

**2010 Korian group revenue beats forecasts: + 8.5%**  
**Korian's growth accelerated in the 2<sup>nd</sup> half of the year**

*Paris, 10 February 2011.* Korian's revenue in 2010 was € 922.9 million, up 8.5% compared to 2009. With a 10.3% growth in the second half of the year, compared to 6.8% in H1 2010, Korian is showing signs that its growth is accelerating.

Korian's goal is to reassert its leadership in Europe by seizing all value creation opportunities in the three countries where its facilities are located. This bold growth strategy rests on three pillars: continuous improvement in the quality of care; experienced and motivated local employees; and growth built on the best opportunities available in each of our markets.

In € millions	Quarterly*			Annual*		
	Q4 2010	Q4 2009r	Δ 4 10/09	2010	2009r	Δ 10/09
<b>France</b>	<b>173.8</b>	<b>160.4</b>	<b>8.4%</b>	<b>665.6</b>	<b>628.8</b>	<b>5.8%</b>
% total revenue	72%	73%		72%	74%	
Nursing homes	114.3	103.8	10.1%	433.3	404.9	7.0%
Follow-up care	59.5	56.6	5.2%	232.3	224.0	3.7%
<b>Italy</b>	<b>37.1</b>	<b>32.2</b>	<b>15.1%</b>	<b>138.8</b>	<b>121.0</b>	<b>14.7%</b>
% total revenue	15%	15%		15%	14%	
<b>Germany</b>	<b>31.6</b>	<b>27.1</b>	<b>16.4%</b>	<b>118.5</b>	<b>100.7</b>	<b>17.6%</b>
% total revenue	13%	12%		13%	12%	
<b>Group TOTAL</b>	<b>242.5</b>	<b>219.8</b>	<b>10.3%</b>	<b>922.9</b>	<b>850.6</b>	<b>8.5%</b>

\* Unaudited figures

**2010: AN END OF YEAR MARKED BY ACCELERATED GROWTH**

The Group posted a sharp 10.3% rise in its fourth quarter revenue, which confirms 2010 trends with 1,552 new beds added to the portfolio (22,175 beds at 31 December).

The 8.5% growth breaks down into 7.5% in organic growth, half of which is a result of the volume effect from:

- improvement in the occupancy rate in the mature segment,
- scalability in openings and past restructurings,
- delivery of 822 new beds, including 201 in France (incorporated into 6 buildings delivered in 2010 totalling 590 beds), 581 in Germany in 5 new Pflegeheime<sup>1</sup> and 40 beds in Italy in particular in the follow-up care and rehabilitation wing of the Garbagnate hospital.

The pricing effect is equally important given our ability to increase our occupancy tariffs and control price negotiations with the relevant ministries, pursue our healthcare bed specialisation and the transition to comprehensive tariffs for certain nursing homes (EHPAD).

<sup>1</sup> The name for nursing homes in Germany

Acquisitions include 730 new beds in 2010, including 4 out of 8 Seniors Santé facilities, Baziège EHPAD in Toulouse and the Heliopolis RSA<sup>2</sup> in Milan.

International growth has been especially focussed, reflecting the vitality of our local employees in managing our facilities and seeking out value creation opportunities in promising markets.

Overall our consolidated revenue in 2010 was € 922.9 million, up 8.5%, beating forecasts and providing a solid base to pursue our consolidation strategy in our three markets in 2011.

**Rose-Marie Van Lerberghe, the Chair of Korian's Executive Board, points out:** "2010 is an important step in the Group's history. We are more confident than ever in our ability to reassert our leadership role in Europe, which rests on 3 fundamentals:

- the quality with which we welcome our residents and the consistency of care in our facilities. This is why we have deployed the Korian brand in all of our facilities in France,
- confidence in our experienced and committed local employees, who are the reason for our success in the three countries where our facilities are located – France, Germany and Italy,
- growth that is targeted, innovative and creates value. Our efforts in 2010 will continue and intensify in the months to come.

Now we have a solid foundation to take on a number of challenges related to the aging population in Europe and we are taking an active role in the unfolding discussion of dependency."

#### **About KORIAN**

The Korian Group, founded in 2001, is the European leader in temporary and permanent dependency care. A private group employing over 15,000 people, Korian has three platforms in France, Italy and Germany.

Its 227 facilities represented a combined total of 22,175 beds at 31 December 2010.

- In France: 122 nursing homes (EHPAD), 34 follow-up care and rehabilitation clinics (SSR) and 11 psychiatric clinics for a combined total of 14,349 beds.
- In Europe: 23 facilities in Italy for a total of 3,352 beds and 37 facilities in Germany for a total of 4,474 beds.

The company has been listed on Eurolist Euronext Paris, compartment B, since November 2006.

### **Next report to be issued prior to market open on 24 March 2011: 2010 annual results**

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<sup>2</sup> The name for nursing homes in Italy