



Paris, July 29, 2011

"Press Release"

Results for the six months ended June 30, 2011:

Revenue up 2.5%
Current operating profit stable
Net profit down
Net debt stable

➤ **Revenue for the first half of 2011 was up 2.5%.**

On a comparable basis, revenue was up 2.7% (including the impact of one additional working day). The Group recorded an increase of +1.6% in the number of acute care stays (+0.8% adjusted for the additional day).

➤ **Current operating profit was €81.3m in the six months ended June 30, 2011, compared with €80.4m in the first half of 2010.**

Excluding the reclassification of costs stemming from the implementation of the reorganization plan, current operating profit would have been down 7.3% due to the mechanical increase in operating expenses in a restrictive tariff environment.

€m	June 30, 2011	Change	June 30, 2010
Revenue	1,029.6	+2.5%	1,004.0
EBITDA	143.9	+4.6%	137.6
Current operating profit	81.3	+1.1%	80.4
<i>As a % of revenue</i>	<i>7.9%</i>	<i>-0.1 point</i>	<i>8.0%</i>
Operating profit	54.5	-48.5%	105.9
Group share of net profit	13.9	-76.6%	59.4
Net earnings per share (€)	0.25	-76.4%	1.06

Revenue: higher reported revenue

Consolidated revenue for the six months ended June 30, 2011 was €1,029.6m, compared with €1,004.0m for the same period in 2010.

€m	H1 2011	H1 2010	Change 2011/2010	Q2 2011	Q2 2010	Change 2011/2010
<i>Ile de France</i>	405.4	386.2	+5.0%	201.6	192.2	+4.9%
<i>Rhône Alpes</i>	147.0	146.6	+0.3%	72.5	72.9	-0.5%
<i>Nord</i>	106.7	101.7	+4.9%	53.1	50.9	+4.3%
<i>Provence Alpes Côte d'Azur</i>	121.7	118.4	+2.8%	60.3	58.8	+2.6%
<i>Bourgogne</i>	55.4	53.5	+3.6%	27.2	26.3	+3.4%
<i>Other French regions</i>	174.0	168.8	+3.1%	86.3	84.8	+1.8%
<i>Other activities (1)</i>	19.4	28.8	-32.6%	8.6	11.9	-27.7%
Reported revenue	1,029.6	1,004.0	+2.5%	509.6	497.8	+2.4%
O/w: - Organic	1,021.2	994.1	+2.7%	505.1	494.4	+2.2%
o/w organic France	1,008.9	981.4	+2.8%	498.7	487.6	+2.3%
o/w organic Italy	12.3	12.7	-3.1%	6.4	6.8	-5.9%
- Change in scope	8.4	9.9	-	4.5	3.4	-

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

Hospital Care France recorded organic growth of +2.8% in the first half of 2011, attributable to a volume/mix effect (with an additional working day).

In France, the main changes in the scope of consolidation were the disposal of the Medical Analysis business on February 2, 2010 and the acquisition of Hôpital Privé de Marne la Vallée on October 2, 2010.

During the first half of 2011, acute care revenue derived from the Group's establishments increased by 1.6% compared with the first half of 2010, with 487,000 stays. The increase was driven by surgery (+3.7%), with obstetrics stable and general medicine edging down (-0.8%). In the public-service missions managed by the Group, the number of emergency care treatments increased by 10.5% in the first half of 2011, with a total of 193,000 patient visits in our establishments.

In the areas of mental health and subacute care and rehabilitation, the Group saw a 4.8% increase in the number of days billed (to a total of 727,000) in the first half of 2011, thanks to an ongoing increase in occupancy rates, and above all to the gradual ramp-up of extensions completed in several of the Group's establishments.

The Group's organic revenue in Italy was only derived from the Omega hospital, which reported a slight decline in revenue in the first half of 2011.

Profit:

1) Stable current operating profit

The increase in consolidated revenue (+2.5%) led to growth in EBITDA (+4.6%) that, however, was completely wiped out by an increase in depreciation, amortization and rental expenses (+12%) as a consequence of the investment strategy required to maintain the Group's competitiveness.

