

Press Release

Results for the nine-month period ended September 30, 2009

Paris, October 29, 2009

- **Revenue:** + 3.0% growth, of which + 2.9% organic growth.
- **Current operating profit:** down 7.2%

The operating margin (5.1% in 2009 vs 5.6% in 2008) is impacted by:

- insufficient tariff increases, which were not able to offset rising operating costs despite continuing efforts to control expenses;
- rent and amortization increases, following a sustained investment policy over the last few years.

€m	Sep. 30, 2009	Change	Sep. 30, 2008
Revenue	1,510.7	+ 3.0%	1,466.1
EBITDA	166.2	- 0.7%	167.4
Current operating profit	76.6	- 7.2%	82.5
<i>As % of revenue</i>	<i>5.1 %</i>	<i>- 0.5 point</i>	<i>5.6%</i>
Operating profit	73.2	- 45.1%	133.4
Group share of net profit	13.9	- 81.4%	74.7
Net earnings per share (€)	0.25	- 81.8%	1.37

Revenue – Consolidated revenue for the nine-month period ended September 30, 2009 amounted to €1,510.7m compared to €1,466.1m for the same period in 2008.

€m	2009	2008 09/30	Change 2009/2008	Q3 2009	Q3 2008	Change 2009/2008
	09/30					
<i>Ile de France</i>	566.4	552.4	+ 2.5%	165.9	161.5	+ 2.7%
<i>Rhône Alpes</i>	230.4	185.7	+ 24.1%	71.4	59.1	+ 20.8%
<i>Nord</i>	162.0	156.6	+ 3.4%	50.0	49.9	+ 0.2%
<i>Provence Alpes Côte d'Azur</i>	173.3	170.3	+ 1.8%	53.3	51.6	+ 3.3%
<i>Other French regions</i>	328.7	327.1	+ 0.5%	102.9	101.0	+ 1.9%
<i>Italy</i>	49.9	74.0	- 32.6%	14.1	18.5	- 23.8%
Published revenue	1,510.7	1 466.1	+ 3.0%	457.6	441.6	+ 3.6%
o/w: - Organic	1,455.3	1 414.4	+ 2.9%	444.8	426.3	+ 4.3%
o/w France	1,405.4	1 365.9	+ 2.9%	430.7	413.6	+ 4.1%
o/w Italy	49.9	48.5	+ 2.9%	14.1	12.7	+ 11.0%
- Changes in scope	55.4	51.7	-	12.8	15.3	-

In the third quarter of 2009, Hospital Care France recorded +4.1% organic growth, which breaks down as follows:

- a + 0.5% price effect
- a + 3.6% volume/mix effect.

Changes in the scope of consolidation result from the acquisition of Clinique de Saint Victor (mental health) near Saint-Etienne in the second quarter of 2009, Clinique de la Francilienne and Clinique de l'Orangerie in the eastern Paris region as well as Centre Hospitalier Privé de la Loire (Saint-Etienne) in September 2008; combined with a number of disposals in the first half of 2009, particularly Clinique Hartmann (Neuilley) and Parc Saint Lazare (Beauvais).

In total, Hospital Care France generated growth of +4.8% over the third quarter 2009.

The revenue decrease in Italy (-23.8% in Q3 2009) is the consequence of the disposals of clinics in Tuscany in Q4 2008.

Results – The decline in current operating profit from €82.5m to €76.6m is mainly attributable to:

- insufficient tariff increases, which were not able to offset rising operating costs, despite continuing efforts to control expenses;
- the increase in rent and depreciation.

Operating profit fell from €133.4m to €73.2m, mainly as a result of the net capital gain of €60m recognized following the sale to Icade of the buildings of four clinics in the Paris region in September 2008.

The Group share of net profit thus decreased from €74.7m in 2008 to €13.9m in 2009.

Debt – Net financial debt per IFRS was €1,047.9m at end-September 2009 (compared to €913.0m at end-December 2008).

For information, net debt per IFRS at end-September 2008 was €947.3m.

Dates for your diary:

Publication of full-year 2009 results: February 11, 2010

Générale de Santé, listed on Compartment A of Eurolist by Euronext Paris (formerly known as the Premier Marché) since June 2001, is included in the Midcac index. Its shares are eligible for the deferred settlement service. As the leading Group in the private hospital care sector in France, Générale de Santé has 20,000 employees, including 6,500 nurses and 3,800 assistant nurses in over 200 hospitals and clinics. With 5,200 physicians, it represents the leading independent medical community in France. Générale de Santé provides a complete range of patient care services spanning: acute care, oncology, subacute care and rehabilitation, mental health and homecare. Générale de Santé develops an original healthcare offering, combining medical excellence, organizational efficiency and a human touch; it provides an all-in-one service with an individually-adapted patient support package, before, during and after hospitalization, taking into consideration all of its patients' needs; it takes part in public-service healthcare initiatives and forms part of the nationwide healthcare chain in France.

