



Davos, Switzerland

Full-year 2018 Results

27 March 2019

1. Quality, innovation and well-being
2. Network and development
3. A new organization to secure a new phase of growth
4. 2018 Full-Year Results
5. 2018 and 2019 openings
6. Leader in Latin America
7. Strategy and outlook

Appendix



Comprehensive offering of mid-term and long-term care for physical and mental conditions

ORPEA dependency care offering

Core businesses

Complementary businesses

HEMOCARE
AND SERVICES



ASSISTED LIVING
FACILITIES



MEDICALISED
NURSING HOMES



- ✦ Alzheimer units
- ✦ High dependency units
- ✦ Day care

POST-ACUTE AND
PSYCHIATRIC
HOSPITALS



- ✦ Specialisations in post-acute: musculoskeletal, geriatric, addiction treatment, cardiology, nervous system, respiratory, oncology

Ambulatory
post-acute
and Psy.



Complementary activities to meet the demand of existing as well as future patients and residents



Quality, innovation and well-being

Quality according to ORPEA

- ✦ Continuous improvement of quality of care for patients / residents
- ✦ Professional development and well-being of employees

ORPEA key levers to improve quality

Innovation



Training

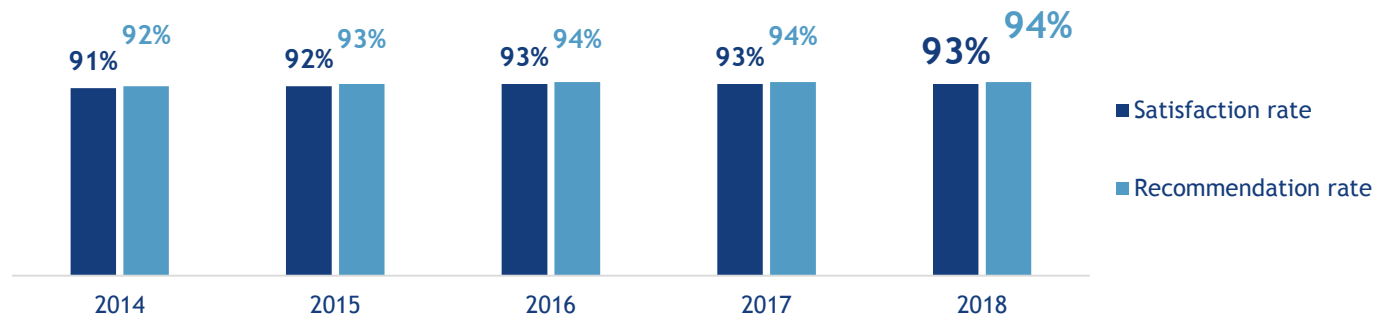
Diversity



Well-being and quality at work



More than 50,000 surveys sent, return rate of 60% in 2018



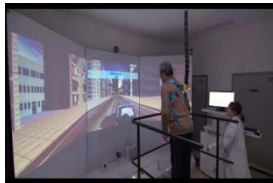
Aims: Improve the well-being of residents / patients AND employees

Few examples:



STRENGTHEN
the safety of residents / patients

- ✘ Coping with disorientation issues:
 - Evit'Errance: anti-wandering system detecting disorientated residents and used to avoid residents to run away
 - Handles equipped with anti-intrusion sensors (tested in 2 Alzheimer's units)



DEVELOP
their well-being and autonomy

- ✘ Light therapy used in Alzheimer disease
- ✘ Methodology: living spaces equipped with interactive light therapy; monitoring of sleep, anxiety and behavioural disorder
- ✘ Results: sleep extension and improved quality (>1h/day), reduction of the number of night awakenings (-2.5 awakenings/night)), reduce anxiety and behavioural disorder, positive for residents and for staff



ADAPT
care to new technologies

- ✘ Bio feedback used in psychiatry for anxiety post-traumatic stress disorder and migraine
- ✘ Therapy: neurofeedback, cardiac consistency
- ✘ Results: similar efficiency to classic treatment, reduction of tranquillizer consumption



IMPROVE
working conditions of employees

- ✘ Study the risk of burnout among employees working in Alzheimer unit
- ✘ Methodology: questionnaire covering professional and extraprofessional situations, sent to 185 nursing homes and clinics
- ✘ Results: setting up of regular training to cope with stressful situations / positive impact on working conditions



Over 100 innovative projects tested in less than 2 years

Lifelong training initiative

- ✦ 100% of employees trained every year
- ✦ **15 hours of training per employee and per year**

Training modules specially designed to meet the needs of employees and ORPEA's constantly evolving business model

