

PRESS RELEASE

**2008 SALES ABOVE EXPECTATIONS: €701.4m (+28.7%)**

**Pursuance of the profitable growth  
and job creation momentum in 2009**

**Puteaux, 28<sup>th</sup> January 2009**

ORPEA, a leading player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today announced its full-year 2008 sales which ended 31<sup>st</sup> December.

• **2008 Full-year sales**

	Annual			Quarterly		
	2008	2007	Δ	Q4 2008	Q4 2007	Δ
<i>In €m IFRS</i>						
<b>France</b> <i>% of total sales</i>	<b>613.0</b> 87%	493.6 91%	+24.2%	<b>162.4</b> 86%	135.1 89%	+20.2%
<b>International</b> <i>% of total sales</i>	<b>88.4</b> 13%	51.1 10%	+72.8%	<b>27.4</b> 14%	17.4 11%	+57.5%
<b>Belgium</b>	37.3	12.0		13.3	4.9	
<b>Spain</b>	26.8	23.6		7.0	6.4	
<b>Italy</b>	15.9	9.6		4.8	4.6	
<b>Switzerland</b>	8.3	5.9		2.3	1.5	
<b>Total sales</b> <i>Organic growth</i>	<b>701.4</b>	544.8	+28.7%	<b>189.8</b>	152.5	+24.5%
			+13.4%			+15.0%

Yves Le Masne, Chief Operating Officer, commented: "The momentum of our activity continued at a particularly dynamic rate during the 4<sup>th</sup> quarter of 2008, notably with organic growth of +15%. This remarkable performance is the result of an occupancy rate that remains very high in all mature facilities combined with the rapid and buoyant growth of facilities currently being opened.

Yet again, the 4<sup>th</sup> quarter's growth confirms the independence of ORPEA's activity vis-à-vis the economic and financial environment, partly because of this sector's trends, but also because of the strategic locations of the Group's facilities and a meticulous and proactive Quality policy.

Hence, over FY 2008, ORPEA reported record sales of €701m, €36m above its initial guidance, within a context of ongoing solid profitability."

The annual satisfaction survey, an independent study anonymously carried out amongst residents and their families in late 2008, shows a further increase in the rate of overall satisfaction: 91.6% of residents and families are satisfied or very satisfied by the quality of life and the services in ORPEA's facilities (vs. 90.9% in 2007), both in terms of lifestyle and surroundings and in terms of care, as well as the attention paid to residents by staff. This survey also reveals the percentage of residents and families who would recommend ORPEA facilities to others: 93.6% (vs. 92.9% in 2007).

- **Real estate policy**

Within the framework of the pursuance of an optimisation strategy for our numerous facilities, ORPEA sold, over recent months, €70m of property in conditions close to those seen historically, despite the current economic and financial context. These operations were facilitated, on the one hand, by the substantial durability of the rents offered by ORPEA and, on the other hand, by the decrease in borrowing rates that is enabling investors to have access to attractive financing.

These sales confirm the appeal, for a certain type of long-term investor, of the investment profile offered by ORPEA: modern buildings in strategic locations, high visibility in terms of the continuity of tenants over tens of years and a guarantee of the optimum maintenance of buildings.

On top of these direct divestments, ORPEA has set up an OPCl property fund. Following the granting of an AMF visa in December, this structure has been legally operational since 21<sup>st</sup> January 2009.

- **ORPEA; a player in the development of the economy and employment**

The some twenty ongoing construction projects, which will enable the opening of new facilities from 2009, represent:

- the preservation of over 1,500 jobs in the building sector that is currently seeing a slump in activity;
- the creation of more than 750 jobs directly associated with the opening of new facilities. These long-term jobs which cannot be outsourced are essentially local jobs, particularly useful in the current economic climate.

- **Development and outlook**

In accordance with its practices, on 24<sup>th</sup> March 2009 ORPEA will issue an update on the developments achieved since 30<sup>th</sup> September 2008 and will announce its FY 2009 sales guidance. However, in a high-visibility sector, the Group can already confidently state that it expects satisfactory increases in sales and profitability over FY 2009.

Furthermore, the Group is serenely reaffirming its 2011 sales target of over a billion euros emanating from its current network of facilities and its growth reservoir of over 7,600 beds under construction or being renovated.

Chairman and Chief Executive Officer Dr Jean-Claude Marian concluded: *"In 2008, ORPEA maintained a buoyant growth momentum, independently of the evolution of the economic context, thanks to the solid pillars of its business model:*

- 20 years of expertise;
- professional teams (15,000 staff at end-2008) who receive permanent training and who are recognised for their know-how in terms of high-quality care;
- a controlled and proven growth strategy.

*In 2009, the Group will pursue this same cautious and meticulous development, profitable growth and job creating strategy whilst prioritising the Quality of the care provided to its residents and patients."*

- **2009 financial agenda**

The dates given below are indicative only. Press releases will be published before the market opens.

Event	Date
Update on development and 2009 sales target	Tuesday 24 <sup>th</sup> March 2009
2008 Full-year results	Tuesday 28 <sup>th</sup> April 2009
2009 Q1 sales	Wednesday 6 <sup>th</sup> May 2009
2009 H1 sales	Wednesday 15 <sup>th</sup> July 2009
2009 Half-year results	Tuesday 8 <sup>th</sup> September 2009
Update on development	Tuesday 13 <sup>th</sup> October 2009
2009 Q3 sales	Tuesday 27 <sup>th</sup> October 2009

**About ORPEA** ([www.orpea.com](http://www.orpea.com)): Listed on Euronext Paris since April 2002 and elected to the Deferred Settlement Service, the ORPEA group is a leading player in the Long-Term Care and Post-Acute Care sectors. As of 30<sup>th</sup> September 2008, the Group has a unique European network of healthcare facilities, with 23,656 beds (19,147 of them operational) across 251 sites, including:

- 18,595 beds in France: 15,081 operational (including 2,504 being renovated) + 3,514 under construction, spread across 204 sites.
- 5,061 beds in Europe (Spain, Belgium, Italy and Switzerland): 4,066 operational (including 635 being renovated) + 995 under construction, spread across 47 sites.

**Listed on Euronext Paris Compartment B** of NYSE Euronext - ISIN: FR0000184798  
 Member of the **SBF 120 index** and *SRD*  
 Reuters: ORP.PA - Bloomberg: ORP FP

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