



Paris, February 10, 2011

"Press release"

## **Results for the year ended December 31, 2010**

**Revenue down 5.9%**

**Net profit down 17.5%**

**High level of investment maintained**

- **Based on published figures, revenue decreased by 5.9%, mainly as a result of the disposals carried out in December 2009 and February 2010, among steps taken to refocus and reposition the Group's businesses.** At constant structure, revenue was up 2.6% in 2010 (including the impact of two additional working days).
- **Based on published figures, profit from recurring operations came to €109.1m in 2010 (5.7% of revenue), a decrease of 6.0% compared to the previous year.**

Excluding the impact of the professional tax reform, the operating margin declined between 2009 and 2010 (from 5.7% to 4.5%), due to a restrictive tariff policy that did not allow the Group to offset inflation and its operating costs, despite continuing efforts to control costs and investments to improve management.

€m	2010	Change	2009
<b>Revenue</b>	<b>1,926.1</b>	<b>- 5.9%</b>	2,046.2
<b>EBITDA</b>	<b>229.2</b>	<b>- 3.3%</b>	237.0
<b>Current operating profit</b>	<b>109.1</b>	<b>- 6.0%</b>	116.1
<i>As % of revenue</i>	<i>5.7%</i>	<i>stable</i>	<i>5.7%</i>
<b>Operating profit</b>	<b>103.9</b>	<b>- 20.9%</b>	131.4
<b>Group share of net profit</b>	<b>35.0</b>	<b>- 17.5%</b>	42.4
<b>Net earnings per share (€)</b>	<b>0.63</b>	<b>- 17.5%</b>	0.76

**Revenue: Consolidated revenue for the year ended December 31, 2010 declined 5.9% to €1,926.1m, compared with €2,046.2m in 2009.**

€m	2010	2009	Change 2010/2009	Q4 2010	Q4 2009	Change 2010/2009
Ile de France	752.7	725.5	+ 3.7%	197.1	191.9	+ 2.7%
Rhône Alpes	307.0	294.7	+ 4.2%	78.5	78.4	+ 0.1%
Nord	201.1	199.3	+ 0.9%	52.5	51.3	+ 2.3%
Provence Alpes Côte d'Azur	223.0	219.2	+ 1.7%	55.7	55.9	- 0.4%
Other French regions	433.0	423.4	+ 2.3%	112.9	111.6	+ 1.2%
Other activities (1)	9.3	184.1	- 94.9%	0.7	46.4	- 98.5%
<b>Published revenue</b>	<b>1,926.1</b>	<b>2,046.2</b>	<b>- 5.9%</b>	<b>497.4</b>	<b>535.5</b>	<b>- 7.1%</b>
<b>o/w: - Organic</b>	<b>1,919.2</b>	<b>1,871.0</b>	<b>+ 2.6%</b>	<b>493.2</b>	<b>489.8</b>	<b>+ 0.7%</b>
<b>o/w organic France</b>	<b>1,895.6</b>	<b>1,848.9</b>	<b>+ 2.5%</b>	<b>486.9</b>	<b>484.1</b>	<b>+ 0.6%</b>
<b>o/w organic Italy</b>	<b>23.6</b>	<b>22.1</b>	<b>+ 6.8%</b>	<b>6.3</b>	<b>5.7</b>	<b>+ 10.5%</b>
<b>- Changes in scope</b>	<b>6.9</b>	<b>175.2</b>	<b>-</b>	<b>4.2</b>	<b>45.7</b>	<b>-</b>

(1) "Other activities" includes non-strategic businesses whose assets have been sold.

Activity in France

Hospital Care France recorded organic growth of +2.5%, attributable to a price effect of +0.2% and a volume/mix effect of +2.3% (with two additional working days).

Organic growth slowed over the course of 2010 from one quarter to the next: +4.8% (in the first quarter), +3.1% (in the second quarter), +1.4% (in the third quarter), +0.7% (in the fourth quarter). This sharp drop-off is primarily due to the entry into effect on March 1, 2010 of the new V12 classification system which, over and above the freeze on tariffs in acute care, revises the rules for the compensation of some package pricing arrangements and the reimbursement of drugs and medical devices.

