



PRESS RELEASE

MEDICA - First-Half 2011 business review

- First-Half 2011: sharp increase in revenue
 - €300.7 million up 16.0% on H1 2010
- Second-Quarter 2011: rapid integration of recent acquisitions
 - €154.7 million up 17.2% on Q2 2010

PARIS – 20 July 2011 – Medica, a leading provider of long and short-term dependency care in France, has released its business review for the six months ended 30 June 2011.

REVENUE BY SECTOR - €M	H 1				Q 2			
	2011	2010	Reported growth	Organic growth	2011	2010	Reported growth	Organic growth
Long-term care - France % of revenue	182.8 60.8%	160.8 62.1%	+13.7%	+6.8%	94.2 60.9%	82.2 62.3%	+14.5%	+6.1%
Post-acute and psychiatric care - France % of revenue	79.8 26.5%	71.6 27.6%	+11.4%	+7.9%	41.3 26.7%	36.2 27.5%	+14.1%	+10.1%
Italy % of revenue	38.1 12.7%	26.6 10.3%	+43.0%	+3.9%	19.2 12.4%	13.5 10.2%	+42.2%	+4.6%
TOTAL	300.7	259.1	+16.0%	+6.8%	154.7	131.9	+17.2%	+6.8%

Unaudited figures

Jacques Bailet, Chairman and Chief Executive Officer, said:

"We are very satisfied with our first-half revenue growth. In light of our strong development momentum, the successful integration of facilities already acquired and our pipeline of beds being built or restructured, we are confident in our ability to meet our business growth target for full-year 2011."

REVENUE

Consolidated revenue amounted to €300.7 million in the first half of 2011, representing a 16% increase over the first six months of 2010. Organic growth for the period came to 6.8%. Second-quarter revenue rose by 17.2% over the prior-year period led by the ramp-up of recent acquisitions.

All of the **business segments** saw double-digit growth in revenue in the first half.

- Revenue from **long-term care facilities in France** totalled €182.8 million, an increase of 13.7% as reported and 6.8% in organic growth.
- Revenue from **post-acute and psychiatric care facilities in France** rose by 11.4% to €79.8 million, led by organic growth of 7.9% directly related to restructuring programmes in the segment.
- Revenue from operations in Italy surged 43% over the prior-year period to €38.1 million. Most of the increase resulted from the Laetitia acquisition in late 2010.

Occupancy rates* at 30 June 2011 were relatively stable at 96.9%, reflecting MEDICA's ability to deploy an effective marketing strategy for its recently acquired or created facilities.

*Occupancy rate: number of days billed divided by the number of billable days for facilities that have been open for more than 12 months.

OPERATED PORTFOLIO AT 30 JUNE 2011

As of 30 June 2011, MEDICA operated a **portfolio of 14,461 beds** in **189 facilities**:

- Long-term care facilities in France: 9,880 beds and 126 facilities.
- Post-acute and psychiatric care facilities in France: 2,523 beds and 37 facilities.
- Italy: 2,058 beds and 26 facilities.

PIPELINE AT 30 JUNE 2011

To support its expansion plan, MEDICA has a **growth pipeline** representing some **2,980 identified beds**, as follows:

- 900 operated beds being restructured.
- 2,080 beds being built.

OUTLOOK

MEDICA remains confident in its strategic vision and ability to grow its business.

Based on the first half's solid revenue performance and a portfolio that has been considerably strengthened since the beginning of the year, MEDICA is confident in its ability to drive **at least 15% growth in revenue over the full year**. It also remains committed to maintaining its solid profitability.

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

INVESTOR CALENDAR

First-Half 2011 results:	Tuesday, 6 September 2011 before start of trading.
Third-quarter 2011 revenue: Update on business development	Tuesday, 18 October 2011 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 nursing homes in France and Italy, and in the post-acute and psychiatric care sector. In these two sectors, the Group operated a total of around 14,500 beds and employed more than 7,900 people as of 30 June 2011.

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

MEDICA is included in the MSCI France Small Cap, CAC Small and Gaia indices.
Symbol: MDCA – ISIN: FR0010372581 – Reuters: MDCA PA – Bloomberg: MDCA FP
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APPENDIX - QUARTERLY REVENUE BY SECTOR

REVENUE BY SECTOR - €M	Q 1		Q 2	
	2011	2010	2011	2010
Long-term care - France % of revenue	88.7 60.7%	78.7 61.8%	94.2 60.9%	82.2 62.3%
Post-acute and psychiatric care - France % of revenue	38.4 26.3%	35.4 27.8%	41.3 26.7%	36.2 27.5%
Italy % of revenue	18.9 12.9%	13.1 10.3%	19.2 12.4%	13.5 10.2%
TOTAL	146.0	127.2	154.7	131.9

Unaudited figures