Current operating profit was €81.3m, stable compared with the same period in 2010, benefiting from the reclassification of expenses (mainly personnel) stemming from the implementation of the reorganization plan announced by the Group on March 24, 2011. Excluding this adjustment, it would have been down 7.3%.

2) Considerable decline in operating profit and net profit

The operating profit declined from €105.9m (first half of 2010) to €54.5m (first half of 2011) due to the stability of the current operating profit and change in the main non-recurrent items, as follows:

- An expense of €25.3m recognized in the first half of 2011, stemming from the reorganization of support functions at the headquarters and regional offices, currently underway, including provisions in the amount of nearly €18m.
- A capital gain in the amount of nearly €30m, recognized in the first half of 2010, on the disposal of the Medical Analysis business in France.

The decline in net profit was closely correlated to that of operating profit.

Debt: net financial debt per IFRS stable at €877.0m as of June 30, 2011 (compared with €871.4m as of end-2010)

Net financial debt per IFRS was stable compared with its position as of December 31, 2010, thanks to strict management of our investments.

The accounts were subject to a limited review by the statutory auditors

Générale de Santé has been listed on the Euronext Paris Eurolist (formerly the Premier Marché) since June 2001 and is part of the Midcac index. 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 more than 5,000 medical practitioners, it is the leading independent medical community in France. A major force in hospital care, Générale de Santé offers a full range of services: acute care, oncology, subacute care and rehabilitation, mental health and homecare. Générale de Santé has an original healthcare offering combining medical excellence, organizational efficiency and a human touch. It provides a seamless service with a customized patient support package, before, during and after hospitalization, taking into consideration all of the patient's needs. It takes part in public-service healthcare initiatives and is part of the nationwide healthcare chain in France.

ISIN and Euronext Paris: FR0000044471
Internet: www.generale-de-sante.fr

ENGLISH-LANGUAGE CONFERENCE CALL TODAY

At 6.00 p.m. (CET) – Dial the following numbers

From France: **+33 (0) 1 70 99 35 15**
From Italy: **+39 (0) 0645210 8001**
From the UK: **+44 (0) 207 153 2027**
From the US: **+1 (0) 480 629 9822**

Dates for your diary:

Third quarter 2011 results: October 27, 2011

Investor/Analyst Relations:

Arnaud Jeudy

Tel. + 33 (0)1 53 23 14 89

a.jeudy@gsante.fr

Press Relations:

Guillaume Jubin

Tel. + 33 (0) 1 53 23 14 47

g.jubin@gsante.fr

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

INCOME STATEMENT (in million euros)	2010	1 st half	
		2010	2011
TURNOVER	1,926.1	1,004.0	1,029.6
Personnel expenses and profit sharing	(881.7)	(452.6)	(455.3)
Purchased consumables	(366.1)	(189.2)	(196.6)
Other operating income and expenses	(231.1)	(116.4)	(116.6)
Taxes and duties.....	(83.1)	(43.1)	(42.6)
Rents.....	(134.9)	(65.1)	(74.6)
EBITDA	229.2	137.6	143.9
Depreciation.....	(120.1)	(57.2)	(62.6)
Current operating profit	109.1	80.4	81.3
Restructuring costs	(41.9)	(7.7)	(29.4)
Result of the management of real estate and financial assets	36.7	33.2	2.6
Impairment of goodwill.....	--	---	--
Other non current income and expenses	(5.2)	25.5	(26.8)
Operating profit	103.9	105.9	54.5
Gross interest expenses.....	(47.8)	(23.2)	(23.4)
Income from cash and cash equivalents.....	1.4	0.3	0.5
Net interest expenses.....	(46.4)	(22.9)	(22.9)
Other financial income.....	0.5	0.5	0.6
Other financial expenses.....	(5.5)	(2.5)	(2.7)
Other financial income and expenses.....	(5.0)	(2.0)	(2.1)
Corporate income tax	(14.6)	(18.7)	(12.7)
Share of net profit of associates.....	--	---	--
NET PROFIT FOR THE PERIOD.....	37.9	62.3	16.8
<i>Revenues and expenses recognised directly as equity</i>			
- Retirement commitments	(0.5)	---	---
- Change in fair value of hedging financial instruments	4.9	(4.4)	11.1
- Translation differential.....	--	---	---
- Income tax on other comprehensive income.....	(1.5)	1.5	(3.8)
Results recognised directly as equity.....	2.9	(2.9)	7.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	40.8	59.4	24.1
PROFIT ATTRIBUTABLE TO (in million euros)			
		1 st half	
	2010	2010	2011
Group's share of net earnings	35.0	59.4	13.9
Non-controlling interests.....	2.9	2.9	2.9
NET PROFIT FOR THE PERIOD	37.9	62.3	16.8
NET EARNINGS PER SHARE (in euros)	0.63	1.06	0.25
NET DILUTED EARNINGS PER SHARE (in euros)	0.63	1.06	0.25
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)			
		1 st half	
	2010	2010	2011
Group's comprehensive income for the period.....	37.9	56.5	21.2
Non-controlling interests.....	2.9	2.9	2.9
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	40.8	59.4	24.1

