Paris, 20 February 2012

Press Release

FY 2011 results

Solid economic model and good operating results

in a difficult economic context.

Exceptional loss.

- Revenue up by 1.5%
- Current operating income up by 8.6%
- Net loss, Group share of €-28.5 million
- Continued investment and implementation of plan launched in 2011

➢ **2011 revenue up by 1.5%.**

On a like-for-like basis, reported revenue grew by 2.4%, with one day less worked in 2011. The Group recorded an increase of 1.7% in the number of stays in acute care, with 880,000 stays recorded in 2011.

➢ **Reported current operating income of €125.4 million in 2011, compared with €109.1 million in 2010.**

Stripping out the effect of the reclassification of expenses resulting from the implementation of the reorganization plan, current operating income would have posted a slight decrease of 6.6%. Mechanical inflation of our operating expenses in a context of frozen tariffs directly impacts the positive effects of the growth in our business.

➢ **Net loss, Group share of €-28.5 million, directly linked to non-recurring, exceptional items.**

€ million	**2011**	**Change**	2010
Revenue	**1,955.0**	**+1.5%**	1,926.1
EBITDA	**248.9**	**+8.6%**	229.2
Current operating income	**125.4**	**+14.9%**	109.1
As a % of revenue	***6.4%***	***+0.7 points***	*5.7%*
Operating income	**50.3**	**-51.6%**	103.9
Net loss, Group share	**(28.5)**	**-181.4%**	35.0
Net earnings per share (€)	**(0.50)**	**N/S**	0.63

Pascal Roché, Chief Executive Officer of the Générale de Santé Group said*:*

"Despite the economic crisis and tariff freeze, Générale de Santé has seen an increase in revenue and has maintained its profitability. We owe our good operating performance in 2011 to the hard work of the 5500 doctors in our 110 establishments and to the medical excellence our teams have provided to almost 1 million patients.
Our business performance is still restricted by the mechanical progression of our operating expenses and stagnating tariffs. In this context, our net loss is solely due to an exceptional, non-recurring item. This loss does not in any way affect the Group's financial capacity or our investment projects.
In accordance with our strategy for the next three years, we have implemented a new divisional organization of our businesses in order to increase the efficiency of our organization and speed up the coordination of treatment.
The relevance and solidity of our economic model ensure that we are gaining market share. We are going to boost the flexibility of our organization and our responsiveness in healthcare divisions in order to further increase the medical excellence we provide in an increasingly complex offering, in ever quicker times and while always ensuring high quality."

Activity - Increase in revenue

Consolidated revenue in 2011 totalled €1,955.0 million, compared with €1,926.1 million in the previous year (+1.5%).

€ million	2011	2010	Change 2011/2010	Q4 2011	Q4 2010	Change 2011/2010
Ile de France (Paris region)	*765.1*	*752.7*	*+1.6%*	*195.0*	*208.2*	*-6.3%*
Rhône Alpes	*284.1*	*307.0*	*-7.5%*	*73.5*	*97.6*	*-24.7%*
North	*206.8*	*201.1*	*+2.8%*	*53.2*	*52.9*	*+0.6%*
Provence Alpes Côte d'Azur	*231.2*	*223.0*	*+3.7%*	*57.8*	*55.7*	*+3.8%*
Burgundy	*108.1*	*105.0*	*+3.0%*	*28.5*	*27.4*	*+4.0%*
Other regions	*340.3*	*328.0*	*+3.8%*	*86.1*	*85.3*	*+0.9%*
Other activities (1)	*19.4*	*9.3*	*+108.6%*	*0.0*	*-29.7*	*-100.0%*
Reported revenue	**1,955.0**	1,926.1	***+1.5%***	**494.1**	**497.4**	***-0.7%***
Of which: - Organic	**1,940.7**	1,894.9	**+2.4%**	**492.3**	**486.3**	**+1.2%**
Of which organic France	***1,917.8***	*1,871.3*	***+2.5%***	***486.3***	***480.0***	***+1.3%***
***Of which organic Italy** (2)*	***22.9***	*23.6*	***-3.0%***	***6.0***	***6.3***	***-4.8%***
- Changes in scope	**14.3**	31.2	**-**	**1.8**	**11.1**	**-**

(1) "Other activities" includes non-strategic businesses whose assets have been sold
(2) Organic revenue in Italy was derived solely from the hospital in Omegna

The Hospital Care France activity posted organic growth of +2.5%, attributable to a volume/mix effect (with one working day less in 2011).

