

Paris, July 31, 2013

"Press Release"

## Results to end-June 2013

### *Group operating performance proves resilient against a backdrop of falling rates*

- Reported turnover was down 3.2%, with two fewer working days, and stable on a like-for-like basis (edging up 0.3%)
  - Reported EBITDA declined slightly by 5.4%, while the EBITDA rate was stable (14% vs. 14.4% in H1 2012)
  - Current operating profit contracted 8.1%, while net income attributable to the parent also fell
- **Reported turnover was down 3.2% at end-June 2013.**  
On a like-for-like basis, turnover edged up slightly by 0.3% vs. the first half of 2012, hampered by two fewer working days. The Group saw the number of acute-care stays fall back 0.8%, with 441,000 stays on a like-for-like basis (excluding emergency care),
- **EBITDA stood at €137.8 million, down 5.4%.**  
EBITDA declined slightly, penalized by restrictive government measures,
- **Reported current operating profit was €76.5 million as at June 30, 2013, down from €83.2 million in 2012.**

Pascal Roché, the Group's Chief Executive Officer, said:

"Générale de Santé's H1 2013 results show resilience, despite a challenging environment and a negative calendar impact (two fewer working days). On a like-for-like basis, and in a context of falling rates since March 1, 2013, our turnover has remained stable, edging up 0.3% to €978.9 million. EBITDA was robust (up 14% vs. 14.4% in H1 2012), reflecting a tight cost control. Emergency room visits rose significantly, by around 5% (to 201,000), while medical practitioners-surgery-obstetrics contracted slightly (down 0.8%), as a result of the impact of the financial crisis on hospital activity. Under the Group's investment program, which aims to constantly improve its medical, surgery and obstetrics care offering throughout France, seven facilities were opened in 2012. In addition, since January 1, 2013, a new radiotherapy center opened its doors at the Hôpital Privé des Peupliers, and the Hôpital Privé de l'Ouest Parisien was extended. These developments will support the Group in its policy of continuous improvement in its healthcare offering."

In € millions	End of June 2013	Change	End of June 2012
Revenue	982.1	-3.2%	1,014.1
EBITDA	137.8	-5.4%	145.7
Current operating profit	76.5	-8.1%	83.2
<i>As a % of revenue</i>	<i>7.8%</i>	<i>-0.4 point</i>	<i>8.2%</i>
Operating profit	66.7	-14.6%	78.1
Net income attributable to the Group	26.8	-4.6%	28.1
Net profit per share (in €)	0.47	-6.0%	0.50

### Business - Fall in reported turnover #

H1 2013 consolidated turnover was down 3.2% to €982.1 million from €1,014.1 million in the first half of 2012. Stripping out changes in scope, turnover rose a slight 0.3% in the period.

<i>In € millions -</i>	2013 End of June	2012 End of June	2013/2012 change	Q2 2013	Q2 2012	2013/2012 change
<i>Ile de France</i>	406.5	407.6	- 0.3%	201.8	200.1	+ 0.8%
<i>Rhône Alpes</i>	154.4	153.5	+ 0.6%	76.2	74.4	+ 2.4%
<i>Nord</i>	102.8	102.8	--	51.2	50.5	+ 1.4%
<i>Provence Alpes Côte d'Azur</i>	96.1	95.7	+ 0.4%	47.4	46.4	+ 2.2%
<i>Bourgogne</i>	59.2	57.5	+ 3.0%	29.3	27.7	+ 5.8%
<i>Other regions</i>	144.8	140.4	+ 3.1%	72.3	69.9	+ 3.4%
<i>Other activities (1)</i>	18.3	56.6	- 67.7%	4.6	27.6	- 83.3%
<b>Published revenue</b>	<b>982.1</b>	<b>1,014.1</b>	<b>- 3.2%</b>	<b>482.8</b>	<b>496.6</b>	<b>- 2.8%</b>
<b>Of which: - Organic</b>	<b>978.9</b>	<b>976.4</b>	<b>+ 0.3%</b>	<b>482.3</b>	<b>473.5</b>	<b>+ 1.9%</b>
<i>inc. organic France</i>	<b>966.5</b>	<b>964.4</b>	<b>+ 0.2%</b>	<b>476.0</b>	<b>467.6</b>	<b>+ 1.8%</b>
<i>inc. organic Italy</i>	<b>12.4</b>	<b>12.0</b>	<b>+ 3.3%</b>	<b>6.3</b>	<b>5.9</b>	<b>+ 6.8%</b>
<b>Change in consolidation scope</b>	<b>3.2</b>	<b>37.7</b>	<b>N/S</b>	<b>0,5</b>	<b>23.1</b>	<b>N/S</b>