In 2010, acute care revenue in the Group's establishments was stable, with 889,000 stays (+0.3% compared to 2009). This stability is the result of opposing trends in surgery (+0.9%) and obstetrics (+1.0%) on the one hand and general medicine (-0.6%) on the other. In connection with the public service missions managed by the Group, the number of emergency care treatments rose by 2.5% in 2010, representing a total of 386,000 patient visits in our establishments.

In the areas of mental health and subacute care and rehabilitation, the Group saw a 4.9% increase in stays in 2010 (to a total of 33,500 stays) achieved in part through continued higher occupancy rates, but also attributable to the steadily increasing number of extensions completed in the Group's establishments.

Activity in Italy

Following the sale of the Medical Analysis business based in Italy, effective as of December 31, 2009, the entirety of the Group's organic revenue in Italy is now generated by the Omegna hospital, which saw strong growth in 2010 (+6.8%).

**Profit: Based on published figures, profit from recurring operations came to €109.1m in 2010, a decrease of 6.0% compared to the previous year.**

Excluding the impact of the professional tax reform, the operating margin (profit from recurring operations / revenue) declined substantially between 2009 and 2010 (from 5.7% to 4.5%), due to a restrictive tariff policy that did not allow the Group to offset inflation and its operating costs, despite continuing efforts to control costs.

The Group recorded operating profit of €103.9m in 2010, down from €131.4m the previous year, as a result of the change in non-recurring items between 2009 and 2010 (-€20.5m), primarily reflecting the impact of major restructuring projects in progress and combinations of establishments.

The decrease in the Group's net debt in 2010 significantly reduced its borrowing costs, which declined from €55.3m to €46.4m (down €8.9m, or nearly 16% compared to 2009).

Income tax, excluding the CVAE (*cotisation sur la valeur ajoutée des entreprises*, the employer's added value contribution), came to +€2.7m, as the capital gains on the sale of the Medical Analysis business in France are exempt from taxation.

The Group share of net profit thus decreased from €42.4m in 2009 to €35.0m in 2010.

**Debt: Net financial debt per IFRS was reduced to €871.4m as of December 31, 2010 (compared to €885.8m at year-end 2009).**

This decrease results in particular from the sale of the Medical Analysis business in France in February 2010.

Despite the restrictive tariff environment, the Group decided to maintain a proactive investment policy (replacements of equipment, modernization of establishments, development of service offerings), reaching a budget commitment in the range of €210m (including €127m in self-financed investments) for 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 21,500 employees, including 7,000 nurses and 4,100 assistant nurses in 110 hospitals and clinics. With 5,500 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.*

**ISIN and Euronext Paris: FR0000044471**  
**Internet: [www.generale-de-sante.fr](http://www.generale-de-sante.fr)**

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**Dates for your diary:**

Publication of first quarter 2011 accounts: April 21, 2011

Annual Shareholders' Meeting: May 30, 2011

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**STATEMENT OF COMPREHENSIVE INCOME**