- ✦ ORPEA jointly designs training modules and diplomas with renowned external partners

Example: Paris Descartes management degree, a program developed by ORPEA and suitable for the young nursing executives of the future

Major efforts to develop qualifications, training leading to qualifications, with everyone given their chance

- ✦ “VAE 280” programme for 2019: 280 auxiliaries to be promoted to nursing assistants by having their work experience accredited by an educational institution
- ✦ **Over 1,000 apprentices / work-study students** in Germany, France, Austria and Switzerland

Innovative training for managers

- ✦ Understand and manage a facility by forward planning to prevent psychosocial risks and promoting quality of life in the workplace

Over **730,000** hours of training provided in 2018, **up 21%** vs 2017



For the benefit of the Group's 59,500 employees



CHILDCARE FACILITIES FOR EMPLOYEES

In France, partnership with Babilou group to facilitate access to childcare facilities



"MACRON" BONUS

20,000 beneficiaries in France
Amount: €4 million



RECOGNITION AND REWARDS FOR TEAMS through various prizes and awards

Internal: Culinary award, ORPEA Excellence Award, Prize for quality
External: FHP awards, Silver show, SilverEco



QUALITY OF LIFE AT WORK

"Quality of life at work" agreement signed in 2018 (measures to fight discrimination, promote gender balance, work-life balance)



INTERVENTION UNIT DEDICATED TO SUPPORT TEAMS IN THE EVENT OF AN ORGANISATIONAL CRISIS

30 psychologists, discussion groups, individual and group support available to handle symptoms of post-traumatic stress disorder



Gender diversity

- ✦ 83% of employees are female
- ✦ 66% of management positions are held by women (77% in Spain)
- ✦ AGEFI 2018 Award for Diversity in Management
- ✦ ORPEA's 2018 male-female salary equality indicator: 84/100

Age diversity

- ✦ 10% of employees are under 25 years old
- ✦ 18% are over 55 years old

Disability

- ✦ Over 600 employees and company-level agreements in France and Spain

Loyal management team

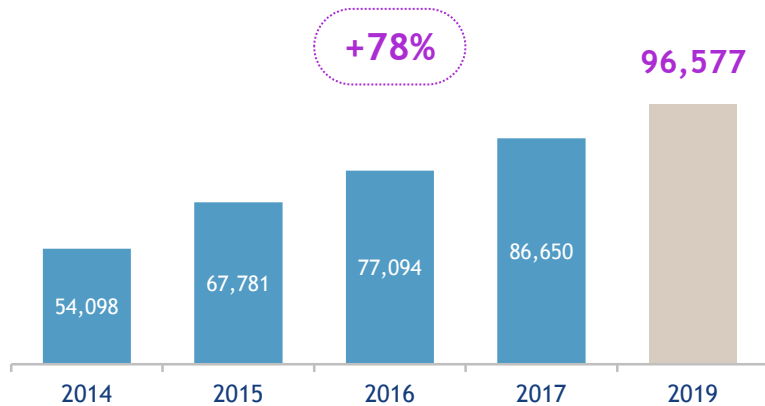




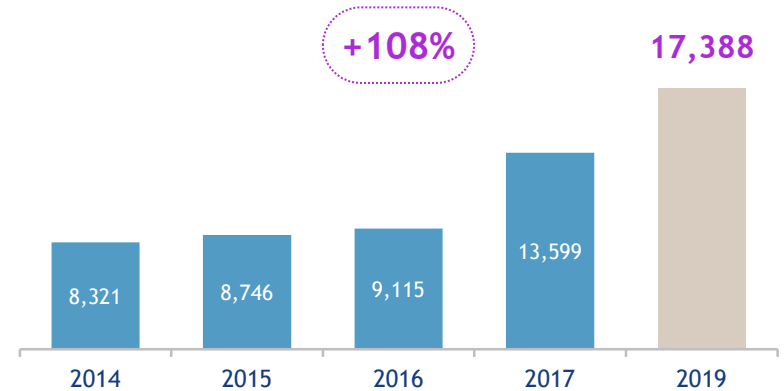
Network and development

2014-2019: strong acceleration of ORPEA international expansion with 7 new countries

