

Paris, November 5, 2014

Press Release

Results at end-September 2014

Business held up well in a depressed economic environment

Organic revenue increased on a like-for-like basis

- Published revenue: down by 9.7%, following divestments in 2013; up by 1.3% on a like-for-like basis;
- EBITDA: declined by 11.5% but EBITDA margin was stable at 11.9%, compared with 12.1% at end-September 2013;
- Net income attributable to the Group: down by 10.5%.

Published revenue fell by 9.7% at end-September 2014, following divestments in 2013.

On a like-for-like basis, revenue grew by 1.3% compared with the first nine months of 2013, with one less working day. The Group recorded a rise in its number of short-term care stays (+0.4%), with 622,000 stays on a like-for-like basis (excluding emergency care visits).

EBITDA reached €150.0 million, down by 11.5%.

Impacted by divestments in 2013, reported EBITDA was down. EBITDA margin, however, remained stable: at 11.9% compared with 12.1% at end-September 2013 (and 11.9% compared with 11.9% on a like-for-like basis).

Reported current operating profit totaled €68.7 million at end-September 2014, compared with €78.3 million for the first nine months of last year.

Pascal Roché, the Group's Chief Executive Officer, issued the following statement:

"In a continuing challenging economic environment, and with pricing pressure, the Group's revenue at end-September 2014 grew further, by 1.3% on a like-for-like basis, while published revenue decreased by 9.7% over the period, reflecting the divestments in 2013.

Indicating the robust nature of the model and its attractiveness, business in France saw solid organic growth of 1.3% in the first nine months of 2014, underpinned by increased volumes in our hospitals and clinics, despite the seasonal summer dip. The medical, surgery and obstetrics activity (MCO) continued its growth, being up 0.4% on a like-for-like basis compared with the first nine months of 2013, and reaching 622,000 stays in Group hospitals. This increase was mainly due to surgery (+1%), which was driven by a rise in outpatient visits. In connection with our public service missions, the Group's emergency departments continued to register strong growth of 3.9% compared with end-September 2013: patient visits jumped to 308,000 at end-September 2014. These visit figures show that patients recognize the quality and safety of care in our hospitals."

In € millions	End-Sept. 2014	Change	End-Sept. 2013
Revenue	1,263.1	-9.7%	1,399.1
EBITDA	150.0	-11.5%	169.5
Current operating profit	68.7	-12.3%	78.3
<i>As a % of revenue</i>	<i>5.4%</i>	<i>-0.2 point</i>	<i>5.6%</i>
Operating profit	66.0	-15.2%	77.8
Net income attributable to the Group	24.6	-10.5%	27.5
Net profit per share (in €)	0.44€	-10.2%	0.49€

Business - Decline in published revenue

Consolidated revenue amounted to €1,263.1 million at end-September 2014, compared with €1,399.1 million for the same period in 2013, or a drop of 9.7%. Excluding changes in the scope of consolidation, revenue grew by 1.3% over the period.

<i>In € millions -</i>	2014 at end- Sept.	2013 at end- Sept.	2014/2013 change	Q3 2014	Q3 2013	2014/2013 change
<i>Ile de France</i>	554.9	550.4	+ 0.8%	163.6	161.9	+ 1.1%
<i>Rhône Alpes</i>	208.7	204.6	+ 2.0%	63.1	62.0	+ 1.8%
<i>Nord</i>	145.0	143.1	+ 1.3%	44.7	44.2	+ 1.1%
<i>Provence Alpes Côte d'Azur</i>	123.5	120.3	+ 2.7%	36.2	35.7	+ 1.4%
<i>Bourgogne</i>	80.9	80.7	+ 0.2%	25.0	24.8	+ 0.8%
<i>Other regions</i>	150.1	147.7	+ 1.6%	47.7	47.0	+ 1.5%
<i>Other activities (1)</i>	--	152.3	- 100.0%	--	41.4	- 100.0%
Published revenue	1,263.1	1,399.1	- 9.7%	380.3	417.0	- 8.8%
Of which: - Organic	1,263.1	1,246.9	+ 1.3%	380.3	375.7	+ 1.2%
<i>inc. organic France</i>	<i>1,246.1</i>	<i>1,230.1</i>	<i>+ 1.3%</i>	<i>375.5</i>	<i>371.3</i>	<i>+ 1.1%</i>
<i>inc. organic Italy</i>	<i>17.0</i>	<i>16.8</i>	<i>+ 1.2%</i>	<i>4.8</i>	<i>4.4</i>	<i>+ 9.1%</i>
- Changes in scope	--	152.2	-100.0%	--	41.3	-100.0%

(1) The "Other Businesses" line item includes non-strategic businesses whose assets have been sold.

In France, the changes in scope are due to the disposals of Hôpital Privé Beauregard and Golfe de Saint-Tropez clinic in May 2013, of the Le Floride clinic in June 2013, and the Kerléna, Bazincourt and Les Sorbiers clinics in September 2013.

On December 16, 2013, Générale de Santé also completed the disposal of its mental health businesses and the clinics that handled after-care and rehabilitation related to the mental health activities.

