



Paris, 4 November 2015

Nine-month revenue up 21% at €1,918.6 million Confirmation of 2015 revenue objectives

Korian, *European leader in Ageing Well*, generated revenue^(*) of €1,918.6 million over the first nine months of 2015, up by 21% on a consolidated basis⁽¹⁾ and 3.1% on a 2014 *pro forma* basis⁽²⁾. Excluding changes in the scope of consolidation, organic growth in revenue was 2.7% over the first nine months of 2015.

Yann Coléou, Chief Executive Officer of Korian, said: “The focus on growth since the beginning of 2015 has paid off with several acquisitions. They have contributed to accelerated growth in revenue, particularly in Germany and Belgium. The Group is expected to achieve its objective of close to €2.6 billion in revenue for 2015, an intermediate step towards our goal of €3 billion in 2017.”

9 MONTHS REVENUE

In € million (IFRS data, not audited)	9 months 2014		9 months 2015		
	Consolidated revenue	Pro forma revenue	Revenue	Consolidated change	Pro forma change
France	939.2	1,119.1	1,147.6	22.2%	2.5%
<i>as % of revenue</i>	59.3%	60.2%	59.8%		
International	643.8	741.4	771.0	19.8%	4.0%
<i>as % of revenue</i>	40.7%	39.8%	40.2%		
Germany	353.8	353.8	382.0	8.0%	8.0%
Italy	186.6	233.4	227.2	21.8%	-2.6%
Belgium	103.5	154.3	161.8	56.4%	4.9%
Group total	1,583.1	1,860.6	1,918.6	21.2%	3.1%



Revenue for France increased by 22.2% since 1 January 2015, to €1,147.6 million. Excluding changes in the scope of consolidation linked primarily to the capital restructuring of HAD France, organic growth was 2.7%. The nursing home occupancy rate was high at over 96%. Average daily rates also increased in line with our expectations. Sales of additional services in post-acute and rehabilitation care clinics partially offset the drop in prices since the beginning of 2015.

The international subsidiaries generated revenue of €771.0 million over the first nine months, up by nearly 20%. Organic growth was 2.8% over the period. International now accounts for over 40% of Group revenue:

- Germany experienced significant growth in revenue at €382.0 million (+8.0%). The 10.4% growth in the third quarter is reflecting the impact of acquisitions closed since 1 January. Note that these acquisitions included 20 facilities and nearly 2,500 beds. Organic growth was 4.0% over the first nine months of the period, thanks to an improved occupancy rate and the Group's momentum in this market.
- Revenue for Italy was €227.2 million, up 21.8%. Revenue for the third quarter fell by 3% with the exit from the scope of two facilities (Vado Ligure and Rozzano). Excluding these items, Italian revenue grew by 0.8% since 1 January 2015.
- In Belgium, revenue grew by 56.4% over the first nine months of the year to €161.8 million. Growth was 6.3% for Q3, thanks to targeted acquisitions and the opening of two new facilities. Excluding changes in the scope of consolidation, revenue grew by 2.8%.

Korian food offer: Sodexo to provide foodstuffs and technical support.

Since the last spring, Korian set up a new food offer to its residents allowing them to recover the pleasure of food and to fight against the incidences of the old age. To display its ambitious goal, Korian internalized its catering service and the menus are "home-made" in style with the know-how of Korian Chefs alongside the teams Korian. In order to achieve this project, Korian has hired 650 employees since beginning of 2015. A specific training program has also been implemented for the facilities management teams.

As part of its Catering project, and following a call for tenders, Korian chose to entrust its raw materials purchasing and technical support to Sodexo. The new organisation, introduced since 1 November 2015, will be operational by March 2016 in the 360 Korian facilities in France. The partnership is based on tailored support in the respect of Korian's requirement that its meals be "home-made" in style and prepared on site by Korian Chefs. They will benefit the support from Sodexo's Regional Catering Consultants, dedicated exclusively to Korian and sharing the same objective of ensuring the well-being of the elderly. This partnership has been agreed for a period of three years.

To date, this new offer of restoration is a success and became an inescapable of the Korian's brand.

Korian comes second in the Women in Executive Management Awards for SBF 120 companies

On 8 October, Pascale Boistard, Secretary of State in charge of women's rights, awarded Korian a prize for the role of women in its management bodies, for the second year in a row, as part of the week promoting gender equality in the workplace. The Group was once again awarded a prize



and improved its position by two positions, taking second place among France's 120 leading companies.

Fifty of the top 100 managers at the Korian Group in France are women. Women also account for 54.5% of the members of the Group's Executive Committee. The vast majority of them reached the positions they are in today as a result of internal promotion policies.

Korian, committed to innovation and quality in Ageing Well

Korian is continuing to promote innovations that benefit its residents and their families. Together with the Institute of Ageing Well, many of the Group's facilities are involved in research to improve the quality of life for our 60,000 residents. For example, consideration of the interactions between food and medicines on taste buds has resulted in a rethink of our practices in this area to improve the experience for residents. In addition, as part of a more extensive collaborative effort between the Institute of Ageing Well, the Conservatoire national des Arts et Métiers, and Laboratoires Anios, a disinfection expert, 27 Korian facilities took part in a study which demonstrated that hand hygiene can have a significant impact on long-term care nursing home mortality (-30%). This study was carried out between April 2014 and April 2015.

All of these studies and their conclusions highlight the importance of Korian's decision to develop non pharmacological techniques and approaches to care.

Lastly, as part of a process of continual improvement, Korian is currently undertaking a satisfaction survey of both its residents and its employees. For the first time, this survey is being carried out Europe-wide.



THIRD QUARTER REVENUE

In € million (IFRS data, not audited)	Third quarter		
	2014	2015	Change
France	381.0	389.7	2.3%
<i>as % of revenue</i>	<i>60.5%</i>	<i>59.7%</i>	
International	249.2	262.7	5.4%
<i>as % of revenue</i>	<i>39.5%</i>	<i>40.3%</i>	
Germany	120.4	132.9	10.4%
Italy	76.2	74.0	-3.0%
Belgium	52.6	55.9	6.3%
Group total	630.2	652.4	3.5%

Next event: 10 February 2016 after close of trading
2015 revenue

(1) Consolidated financial statements: Incorporation of Medica into the scope of consolidation from 1 April 2014.

(2) The Korian pro forma financial statements have been prepared using the following assumptions:

- merger of the Korian and Medica groups on 1 January 2014;
- consolidation of 100% of Kinetika Sardegna on 1 January 2014. A 28% stake was held in Kinetika Sardegna's share capital until 30 June 2014. It was consolidated using the equity method for the first half of 2014.

(*) Revenue and other operating income



ABOUT KORIAN

Korian, Europe's leading Ageing Well specialist, founded in 2003, has the capacity to accommodate some 60,000 residents and patients in Europe (France, Germany, Italy and Belgium) and employs around 40,000 people. The Group manages over 600 facilities in four business lines: nursing homes, post-acute and rehabilitation clinics, assisted living facilities and home-care services.

For more information, please visit the website: www.korian.com

Korian is listed on Euronext Paris Compartment A and is included in the following indices: SBF 120, CAC Health Care, CAC Mid 60, CAC Mid & Small and MSCI Global Small Cap

Euronext ticker: KORI - ISIN: FR0010386334 – Reuters: KORI.PA – Bloomberg: KORI.FP

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