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STATEMENT OF COMPREHENSIVE INCOME (unaudited)

INCOME STATEMENT(in million euros)	Period ended 30 september 2008	Period ended 30 september 2009
TURNOVER	1,466.1	1,510.7
Personnel expenses and profit sharing	(664.7)	(687.6)
Purchased consumables	(292.9)	(290.7)
Other operating income and expenses.....	(180.3)	(186.7)
Taxes and duties.....	(78.0)	(78.9)
Rents.....	(82.8)	(100.6)
EBITDA	167.4	166.2
Depreciation	(84.9)	(89.6)
Current operating profit	82.5	76.6
Restructuring costs	(6.9)	(6.3)
Result of the management of real estate and financial assets	57.8	2.9
Impairment of goodwill.....	--	--
Other income and expenses.....	50.9	(3.4)
Operating profit	133.4	73.2
Gross interest expenses	(57.6)	(42.4)
Income from cash and cash equivalents	2.1	0.5
Net interest expenses.....	(55.5)	(41.9)
Other financial income	2.2	0.6
Other financial expenses	(5.2)	(3.9)
Other financial income and expenses.....	(3.0)	(3.3)
Corporate income tax	2.4	(11.1)
Share of net profit of associates	--	--
NET PROFIT FOR THE PERIOD.....	77.3	16.9
<i>Revenues and expenses recognised directly as equity</i>		
- Retirement commitments	--	--
- Change in fair value of hedging financial instruments.....	1.9	(6.0)
- Translation differential	--	--
- Income tax on other comprehensive income.....	(0.7)	2.1
Results recognised directly as equity	1.2	(3.9)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	78.5	13.0
PROFIT ATTRIBUTABLE TO (in million euros)	Period ended 30 september 2008	Period ended 30 september 2009
Group's share of net earnings	74.7	13.9
Minority interests.....	2.6	3.0
NET PROFIT FOR THE PERIOD	77.3	16.9
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in millions euros)	Period ended 30 september 2008	Period ended 30 september 2009
Group's comprehensive income for the period.....	75.9	10.0
Minority interests.....	2.6	3.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	78.5	13.0

CONSOLIDATED BALANCE SHEET – ASSETS

(in million euros)	31-12-2008	At september 30, 2009 (unaudited)
Goodwill	723.4	728.5
Other intangible fixed assets	15.9	18.2
Tangible fixed assets	962.5	960.1
Investments in associates.....	0.9	0.9
Other long-term investments	32.1	31.6
Deferred tax assets.....	54.6	45.4
NON CURRENT ASSETS	1,789.4	1,784.7
Inventories.....	38.4	37.1
Trade and other receivables.....	174.8	185.4
Other current assets	124.4	165.4
Current tax assets.....	2.8	10.3
Current financial assets	3.2	2.6
Cash and cash equivalents.....	---	---
Assets held for sale.....	3.1	1.3
CURRENT ASSETS	346.7	402.1
TOTAL ASSETS	2,136.1	2,186.8

CONSOLIDATED BALANCE SHEET – LIABILITIES

(in million euros)	31-12-2008	At september 30, 2009 (unaudited)
Share capital	42.2	42.2
Additional paid-in capital.....	61.5	62.5
Consolidated reserves	309.5	315.8
Group's share of net profit	87.2	13.9
Group's share of equity	500.4	434.4
Minority interests.....	10.0	10.6
TOTAL SHAREHOLDERS' EQUITY	510.4	445.0
Borrowings and financial debts.....	847.1	913.1
Provisions for retirement and other employee benefits.....	29.6	31.4
Non-current provisions.....	39.5	31.1
Other long term liabilities	36.3	40.9
Deferred tax liabilities	72.2	69.5
NON CURRENT LIABILITIES	1,024.7	1,086.0
Current provisions.....	17.8	15.4
Accounts payable.....	196.4	178.1
Other current liabilities	305.4	316.0
Tax liabilities due	26.5	17.0
Short-term borrowings	45.0	91.9
Bank overdraft.....	6.8	36.1
Liabilities related to assets held for sale.....	3.1	1.3
CURRENT LIABILITIES	601.0	655.8
TOTAL EQUITY AND LIABILITIES	2,136.1	2,186.8