(in million euros)	2008	2009	2010
<b>TURNOVER</b>	<b>1 983.8</b>	<b>2 046.2</b>	<b>1 926.1</b>
Personnel expenses and profit sharing .....	(894.1)	(926.7)	(881.7)
Purchased consumables .....	(396.6)	(394.1)	(366.1)
Other operating income and expenses.....	(238.6)	(247.3)	(231.1)
Taxes and duties.....	(107.6)	(106.4)	(83.1)
Rents.....	(117.3)	(134.7)	(134.9)
<b>EBITDA</b>	<b>229.6</b>	<b>237.0</b>	<b>229.2</b>
Depreciation.....	(114.8)	(120.9)	(120.1)
<b>Current operating profit</b>	<b>114.8</b>	<b>116.1</b>	<b>109.1</b>
Restructuring costs .....	(20.0)	(13.7)	(41.9)
Result of the management of real estate and financial assets .....	65.6	29.0	36.7
Impairment of goodwill.....	--	--	--
<b>Other non current income and expenses .....</b>	<b>45.6</b>	<b>15.3</b>	<b>(5.2)</b>
<b>Operating profit</b>	<b>160.4</b>	<b>131.4</b>	<b>103.9</b>
Gross interest expenses .....	(74.8)	(56.4)	(47.8)
Income from cash and cash equivalents .....	2.3	1.1	1.4
<b>Net interest expenses.....</b>	<b>(72.5)</b>	<b>(55.3)</b>	<b>(46.4)</b>
Other financial income .....	2.3	0.6	0.5
Other financial expenses .....	(5.2)	(4.9)	(5.5)
<b>Other financial income and expenses .....</b>	<b>(2.9)</b>	<b>(4.3)</b>	<b>(5.0)</b>
Corporate income tax .....	5.1	(26.5)	(14.6)
Share of net profit of associates .....	--	--	--
<b>NET PROFIT FOR THE PERIOD.....</b>	<b>90.1</b>	<b>45.3</b>	<b>37.9</b>
<i>Revenues and expenses recognised directly as equity</i>			
- Retirement commitments .....	2.5	1.7	(0.5)
- Change in fair value of hedging financial instruments.....	(23.2)	(2.6)	4.9
- Translation differential.....	(0.2)	--	--
- Income tax on other comprehensive income.....	6.6	0.3	(1.5)
<b>Résultats recognised directly as equity.....</b>	<b>(14.3)</b>	<b>(0.6)</b>	<b>2.9</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>75.8</b>	<b>44.7</b>	<b>40.8</b>
<b>PROFIT ATTRIBUTABLE TO (in million euros)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Group's share of net earnings .....	87.2	42.4	35.0
Non-controlling interests .....	2.9	2.9	2.9
<b>NET PROFIT FOR THE PERIOD</b>	<b>90.1</b>	<b>45.3</b>	<b>37.9</b>
NET EARNINGS PER SHARE (in euros)	1.59	0.76	0.63
NET DILUTED EARNINGS PER SHARE (in euros)	1.59	0.76	0.63
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in millions euros)</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Group's comprehensive income for the period.....	72.9	41.8	37.9
Non-controlling interests .....	2.9	2.9	2.9
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>75.8</b>	<b>44.7</b>	<b>40.8</b>

**CONSOLIDATED BALANCE SHEET – ASSETS**

( in million euros )	12-31-2008	12-31-2009	12-31-2010
Goodwill .....	723.4	627.9	641.6
Other intangible fixed assets .....	15.9	19.2	20.4
Tangible fixed assets .....	962.5	915.6	896.6
Investments in associates.....	0.9	0.1	0.1
Other long-term investments .....	32.1	28.1	29.4
Deferred tax assets.....	54.6	50.5	54.2
<b>NON CURRENT ASSETS</b>	<b>1,789.4</b>	<b>1,641.4</b>	<b>1,642.3</b>
Inventories.....	38.4	32.8	35.4
Trade and other receivables.....	174.8	130.0	121.8
Other current assets .....	124.4	139.9	136.2
Current tax assets.....	2.8	2.0	7.5
Current financial assets .....	3.2	13.2	11.3
Cash and cash equivalents.....	--	--	--
Assets held for sale.....	3.1	56.2	1.5
<b>CURRENT ASSETS</b>	<b>346.7</b>	<b>374.1</b>	<b>313.7</b>
<b>TOTAL ASSETS</b>	<b>2,136.1</b>	<b>2,015.5</b>	<b>1,956.0</b>