In France, changes in the scope of consolidation were mainly attributable to the disposal of the Medical Analysis division on 2 February 2010, the acquisition of Hôpital Privé de Marne la Vallée on 2 October 2010, the disposal of Clinique Convert on 31 May 2011, Clinique Pasteur in Vitry and its scanner on 28 June 2011, Clinique Aguilera on 9 December 2011 and Clinique Sourdille on 20 December 2011.

During 2011, acute care activities carried out in the Group's hospitals increased by 1.7% compared with 2010, for a total of 888,000 stays. This increase was attributable to surgery (+3.5%), with activity being stable in medicine and slightly down in obstetrics.

As part of public-service healthcare initiatives managed by the Group, emergency-room activity increased by 9.3% in 2011, with 373,000 patient visits in Group establishments.

With regard to mental health, sub-acute and rehabilitation activities, the Group increased the number of days billed during the year by 5.1% (to 1,454,000 days) thanks to the continued rise in its occupancy rates, but also and primarily to the gradual ramp-up of the extensions made to several establishments.

Results:

1) Improvement in current operating income

Reported current operating income totalled €125.4 million, up by 14.9% compared with 2010. It benefited from the reclassification of expenses (primarily personnel) connected to the implementation of the reorganization project announced by the Group on 24 March 2011. Excluding this restatement, it would have declined slightly by 6.6%.

2) Fall in operating income and net profit

Operating income dropped from €103.9 million in 2010 to €50.3 million in 2011 due primarily to the following non-recurring items:

- an expense of €29.1 million linked to the ongoing reorganization of support functions at the headquarters and regional offices, including €23.5 million of costs paid out during the financial year and €5.6 million in expenses still to pay;
- the capital gain of €19 million recognized from disposals in 2011;
- the capital gain of nearly €30 million, recognized in the first half of 2010, following the disposal of the Medical Analysis division in France;
- goodwill impairment of €50.2 million, following impairment tests carried out by the Group in accordance with IAS 36.

The fall in net profit is directly linked to the fall in operating income.

Debt: net financial debt per IFRS in 2011 dropped to €854.4 million (compared with €871.4 million at 31 December 2010)

Net financial debt per IFRS was down compared with 31 December 2010, amounting to €854.4 million and including in particular €688.1 million of loans and non-current financial debt, €137.5 million of current financial debt and €25.7 million of bank overdraft.
Despite the restrictive tariff environment, the Group has decided to maintain a proactive investment policy (renewing facilities, modernizing establishments, developing the service offering), with a total commitment of around €186 million (including €99 million in self-financed investments) for 2011.

The Board of Directors, meeting on 16 February, approved the financial statements for the 2011 financial year.The audit procedures have been performed and the notes to the financial statements and the audit reports are in the process of being issued.

Générale de Santé, listed on the Euronext Paris Eurolist (formerly known as the Premier Marché) since June 2001, is included in the Midcac index. The leading Group in the private hospital care sector in France, Générale de Santé has 21,500 employees, including 7000 nurses and 4100 assistant nurses, in 110 private hospitals and clinics. With 5,500 physicians, it represents the leading independent medical community in France. A major player in hospitalization, Générale de Santé provides a comprehensive range of patient care services spanning acute care, oncology, sub-acute 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 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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Dates for your diary:

Publication of the financial statements for the first quarter of 2012 on 27 April 2012