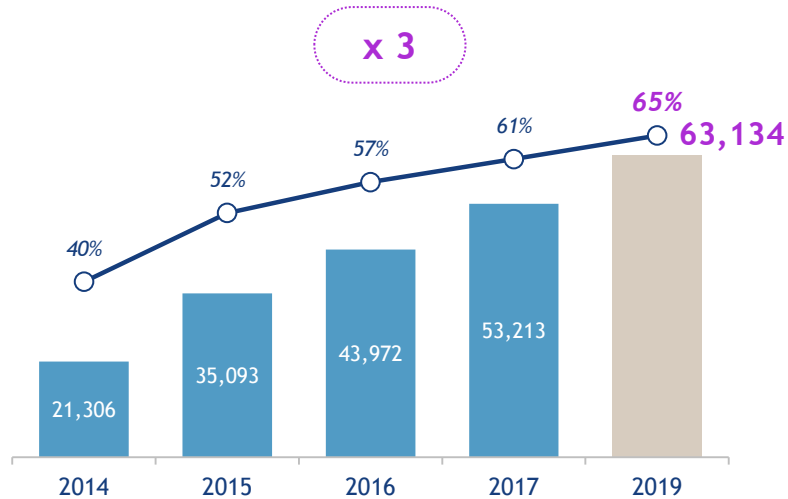
Total network (number of beds)



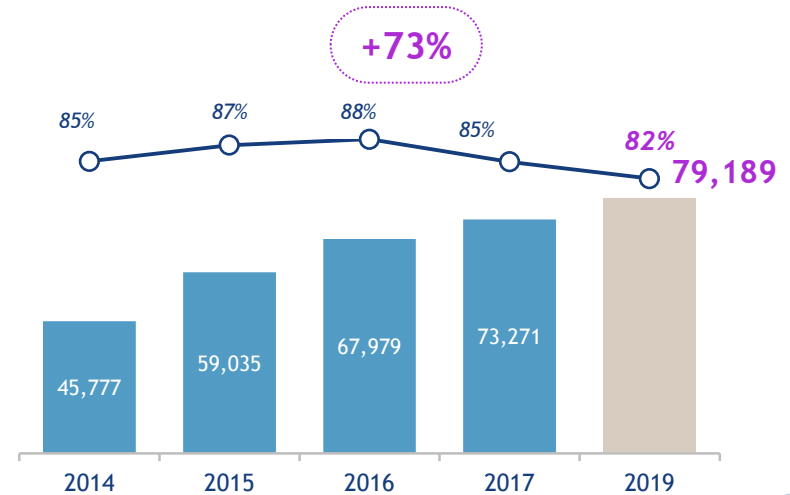
Pipeline (number of beds)



International network (number of beds and % of total network)



Maturity of the network (number of mature beds and % of total network)



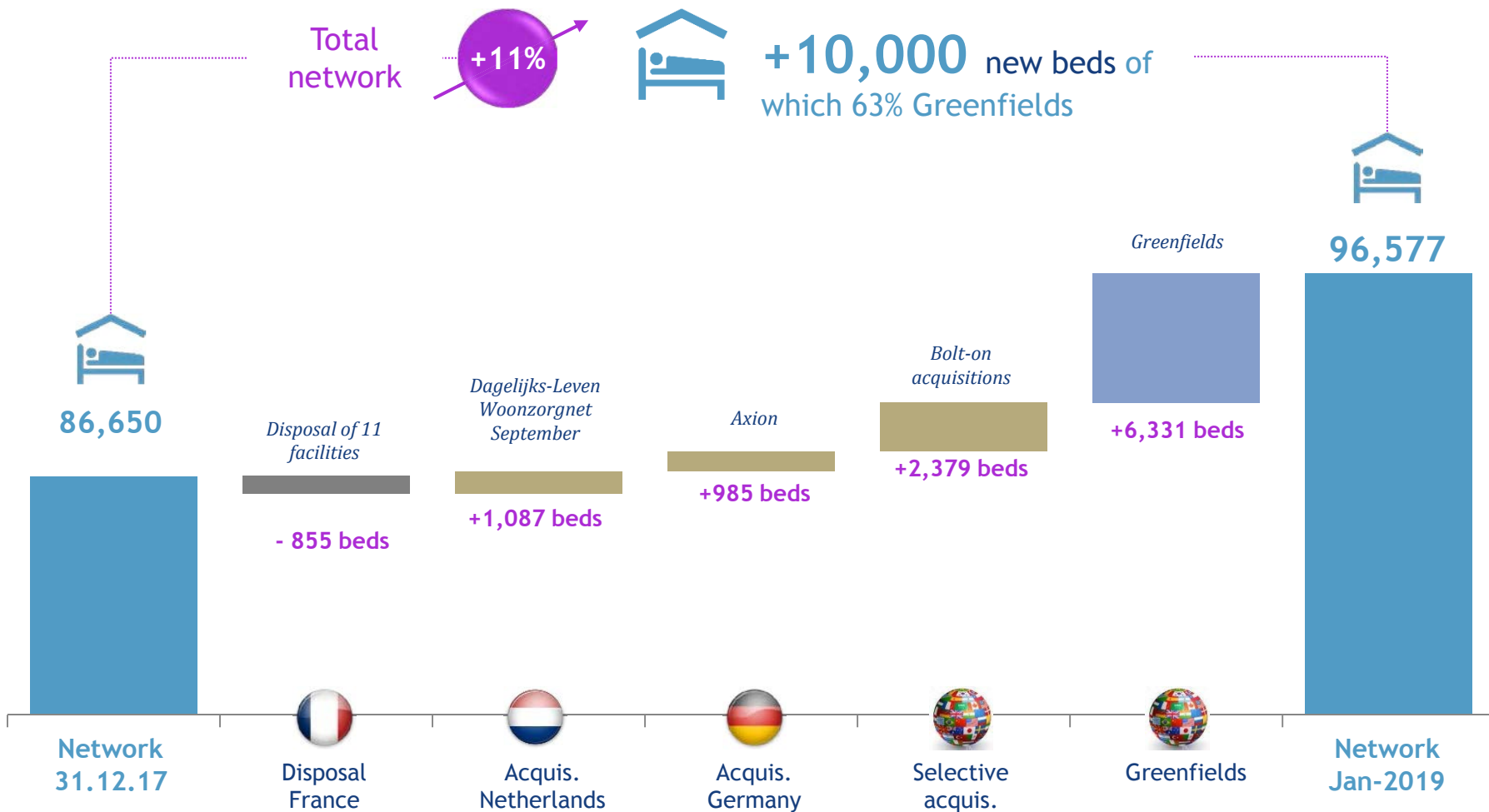
Network growth: +10,000 beds in one year

