



PRESS RELEASE

MEDICA

Business review for the nine months ended 30 September 2011

Sharp increase in revenue

- Third-quarter 2011: up 18.4% year-on-year €161.6 million
- First nine months of 2011: up 16.9% year-on-year €464.2 million

PARIS - 18 October 2011 – MEDICA, a leading provider of long and short-term dependency care in France, has released its business review for the nine months ended 30 September 2011.

REVENUE BY SECTOR - €M	Nine months				Q 3			
	2011	2010	Reported growth	Organic growth	2011	2010	Reported growth	Organic growth
Long-term care – France % of revenue	283.5 61.3%	246.7 62.4%	+15.0%	+6.8%	100.7 62.3%	85.9 62.9%	+17.2%	+6.9%
Post-acute and psychiatric care – France % of revenue	120.8 26.1%	108.1 27.3%	+11.7%	+8.4%	41.0 25.4%	36.5 26.7%	+12.5%	+9.2%
Italy % of revenue	57.9 12.5%	40.7 10.3%	+42.2%	+3.4%	19.9 12.3%	14.1 10.3%	+40.8%	+2.4%
TOTAL	462.2	395.5	+16.9%	+6.9%	161.6	136.5	+18.4%	+7.0%

Unaudited figures

"The increase in our revenue over the first nine months of 2011 attests to MEDICA's robust momentum," said Jacques Baillet, Chairman and Chief Executive Officer. "For the full year, we confirm our target of achieving 17% revenue growth. We will enter 2012 with significantly stronger financing capabilities to support our strategy of disciplined, profitable expansion."

REVENUE

Consolidated revenue for the first nine months of 2011 rose by 16.9% year-on-year to €462.2 million, with organic growth accounting for 6.9% of the gain. Lifted by acquisitions, revenue was up 18.4% year-on-year in the third quarter alone.

All of the **business segments** enjoyed fast expansion in the first nine months of the year.

- Revenue from **long-term care facilities in France** rose by 15.0% to €283.5 million, including organic growth of 6.8%.
- Revenue from **post-acute and psychiatric care facilities in France** climbed 11.7% year-on-year to €120.8 million, with the positive impact of restructuring programmes helping the sector to deliver organic growth of 8.4% over the period.
- Revenue from **operations in Italy** surged 42.2% during the first nine months to €57.9 million, primarily as a result of the Laetitia acquisition in late 2010.

Occupancy rates* remained high, at 97.1% at 30 September 2011, reflecting MEDICA's strategic focus on quality and effective marketing approach 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 18 OCTOBER 2011

As of 18 October 2011, MEDICA operated a **portfolio of 15,177 beds** in **198 facilities**, as follows:

- Long-term care facilities in France: 10,549 beds and 134 facilities.
- Post-acute and psychiatric care facilities in France: 2,523 beds and 37 facilities.
- Italy: 2,105 beds and 27 facilities.

PIPELINE AT 18 OCTOBER 2011

To support its expansion plan, MEDICA has a growth pipeline already representing today some **2,900 identified beds**, as follows:

- 900 operated beds being restructured.
- 2,000 beds being built.

MEDICA INCLUDED IN THE GAIA SRI INDEX AGAIN

Included in the Gaia SRI index since 5 October 2010, MEDICA has again been selected for inclusion in the index for the 2011-2012 period. Created in October 2009 by IDMidCaps and EthiFinance, in partnership with SFAF and Middlenext, the Gaia index rates French mid-cap stocks on their commitment to meeting environmental, social and governance (ESG) criteria. The index comprises 70 stocks selected from a total of more than 230 mid-caps.

OUTLOOK

MEDICA reaffirms its objective of **increasing revenue by 17% in 2011**.

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

INVESTOR CALENDAR

Third-quarter 2011 revenue: Tuesday, 7 February 2012 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 15,100 beds and employed more than 8,000 people as of 18 October 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

	Q 1		Q 2		Q 3	
REVENUE BY SECTOR - €M	2011	2010	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%	100.7 62.3%	85.9 62.9%
Post-acute and psychiatric care – France % of revenue	38.4 26.3%	35.4 27.8%	41.3 26.7%	36.2 27.5%	41.0 25.4%	36.5 26.7%
Italy % of revenue	18.9 12.9%	13.1 10.3%	19.2 12.4%	13.5 10.2%	19.9 12.3%	14.1 10.3%
TOTAL	146.0	127.2	154.7	131.9	161.6	136.5

Unaudited figures