



MAJOR NEW PHASE OF INTERNATIONAL DEVELOPMENT

- **STRATEGIC ACQUISITION OF SENEVITA, A LEADING PLAYER IN THE SWISS RETIREMENT HOME MARKET**
- **21 FACILITIES AND REVENUE OF AT LEAST CHF160 MILLION EXPECTED IN 2016**

Puteaux, 6 March 2014

The ORPEA group, a leading European player in Long-Term Care (nursing homes), Post-Acute Care and Psychiatric Care, has today announced the acquisition of Senevita, a subsidiary of Austrian group SeneCura.

A unique network with an excellent growth pipeline

Senevita is a leading Swiss provider of long-term care, with a network of 21 facilities at end-2013, breaking down as follows:

- 13 existing facilities with 1,182 beds, generating annual revenue of CHF83 million;
- 8 facilities under construction with 1,111 beds, due to open in the next three years.

This large, secured growth pipeline means that Senevita's operational network will double in the next three years to almost 2,300 beds, resulting in revenue of around CHF160 million in 2016.

With the ORPEA group's support and financial resources, Senevita's management and development team will naturally be able to gain new authorisations and make new acquisitions, starting in 2014 and continuing into the future. This will enable it to grow revenue beyond the figure of CHF160 million, which only takes into account the opening of the eight facilities currently under construction.

Senevita's concept successfully implemented in Switzerland consists of a mix of nursing homes and assisted-living facilities on each site.

Senevita's facilities are of a very high quality and are located in German-speaking Switzerland (cantons of Bern, Zurich, Basel, Aargau, Solothurn and Fribourg).

Its strategy is very similar to that of ORPEA, i.e. serving residents by combining development, quality and innovation in assisted-living and stationary care services. With the help of its highly committed staff, Senevita has won several awards for the quality of its care services.

Switzerland: major potential in the long-term care market

The Swiss long-term care sector is particularly attractive and meets all of ORPEA's criteria:

- an ageing population, with the number of dependent older people set to rise 18% between 2010 and 2020;
- an accelerating shift among public-sector facilities to the private sector;
- a private commercial sector that remains highly fragmented with a market share limited to 5% of the total number of beds ;

- a market where demand is regulated by canton's awards of local authorizations and permits ;
- high levels of solvency and strong demand for a diversified care offering covering all stages of dependency, including assisted-living facilities and nursing homes.

A new growth platform for ORPEA

The acquisition gives ORPEA a solid position in German-speaking Switzerland, through a company that has excellent potential because of its secured growth pipeline and numerous other projects currently being assessed. Senevita's management team has unique real-estate expertise in Switzerland, particularly in regards to designing healthcare facilities. It also has excellent knowledge of regulatory mechanisms, giving ORPEA fresh potential for generating growth and setting up high-value-added facilities.

An earnings-enhancing deal for ORPEA

The acquisition will be paid for entirely in cash, in compliance with ORPEA's financial criteria. Senevita does not own any real estate, but has long-term leases with institutional investors. It is debt-free.

Senevita will be consolidated in ORPEA's financial statements from 7 March 2014.

This acquisition will have an earnings-enhancing effect on the EPS as soon as 2014.

Yves Le Masne, ORPEA's CEO, made the following comments: *"This strategic acquisition in the first quarter of 2014 is fully in line with ORPEA's international development aims. Senevita has all the attributes that we are looking for:*

- *a high-quality network that will give us over 2,000 beds in German-speaking Switzerland, where demand for high-quality care is very high;*
- *exceptional potential for profitable growth, with revenue already guaranteed to double in the next three years due to the existing growth pipeline already secured;*
- *a management team that has a solid reputation and major capacity for development, resulting in particularly strong growth prospects.*

Senevita is a unique opportunity to obtain a platform for development in Switzerland, where growth in high-quality care facilities and sector consolidation are expected to accelerate in the next few years.

This deal marks a new phase in ORPEA's international expansion strategy, which will continue in the next few months since the group has a large amount of financial flexibility."

Advisors

Acxit Capital Management, represented by Thomas Klack and his team, was the financial advisor of ORPEA, while Bredin Prat acted as the legal advisor.

**Next press release: 2013 annual results
26 March 2014 before the 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 a 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 **MSCI Small Cap Europe**, **CAC Mid 60** and **SBF 120** indices - Member of the **SRD**
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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

Media Relations:

NewCap.

Dusan Oresansky / Nicolas Merigeau
Tel: +33 (0)1 44 71 94 94
orpea@newcap.fr