Total network

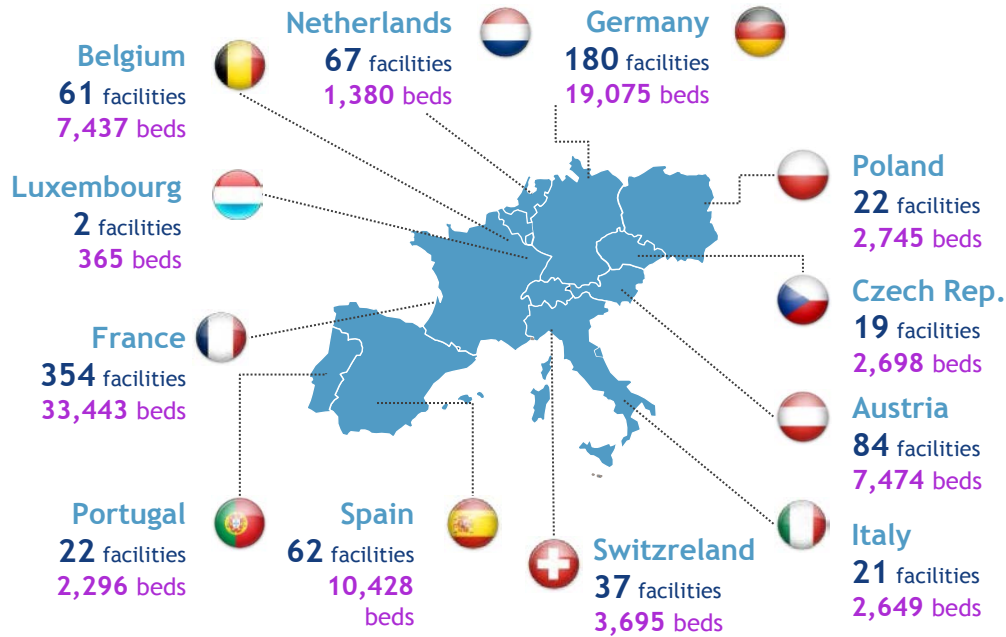
+11%



+10,000 new beds of which 63% Greenfields



Network of 950 facilities / 96,577 beds in 14 countries

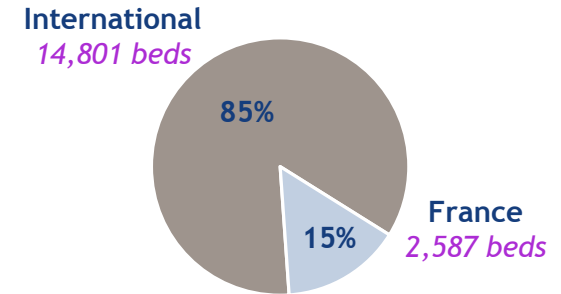


 **65% of the network outside France**

Growth pipeline of 17,388 beds under construction: +30% in 12 months

Country	Beds open	Pipeline = Beds under construction	Ch. of pipeline in 12 months	Pipeline (% of beds under const.)
Germany	16,228	2,847	+272	15%
Austria	7,088	386	+202	5%
Belgium	6,275	1,162	-606	16%
Brazil	471	2,281	+96	83%
China	140	0	0	0%
Spain	8,702	1,726	+1,419	17%
France	30,856	2,587*	+364	8%
