDICA's nationwide coverage with a presence in a new region.
 - A nursing home company operating around 320 beds, based in the Paris area and specialised in care for people suffering from Alzheimer's and related diseases. The transaction was recently completed after MEDICA exercised its irrevocable call option. In compliance with accounting standards, the company's revenue will be consolidated over the full year.
- All of the business sectors reported growth for the first quarter:
 - Revenue from **long-term care facilities in France** rose by 14.4% to €78.7 million, reflecting the strong 9.1% organic growth driven by the ramp-up of facilities opened in 2009 and early 2010.
 - Revenue from **post-acute and psychiatric care facilities in France** stood at €35.4million, up slightly due to the sustained deployment of the in-depth restructuring programmes.
 - Revenue from **operations in Italy** rose by 9.8% year-on-year thanks to solid organic growth and the acquisition of the Florence facility.

Occupancy rates in Group facilities also remained high, at 96.8%.

PIPELINE

As of 7 May 2010, MEDICA operated a portfolio of 12,300 beds.

To support its expansion plan, the Group also a growth pipeline representing nearly 2,900 beds, as follows:

- 850 beds being restructured.
- 1,850 beds being built.
- 160 beds with an option to buy.

OUTLOOK

During the initial public offering, management set the objective of delivering revenue growth of at least 10% in 2010 and at least 45% over the 2010-2012 period. This performance will be driven by deploying an active capital expenditure and investment strategy, to maintain the high quality and profitability of existing facilities, create new facilities and carry out carefully selected acquisitions. Management also intends to lead this growth strategy while further improving the company's leverage (net debt to EBITDA ratio) to around 3x in 2012.

A conference call for analysts and investors will be held this morning at 9:30 a.m CEST.

INVESTOR CALENDAR

Annual General Meeting: Tuesday, 29 June 2010

Second-quarter 2010 revenue: Tuesday, 20 July 2010 before start of trading

First-half 2010 results: Tuesday, 7 September 2010 before start of trading

ABOUT MEDICA

Created in 1968, MEDICA is a leading provider of long and short-term dependency care in France. It operates in both the long-term care sector, with 111 nursing homes in France and Italy, and in the post-acute and psychiatric care sector, with 37 post-op and rehabilitation facilities in France. Together, these facilities offered a total of 11,381 beds at 31 December 2009.

MEDICA has been listed on the NYSE Euronext Paris stock exchange – Compartment B since February 2010. Eligible for the Deferred Settlement Service.

Symbol: MDCA – ISIN: FR0010372581 – Reuters: MDCA PA – Bloomberg: MDCA FP

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