



Paris, April 21, 2011

"Press Release"

## **Results for the three-month period ended March 31, 2011**

**Revenue up 2.7%**

**Current operating profit remains stable**

**Net profit down**

**Net debt remains stable**

- **Revenue for the three-month period ended March 31, 2011 grew by 2.7%, based on published figures.** At constant structure, revenue was up 3.3% (including the impact of one additional working day).
- **Current operating profit was €46.8m for the period ended March 31, 2011, based on published figures, corresponding to a current operating margin of 9.0%, compared to €46.9m and a current operating margin of 9.3% for the same period a year earlier.**

The continued application of a restrictive tariff policy in 2011 has not allowed the Group to fully offset inflation and its operating costs, despite continuing efforts to control costs and investments to improve management.

€m – Not audited	March 31, 2011	Change	March 31, 2010
Revenue	520.0	+ 2.7%	506.2
EBITDA	78.4	+ 4.1%	75.3
Current operating profit	46.8	- 0.2%	46.9
<i>As % of revenue</i>	<i>9.0%</i>	<i>- 0.3 point</i>	<i>9.3%</i>
Operating profit	29.0	- 61.9%	76.2
Group share of net profit	7.5	- 83.7%	46.0
Net earnings per share (€)	0.13	- 84.1%	0.82

## Revenue: Higher published revenue

Consolidated revenue for the three-month period ended March 31, 2011 amounted to €520.0m, up from €506.2m for the same period in 2010.

<b>€m – Not audited</b>	<b>March 2011</b>	<b>March 2010</b>	<b>Change 2011/2010</b>
<i>Ile de France</i>	207.6	197.7	+ 5.0%
<i>Rhône Alpes</i>	81.5	80.3	+ 1.5%
<i>Nord</i>	53.6	51.0	+ 5.1%
<i>Provence Alpes Côte d'Azur</i>	61.4	59.6	+ 3.0%
<i>Bourgogne</i>	28.2	27.2	+ 3.7%
<i>Other French regions</i>	87.7	84.0	+ 4.4%
<i>Other activities (1)</i>	0.0	6.4	- 100.0%
<b>Published revenue</b>	<b>520.0</b>	<b>506.2</b>	<b>+ 2.7%</b>
<b>o/w: - Organic</b>	<b>516.1</b>	499.7	+ 3.3%
<i>o/w organic France</i>	<b>510.2</b>	493.8	+ 3.3%
<i>o/w organic Italy</i>	<b>5.9</b>	5.9	+ 0.0%
<b>- Changes in scope</b>	<b>3.9</b>	6.5	-

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

Hospital Care France recorded organic growth of +3.3% in the first quarter of 2011, attributable to a volume/mix effect (with one additional working day).

In France, changes in the scope of consolidation mainly relate to the sale of the Medical Analysis business as of February 2, 2010 and the acquisition of Hôpital Privé de Marne la Vallée as of October 2, 2010.

In the first quarter of 2011, acute care revenue in the Group's establishments increased by 2.5% compared to the same period in 2010, with 243,000 stays. This increase was driven by the performance of surgery (+4.5%) and obstetrics (+2.8%), whereas general medicine remained rather stable (-0.4%). In connection with the public service missions managed by the Group, the number of emergency care treatments rose by 10.7% in the first quarter of 2011, representing a total of 102,000 patient visits in our establishments.

In the areas of mental health and subacute care and rehabilitation, the Group saw a 4.7% increase in invoiced days in the first quarter of 2011 (to a total of 396 000 days) achieved in part through continued higher occupancy rates, but also attributable to the steadily increasing number of extensions completed in the Group's establishments and the acquisition of a psychiatric structure in Rennes region.

The Group's organic revenue in Italy is generated by the Omega hospital, which reported stable results in the first quarter of 2011.

## Profit:

### 1) Stable current operating profit

The increase in consolidated revenue (+2.7%) resulted in EBITDA growth (+4.1%) which, however, was completely eliminated by the rise in depreciation, amortization and rental expenses (+13%) as a consequence of the investment strategy required to maintain our competitive edge.

### 2) Considerable decline in operating profit and net profit

Operating profit came to €29.0m in the first quarter of 2011, down from €76.2m in the same period a year earlier, due to the stability of current operating profit and the change in the following main non-recurring items:

- capital gains in the amount of €30m recorded in the first quarter of 2010 arising on the sale of the Medical Analysis business in France,
- a provision in the amount of €17m related to the ongoing restructuring of head office and regional management support functions, a project which entered the required information and consultation phase with employee representative bodies on March 24, 2011.

The decline in net profit is closely tied to the decrease in operating profit.

### **Net debt: Stable net financial debt per IFRS at €872.2m as of March 31, 2011 (compared to €871.4m at year-end 2010)**

Net financial debt per IFRS remained stable compared to its position as of December 31, 2010, due to the customary seasonal performance of the Group's surplus working capital between December and March.