Italy	1,940	709	+444	27%
Luxembourg	0	365	+365	100%
Netherlands	980	400	+400	29%
Poland	1,107	1,638	+530	60%
Portugal	635	1,661	+520	72%
Czech Rep.	1,905	793	-128	29%
Switzerland	2,862	833	+131	23%
TOTAL	79,189	17,388	+4,009	18%

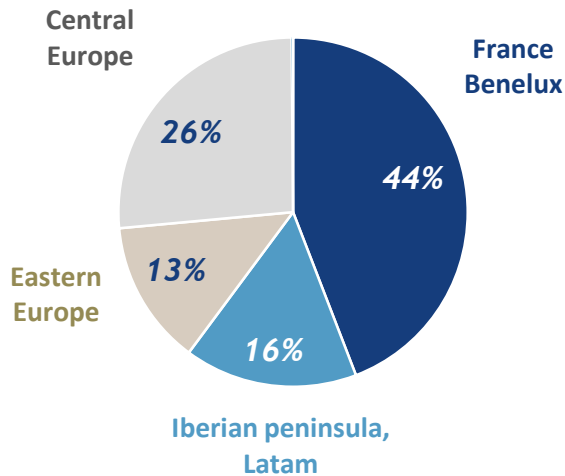
Geographical breakdown of the pipeline



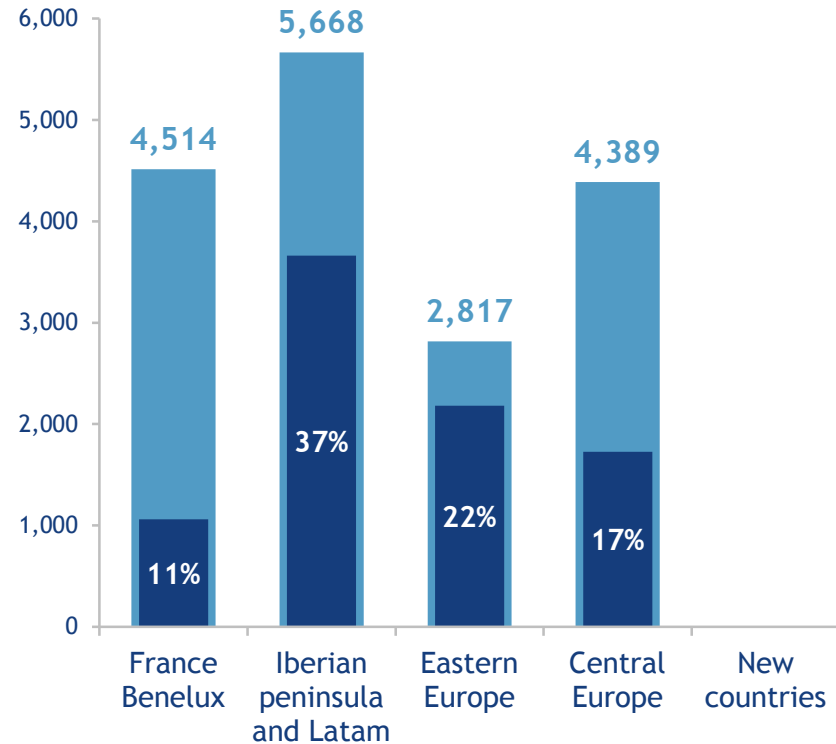
* Of which 1,087 beds under redevelopment

Growth pipeline doubled in 2 years

Beds breakdown by cluster



Pipeline breakdown by cluster



■ Beds under construction

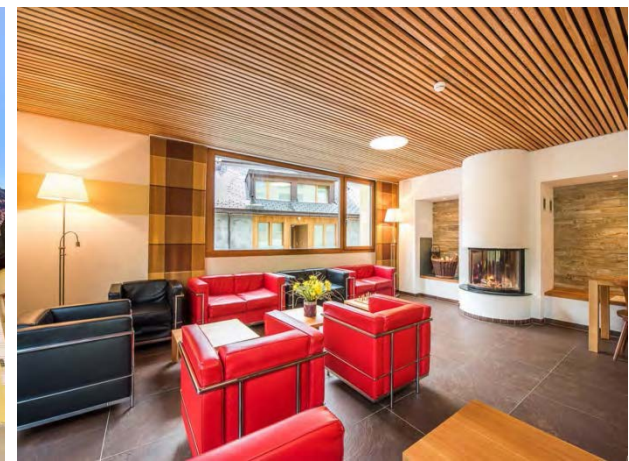
■ Beds under construction as % of total beds



