



PRESS RELEASE

MERGER OF KORIAN AND MEDICA

Paris, 18 March 2014

The mixed Shareholders' Meetings of Korian and Medica met today and approved the absorption of Medica by Korian, by more than 99% of votes cast, on the basis of an exchange ratio of 10 Korian shares for 11 Medica shares.

This transaction marks the culmination of the merger between the two companies, which was first set announced on 18 November 2013. By combining their strengths and expertise, Korian and Medica have established a European leader in healthcare services for the elderly, with a network that spans four major European markets.

Korian's Board of Directors met today to agree on the implementation of suspensive conditions and to set the merger date as 18 March 2014.

Applying the exchange ratio, Korian increased its capital by a nominal amount of €217,746,300 (from €174,198,065 to €391,944,365) through the creation of 43,549,260 new shares allocated to Medica's shareholders, due for delivery/payment on 24 March 2014. The total number of shares will be increased to 78,373,873.

The listing of Medica's shares will be suspended on Euronext Paris from 19 March 2014.

Existing Korian shares will remain listed and will be renamed Korian – Medica. From 24 March 2014, the new shares will be admitted for trading under the name Korian – Medica on Euronext Paris Compartment B with the ISIN code FR0010386334 and the Medica shares (ISIN code FR0010372581) will be removed from Euronext Paris.

Korian – Medica's Board of Directors will decide on the market disposal of unallocated fractional shares according to the provisions stipulated in Articles L. 228-6-1 and R. 228-13 of the French Commercial Code and the distribution of funds obtained in this way between the holders of fractional rights in proportion to their rights.

Next announcement: 27 March 2014 before the start of trading

2013 full-year results



About Korian

Founded in 2001, the Korian Group has the capacity to accommodate more than 34,000 residents and patients in Europe (France, Germany and Italy) and employs over 26,000 staff. The group manages almost 270 nursing homes and 50 specialist follow-up care and rehabilitation clinics, has over 2,200 beds in assisted living facilities and provides homecare services for over 9,000 people.

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

Website: www.groupe-korian.com

About Medica

Founded in 1968, the MEDICA Group is a leading player in long-term and temporary dependent care in France. As of 31 December 2013, the Group has over 23,000 beds and employs more than 15,000 staff. The Group is active in France, Belgium and Italy.

The company has been listed on Euronext Paris Eurolist Compartment B since February 2010 and is part of the SBF 120 index.

Website: www.groupemedica.com



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Important notice:

This press release does not constitute an offer or request for offers to purchase, sell or exchange KORIAN and MEDICA shares. It does not constitute an offer or a request for offers to purchase, sell or exchange shares in a country (including the United States of America and the United Kingdom) in which such an offer, request, sale or exchange is illegal or subject to registration under the applicable law of said country.

For the requirements of the planned transaction, the documents necessary for this operation have been submitted to the Autorité des Marchés Financiers (French Financial Markets Authority – “**AMF**”).

Shareholders and other investors can obtain copies of the documents submitted to the AMF free of charge at www.amf-france.org.