



**SOLID SALES GROWTH IN Q1 2013: UP 14.2% TO €384.5 MILLION
WITH 70% GROWTH IN INTERNATIONAL SALES**

2013 SALES TARGET CONFIRMED AT €1,600 MILLION

**NEW STAGE IN LONG-TERM INTERNATIONAL EXPANSION:
PLANNING TO DEVELOP A PRESENCE IN CHINA**

Puteaux, 30 April 2013

ORPEA, the leading European player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, has today announced its sales for the first quarter to 31st March, 2013.

<i>In €m</i>	Q1 2013	Q1 2012	<i>Var.</i>
France	320.3	298.7	+7.2%
<i>% of total sales</i>	<i>83%</i>	<i>89%</i>	
International	64.2	37.8	+69.6%
<i>% of total sales</i>	<i>17%</i>	<i>11%</i>	
Belgium	39.0	18.6	
Spain	12.6	9.3	
Italy	9.0	7.1	
Switzerland	3.7	2.8	
Total sales	384.5	336.5	+14.2%
<i>Organic growth ¹</i>			+7.0%

¹ Organic growth reflects the following factors: 1. the growth in sales (in period n vs. period n-1) of existing facilities as a result of changes in their occupancy rates and daily rates, 2. the growth in sales (in period n vs. period n-1) of restructured facilities or those with capacity increased during period n or n-1, and 3. sales generated in period n by facilities set up in period n or n-1. Organic growth includes the improvement in sales recorded at recently-acquired facilities by comparison with the previous equivalent period.

Commenting on these figures, Yves Le Masne, ORPEA's Chief Executive Officer, said: *"ORPEA has made a solid start to the year, with strong sales growth of 14.2%, better than the 12% growth expected for the full year.*

Organic growth remained strong at 7%, under the effects of:

- *continued high occupancy rates at mature facilities;*
- *faster-than-expected growth in the contribution from new openings in 2012;*
- *the opening during the first quarter of 640 beds, in 7 facilities (6 in France and 1 in Switzerland).*

International business, in all the countries where the group is active, continued to grow strongly and now contributes 17% of consolidated sales.

This first quarter demonstrates once again that ORPEA has very low sensitivity to the economic and financial climate thanks to the fundamentals of its sector and the quality of its network of facilities.

This performance has allowed the group to reiterate its targets for 2013 with considerable confidence: sales growth of 12% (€1,600 million), growth in profit and cash flow, control of debt and all of this against a background of selective growth."

New stage in international development: planning a presence in China

Nearly ten years after its first steps into international markets, and building on its position as a European leader, ORPEA has launched a new phase of its long-term development, with plans to create a presence in China.

China is already facing the challenge of an ageing population, and this will be amplified over the coming years. The number of people aged over 60 will increase by a factor of 2.5 by 2050, rising from 185 million to 450 million, of whom 30%, or 150 million, will be aged over 80.

Faced with this demographic explosion, the care offering is very limited. The country will therefore have to massively increase the number of medical facilities capable of offering long-term care for highly dependent people and care for neurodegenerative diseases such as Alzheimer's disease.

Although the public sector will cover most of these requirements, a substantial proportion of the sector will be entirely private, particularly for wealthier individuals seeking very high-quality offer.

After many months of research and meetings, ORPEA has decided to establish itself in China and is in the process of creating a subsidiary there. ORPEA will provide its expertise, which has already been successfully adapted abroad in four different countries:

- to build modern facilities;
- to introduce quality procedures in care, hotel services and the management of the daily life of the facility;
- to recruit, train and build loyalty in the teams providing care for elderly people.

The projects currently being developed by ORPEA's development teams will naturally rely on local staff. They will be adapted to Chinese culture and requirements, both in terms of the care provided, with a significant contribution from Chinese medicine, and the lifestyles of elderly Chinese people.

The projects will solely take the form of the creation of new facilities, thus limiting investment and increasing value creation.

Numerous local and international investors have already shown considerable interest in working with the Group, particularly in the area of real estate investment, allowing ORPEA to concentrate on the operation of the facilities.

The aim is a phased development of medical nursing homes in major Chinese cities such as Shanghai and Beijing, meeting the needs of long-term care and providing very high-quality care, services and accommodation.

Summing up, Doctor Jean-Claude Marian M.D., Chairman of ORPEA, said: *"ORPEA now has a particularly solid base from which to continue its international growth, with nearly 30,000 beds in France and a leading position in Europe. By expanding into neighbouring European countries nearly ten years ago, ORPEA demonstrated its ability to roll out its model successfully, whilst at the same time adapting to local regulations and cultures. Taking the logical next step, ORPEA is now looking at China, a country where demand is huge and where the group can offer its experience and expertise.*

This growth will come gradually, backed by a long-term vision, and will respect the group's overall strategy of highly selective development and an emphasis on cash flow growth over the short, medium and long term.

Naturally, the group will continue to expand in France and in the other European countries where it has a long-established presence and where demand still remains considerable, with China now providing an additional motor of the group's profitable growth."

**Next press release: H1 2013 revenues
17 July 2013 before market opens**

About ORPEA (www.orpea-corp.com)

Listed on Euronext Paris since April 2002 and a member of the Deferred Settlement Service, the ORPEA group is the leading European player in the Long-Term Care and Post-Acute Care sectors.

At 1st March 2013, the Group had a unique European network of 431 healthcare facilities with 40,374 beds (34,972 of them operational), including:

- 29,477 beds in France: 26,488 operational (including 2,334 being renovated) + 2,989 under construction, at 339 facilities,
- 10,897 beds in Europe (Spain, Belgium, Italy and Switzerland): 8,484 operational (including 912 being renovated) + 2,413 under construction, at 92 facilities.

Listed on Euronext Paris Compartment of NYSE Euronext
Member of the **CAC Mid 60** and **SBF 120** indices - Member of the **SRD**
ISIN: FR0000184798 - Reuters: **ORP.PA** - Bloomberg: **ORP FP**



Media Relations:

PUBLICIS CONSULTANTS

Jérôme Goaër

Tel: +33 (0)1 44 82 46 24

Email: jerome.goaer@consultants.publicis.fr

Investor Relations:

ORPEA

Yves Le Masne

CEO

Steve Grobet

Investor Relations Officer

Tel: +33 (0)1 47 75 74 66

Email: s.grobet@orpea.net

NewCap.

Dusan Oresansky / Emmanuel Huynh

Tel: +33 (0)1 44 71 94 94

orpea@newcap.fr