

STRONG Q3 2017 REVENUE GROWTH OF +10% TO €797 MILLION

ACCELERATION IN INTERNATIONAL REVENUE GROWTH OF +20.2%

ACQUISITION OF INOGES, THE GERMAN LEADER IN OUTPATIENT REHABILITATION

2017 REVENUE TARGET OF OVER €3,125M (GROWTH OF +10% VS. 2016)

Puteaux, 7 November 2017 (6:00 pm CET)

The ORPEA group, one of the main world leader in long-term care (nursing homes, post-acute and rehabilitation hospitals, psychiatric hospitals, and homecare services), today announces its revenue for the third quarter of 2017 to 30th September.

9 months revenues up by 10.3%

In €m IFRS	Quarterly			9 months		
	Q3 2017	Q3 2016	Change	2017	2016	Change
France	440.7	428.2	+3.0%	1 319.1	1 264.2	+4.3%
<i>% of total revenue</i>	<i>55%</i>	<i>59%</i>		<i>57%</i>	<i>60%</i>	
International	356.2	296.4	+20.2%	1 003.7	841.0	+19.4%
<i>% of total revenue</i>	<i>45%</i>	<i>41%</i>		<i>43%</i>	<i>40%</i>	
Germany	134.8	126.6		395.3	373.3	
Austria	69.1	45.2		172.1	128.8	
Belgium	41.8	40.8		123.6	120.4	
China	0.5	0.2		1.2	0.2	
Spain	36.3	32.7		105.3	67.2	
Italy	13.4	12.7		38.1	36.5	
Poland	3.6	2.8		9.9	8.0	
Switzerland	52.4	34.8		150.0	105.5	
Czech Rep.	4.4	0.5		8.3	1.0	
Total revenue	796.9	724.6	+10.0%	2 322.8	2 105.2	+10.3%
<i>Including organic growth¹</i>			+4.9%			+5.3%

Spitex in Switzerland has been consolidated since 1st January 2017, Anavita in the Czech Republic since 1st April 2017, and Dr. Dr. Wagner in Austria since 1st July 2017.

¹ Organic growth is calculated based on an equivalent number of days to 2016 and reflects the following factors: 1. The year-on-year change in the revenues of existing facilities as a result of changes in their occupancy rates and daily rates; 2. The year-on-year change in the revenues of redeveloped facilities or those where capacity has been increased in the current or year-earlier period; 3. Revenues generated in the current period by facilities created in the current or year-earlier period, and the change in revenues at recently acquired facilities by comparison with the previous equivalent period.

Yves Le Masne, Chief Executive Officer of ORPEA, commented:

“Our growth momentum continued throughout the third quarter, as we recorded a revenue growth of +10%. The key drivers were a dynamic organic growth in all territories (+4.9%) and the contribution from our recent acquisitions, chiefly Dr. Dr. Wagner in Austria and the Spitex homecare network in Switzerland.

Our quarterly performance illustrates the expansion of the international strategy initiated several years ago, with an accelerating of revenue growth across the international markets to reach over 20% as a result of both organic growth and acquisitions. International markets now contribute to 45% of our revenue, up from less than 30% just three years ago.

Over the first nine months, our revenue grew by +10.3% to €2,323 million, with over half attributable to organic growth (+5.3%) driven by:

- *consistently high occupancy rates in mature facilities across the network*
- *the ramp-up in the opening of facilities internationally over the past two years*
- *the opening of over 1,400 beds over the first nine months (new facilities and extensions).*

We continued to pursue our strategy of selective external growth, with the acquisition of Inoges in Germany. Its expertise in outpatient rehabilitation, an innovative sector with a strong growth as a result of support from public authorities and patient demand, perfectly fits with the Celenus Kliniken network of post-acute and rehabilitation hospitals. We also continued to initiate a number of projects to build new international facilities, especially our new territories, to further raise our profile and increase our growth potential.

We are confidently restating our full-year revenue target of over €3,125 million (a 10% increase compared to 2016), together with margin improvement.”

Acquisition of Inoges, the German leader in outpatient rehabilitation

Celenus Kliniken, the ORPEA subsidiary managing rehabilitation facilities in Germany, has acquired a majority shareholding in Inoges. Founded in 2003 by its current manager, Inoges is the German leader in outpatient rehabilitation (equivalent to day hospitals). Inoges has 30 locations (including 2 inpatient rehabilitation facilities) in urban areas close to hospitals, primarily in North Rhine-Westphalia Hesse and Bavaria.

In approximately 15 years, Inoges has developed an innovative offering recognized for its quality through the Salvea brand, which has a solid reputation.

Outpatient rehabilitation has expanded at a very strong pace in Germany (growth of 13% p.a. over the past 10 years), supported by both public authorities and private insurers, meeting increasingly strong demand from patients.

Inoges recorded a 2016 revenue of €50 million. The transaction is still subject to clearance from the competition authorities.

For Celenus Kliniken, this acquisition represents a unique strategic opportunity to build on its existing inpatient rehabilitation offering and to generate synergies between the two businesses, with new development opportunities in Germany.

**Next press release: full-year 2017 revenue
13 February 2018 after market close**

About ORPEA (www.orpea-corp.com)

Since its creation in 1989, ORPEA has expanded rapidly to become one of the main world leader in long-term care, with its network of 798 facilities, with 82,838 beds (12,371 of them under construction or redevelopment), including:

- 33,122 beds in France (2,409 beds under construction or redevelopment) at 357 facilities
- 49,716 beds outside France (Austria, Belgium, Brazil, China, Czech Republic, Germany, Italy, Poland, Portugal, Spain and Switzerland) at 441 facilities (9,962 beds under construction or redevelopment)

ORPEA is listed on Euronext Paris (ISIN code: FR0000184798) and a constituent of the SBF 120, STOXX 600 Europe, MSCI Small Cap Europe and CAC Mid 60 indices.

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