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in million euros)	2009	2010	2011
TURNOVER	**2,046.2**	**1,926.1**	**1,955.0**
Personnel expenses and profit sharing	(926.7)	(881.7)	(874.4)
Purchased consumables	(394.1)	(366.1)	(374.0)
Other operating income and expenses	(247.3)	(231.1)	(226.8)
Taxes and duties	(106.4)	(83.1)	(81.7)
Rents	(134.7)	(134.9)	(149.2)
EBITDA	**237.0**	**229.2**	**248.9**
Depreciation	(120.9)	(120.1)	(123.5)
Current operating profit	**116.1**	**109.1**	**125.4**
Restructuring costs	(13.7)	(41.9)	(43.9)
Result of the management of real estate and financial assets	29.0	36.7	19.0
Impairment of goodwill	--	--	(50.2)
Other non current income and expenses	**15.3**	**(5.2)**	**(75.1)**
Operating profit	**131.4**	**103.9**	**50.3**
Gross interest expenses	(56.4)	(47.8)	(46.9)
Income from cash and cash equivalents	1.1	1.4	0.8
Net interest expenses	**(55.3)**	**(46.4)**	**(46.1)**
Other financial income	0.6	0.5	0.6
Other financial expenses	(4.9)	(5.5)	(5.2)
Other financial income and expenses	**(4.3)**	**(5.0)**	**(4.6)**
Corporate income tax	(26.5)	(14.6)	(25.3)
Share of net profit of associates	--	--	--
NET PROFIT FOR THE PERIOD	**45.3**	**37.9**	**(25.7)**
Revenues and expenses recognised directly as equity			
- Retirement commitments	1.7	(0.5)	4.4
- Change in fair value of hedging financial instruments	(2.6)	4.9	3.2
- Translation differential	--	--	--
- Income tax on other comprehensive income	0.3	(1.5)	(2.5)
Results recognised directly as equity	**(0.6)**	**2.9**	**5.1**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**44.7**	**40.8**	**(20.6)**
PROFIT ATTRIBUTABLE TO (in million euros)	**2009**	**2010**	**2011**
Group's share of net earnings	42.4	35.0	(28.5)
Non-controlling interests	2.9	2.9	2.8
NET PROFIT FOR THE PERIOD	**45.3**	**37.9**	**(25.7)**
NET EARNINGS PER SHARE (in euros)	0.76	0.63	(0.50)
NET DILUTED EARNINGS PER SHARE (in euros)	0.76	0.63	(0.50)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)	**2009**	**2010**	**2011**
Group's comprehensive income for the period	41.8	37.9	(23.4)
Non-controlling interests	2.9	2.9	2.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**44.7**	**40.8**	**(20.6)**

CONSOLIDATED BALANCE SHEET - ASSETS

(in million euros)	12-31-2009	12-31-2010	12-31-2011
Goodwill	627.9	641.6	569.0
Other intangible fixed assets	19.2	20.4	18.6
Tangible fixed assets	915.6	896.6	863.5
Investments in associates	0.1	0.1	0.1
Other long-term investments	28.1	29.4	29.2
Deferred tax assets	50.5	54.2	48.4
NON CURRENT ASSETS	**1,641.4**	**1,642.3**	**1,528.8**
Inventories	32.8	35.4	34.6
Trade and other receivables	130.0	121.8	120.3
Other current assets	139.9	136.2	155.5
Current tax assets	2.0	7.5	6.1
Current financial assets	13.2	11.3	7.3
Cash and cash equivalents	---	---	---
Assets held for sale	56.2	1.5	3.7
CURRENT ASSETS	**374.1**	**313.7**	**327.5**
TOTAL ASSETS	**2,015.5**	**1,956.0**	**1,856.3**

CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY

(in million euros)	12-31-2009	12-31-2010	12-31-2011
Share capital	42.2	42.2	42.3
Additional paid-in capital	62.5	62.5	64.6
Consolidated reserves	320.0	298.7	283.5
Group's share of net profit	42.4	35.0	(28.5)
Group's share of equity	**467.1**	**438.4**	361.9
Non-controlling interests	10.0	10.7	12.4
TOTAL SHAREHOLDERS' EQUITY	**477.1**	**449.1**	**374.3**
Borrowings and financial debts	702.4	756.2	688.1
Provisions for retirement and other employee benefits	29.7	32.9	29.7
Non-current provisions	37.3	49.5	42.2
Other long term liabilities	35.4	32.1	32.9
Deferred tax liabilities	81.3	77.1	78.9
NON CURRENT LIABILITIES	**886.1**	**947.8**	**871.8**
Current provisions	13.8	11.4	11.2
Accounts payable	124.1	127.8	128.1
Other current liabilities	296.2	297.2	305.7
Tax liabilities due	0.6	3.5	2.0
Short-term borrowings	154.7	73.8	137.5
Bank overdraft	5.1	45.4	25.7
Liabilities related to assets held for sale	57.8	--	---
CURRENT LIABILITIES	**652.3**	**559.1**	**610.2**
TOTAL PASSIFS	**2,015.5**	**1,956.0**	**1,856.3**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in million euros)	SHARE CAPITAL	ADDITION AL PAID IN CAPITAL	RESERVES	RESULTS RECOGNISED DIRECTLY AS EQUITY	TOTAL COMPREHENSIV E INCOME FOR THE PERIOD	GROUP'S SHARE OF EQUITY	NON CONTROLLING INTERESTs	SHAREHOLDE RS' EQUITY
Shareholders' equity at December 31, 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	--	--	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
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)	(1.4)	(57.8)
Change in consolidation scope	--	--	--	--	--	--	0.3	0.3
Total comprehensive income for the period	--	--	--	5.1	(28.5)	(23.4)	2.8	(20.6)
Shareholders' equity at December 31, 2011	**42.3**	**64.6**	**295.7**	**(12.2)**	**(28.5)**	**361.9**	**12.4**	**374.3**