Example of selective acquisition: clinica Holistica in Switzerland



- ✦ Psychiatric clinic focusing exclusively on stress-related diseases using various psychiatric and therapeutic approaches (physiotherapeutic, art, quigong, music etc)
- ✦ Created in 2010 and recently renovated to high standards with an outstanding reputation
- ✦ Premium facility of 61 beds with possibility of being extended
- ✦ Daily price of CHF 460 for the accommodation
- ✦ Located near Davos



- ✦ Creation of a premium facility: 125 beds of nursing home + 80 flats of assisted living
- ✦ Strategic location in Strassen, very closed to the historical center (4 km to Boulevard Royal)
- ✦ Project developed internally by ORPEA





Acquisition of Axion in Germany: strengthening of ORPEA premium nursing home positioning

- ✦ Premium segment under-developed in Germany with 25 facilities only (0.2% of the sector)
- ✦ **Acquisition of Axion: 7 facilities with 985 beds**, including 2 high-end nursing homes (275 beds) in Hamburg and 5 in good locations with recent buildings
- ✦ **€30m of FY revenue** and strong profitability
- ✦ **Set-up of a joint-venture ORPEA (75%) and Mr Tavridis (25%)** to develop premium facilities in Germany
- ✦ **Strategy of ORPEA: shifting the German network upscale**, by building premium facilities allowing to apply free pricing schemes

Aumühlen Residenz (Frankfurt)

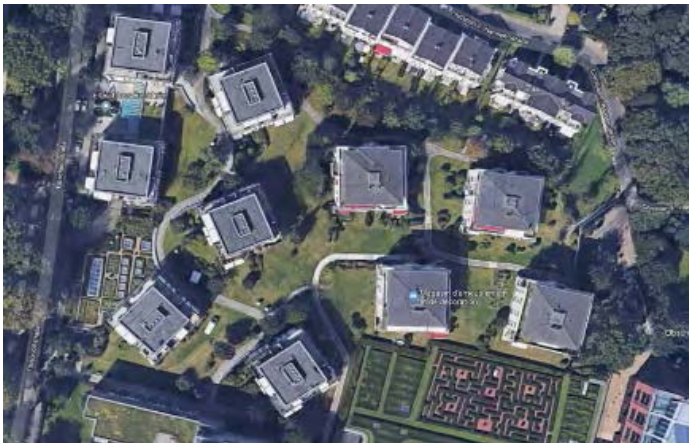


Riva Residenz (Potsdam)





ER-Elbchausee (Hamburg)



- ✦ Family group founded in 1998, with 5 facilities (936 beds) mixing 2 activities:
 - Nursing home
 - Highly-reputed rehabilitation center in Madrid
- ✦ Excellent locations, recent buildings: Madrid, center of Granada and Santander
- ✦ High-standard quality buildings with good reputation and strong regional integration
- ✦ Acquisition of 4 high-quality buildings out of 5: 50,000 sqm
- ✦ Acquisition already relative on cluster's margin with room for profitability improvement
- ✦ A perfect complementarity target to ORPEA Ibérica network