In France, the Hospital Care and Services activity recorded solid organic growth of 1.3% in the first nine months of 2014, driven by higher volumes.

At end-September 2014, the medical, surgery and obstetrics activity conducted in the Group's hospitals grew by 0.4% at constant scope compared with the first nine months of 2013, reaching 622,000 stays. This increase concerned both surgery (+1.0%) and medical (+0.6%), while obstetrics continued its decline (-3.2%).

As part of the public service missions managed by the Group, the number of emergency care visits rose by 3.9% at end-September 2014, with 308,000 people treated in our establishments' emergency departments.

Organic revenue in Italy comes from the activity of the Omegna hospital, which saw growth of 1.2% at end-September 2014.

Results:

1) Decline in current operating profit

In line with the decline in published revenue, Group EBITDA fell 11.5% to €150 million due to increased expenditure on medical purchases.

Current operating profit followed the same trend, down by 12.3% to €68.7 million.

2) Decrease in net profit

Operating profit declined to €66.0 million at end-September 2014, compared with €77.8 million the previous year.

Net income attributable to the Group fell by 10.5% to €24.6 million, benefiting slightly from the lower cost of debt.

Debt: seasonal increase in net debt per IFRS to €620.6 million at end-September 2014 (compared with €610.3 million at end-December 2013), down compared with September 2013 (€802.8 million)

Net financial debt per IFRS followed the classic seasonal pattern, increasing relative to its end-December 2013 position to €620.6 million due to the increase in the Group's working capital requirement between December and September.

The decrease in net debt from September 2013 levels mostly relates to the proceeds from the disposal, in December 2013, of mental health businesses and related after-care and rehabilitation clinics.

Net debt includes €168.4 million in borrowings and long-term financial debt, €419.0 million in short-term financial debt and €53.2 million in bank overdraft facilities.

Générale de Santé subsequently signed a new syndicated loan agreement comprising various facilities for a maximum total of €1,075 billion due in 2020. €500 million was immediately drawn down to refinance its bank debt.

About Générale de Santé:

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 19,000 employees, including 7,000 nurses and 4,000 care staff in 75 facilities and centers.

With almost 4,500 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, 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.

For more information, go to www.generale-de-sante.fr

ISIN and Euronext Paris code: FR0000044471

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Next key date:

Publication of 2014 results

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

(in million euros)	Period ended 30 september 2013	Period ended 30 september 2014
TURNOVER	1 399.1	1 263.1
Personnel expenses and profit sharing	(622.4)	(548.9)
Purchased consumables	(255.7)	(248.1)
Other operating income and expenses	(168.5)	(154.7)
Taxes and duties	(63.0)	(55.8)
Rents	(120.0)	(105.6)
EBITDA	169.5	150.0
Depreciation	(91.2)	(81.3)
Current operating profit	78.3	68.7
Restructuring costs	(9.2)	(5.3)
Result of the management of real estate and financial assets	8.7	2.6
Impairment of goodwill	--	--
Other non-current income and expenses	(0.5)	(2.7)
Operating profit	77.8	66.0
Gross interest expenses	(23.1)	(19.4)
Income from cash and cash equivalents	0.6	0.4
Net interest expenses	(22.5)	(19.0)
Other financial income	0.3	0.1
Other financial expenses	(3.7)	(4.4)
Other financial income and expenses	(3.4)	(4.3)
Corporate income tax	(21.1)	(14.5)
Share of net profit of associates	--	--
NET PROFIT FOR THE PERIOD	30.8	28.2
<i>Revenues and expenses recognised directly as equity</i>		
- Retirement commitments	--	--
- Change in fair value of hedging financial instruments	7.8	5.3
- Translation differential	--	--
- Income tax on other comprehensive income	(2.8)	(1.4)
Results recognised directly as equity	5.0	3.9
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	35.8	32.1
PROFIT ATTRIBUTABLE TO (in million euros)	Period ended 30 september 2013	Period ended 30 september 2014
Group's share of net earnings	27.5	24.6
Non-controlling interests	3.3	3.6
NET PROFIT FOR THE PERIOD	30.8	28.2
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)	Period ended 30 september 2013	Period ended 30 september 2014
Group's comprehensive income for the period	32.5	28.5
Non-controlling interests	3.3	3.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	35.8	32.1

CONSOLIDATED BALANCE SHEET - ASSETS (unaudited)

(in million euros)	12-31-2012	12-31-2013	At september 30. 2014 (unaudited)
Goodwill	562.2	512.0	512.0
Other intangible fixed assets	19.0	18.8	21.4
Tangible fixed assets	809.8	697.9	676.1
Investments in associates	0.5	0.3	0.3
Other long-term investments	35.7	24.1	26.1
Deferred tax assets	44.5	49.3	38.6
NON CURRENT ASSETS	1.471.7	1.302.4	1.274.5
Inventories	33.2	33.2	37.9
Trade and other receivables	121.5	103.0	109.9
Other current assets	138.1	144.7	163.4
Current tax assets	2.5	6.5	19.6
Current financial assets	4.4	4.0	1.8
Cash and cash equivalents	---	---	---
Assets held for sale	1.5	5.3	6.7
CURRENT ASSETS	301.2	296.7	339.3
TOTAL ASSETS	1.772.9	1.599.1	1.613.8

CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY (unaudited)

(in million euros)	12-31-2012	12-31-2013	At september 30. 2014 (unaudited)
Share capital	42.3	42.3	42.3
Additional paid-in capital	64.6	64.6	64.6
Consolidated reserves	211.5	228.2	300.6
Group's share of net profit	55.7	111.3	24.6
Group's share of equity	374.1	446.4	432.1
Non-controlling interests	12.2	11.3	12.7
TOTAL SHAREHOLDERS' EQUITY	386.3	457.7	444.8
Borrowings and financial debts	620.1	163.2	168.4
Provisions for retirement and other employee benefits	33.4	28.1	30.6
Non-current provisions	34.8	27.6	20.4
Other long term liabilities	24.9	11.7	7.0
Deferred tax liabilities	70.2	65.0	59.6
NON CURRENT LIABILITIES	783.4	295.6	286.0
Current provisions	8.9	11.6	11.7
Accounts payable	159.2	129.6	160.0
Other current liabilities	287.8	253.2	234.8
Tax liabilities due	3.9	4.0	4.3
Short-term borrowings	133.1	424.2	419.0
Bank overdraft	10.3	23.2	53.2
Liabilities related to assets held for sale	---	---	---
CURRENT LIABILITIES	603.2	845.8	883.0
TOTAL EQUITY AND LIABILITIES	1.772.9	1.599.1	1.613.8

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(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, 2013	42.3	64.6	234.1	(5.9)	111.3	446.4	11.3	457.7
Capital increase (including net fees)	--	--	--	--	--	--	--	--
Treasury shares	--	--	--	--	--	--	--	--
Stocks options and free share	--	--	--	--	--	--	--	--
Prior year appropriation of earnings	--	--	111.3	--	(111.3)	--	--	--
Distribution of dividends	--	--	(42.3)	--	--	(42.3)	(2.6)	(44.9)
Change in consolidation scope	--	--	(0.5)	--	--	(0.5)	0.4	(0.1)
Total comprehensive income for the period	--	--	--	3.9	24.6	28.5	3.6	32.1
Shareholders' equity at 30 september 2014 (unaudited)	42.3	64.6	302.6	(2.0)	24.6	432.1	12.7	444.8

REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY (unaudited)

(in million euros)	12-31-2012	Income and expenses 2013	12-31-2013	Income and expenses at september 30, 2014	At september 30, 2014 (unaudited)
Translation differential	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments	(2.8)	1.2	(1.6)	--	(1.6)
Fair value of hedging financial instruments	(10.3)	6.3	(4.0)	3.9	(0.1)
Results recognised directly as equity (Group's share)	(13.4)	7.5	(5.9)	3.9	(2.0)

CONSOLIDATED CASH FLOW STATEMENT (unaudited)

(in million euros)	Period ended 30 september 2013	Period ended 30 september 2014
Total net consolidated profit	30.8	28.2
Depreciation	91.2	81.3
Other non current income and expenses	0.5	2.7
Share of net profit of associates	--	--
Other financial income and expenses	3.4	4.3
Net interest expenses	22.5	19.0
Corporate income tax	21.1	14.5
EBITDA	169.5	150.0
Non cash items including provisions and reversals (transactions with no cash effect)	1.5	0.7
Other income and expenses paid	(12.5)	(13.3)
Changes in other long term assets and liabilities	0.1	(0.7)
Cash flow before net interest expenses & taxes	158.6	136.7
Corporate income tax paid	(27.4)	(9.6)
Change in working capital requirements	(58.3)	(26.8)
NET CASH FROM OPERATING ACTIVITIES : (A)	72.9	100.3
Purchase of property, plant & equipment and intangible assets	(62.2)	(52.5)
Proceeds from sale of tangible and intangible assets	101.0	--
Purchase of financial assets	--	(0.1)
Proceeds from the disposal of financial assets	19.1	0.7
Dividends from non consolidated companies	--	0.1
NET CASH USED FOR INVESTING ACTIVITIES : (B)	57.9	(51.8)
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)	(42.3)
Dividends paid to minority interests of consolidated companies: (e)	(2.5)	(2.6)
Net interest expense paid : (f)	(22.5)	(19.0)
Debt issue costs : (g)	--	--
Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)	59.3	(15.4)
Increase in borrowings : (i)	31.5	61.1
Repayment of borrowings : (j)	(75.0)	(75.7)
NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j	(115.0)	(78.5)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: (A + B + C)	15.8	(30.0)
Cash and cash equivalents at beginning of period	(10.3)	(23.2)
Cash and cash equivalents at end of period	5.5	(53.2)
Net indebtedness at beginning of period	769.1	610.3
Cash flow before repayment of borrowings: (h)	(59.3)	15.4
Capitalization of financial leases	104.5	17.3
Loan issue charges fixed assets	2.6	3.2
Assets held for sale	2.5	1.4
Fair value of financial hedging instruments	(5.0)	(3.9)
Change in scope of consolidation and other	(11.6)	(23.1)
Net indebtedness at end of period	802.8	620.6