	12-31-2009	12-31-2010	12-31-2011
Dividends per share (in euros including pre-distribution)	1.25	1.25	1.00
Number of treasury shares	773 668	419 005	25 301

REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY

(in million euros)	12-31-2009	Income and expenses 2010	12-31-2010	Income and expenses 2011	12-31-2011
Translation differential	**(0.3)**	--	**(0.3)**	--	**(0.3)**
Retirement commitments	**(4.0)**	(0.3)	**(4.3)**	3.1	**(1.2)**
Fair value of hedging financial instruments	**(15.9)**	3.2	**(12.7)**	2.0	**(10.7)**
Results recognised directly as equity (Group's share)	**(20.2)**	**2.9**	**(17.3)**	**5.1**	**(12.2)**

CONSOLIDATED CASH FLOW STATEMENT

(in million euros)	2009	2010	2011
Total net consolidated profit	45.3	37.9	(25.7)
Depreciation	120.9	120.1	123.5
Other non current income and expenses	(15.3)	5.2	75.1
Share of net profit of associates	---	---	--
Other financial income and expenses	4.3	5.0	4.6
Net interest expenses	55.3	46.4	46.1
Corporate income tax	26.5	14.6	25.3
EBITDA	**237.0**	**229.2**	**248.9**
Non cash items including provisions and reversals (transactions with no cash effect)	(2.9)	(6.3)	1.0
Other income and expenses paid	(9.5)	(18.4)	(44.5)
Changes in other long term assets and liabilities	(2.5)	0.4	(2.6)
Cash flow before net interest expenses & taxes	**222.1**	**204.9**	**202.8**
Corporate income tax paid	(34.8)	(29.2)	(23.5)
Change in working capital requirements	(38.3)	18.4	(6.9)
NET CASH FROM OPERATING ACTIVITIES : (A)	**149.0**	**194.1**	**172.4**
Purchase of property, plant & equipment and intangible assets	(103.9)	(78.4)	(60.5)
Proceeds from sale of tangible and intangible assets	28.9	21.2	7.5
Purchase of financial assets	(25.3)	(11.0)	(0.6)
Proceeds from the disposal of financial assets	125.7	60.0	40.7
Dividends from non consolidated companies	0.6	0.5	0.6
NET CASH USED FOR INVESTING ACTIVITIES : (B)	**26.0**	**(7.7)**	**(12.3)**
Capital increase: (a)	1.0	---	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)	(69.3)	(69.9)	(56.4)
Dividends paid to minority interests of consolidated companies: (e)	(1.8)	(1.8)	(1.4)
Net interest expense paid : (f)	(55.3)	(46.4)	(46.1)
Debt issue costs : (g)	---	---	---
Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)	**49.6**	**68.3**	**58.4**
Increase in borrowings : (i)	140.2	135.8	50.0
Repayment of borrowings : (j)	(175.1)	(257.4)	(88.7)
NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j	**(160.3)**	**(239.7)**	**(140.4)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: (A + B + C)	**14.7**	**(53.3)**	**19.7**
Reclassification of the cash of the assets held for sale	(13.0)	13.0	--
Cash and cash equivalents at beginning of period	(6.8)	(5.1)	(45.4)
Cash and cash equivalents at end of period	(5.1)	(45.4)	(25.7)
Net indebtedness at beginning of period	**913.0**	**885.8**	**871.4**
Cash flow before repayment of borrowings: (h)	(49.6)	(68.3)	(58.4)
Capitalization of financial leases	31.0	48.3	38.2
Loan issue charges fixed assets	3.5	3.5	3.5
Assets held for sale	1.7	(2.8)	2.3
Fair value of financial hedging instruments	1.7	(3.2)	(2.0)
Change in scope of consolidation and other	(15.5)	8.1	(0.6)
Net indebtedness at end of period	**885.8**	**871.4**	**854.4**