



Société anonyme with a Board of Directors
Share capital : € 391,944,365
Registered office : 32 rue Guersant 75017 Paris
447 800 475 RCS Paris

Description of the share buyback programme established in accordance with Articles 241-1 through 241-6 of the French Financial Markets Authority's General Regulations

**Implementation of the share buyback programme authorised
by the Annual General Meeting dated 26 June 2014**

Established in accordance with Articles 241-1 *et seq.* of the French Financial Markets Authority's (the "**AMF**") General Regulations and the European Regulation No. 2273/2003 of 22 December 2003, this description indicates the objectives as well as the terms and conditions of the new share buyback programme of Korian – Medica (the "**Company**") that has been authorised by the Combined General Meeting dated 26 June 2014, pursuant to the terms of the 10th resolution.

Securities concerned: ordinary shares

Authorisation of the Operation: Combined General Meeting of 26 June 2014

Maximum purchase of the share capital authorised by the General Meeting: 10% of the number of shares in the Company's share capital (at any given time, this percentage applies to an adjusted capital based on the transactions that affect it if after the date of the aforementioned meeting), or for the purpose of illustration, as of 18 March 2014, 7,838,887 shares.

It is specified that the number of shares purchased by the Company with a view to retaining them and subsequently using them as payment or exchanging them in the context of a merger, demerger, or contribution cannot exceed 5% of its share capital and that, when the shares are bought back to improve liquidity under the conditions set out by the AMF General Regulations, the number of shares taken into account to calculate the aforementioned 10% threshold corresponds to the number of shares purchased, minus the number of shares resold during the validity of the authorisation.

Maximum purchase price per share: €40 (excluding expenses)

Objectives of the program in decreasing order of importance:

- to improve transaction liquidity and the price stability of the Company's shares, under a liquidity agreement executed with an investment service provider acting in compliance with AMF market practices;
- to ensure that stock option plans or free share awards and other share allocation schemes to the benefit of Group employees and/or executive officers are covered, in particular in terms of profit-sharing and of the employee savings plan, under the conditions set by law and

by market authorities and at the times the Board of Directors or the person acting on behalf of the Board shall deem appropriate;

- to retain the shares purchased and subsequently use them for payment or exchange as part of potential external growth transactions;

- to allow (i) the transfer of Company shares upon exercise of the rights attached to transferable securities entitling the holder to the award of Company shares, immediately or in the long term, through reimbursement, conversion, exchange, redemption of a warrant or in any other way and (ii) the execution of any hedging transaction connected to the issuance of said transferable securities, under the conditions set by market authorities and at the times the Board of Directors or the persons acting on behalf of the Board shall deem appropriate;

or

- to void them partially or completely through a reduction of the share capital.

Terms and Conditions of the buyback: the acquisition, disposal, transfer or exchange of these shares may be carried out by any means, pursuant to the applicable regulations, in one or multiple transactions, by trading on the market or over the counter, in particular through block trading (up to the entire value of the programme), through financial contracts (traded on a regulated market or over the counter) or through warrants or transferable securities conferring a right to the Company's shares, or through the implementation of option strategies (as long as this does not contribute to a significant increase of the security's volatility), or through the issuance of transferable securities giving right to Company shares held by the Company itself, following a conversion, exchange, reimbursement, the exercise of a warrant or any other transaction, and at the times the Board of Directors shall deem appropriate, in compliance with the applicable legal and regulatory provisions. Subject to the applicable laws and regulations, these operations may be executed at any time.

Length of the Programme: as from the date of the publication of this «programme description» and until 25 December 2015, *i.e.* 18 months from the Combined General Meeting of 26 June 2014.

Breakdown of shares held at the date of the Combined General Meeting by objective:

The 23 June 2014, the Company held:

- 92,248 shares to boost the secondary market or the liquidity of the Company's shares through the aforementioned liquidity agreement;

- this allocation may be modified, within regulatory limits, to allow one of the transactions covered in the objectives of the new buyback programme.

Previous buyback programme: the previous share buyback programme has been authorised by the Combined General Meeting dated 20 June 2013.

The Company has not used any derivatives as part of this share buyback programme and has no open positions.

This document is published in accordance with the provisions of the AMF General Regulations, the 15 July 2014, and prior to its implementation.