(1) "Other Activities" include non-strategic activities whose assets have been sold

In France, the changes in scope stem from the disposal of the Charleville-Mézières and Saint Martin – Pessac facilities in July and August, 2012 as well as from the disposal of the Hôpital Privé Beauregard in May 2013.

Hospital Care and Services in France saw limited organic growth of 0.2% in the first half of 2013, reined in by the contraction in our volumes.

During the first half of 2013, medical, surgery and obstetrics services (MSO) in the Group's hospitals edged down 0.8% on a like-for-like basis vs. H1 2012, to 441,000 stays. This decline affected surgery (-0.3%), medical (-0.4%) and obstetrics (-4.3%).

In terms of the Group's public service function, the number of emergency care treatments rose 4.8% at end-June 2013, with 201,000 visits to our emergency rooms.

In the area of mental health, the Group saw a 2.7% increase in the number of days invoiced in the period (to 457,000 at end-June 2013), achieved in part through continued higher occupancy rates, but particularly attributable to the steady increase in openings and expansions in several establishments.

The opening of two mental health facilities (Clinique du Pont de Gien and the specialist care home Maison d'accueil spécialisée du Vendômois) in the Centre region of France (45), the extension to the emergency room at the Hôpital Privé d'Antony (92) and the opening of the Radiotherapy Center at the Hôpital Privé des Peupliers in Paris (75) all attest to the Group's commitment to continue investing in the expansion of its healthcare offering throughout France and are set to support growth in 2013 and subsequent years.

Organic turnover in Italy is generated solely from activity at the Hôpital d'Omegna, which recorded growth of 3.3% at end-June 2013.

## **Results:**

### **1) Contraction in current operating profit**

The Group's EBITDA contracted 5.4% in the first half, linked to the decline in reported turnover (down 3.2%), and primarily due to the rise in property rental expenses and a negative scissors effect produced by higher costs.

Current operating profit also trended downward by 8.1% to €76.5 million.

### **2) Stable net income**

Operating profit amounted to €66.7 million at June 30, 2013, versus €78.1 million the previous year.

Net income fell slightly to €26.8 million, helped by the reduction in the cost of debt and tax expense.

### **Debt: seasonal rise in net financial debt under IFRS at end-June 2013 to €810.4 million (from €769.1 million at end-December 2012), but down compared with June 2012 (€847.2 million)**

Net financial debt under IFRS rose from the end of December 2012 to reach €810.4 million, driven up by the usual seasonal variation in the Group's surplus working capital between December and June. The debt includes €581.1 million in borrowing and long-term financial debts, €194.7 million in short-term financial debts and €32.8 million in bank overdrafts.

*The interim accounts have been the subject of a limited review by the company's auditors.*

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 private healthcare and services group, Générale de Santé has 19,400 employees, including 7,000 nurses and 4,100 care staff, in 103 private facilities, clinics and hospitals. With 5,050 practitioners, it is the leading independent medical community in France. As a major player in hospital care, Générale de Santé covers the entire healthcare chain: medical, surgery and obstetrics, oncology, after-care and rehabilitation, mental health and home medical services. Générale de Santé has developed a unique healthcare offering, combining quality and safety of care, efficient organization and a human touch. The Group offers comprehensive care with personalized support before, during, and after hospitalization, taking into account all aspects of the patient's needs; it also operates in the public health service and national healthcare network.