*Générale de Santé, listed on Eurolist by NYSE Euronext Paris (formerly known as the Premier Marché) since June 2001, is included in the Midcac index. As the leading Group in the private hospital care sector in France, Générale de Santé has 23,800 employees in 110 private hospitals and clinics. With over 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)**

**Dates for your diary:**

**Annual Shareholders' Meeting: June 30, 2011**

**Publication of interim results: July 29, 2011**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)**

(in million euros)	Period ended31 march 2010	Period ended31 march 2011
<b>TURNOVER</b>	<b>506.2</b>	<b>520.0</b>
Personnel expenses and profit sharing .....	(219.5)	(220.8)
Purchased consumables .....	(96.5)	(102.3)
Other operating income and expenses .....	(60.3)	(60.5)
Taxes and duties .....	(22.0)	(20.7)
Rents .....	(32.6)	(37.3)
<b>EBITDA</b>	<b>75.3</b>	<b>78.4</b>
Depreciation.....	(28.4)	(31.6)
<b>Current operating profit</b>	<b>46.9</b>	<b>46.8</b>
Restructuring costs .....	(1.4)	(18.1)
Result of the management of real estate and financial assets .....	30.7	0.3
Impairment of goodwill.....	-	-
<b>Other non current income and expenses</b> .....	<b>29.3</b>	<b>(17.8)</b>
<b>Operating profit</b>	<b>76.2</b>	<b>29.0</b>
Gross interest expenses .....	(11.9)	(11.7)
Income from cash and cash equivalents .....	0.1	0.1
<b>Net interest expenses</b> .....	<b>(11.8)</b>	<b>(11.6)</b>
Other financial income.....	0.1	-
Other financial expenses .....	(1.3)	(1.4)
<b>Other financial income and expenses</b> .....	<b>(1.2)</b>	<b>(1.4)</b>
Corporate income tax .....	(15.4)	(6.9)
Share of net profit of associates .....	-	-
<b>NET PROFIT FOR THE PERIOD</b> .....	<b>47.8</b>	<b>9.1</b>
<i>Revenues and expenses recognised directly as equity</i>		
- Retirement commitments .....	-	-
- Change in fair value of hedging financial instruments .....	(2.2)	10.1
- Translation differential.....	-	-
- Income tax on other comprehensive income .....	0.8	(2.6)
<b>Results recognised directly as equity</b> .....	<b>(1.4)</b>	<b>7.5</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>46.4</b>	<b>16.6</b>
<b>PROFIT ATTRIBUTABLE TO (in million euros)</b>	<b>Period ended31 march 2010</b>	<b>Period ended31 march 2011</b>
Group's share of net earnings .....	46.0	7.5
Non-controlling interests.....	1.8	1.6
<b>NET PROFIT FOR THE PERIOD</b>	<b>47.8</b>	<b>9.1</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)</b>	<b>Period ended31 march 2010</b>	<b>Period ended31 march 2011</b>
Group's comprehensive income for the period .....	44.6	15.0
Non-controlling interests.....	1.8	1.6
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>46.4</b>	<b>16.6</b>

**CONSOLIDATED BALANCE SHEET - ASSETS (unaudited)**

( in million euros )	12-31-2010	At march 31, 2011
Goodwill.....	641.6	641.4
Other intangible fixed assets.....	20.4	19.7
Tangible fixed assets.....	896.6	884.6
Investments in associates.....	0.1	0.1
Other long-term investments.....	29.4	28.8
Deferred tax assets.....	54.2	54.6
<b>NON CURRENT ASSETS</b>	<b>1,642.3</b>	<b>1,629.2</b>
Inventories.....	35.4	36.0
Trade and other receivables.....	121.8	162.6
Other current assets.....	136.2	163.3
Current tax assets.....	7.5	0.6
Current financial assets.....	11.3	4.5
Cash and cash equivalents.....	---	---
Assets held for sale.....	1.5	1.5
<b>CURRENT ASSETS</b>	<b>313.7</b>	<b>368.5</b>
<b>TOTAL ASSETS</b>	<b>1,956.0</b>	<b>1,997.7</b>

**CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY (unaudited)**

( in million euros )	12-31-2010	At march 31, 2011
Share capital.....	42.2	42.3
Additional paid-in capital.....	62.5	64.6
Consolidated reserves.....	298.7	341.5
Group's share of net profit.....	35.0	7.5
<b>Group's share of equity</b>	<b>438.4</b>	<b>455.9</b>
Non-controlling interests.....	10.7	11.8
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>449.1</b>	<b>467.7</b>
Borrowings and financial debts.....	756.2	747.6
Provisions for retirement and other employee benefits.....	32.9	33.9
Non-current provisions.....	49.5	61.5
Other long term liabilities.....	32.1	20.2
Deferred tax liabilities.....	77.1	76.9
<b>NON CURRENT LIABILITIES</b>	<b>947.8</b>	<b>940.1</b>
Current provisions.....	11.4	10.3
Accounts payable.....	127.8	142.6
Other current liabilities.....	297.2	303.2
Tax liabilities due.....	3.5	4.5
Short-term borrowings.....	73.8	71.7
Bank overdraft.....	45.4	57.6
Liabilities related to assets held for sale.....	---	---
<b>CURRENT LIABILITIES</b>	<b>559.1</b>	<b>589.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,956.0</b>	<b>1,997.7</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)**