**CONSOLIDATED BALANCE SHEET – LIABILITIES**

( in million euros )	12-31-2008	12-31-2009	12-31-2010
Share capital .....	42.2	42.2	42.2
Additional paid-in capital.....	61.5	62.5	62.5
Consolidated reserves .....	309.5	320.0	298.7
Group's share of net profit .....	87.2	42.4	35.0
<b>Group's share of equity</b>	<b>500.4</b>	<b>467.1</b>	<b>438.4</b>
Non-controlling interests.....	10.0	10.0	10.7
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>510.4</b>	<b>477.1</b>	<b>449.1</b>
Borrowings and financial debts.....	847.1	702.4	790.8
Provisions for retirement and other employee benefits.....	29.6	29.7	32.9
Non-current provisions.....	39.5	37.3	49.5
Other long term liabilities .....	36.3	35.4	32.1
Deferred tax liabilities .....	72.2	81.3	77.1
<b>NON CURRENT LIABILITIES</b>	<b>1 024.7</b>	<b>886.1</b>	<b>982.4</b>
Current provisions.....	17.8	13.8	11.4
Accounts payable.....	196.4	124.1	127.8
Other current liabilities .....	305.4	296.2	297.2
Tax liabilities due .....	26.5	0.6	3.5
Short-term borrowings .....	45.0	154.7	39.2
Bank overdraft.....	6.8	5.1	45.4
Liabilities related to assets held for sale.....	3.1	57.8	---
<b>CURRENT LIABILITIES</b>	<b>601.0</b>	<b>652.3</b>	<b>524.5</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2 136.1</b>	<b>2 015.5</b>	<b>1 956.0</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

( in million euros )	SHARE CAPITAL	ADDITION AL PAID IN CAPITAL	RESERVES	RESULTS RECOGNISED DIRECTLY AS EQUITY	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	GROUP'S SHARE OF EQUITY	NON CONTROLLING INTERESTs	SHAREHOL DERS' EQUITY
<b>Shareholders' equity at 31 december 2007</b>	<b>41.1</b>	<b>50.8</b>	<b>310.2</b>	<b>(5.3)</b>	<b>45.6</b>	<b>442.4</b>	<b>9.6</b>	<b>452.0</b>
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
<b>Shareholders' equity at 31 december 2008</b>	<b>42.2</b>	<b>61.5</b>	<b>329.1</b>	<b>(19.6)</b>	<b>87.2</b>	<b>500.4</b>	<b>10.0</b>	<b>510.4</b>
Capital increase (including net fees) .....	--	1.0	--	--	--	1.0	--	1.0
Treasury shares .....	--	--	(9.4)	--	--	(9.4)	--	(9.4)
Stocks options and free share .....	--	--	2.6	--	--	2.6	--	2.6
Prior year appropriation of earnings .....	--	--	87.2	--	(87.2)	--	--	--
Distribution of dividends .....	--	--	(69.3)	--	--	(69.3)	(1.8)	(71.1)
Change in consolidation scope .....	--	--	--	--	--	--	(1.1)	(1.1)
Total comprehensive income for the period .....	--	--	--	(0.6)	42.4	41.8	2.9	44.7
<b>Shareholders' equity at 31 december 2009</b>	<b>42.2</b>	<b>62.5</b>	<b>340.2</b>	<b>(20.2)</b>	<b>42.4</b>	<b>467.1</b>	<b>10.0</b>	<b>477.1</b>
Augmentation de capital (y compris frais nets d'impôts) .....	--	--	--	--	--	--	--	--
Actions propres .....	--	--	--	--	--	--	--	--
Stocks options et actions gratuites .....	--	--	3.4	--	--	3.4	--	3.4
Affectation du résultat N-1 .....	--	--	42.4	--	(42.4)	--	--	--
Distribution de dividendes .....	--	--	(69.9)	--	--	(69.9)	(1.8)	(71.7)
Variation de périmètre .....	--	--	(0.1)	--	--	(0.1)	(0.4)	(0.5)
Résultat global de l'exercice .....	--	--	--	2.9	35.0	37.9	2.9	40.8
<b>Shareholders' equity at 31 december 2010</b>	<b>42.2</b>	<b>62.5</b>	<b>316.0</b>	<b>(17.3)</b>	<b>35.0</b>	<b>438.4</b>	<b>10.7</b>	<b>449.1</b>
	<b>12-31-2008</b>	<b>12-31-2009</b>	<b>12-31-2010</b>					
Dividends per share (in euros including pre-distribution) .....	0.5	1.25	1.25					
Number of treasury shares .....	53 346	773 668	419 005					

### REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY

( in million euros )	12-31-2008	Revenues and expenses 2009	12-31-2009	Revenues and expenses 2010	12-31-2010
Translation differential .....	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments .....	(5.1)	1.1	(4.0)	(0.3)	(4.3)
Fair value of hedging financial instruments .....	(14.2)	(1.7)	(15.9)	3.2	(12.7)
<b>Results recognised directly as equity (Group's share)</b>	<b>(19.6)</b>	<b>(0.6)</b>	<b>(20.2)</b>	<b>2.9</b>	<b>(17.3)</b>

**CONSOLIDATED CASH FLOW STATEMENT**

(in million euros)	2008	2009	2010
Total net consolidated profit.....	90.1	45.3	37.9
Depreciation.....	114.8	120.9	120.1
Other non current income and expenses.....	(45.6)	(15.3)	5.2
Share of net profit of associates.....	--	--	--
Other financial income and expenses.....	2.9	4.3	5.0
Net interest expenses.....	72.5	55.3	46.4
Corporate income tax.....	(5.1)	26.5	14.6
<b>EBITDA</b>	<b>229.6</b>	<b>237.0</b>	<b>229.2</b>
Non cash items including provisions and reversals (transactions with no cash effect).....	3.5	(2.9)	(6.3)
Other income and expenses paid.....	(9.7)	(9.5)	(18.4)
Changes in other long term assets and liabilities.....	(5.2)	(2.5)	0.4
<b>Cash flow before net interest expenses &amp; taxes</b>	<b>218.2</b>	<b>222.1</b>	<b>204.9</b>
Corporate income tax paid.....	(4.1)	(34.8)	(29.2)
Change in working capital requirements.....	39.2	(38.3)	18.4
<b>NET CASH FROM OPERATING ACTIVITIES : (A)</b>	<b>253.3</b>	<b>149.0</b>	<b>194.1</b>
Purchase of property, plant & equipment and intangible assets.....	(131.7)	(103.9)	(78.4)
Proceeds from sale of tangible and intangible assets.....	177.1	28.9	21.2
Purchase of financial assets.....	(58.9)	(25.3)	(11.0)
Proceeds from the disposal of financial assets.....	52.5	125.7	60.0
Dividends from non consolidated companies.....	1.0	0.6	0.5
<b>NET CASH USED FOR INVESTING ACTIVITIES : (B)</b>	<b>40.0</b>	<b>26.0</b>	<b>(7.7)</b>
Capital increase: (a).....	11.8	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)	(69.9)
Dividends paid to minority interests of consolidated companies: (e).....	(2.7)	(1.8)	(1.8)
Net interest expense paid : (f).....	(72.5)	(55.3)	(46.4)
Debt issue costs : (g).....	(1.1)	--	--
<b>Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)</b>	<b>201.4</b>	<b>49.6</b>	<b>68.3</b>
Increase in borrowings : (i).....	103.4	140.2	135.8
Repayment of borrowings : (j).....	(276.1)	(175.1)	(257.4)
<b>NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j</b>	<b>(264.6)</b>	<b>(160.3)</b>	<b>(239.7)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: ( A + B + C )</b>	<b>28.7</b>	<b>14.7</b>	<b>(53.3)</b>
Reclassification of the cash of the assets held for sale.....	--	(13.0)	13.0
Cash and cash equivalents at beginning of period.....	(35.5)	(6.8)	(5.1)
Cash and cash equivalents at end of period.....	(6.8)	(5.1)	(45.4)
<b>Net indebtedness at beginning of period</b>	<b>1,001.3</b>	<b>913.0</b>	<b>885.8</b>
Cash flow before repayment of borrowings: (h).....	(201.4)	(49.6)	(68.3)
Capitalization of financial leases.....	33.9	31.0	48.3
Loan issue charges fixed assets.....	3.5	3.5	3.5
Assets held for sale.....	(9.2)	1.7	(2.8)
Fair value of financial hedging instruments.....	15.7	1.7	(3.2)
Change in scope of consolidation and other.....	69.2	(15.5)	8.1
<b>Net indebtedness at end of period</b>	<b>913.0</b>	<b>885.8</b>	<b>871.4</b>