



PRESS RELEASE

## MEDICA – Acquisition of Senior Living Group

- Major step forward in MEDICA’s development
- Acquisition of the leading private operator in Belgium
- Increased organic growth potential

**PARIS, 29 July 2013** – MEDICA, a leading provider of long- and short-term dependency care in France, today announces the signing of an agreement<sup>(1)</sup> to acquire 100% of the capital of Senior Living Group (SLG), a company specialising in long-term care in Belgium.

### STRATEGIC ACQUISITION IN BELGIUM

SLG was founded in 2004 by the investment firm Waterland, with the mission of creating a leading player in the fragmented Belgian market of long-term care. SLG is the leading private provider of long-term care in Belgium. It operates 5,481 beds across 47 facilities, mainly in Flanders. SLG generated revenue of €183 million in full-year 2012 and employs more than 3,000 people. 2013 SLG’s sales will achieve at least €200 million.

MEDICA will base its future development in Belgium on SLG’s management team, which will thus join the Group. The team has been in place at SLG since 2005 and has a proven track record in driving the organic and external growth strategy of the company, while maintaining a high level of service quality.

### MAJOR STEP FORWARD IN EUROPEAN DEVELOPMENT

This acquisition, combined with MEDICA’s strong domestic position and successful establishment in Northern Italy, represents a major step forward in the Group’s development in Europe. Belgium was chosen for its favourable market fundamentals in terms of demographics, solvency and barriers to entry. All of those criteria are consistent with MEDICA’s investment policy. Following this acquisition, the network operated by MEDICA will comprise 22,613 beds, including around one-third outside France.

### INCREASED ORGANIC GROWTH POTENTIAL

This acquisition also increases MEDICA’s organic growth potential. Since SLG has a portfolio of 1,256 beds to be built, MEDICA’s portfolio will increase to 3,537 beds being restructured or built, when the transaction is completed.

	<b>TOTAL</b>	<b>France <sup>(2)</sup></b>	<b>Belgium</b>	<b>Italy <sup>(2)</sup></b>
<b>Beds in operation</b>	<b>22,613</b>	<b>15,027</b>	<b>5,481 <sup>(3)</sup></b>	<b>2,105</b>
<b>Of which beds being restructured</b>	<b>1,666</b>	<b>1,666</b>	-	-
<b>Beds being built</b>	<b>1,871</b>	<b>615</b>	<b>1,256 <sup>(2)</sup></b>	-

(1) Memorandum of understanding signed under the usual conditions precedent.

(2) As at 30/06/2013; (3) as at 31/03/2013

## **AN ACCRETIVE TRANSACTION**

This 100%-cash transaction has been optimally financed thanks to the quality of MEDICA's financial structure. Given SLG's operating performance and the optimal financing conditions, this operation should be accretive for MEDICA's shareholders as early as 2014, the first full year of SLG's consolidation. The closing of the transaction is expected during Q3 2013.

Commenting on this acquisition, **Jacques Bailet, Chairman and Chief Executive Officer**, said: *"This strategic acquisition marks a major step in expanding MEDICA's operations in Europe. The Belgian market offers good operating conditions, strong growth prospects and SLG is an outstanding operator. This operation benefits from our good financing structure and is fully in line with our growth strategy aimed at creating value."*

A conference call for analysts and investors will be held this morning at **10:30 AM (Paris time)**. The slideshow is available on MEDICA's website ([www.groupemedica.com](http://www.groupemedica.com)).

## **ABOUT MEDICA**

Formed in 1968, MEDICA is a leading provider of long- and short-term dependency care in France. It operates both in 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 over 17,100 beds and employed over 10,800 people as at 30 June 2013.

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

MEDICA is included in the SBF 120, Euronext CAC Healthcare, MSCI France Small Cap and Gaia indices.

Code: MDCA - ISIN: FR0010372581 - Reuters: MDCA PA - Bloomberg: MDCA FP

Website: [www.groupemedica.com](http://www.groupemedica.com)

## **ABOUT WATERLAND PRIVATE EQUITY INVESTMENTS**

Waterland Private Equity Investments (Waterland) ([www.waterland.be](http://www.waterland.be)) is an independent private equity firm operating in Belgium, The Netherlands, Germany, Switzerland, Austria and Poland, with €2.5 billion funds under management. Waterland focuses on consolidation strategies, investing in fragmented growth markets that are going through a transformation as a consequence of one or more of the following trends: aging population, outsourcing and efficiency, leisure and luxury and sustainability. Waterland is member of the Belgian Venturing Association (BVA), the Nederlandse Vereniging van Participatiemaatschappijen (NVP) and the European Private Equity & Venture Capital Association (EVCA). Waterland has offices in Antwerp (Belgium), Bussum (The Netherlands), Düsseldorf and Munich (Germany) and Warsaw (Poland)

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