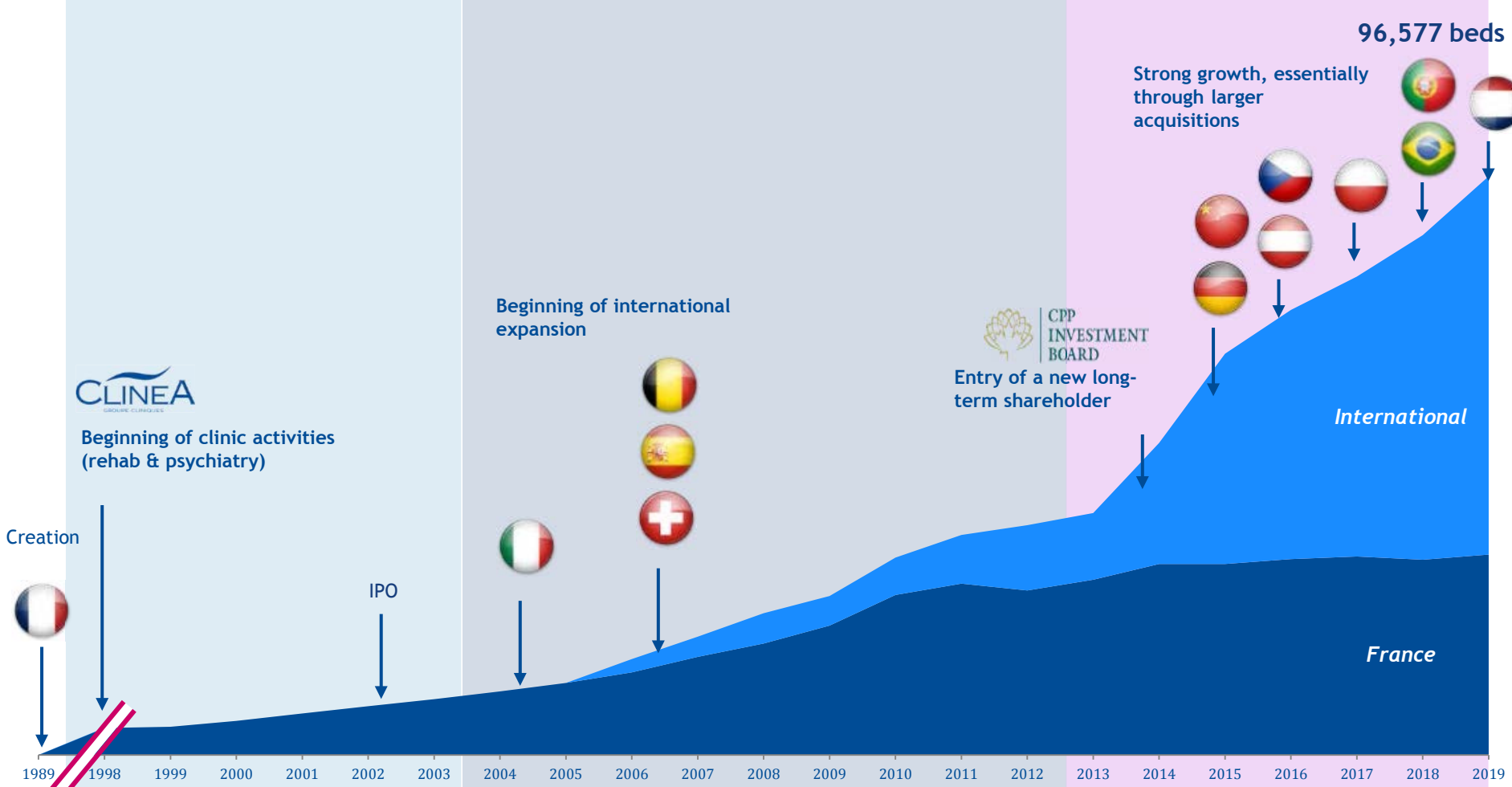
New organization to secure a new phase of growth

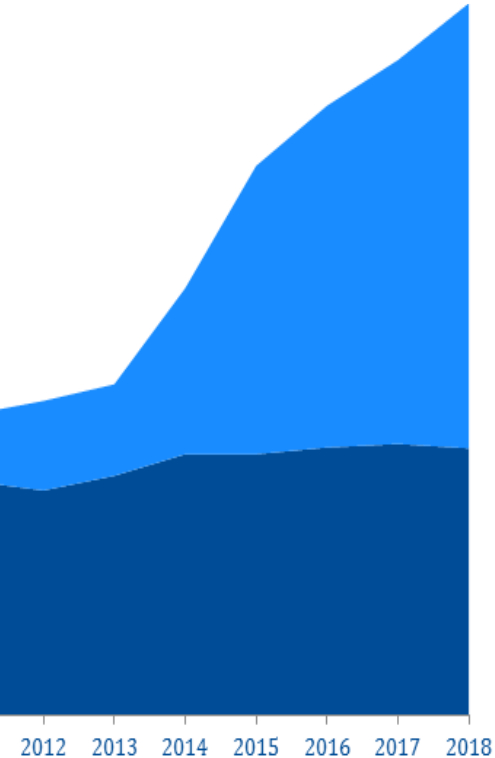
30 years of development

Structuration

Start of European expansion
+4 countries in 10 years

Internationalization
+8 countries in 5 years





BECOMING A GLOBAL PLAYER

ENTERING A NEW ERA IN ORPEA'S HISTORY

✦ A simpler, more secured and more efficient structure consistent with global development:

- Creation of clusters: multi-country entity with a management team and a headquarter managing one or more Business Units
- Business Units require limited teams
- Structuring and strengthening of Corporate Headquarter with experts in each corporate function supporting the clusters
- Significant strengthening of Internal Control / Compliance: team of 16 people at Corporate level and at least 1 per cluster

