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PRESS RELEASE

SIGNATURE OF A MERGER AGREEMENT BETWEEN KORIAN AND MEDICA

Paris, January 23, 2014.

Following the announcement on November 18, 2013 of an agreement in principle between Korian and Medica contemplating a merger between both companies, each of Korian and Medica's respective Boards of Directors have approved the terms of the merger agreement and authorized the signature of the latter by Yann Coléou, Chief Executive Officer of Korian, and Jacques Bailet, Chairman of Medica. The merger agreement has been signed today.

The completion of the merger remains subject to clearance by the Autorité de la concurrence (French antitrust authority) and approval by extraordinary general meetings of shareholders of Korian and Medica.

Under the terms of the merger agreement, Medica shareholders will receive 10 Korian shares for every 11 Medica shares they own.

In compliance with current legislation and regulatory requirements, employee representatives of both companies have been duly consulted about the contemplated merger.

Extraordinary general meetings of shareholders of Korian and Medica to approve the merger are expected to take place in March 2014.



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About Korian

The KORIAN Group was created in 2001. Korian offers over 34,000 beds across Europe (France, Germany and Italy) and employs over 26,000 people. The Group manages 270 retirement homes and 50 specialized clinics (follow-up care and rehabilitation). It can accommodate 2,200 people in intermediate residences, and provides home-based healthcare to 9,000 customers.

Korian has been listed on Compartment B of Eurolist by Euronext Paris, since November 2006.

Website: www.groupe-Korian.com

About Medica

The MEDICA Group was created in 1968 and is now a standard setter in permanent or temporary dependency in France. The Group has an accommodation capacity comprising over 22,800 beds and employed a staff of 13,800 as of October 1, 2013. It operates in France, Belgium and Italy.

Medica has been listed on Compartment B of Eurolist by Euronext Paris, since February 2010. It is also part of the SBF 120 index.

Website: www.groupeMedica.com



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Important information

This press release does not constitute and shall not be construed as an offer or the solicitation of an offer to purchase, sell or exchange any securities of KORIAN and MEDICA. In addition, it does not constitute an offer or the solicitation of an offer to purchase, sell or exchange of securities in any jurisdiction (including the US and the United Kingdom) in which it would be unlawful or subject to registration or qualification under the laws of such jurisdiction.

In connection with the proposed transaction, the required information documents will be filed with the Autorité des Marchés Financiers ("AMF"). Investors and shareholders are strongly advised to read, when available, the information documents that have been filed with the AMF and any other relevant document that has been filed with the AMF as well as any related amendment if any and/or supplements because they will contain important information.

Shareholders and investors may obtain free copies of documents filed with the AMF at www.amf-france.org.

Forward-looking statements

This press release contains information and statements that might be deemed forward-looking information and statements with respect to KORIAN and MEDICA and the aggregate operations of both companies once the transaction would have been completed. They do not constitute historical facts. These information and statements include financial projections that are based upon certain assumptions and assessments made by KORIAN and MEDICA's management in light of its experience and its perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate.

Forward-looking statements include statements typically using conditional and containing verbs such as "expect", "anticipate", "believe", "target", "plan", or "estimate", their declensions and conjugations and words of similar import.

Although the KORIAN and MEDICA's management believes that the forward-looking statements and information are reasonable, the KORIAN and MEDICA shareholders and other investors are cautioned that the completion of such expectations is by nature subject to various risks and uncertainties many of which are difficult to predict and generally beyond the control of KORIAN and MEDICA. These risks could cause actual results and developments to differ materially from those expressed in or implied or projected by the forward-looking statements. These risks include those discussed or identified in the public filings made by KORIAN and MEDICA with the AMF. Such forward-looking statements are not guarantees of future performance.

Neither KORIAN nor MEDICA undertakes any obligation to update or revise the forward-looking statements and information except to the extent legally required.

Combined financial data

This press release contains certain financial information resulting from the aggregation of revised historical financial information. This information is given for indicative purposes only and does not constitute pro forma financial information and has not been audited.