CONSOLIDATED BALANCE SHEET - ASSETS

(in million euros)	12-31-2010	06-30-2011
Goodwill	641.6	624.4
Other intangible fixed assets	20.4	17.4
Tangible fixed assets	896.6	866.6
Investments in associates.....	0.1	0.1
Other long-term investments	29.4	28.9
Deferred tax assets.....	54.2	53.5
NON CURRENT ASSETS	1,642.3	1,590.9
Inventories	35.4	34.8
Trade and other receivables.....	121.8	156.4
Other current assets	136.2	161.1
Current tax assets.....	7.5	1.8
Current financial assets	11.3	4.1
Cash and cash equivalents.....	---	---
Assets held for sale	1.5	1.5
CURRENT ASSETS	313.7	359.7
TOTAL ASSETS	1,956.0	1,950.6

CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY

(in million euros)	12-31-2010	06-30-2011
Share capital	42.2	42.3
Additional paid-in capital.....	62.5	64.6
Consolidated reserves	298.7	285.7
Group's share of net profit	35.0	13.9
Group's share of equity	438.4	406.5
Non-controlling interests.....	10.7	12.4
TOTAL SHAREHOLDERS' EQUITY	449.1	418.9
Borrowings and financial debts.....	756.2	721.6
Provisions for retirement and other employee benefits.....	32.9	34.3
Non-current provisions.....	49.5	57.3
Other long term liabilities	32.1	19.7
Deferred tax liabilities	77.1	75.9
NON CURRENT LIABILITIES	947.8	908.8
Current provisions.....	11.4	10.7
Accounts payable.....	127.8	134.3
Other current liabilities	297.2	315.4
Tax liabilities due	3.5	8.1
Short-term borrowings	73.8	130.5
Bank overdraft.....	45.4	23.9
Liabilities related to assets held for sale.....	--	---
CURRENT LIABILITIES	559.1	622.9
TOTAL EQUITY AND LIABILITIES	1,956.0	1,950.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(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	NON CONTROLLING INTERESTS	SHAREHOLDERS' EQUITY
Shareholders' equity at December 31, 2009	42.2	62.5	340.2	(20.2)	42.4	467.1	10.0	477.1
Capital increase (including net fees)	--	--	--	--	--	--	--	--
Treasury shares	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	3.4	--	--	3.4	--	3.4
Prior year appropriation of earnings	--	--	42.4	--	(42.4)	--	--	--
Distribution of dividends	--	--	(69.9)	--	--	(69.9)	(1.8)	(71.7)
Change in consolidation scope	--	--	(0.1)	--	--	(0.1)	(0.4)	(0.5)
Total comprehensive income for the period.....	--	--	--	2.9	35.0	37.9	2.9	40.8
Shareholders' equity at December 31, 2010	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.....	--	--	1.1	--	--	1.1	--	1.1
Prior year appropriation of earnings	--	--	35.0	--	(35.0)	--	--	--
Distribution of dividends	--	--	(56.4)	--	--	(56.4)	(1.2)	(57.6)
Change in consolidation scope	--	--	--	--	--	--	--	--
Total comprehensive income for the period.....	--	--	--	7.3	13.9	21.2	2.9	24.1
Shareholders' equity at June 30, 2011	42.3	64.6	295.7	(10.0)	13.9	406.5	12.4	418.9
	12-31-2009	12-31-2010	06-30-2011					
Dividendes par actions (en € y compris précompte)	1.25	1.25	1.00					
Nombre d'actions propres	773 668	419 005	25 301					

REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY

(in million euros)	12-31-2009	Income and expenses 2009	12-31-2010	Income and expenses 1 st half 2011	06-30-2011
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)	7.3	(5.4)
Results recognised directly as equity (Group's share)	(20.2)	2.9	(17.3)	7.3	(10.0)

CONSOLIDATED CASH FLOW STATEMENT

(in million euros)	1 st half		
	2010	2010	2011
Total net consolidated profit.....	37.9	62.3	16.8
Depreciation.....	120.1	57.2	62.6
Other non current income and expenses.....	5.2	(25.5)	26.8
Share of net profit of associates.....	---	--	--
Other financial income and expenses.....	5.0	2.0	2.1
Net interest expenses.....	46.4	22.9	22.9
Corporate income tax.....	14.6	18.7	12.7
EBITDA	229.2	137.6	143.9
Non cash items including provisions and reversals (transactions with no cash effect).....	(6.3)	(0.3)	2.1
Other income and expenses paid.....	(18.4)	(4.2)	(21.8)
Changes in other long term assets and liabilities.....	0.4	1.6	0.5
Cash flow before net interest expenses & taxes	204.9	134.7	124.7
Corporate income tax paid.....	(29.2)	(10.8)	(7.9)
Change in working capital requirements.....	18.4	(24.3)	(36.5)
NET CASH FROM OPERATING ACTIVITIES : (A)	194.1	99.6	80.3
Purchase of property, plant & equipment and intangible assets.....	(78.4)	(56.2)	(26.2)
Proceeds from sale of tangible and intangible assets.....	21.2	--	7.5
Purchase of financial assets.....	(11.0)	(0.8)	(0.5)
Proceeds from the disposal of financial assets.....	60.0	55.8	16.9
Dividends from non consolidated companies.....	0.5	--	0.6
NET CASH USED FOR INVESTING ACTIVITIES : (B)	(7.7)	(1.2)	(1.7)
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).....	(69.9)	--	--
Dividends paid to minority interests of consolidated companies: (e).....	(1.8)	(0.9)	(1.2)
Net interest expense paid : (f).....	(46.4)	(22.9)	(22.9)
Debt issue costs : (g).....	---	--	--
Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)	68.3	74.6	56.7
Increase in borrowings : (i).....	135.8	40.8	0.7
Repayment of borrowings : (j).....	(257.4)	(128.7)	(35.9)
NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j	(239.7)	(111.7)	(57.1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: (A + B + C)	(53.3)	(13.3)	21.5
Reclassification of the cash of the assets held for sale.....	13.0	13.0	
Cash and cash equivalents at beginning of period.....	(5.1)	(5.1)	(45.4)
Cash and cash equivalents at end of period.....	(45.4)	(5.4)	(23.9)
Net indebtedness at beginning of period	885.8	885.8	871.4
Cash flow before repayment of borrowings: (h).....	(68.3)	(74.6)	(56.7)
Capitalization of financial leases.....	48.3	4.9	11.3
Loan issue charges fixed assets.....	3.5	1.8	1.8
Assets held for sale.....	(2.8)	(0.6)	--
Fair value of financial hedging instruments.....	(3.2)	2.9	(7.3)
Dividends to pay.....	---	69.8	56.4
Change in scope of consolidation and other.....	8.1	8.7	0.1
Net indebtedness at end of period	871.4	898.7	877.0