



**STRONG REVENUE GROWTH IN H1 2015: +26.1% TO €1,123.1 MILLION**

**INTERNATIONAL NETWORK STRENGTHENED WITH THE ACQUISITION OF GERMAN GROUP  
RESIDENZ GRUPPE BREMEN, WITH 3,006 BEDS ACROSS 38 FACILITIES**

**SUCCESSFUL €310.5 MILLION SCHULDSCHEIN (GERMAN-LAW LOAN) ISSUE**

**FULL-YEAR 2015 REVENUE GUIDANCE INCREASED TO €2,380 MILLION**

**Puteaux, 21 July 2015**

The ORPEA group, a leading European player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, today announced revenue figures for the first half of 2015 (six months ended 30 June), along with the acquisition of 38 nursing homes in Germany.

**Faster growth in the second quarter of 2015**

In € m IFRS	Quarterly			Half-yearly		
	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change
<b>France</b>	<b>396.4</b>	373.0	<b>+6.3%</b>	<b>787.6</b>	732.9	<b>+7.5%</b>
<i>% of total revenue</i>	<i>68%</i>	<i>81%</i>		<i>70%</i>	<i>81%</i>	
<b>International</b>	<b>188.7</b>	89.5	<b>+110.8%</b>	<b>335.5</b>	157.7	<b>+112.7%</b>
<i>% of total revenue</i>	<i>32%</i>	<i>19%</i>		<i>30%</i>	<i>19%</i>	
<b>Belgium*</b>	37.8	41.6		78.8	82.3	
<b>Spain</b>	15.8	12.2		31.4	24.5	
<b>Italy</b>	11.5	10.4		22.2	20.1	
<b>Switzerland</b>	35.2	25.3		62.7	30.8	
<b>Germany</b>	53.0	0.0		105.1	0.0	
<b>Austria</b>	35.3	0.0		35.3	0.0	
<b>Total revenue</b>	<b>585.1</b>	462.5	<b>+26.5%</b>	<b>1,123.1</b>	890.6	<b>+26.1%</b>
<i>Organic growth<sup>1</sup></i>			<i>+5.6%</i>			<i>+5.7%</i>

\* As part of the asset optimisation policy, three sites were sold in the first half of 2015.

<sup>1</sup> Organic revenue growth reflects the following factors: 1. the year-on-year change in the revenue of existing facilities as a result of changes in their occupancy rates and daily rates, 2. the year-on-year change in the revenue of refurbished facilities or those where capacity has been increased in the current or year-earlier period, and 3. revenue generated in the current period by facilities created in the current or year-earlier period. Organic growth includes the improvement in revenue at recently acquired facilities by comparison with the previous equivalent period.

Senevita in Switzerland has been consolidated since 1 April 2014, Silver Care in Germany since 1 July 2014 and SeneCura in Austria since 1 April 2015. Celenus Kliniken will be consolidated from the second half of 2015.

Commenting on these figures, Yves Le Masne, ORPEA's Chief Executive Officer, said: *"Our strong growth has accelerated further, with revenue increasing 26.5% in the second quarter of 2015, after a +25.7% increase in the first quarter. International business now represents 32% of Group revenue.*

*In the first half of 2015, ORPEA generated €1,123.1 million of revenue (+26.1%), the first time our revenue has exceeded €1 billion in any six-month period, and more than our revenue in the whole of 2010.*

*Our excellent growth impetus is still based on the combination of two drivers underlying ORPEA's business model:*

- *solid organic growth (+5.7%), with 1,350 beds (14 facilities) opened during the first-half period – of which 55% were outside France (in Belgium and Germany) – while established facilities in all countries achieved firm progress;*
- *strong acquisition-led growth outside France, including contributions from Silver Care in Germany and SeneCura in Austria.*

*As a result of its strong first-half growth and the further development of its German business with the acquisition of Residenz Gruppe Bremen, ORPEA is raising its full-year 2015 revenue forecast for the second time this year, to €2,380 million, representing growth of 22%, compared with full-year 2014."*

### **Acquisition of Residenz Gruppe Bremen in Germany**

ORPEA has signed an agreement to acquire the family-owned German nursing care group Residenz Gruppe Bremen (RGB). The RGB' facility network is an ideal fit with Silver Care in terms of geographical coverage, and consists of 3,006 beds across 38 nursing homes.

- RGB currently operates 2,496 beds in 34 facilities;
- and has 510 beds under construction (capacity extensions and 4 new facilities).