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(in million euros)	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	RESERVES	RESULTS RECOGNISED DIRECTLY AS EQUITY	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	GROUP'S SHARE OF EQUITY	MINORITY INTERESTS	SHAREHOLDERS' EQUITY
Shareholders' equity at 31 december 2007	41.1	50.8	310.2	(5.3)	45.6	442.4	9.6	452.0
Capital increase (including net fees)	1.1	10.7	--	--	--	11.8	--	11.8
Treasury shares	--	--	(0.6)	--	--	(0.6)	--	(0.6)
Stocks options and free share	--	--	1.3	--	--	1.3	--	1.3
Prior year appropriation of earnings	--	--	45.6	--	(45.6)	--	--	--
Distribution of dividends	--	--	(27.4)	--	--	(27.4)	(2.7)	(30.1)
Change in consolidation scope	--	--	--	--	--	--	0.2	0.2
Total comprehensive income for the period	--	--	--	(14.3)	87.2	72.9	2.9	75.8
Shareholders' equity at 31 december 2008	42.2	61.5	329.1	(19.6)	87.2	500.4	10.0	510.4
Capital increase (including net fees)	--	1.0	--	--	--	1.0	--	1.0
Treasury shares	--	--	(9.4)	--	--	(9.4)	--	(9.4)
Stocks options and free share	--	--	1.7	--	--	1.7	--	1.7
Prior year appropriation of earnings	--	--	87.2	--	(87.2)	--	--	--
Distribution of dividends	--	--	(69.3)	--	--	(69.3)	(1.8)	(71.1)
Change in consolidation scope	--	--	--	--	--	--	(0.6)	(0.6)
Total comprehensive income for the period	--	--	--	(3.9)	13.9	10.0	3.0	13.0
Shareholders' equity at 30 september 2009 (unaudited)	42.2	62.5	339.3	(23.5)	13.9	434.4	10.6	445.0

REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY

(in million euros)	12-31-2007	Revenues and expenses 2008	12-31-2008	Revenues and expenses at september 30, 2009	At september 30, 2009 (unaudited)
Translation differential	(0.1)	(0.2)	(0.3)	--	(0.3)
Retirement commitments	(6.7)	1.6	(5.1)	--	(5.1)
Fair value of hedging financial instruments	1.5	(15.7)	(14.2)	(3.9)	(18.1)
Results recognised directly as equity (Group's share)	(5.3)	(14.3)	(19.6)	(3.9)	(23.5)

CONSOLIDATED CASH FLOW STATEMENT (unaudited)

(in million euros)	Period ended 30 september 2008	Period ended 30 septembre 2009
Total net consolidated profit.....	77.3	16.9
Depreciation.....	84.9	89.6
Other income and expenses.....	(53.0)	3.4
Share of net profit of associates.....	--	--
Other financial income and expenses.....	5.1	3.3
Net interest expenses.....	55.5	41.9
Corporate income tax.....	(2.4)	11.1
EBITDA	167.4	166.2
Non cash items including provisions and reversals (transactions with no cash effect).....	(2.6)	(5.3)
Other income and expenses paid.....	(2.0)	(6.7)
Changes in other long term assets and liabilities.....	(4.1)	(1.2)
Cash flow before net interest expenses & taxes	158.7	153.0
Corporate income tax paid.....	(1.7)	(19.3)
Change in working capital requirements.....	10.7	(43.3)
NET CASH FROM OPERATING ACTIVITIES : (A)	167.7	90.4
Purchase of property, plant & equipment and intangible assets.....	(92.2)	(84.2)
Proceeds from sale of tangible and intangible assets.....	184.2	5.6
Purchase of financial assets.....	(59.5)	(23.8)
Proceeds from the disposal of financial assets.....	29.3	6.9
Dividends from non consolidated companies.....	0.8	0.5
NET CASH USED FOR INVESTING ACTIVITIES : (B)	(62.6)	(95.0)
Capital increase: (a).....	--	1.0
Capital increase performed by subsidiaries subscribed to by third parties (b).....	--	--
Exceptional distribution of additional paid-in capital (c).....	--	--
Dividends paid to GDS shareholders: (d).....	(27.4)	(69.3)
Dividends paid to minority interests of consolidated companies: (e).....	(2.5)	(1.8)
Net interest expense paid : (f).....	(55.5)	(41.9)
Debt issue costs : (g).....	(1.1)	--
Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)	143.8	(116.6)
Increase in borrowings : (i).....	102.8	139.0
Repayment of borrowings : (j).....	(205.4)	(51.7)
NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j	(189.1)	(24.7)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: (A + B + C)	41.2	(29,3)
Cash and cash equivalents at beginning of period.....	(35.5)	(6.8)
Cash and cash equivalents at end of period.....	5.7	(36.1)
Net indebtedness at beginning of period	1,001.3	913.0
Cash flow before repayment of borrowings: (h).....	(143.8)	116.6
Capitalization of financial leases.....	23.0	23.2
Loan issue charges fixed assets.....	2.6	2.6
Assets held for sale.....	0.3	(1.8)
Fair value of financial hedging instruments.....	(1.9)	3.9
Change in scope of consolidation and other.....	65.8	(9.6)
Net indebtedness at end of period	947.3	1 047.9