

2011 revenues: €1,014 million
Growth: +10%
International: up +17.4%, representing 1/3 of the business

Paris, 8 February 2012. The Korian Group recorded 10% revenue growth in 2011, up to €1,014 million, ahead of the target set at the start of the year. This dynamic performance reflects robust organic growth of 5.4%, combined with the Group's continued and active development in the three countries where it operates. Over 2011, Korian continued to actively build its network of European facilities, with close to 24,000 beds in operation following the integration of 2,354 new beds and the sale of 578. With 17.4% growth, the process to consolidate our European subsidiaries - Phönix in Germany and Segesta in Italy - is continuing to move forward successfully. The international segment now accounts for almost 1/3 of the Group's business.

In €M	Quarterly figures*			12 months*		
	Q4 2011	Q4 2010	Δ T4 11/10	2011	2010	Δ 11/10
France	183.2	173.8	5.4%	712.1	665.6	7.0%
<i>% total revenues</i>	68%	72%		70%	72%	
Nursing homes	118.5	114.3	3.7%	462.2	433.3	6.7%
Healthcare	64.7	59.5	8.7%	249.8	232.3	7.6%
International	86.5	68.7	26.0%	302.1	257.3	17.4%
<i>% total revenues</i>	32%	28%		30%	28%	
Germany	39.0	31.6	23.4%	138.5	118.5	16.9%
Italy	47.6	37.1	28.2%	163.6	138.8	17.9%
Group total	269.7	242.5	11.2%	1,014.2	922.9	9.9%

* unaudited figures

EUROPEAN GROWTH STEPPED UP

Korian recorded strong growth in its business over 2011, climbing 10%, thanks to:

- Sustained and robust organic growth: 5.4%. Occupancy rates on mature facilities have continued to improve, up 1.1 points compared with 2010 to 95.1% (96.3% in France, 97.5% in Italy and 90.7% in Germany). The Group is benefiting from the ramping up of 913 beds opened in 2010-2011,
- Targeted external growth operations: 730 beds in 2010 and 2,263 beds integrated over the year in 2011,
- Despite the sale of the last clinic in Germany (169 beds) and the phasing out of a partnership in France concerning 409 clinic beds.

The Group's growth has been particularly strong at international level (+17.4%). This success once again highlights the relevance of our model, built around teams with local market knowledge and an ability to capitalize on the best opportunities for growth, with multiples that are far lower than in France.

ABILITY TO CAPITALISE ON THE BEST OPPORTUNITIES FOR DEVELOPMENT IN EUROPE

In 2011, Korian integrated 2,354 beds across its three European platforms:

- **499 beds** in France, with a 74-bed facility opened in Nîmes and 411 beds acquired in the Southwest region, in line with the approach to increase the density of clusters for existing facilities.
- **1,067 beds** in Italy, where Segesta is actively pursuing its policy to further strengthen its local clusters, with the integration of five clinics in Sardinia, as well as two clinics and three RSA¹ facilities in the Apulia region.
- **697 beds** in Germany, where Phönix has finalised its first external growth operation with the acquisition of Weidlich. This group of seven Pflegeheime² facilities, located primarily in southern Germany, has recognised expertise in various specialties which will be rolled out in other Phönix Group facilities (addiction treatment, respiratory therapy, vegetative states, etc.).

Since the beginning of 2012, Korian has continued moving forward with its policy for active yet selective growth, integrating 251 new beds: a 100-bed Pflegeheime facility in Germany and two nursing homes in France, representing 151 beds.

GOVERNANCE

The company is planning to further strengthen its governance by changing its structure to become a limited company with a board of directors. In this respect, an extraordinary general meeting has been convened for 21 March.

As Louis Guyot, VP Finance and International, confirms: "Korian is once again demonstrating its ability to come through major economic crises thanks to a network of high-quality European facilities, a development approach focused on three complementary countries, and teams with excellent knowledge of our local markets. We are looking ahead to 2012 with confidence, while still fully aware of the challenges awaiting us over the coming months. Indeed, we have undeniable assets in terms of our expertise and the strength of our balance sheet, confirming our objectives".

About KORIAN

The Korian Group, founded in 2001, is one of the European market leaders for temporary and permanent comprehensive care. A private group employing over 15,000 people, Korian has three platforms established in France, Italy and Germany.

At 31 December 2011, Korian's 244 facilities represented a combined total of 23,952 beds in operation.

- In France: 125 nursing homes, 37 follow-up care and rehabilitation clinics, and seven psychiatric clinics for a total of 14,530 beds.
- In Europe: 32 facilities in Italy with a total of 4,419 beds and 43 facilities in Germany for a total of 5,003 beds in operation.

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

Next communication: 22 March 2012 before start of trading 2011 full-year results

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¹ : nursing home in Italy

² : nursing home in Germany