Residenz Gruppe Bremen is an attractive opportunity for ORPEA to strengthen its presence in northwest Germany, and meets the Group's strategic acquisition criteria:

- It is a high-quality network, with 80% of beds in single bedrooms, its buildings are modern (86% of which are less than 10 years old) and it operates in Lower Saxony, Bremen, North Rhine-Westphalia and Hesse;
- It has a solid reputation for quality and an experienced local management team that will remain with the company;
- It complements the Silver Care's network very well in geographical terms: certain facilities will fit very well into existing clusters<sup>2</sup>, and a new cluster<sup>2</sup> will be created in the Bremen area;
- There is a strong value creation potential by extending certain facilities, creating new ones, and achieving synergies in terms of purchasing and head office costs.

This new development is fully in line with ORPEA's expansion strategy in Germany, which involves a combination of creating new facilities and making bolt-on acquisitions. RGB's integration will take place gradually, and will be made easier by the fact that the company's culture is identical to ORPEA's, focusing on high quality care and services, along with commitment to residents and their relatives, as well as to our valued employees.

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<sup>2</sup> As a reminder: a "cluster" refers to a regional group of facilities.

RGB generated revenue of €67 million in 2014. It will be consolidated from the fourth quarter of 2015, and. The acquisition will be financed entirely from the Group's cash position.

ACXIT Capital Partners, represented by Thomas Klack and his team, acted as the exclusive financial adviser, with CMS Hasche Sigle acting as ORPEA's legal counsel in Germany.

After the deal, ORPEA's German network will have 119 facilities representing 11,980 beds, including 1,037 under construction. As a result, only 12 months after first moving into Germany, ORPEA has doubled the size of its network in that country.

Overall, the ORPEA Group's total network now consists of 653 facilities representing 63,942 beds, including 9,611 under refurbishment or construction. Facilities outside France now account for 49% of the network, as opposed to 26% at end-2013.

### **Increased financial flexibility following a €310.5 million Schuldschein issue**

As part of its strategy to diversify its funding sources and increase its financial flexibility, ORPEA carried out an issue of Schuldscheindarlehen (German-law debt instruments) in July. The issue was highly successful. Having initially sought to raise €100 million, ORPEA increased the offer to €310.5 million in response to very strong investor demand. The instruments were issued across a range of maturities and on particularly favourable terms. ORPEA's solid business model appealed to investors of all types, in both Europe and Asia.

The Schuldschein issue was arranged jointly by BNP Paribas, Helaba - Arkea Banque and Société Générale CIB.

*Dr. Jean-Claude Marian, Chairman of ORPEA, concluded: "With four strategic acquisitions in the space of only 18 months, in Germany, Austria, Czech Republic and Switzerland, ORPEA is actively pursuing its international expansion. The acquisition of Residenz Gruppe Bremen represents a growth opportunity that complements our existing German platform in both geographical and financial terms.*

*Since the start of 2015, ORPEA has again shown its ability to combine very strong revenue growth with targeted and value-creating development and increased financial flexibility. The success of our Schuldschein issue has not only reduced our cost of debt, but also of course, it will further increase our financial capacity to achieve profitable growth.*

*With almost 50% of ORPEA's network now outside France, we have reached new scale and we are further strengthening our positions. We will continue to develop our business, particularly in German-speaking countries, while increasing the proportion of building ownership."*

**Next press release: first-half 2015 results  
23 September 2015 before the market opens**

**About ORPEA** ([www.orpea-corp.com](http://www.orpea-corp.com))

Founded in 1989, and listed on Euronext Paris since April 2002, ORPEA is a European leader in integrated Long-Term Care and Post-Acute Care. The Group has a unique network of 653 healthcare facilities, with 63,942 beds (9,611 of them under refurbishment or construction), including:

- 32,792 beds in France at (3,931 beds under refurbishment or construction) at 354 facilities;
- 31,150 beds in the rest of Europe (Germany, Austria, Belgium, Spain, Italy, Czech Republic and Switzerland) at 299 facilities (5,680 beds under refurbishment or construction).

**Listed in Euronext Paris Compartment A**, a Euronext Group market  
Member of the **SBF 120, STOXX Europe 600, MSCI Small Cap Europe** and **CAC Mid 60** indices -  
Member of the **SRD**  
ISIN: FR0000184798- Reuters: **ORP.PA** - Bloomberg: **ORP FP**



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