**ISIN and Euronext Paris code: FR000044471**  
**Website: [www.generale-de-sante.fr](http://www.generale-de-sante.fr)**

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### **Next key date:**

**Publication of Q3 2013 financial statements**

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

( in million euros )	2012	1 <sup>st</sup> half	
		2012	2013
<b>TURNOVER</b>	<b>1,928.6</b>	<b>1,014.1</b>	<b>982.1</b>
Personnel expenses and profit sharing .....	(873.5)	(448.7)	(429.9)
Purchased consumables .....	(362.0)	(193.2)	(179.5)
Other operating income and expenses .....	(214.5)	(105.9)	(111.8)
Taxes and duties.....	(85.1)	(43.2)	(43.2)
Rents.....	(153.8)	(77.4)	(79.9)
<b>EBITDA</b>	<b>239.7</b>	<b>145.7</b>	<b>137.8</b>
Depreciation.....	(124.5)	(62.5)	(61.3)
<b>Current operating profit</b>	<b>115.2</b>	<b>83.2</b>	<b>76.5</b>
Restructuring costs .....	(10.4)	(3.0)	(5.4)
Result of the management of real estate and financial assets .....	29.5	(2.1)	(4.4)
Impairment of goodwill.....	--	--	--
<b>Other non current income and expenses .....</b>	<b>19.1</b>	<b>(5.1)</b>	<b>(9.8)</b>
<b>Operating profit</b>	<b>134.3</b>	<b>78.1</b>	<b>66.7</b>
Gross interest expenses.....	(33.3)	(17.2)	(15.1)
Income from cash and cash equivalents .....	0.5	0.3	0.2
<b>Net interest expenses.....</b>	<b>(32.8)</b>	<b>(16.9)</b>	<b>(14.9)</b>
Other financial income .....	0.4	0.1	0.1
Other financial expenses .....	(6.3)	(3.9)	(2.6)
<b>Other financial income and expenses.....</b>	<b>(5.9)</b>	<b>(3.8)</b>	<b>(2.5)</b>
Corporate income tax .....	(36.5)	(26.1)	(19.0)
Share of net profit of associates.....	0.2	--	--
<b>NET PROFIT FOR THE PERIOD.....</b>	<b>59.3</b>	<b>31.3</b>	<b>30.3</b>
<i>Revenues and expenses recognised directly as equity</i>			
- Retirement commitments .....	(1.7)	--	--
- Change in fair value of hedging financial instruments .....	0.6	(1.5)	5.6
- Translation differential.....	--	--	--
- Income tax on other comprehensive income .....	(0.1)	0.5	(2.0)
<b>Results recognised directly as equity.....</b>	<b>(1.2)</b>	<b>(1.0)</b>	<b>3.6</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>58.1</b>	<b>30.3</b>	<b>33.9</b>
		1 <sup>st</sup> half	
<b>PROFIT ATTRIBUTABLE TO (in million euros)</b>	<b>2012</b>	<b>2012</b>	<b>2013</b>
Group's share of net earnings .....	55.7	28.1	26.8
Non-controlling interests.....	3.6	3.2	3.5
<b>NET PROFIT FOR THE PERIOD</b>	<b>59.3</b>	<b>31.3</b>	<b>30.3</b>
NET EARNINGS PER SHARE (in euros)	0.99	0.50	0.47
NET DILUTED EARNINGS PER SHARE (in euros)	0.99	0.50	0.47
		1 <sup>st</sup> half	
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)</b>	<b>2012</b>	<b>2012</b>	<b>2013</b>
Group's comprehensive income for the period.....	54.5	27.1	30.4
Non-controlling interests.....	3.6	3.2	3.5
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>58.1</b>	<b>30.3</b>	<b>33.9</b>

**CONSOLIDATED BALANCE SHEET – ASSETS**

( in million euros )	12-31-2011	12-31-2012	06-30-2013
Goodwill .....	569.0	562.2	562.1
Other intangible fixed assets .....	18.6	19.0	18.7
Tangible fixed assets .....	863.5	809.8	771.7
Investments in associates.....	0.1	0.5	0.3
Other long-term investments .....	29.2	35.7	34.0
Deferred tax assets.....	48.4	44.5	37.1
<b>NON CURRENT ASSETS</b>	<b>1,528.8</b>	<b>1,471.7</b>	<b>1,423.9</b>
Inventories .....	34.6	33.2	32.8
Trade and other receivables.....	120.3	121.5	137.5
Other current assets .....	155.5	138.1	174.4
Current tax assets.....	6.1	2.5	6.4
Current financial assets .....	7.3	4.4	4.6
Cash and cash equivalents.....	---	---	---
Assets held for sale .....	3.7	1.5	2.3
<b>CURRENT ASSETS</b>	<b>327.5</b>	<b>301.2</b>	<b>358.0</b>
<b>TOTAL ASSETS</b>	<b>1,856.3</b>	<b>1,772.9</b>	<b>1,781.9</b>

**CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY**

( in million euros )	12-31-2011	12-31-2012	06-30-2013
Share capital .....	42.3	42.3	42.3
Additional paid-in capital.....	64.6	64.6	64.6
Consolidated reserves .....	283.5	211.5	224.3
Group's share of net profit .....	(28.5)	55.7	26.8
<b>Group's share of equity</b>	<b>361.9</b>	<b>374.1</b>	<b>358.0</b>
Non-controlling interests .....	12.4	12.2	14.2
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>374.3</b>	<b>386.3</b>	<b>372.2</b>
Borrowings and financial debts.....	688.1	620.1	581.1
Provisions for retirement and other employee benefits.....	29.7	33.4	34.0
Non-current provisions.....	42.2	34.8	32.4
Other long term liabilities .....	32.9	24.9	17.7
Deferred tax liabilities .....	78.9	70.2	69.6
<b>NON CURRENT LIABILITIES</b>	<b>871.8</b>	<b>783.4</b>	<b>734.8</b>
Current provisions.....	11.2	8.9	9.3
Accounts payable.....	128.1	159.2	173.8
Other current liabilities .....	305.7	287.8	260.5
Tax liabilities due .....	2.0	3.9	3.8
Short-term borrowings .....	137.5	133.1	194.7
Bank overdraft.....	25.7	10.3	32.8
Liabilities related to assets held for sale.....	---	---	---
<b>CURRENT LIABILITIES</b>	<b>610.2</b>	<b>603.2</b>	<b>674.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,856.3</b>	<b>1,772.9</b>	<b>1,781.9</b>

**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, 2011	42.3	64.6	295.7	(12.2)	(28.5)	361.9	12.4	374.3
Capital increase (including net fees) .....	--	--	--	--	--	--	--	--
Treasury shares .....	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	--	--	--	--	--	--
Prior year appropriation of earnings .....	--	--	(28.5)	--	28.5	--	--	--
Distribution of dividends .....	--	--	(42.3)	--	--	(42.3)	(3.2)	(45.5)
Change in consolidation scope .....	--	--	--	--	--	--	(0.6)	(0.6)
Total comprehensive income for the period.....	--	--	--	(1.2)	55.7	54.5	3.6	58.1
<b>Shareholders' equity at December 31, 2012</b>	<b>42.3</b>	<b>64.6</b>	<b>224.9</b>	<b>(13.4)</b>	<b>55.7</b>	<b>374.1</b>	<b>12.2</b>	<b>386.3</b>
Capital increase (including net fees) .....	--	--	(4.2)	--	--	(4.2)	--	(4.2)
Treasury shares .....	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	--	--	--	--	--	--
Prior year appropriation of earnings .....	--	--	55.7	--	(55.7)	--	--	--
Distribution of dividends .....	--	--	(42.3)	--	--	(42.3)	(1.5)	(43.8)
Change in consolidation scope .....	--	--	--	--	--	--	-	--
Total comprehensive income for the period.....	--	--	--	3.6	26.8	30.4	3.5	33.9
<b>Shareholders' equity at June 30, 2013</b>	<b>42.3</b>	<b>64.6</b>	<b>234.1</b>	<b>(9.8)</b>	<b>26.8</b>	<b>358.0</b>	<b>14.2</b>	<b>372.2</b>
	12-31-2011	12-31-2012	06-30-2013					
Dividends per share (in euros including pre-distribution).....	1.00	0.75	0.75					
Number of treasury shares.....	25 301	25 301	25 301					

**REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY**

( in million euros )	12-31-2011	Income and expenses 2012	12-31-2012	Income and expenses 1 <sup>st</sup> half 2013	06-30-2013
Translation differential.....	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments .....	(1.2)	(1.6)	(2.8)	--	(2.8)
Fair value of hedging financial instruments .....	(10.7)	0.4	(10.3)	3.6	(6.7)
<b>Results recognised directly as equity (Group's share)</b>	<b>(12.2)</b>	<b>(1.2)</b>	<b>(13.4)</b>	<b>3.6</b>	<b>(9.8)</b>

**CONSOLIDATED CASH FLOW STATEMENT**

( in million euros )	2012	1 <sup>st</sup> half	
		2012	2013
Total net consolidated profit.....	59.3	31.3	30.3
Depreciation.....	124.5	62.5	61.3
Other non current income and expenses.....	(19.1)	5.1	9.8
Share of net profit of associates.....	(0.2)	--	--
Other financial income and expenses.....	5.9	3.8	2.5
Net interest expenses.....	32.8	16.9	14.9
Corporate income tax.....	36.5	26.1	19.0
<b>EBITDA</b>	<b>239.7</b>	<b>145.7</b>	<b>137.8</b>
Non cash items including provisions and reversals (transactions with no cash effect).....	(1.4)	--	1.8
Other income and expenses paid.....	(23.0)	(12.4)	(8.5)
Changes in other long term assets and liabilities.....	(4.3)	(1.6)	(0.7)
<b>Cash flow before net interest expenses &amp; taxes</b>	<b>211.0</b>	<b>131.7</b>	<b>130.4</b>
Corporate income tax paid.....	(36.3)	(8.9)	(16.3)
Change in working capital requirements.....	32.0	0.3	(39.5)
<b>NET CASH FROM OPERATING ACTIVITIES : (A)</b>	<b>206.7</b>	<b>123.1</b>	<b>74.6</b>
Purchase of property, plant & equipment and intangible assets.....	(55.3)	(32.5)	(46.3)
Proceeds from sale of tangible and intangible assets.....	10.0	--	--
Purchase of financial assets.....	(7.0)	(5.7)	--
Proceeds from the disposal of financial assets.....	40.3	(0.5)	3.8
Dividends from non consolidated companies.....	0.4	0.1	--
<b>NET CASH USED FOR INVESTING ACTIVITIES : (B)</b>	<b>(11.6)</b>	<b>(38.6)</b>	<b>(42.5)</b>
Capital increase: (a).....	--	--	(4.2)
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).....	(42.3)	--	--
Dividends paid to minority interests of consolidated companies: (e).....	(3.2)	(1.1)	(1.5)
Net interest expense paid : (f).....	(32.8)	(16.9)	(14.9)
Debt issue costs : (g).....	--	--	--
<b>Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)</b>	<b>116.8</b>	<b>66.5</b>	<b>11.5</b>
Increase in borrowings : (i).....	25.0	25.0	15.0
Repayment of borrowings : (j).....	(126.4)	(68.2)	(49.0)
<b>NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j</b>	<b>(179.7)</b>	<b>(61.2)</b>	<b>(54.6)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: ( A + B + C )</b>	<b>15.4</b>	<b>23.3</b>	<b>(22.5)</b>
Reclassification of the cash of the assets held for sale.....	--	--	--
Cash and cash equivalents at beginning of period.....	(25.7)	(25.7)	(10.3)
Cash and cash equivalents at end of period.....	(10.3)	(2.4)	(32.8)
<b>Net indebtedness at beginning of period</b>	<b>854.4</b>	<b>854.4</b>	<b>769.1</b>
Cash flow before repayment of borrowings: (h).....	(116.8)	(66.5)	(11.5)
Capitalization of financial leases.....	32.8	11.8	7.6
Loan issue charges fixed assets.....	3.5	1.8	1.8
Assets held for sale.....	(2.2)	1.0	0.8
Fair value of financial hedging instruments.....	(0.4)	1.0	(3.6)
Dividends to pay.....	--	42.3	42.3
Change in scope of consolidation and other.....	(2.2)	1.4	3.9
<b>Net indebtedness at end of period</b>	<b>769.1</b>	<b>847.2</b>	<b>810.4</b>