( in million euros )	SHARE CAPITAL	ADDITION AL PAID IN CAPITAL	RESERVES	RESULTS RECOGNISED DIRECTLY AS EQUITY	TOTAL COMPREHEN SIVE INCOME FOR THE PERIOD	GROUP'S SHARE OF EQUITY	NON CONTROLLING INTERESTs	SHAREHOL DERS' EQUITY
<b>Shareholders' equity at December 31, 2010</b>	42.2	62.5	316.0	(17.3)	35.0	438.4	10.7	449.1
Capital increase (including net fees).....	0.1	2.1	--	--	--	2.2	--	2.2
Treasury shares.....	--	--	--	--	--	--	--	--
Stocks options and free share .....	--	--	0.3	--	--	0.3	--	0.3
Prior year appropriation of earnings .....	--	--	35.0	--	(35.0)	--	--	--
Distribution of dividends .....	--	--	--	--	--	--	(0.6)	(0.6)
Change in consolidation scope.....	--	--	--	--	--	--	0.1	0.1
Total comprehensive income for the period .....	--	--	--	7.5	7.5	15.0	1.6	16.6
<b>Shareholders' equity at March 31, 2011 (unaudited)</b>	42.3	64.6	351.3	(9.8)	7.5	455.9	11.8	467.7

**REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY (unaudited)**

( in million euros )	12-31-2009	Revenues and expenses 2010	12-31-2010	income and expenses at March 31, 2011	At march 31, 2011 (unaudited)
Translation differential.....	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments .....	(4.0)	(0.3)	(4.3)	--	(4.3)
Fair value of hedging financial instruments .....	(15.9)	3.2	(12.7)	7.5	(5.2)
<b>Results recognised directly as equity (Group's share)</b>	(20.2)	2.9	(17.3)	7.5	(9.8)

**CONSOLIDATED CASH FLOW STATEMENT (unaudited)**

(in million euros)	Period ended 31 march 2010	Period ended 31 march 2011
Total net consolidated profit .....	47.8	9.1
Depreciation.....	28.4	31.6
Other non current income and expenses.....	(29.3)	17.8
Share of net profit of associates.....	--	--
Other financial income and expenses.....	1.2	1.4
Net interest expenses.....	11.8	11.6
Corporate income tax .....	15.4	6.9
<b>EBITDA</b>	<b>75.3</b>	<b>78.4</b>
Non cash items including provisions and reversals (transactions with no cash effect).....	0.3	0.9
Other income and expenses paid.....	(1.6)	(5.7)
Changes in other long term assets and liabilities.....	0.1	0.9
<b>Cash flow before net interest expenses &amp; taxes</b>	<b>74.1</b>	<b>74.5</b>
Corporate income tax paid .....	(0.2)	(0.7)
Change in working capital requirements.....	(29.3)	(49.4)
<b>NET CASH FROM OPERATING ACTIVITIES : (A)</b>	<b>44.6</b>	<b>24.4</b>
Purchase of property, plant & equipment and intangible assets .....	(28.0)	(14.8)
Proceeds from sale of tangible and intangible assets.....	--	--
Purchase of financial assets.....	(0.7)	(0.5)
Proceeds from the disposal of financial assets.....	53.3	1.1
Dividends from non consolidated companies .....	--	--
<b>NET CASH USED FOR INVESTING ACTIVITIES : (B)</b>	<b>24.6</b>	<b>(14.2)</b>
Capital increase: (a) .....	--	2.2
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).....	--	--
Dividends paid to minority interests of consolidated companies: (e).....	--	(0.6)
Net interest expense paid : (f).....	(11.8)	(11.6)
Debt issue costs : (g).....	--	--
<b>Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)</b>	<b>57.4</b>	<b>0.2</b>
Increase in borrowings : (i).....	20.0	--
Repayment of borrowings : (j).....	(117.5)	(12.4)
<b>NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j</b>	<b>(109.3)</b>	<b>(22.4)</b>
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: ( A + B + C )</b>	 <b>(40.1)</b>	 <b>(12.2)</b>
Reclassification of the cash of the assets held for sale .....	13.0	--
Cash and cash equivalents at beginning of period .....	(5.1)	(45.4)
Cash and cash equivalents at end of period .....	(32.2)	(57.6)
 <b>Net indebtedness at beginning of period</b>	 <b>885.8</b>	 <b>871.4</b>
Cash flow before repayment of borrowings: (h).....	(57.4)	(0.2)
Capitalization of financial leases .....	1.8	6.3
Loan issue charges fixed assets .....	0.9	0.9
Assets held for sale .....	--	--
Fair value of financial hedging instruments.....	1.4	(7.5)
Change in scope of consolidation and other.....	4.0	1.3
<b>Net indebtedness at end of period</b>	<b>836.5</b>	<b>872.2</b>