✦ Aim of the new organization:

- Increase the Group international culture
- Strengthen controls by corporate teams and internal control
- Increase the decentralization to manage more efficiently (organization and economically) more countries

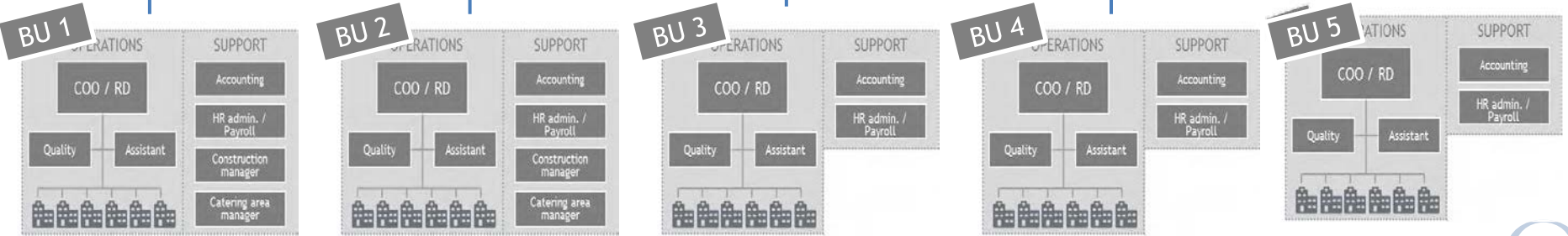
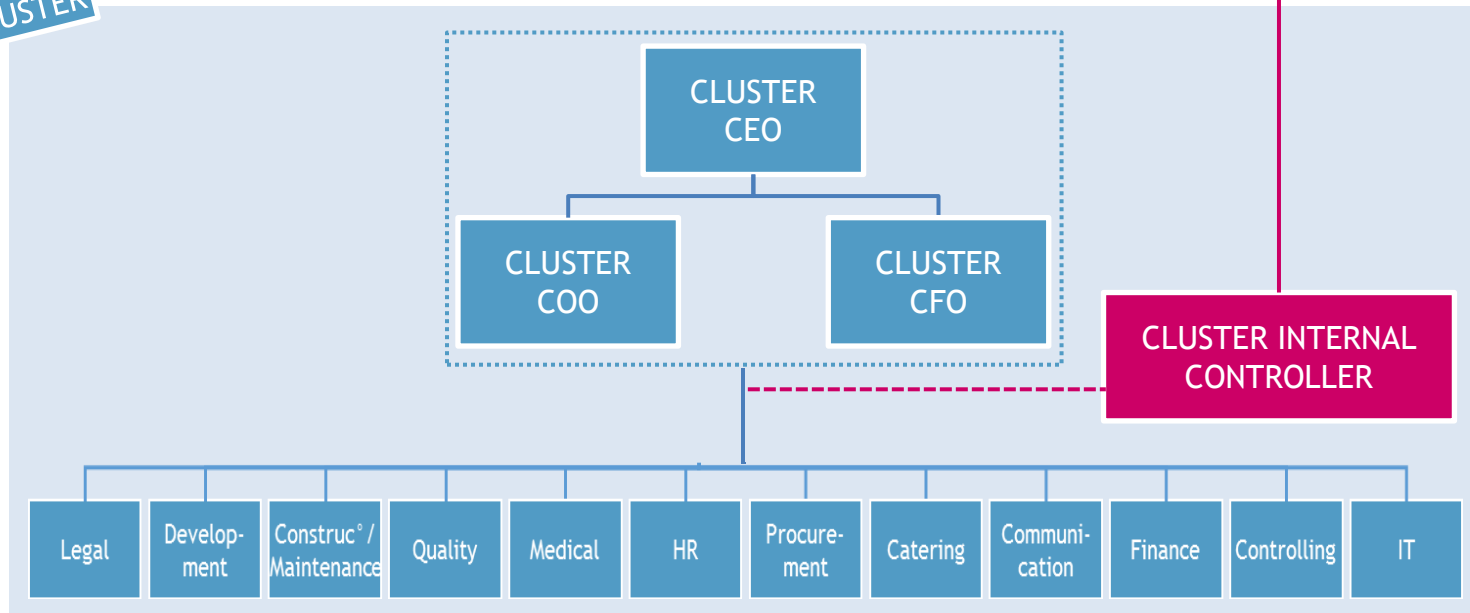


ORPEA has significantly increased its growth opportunities

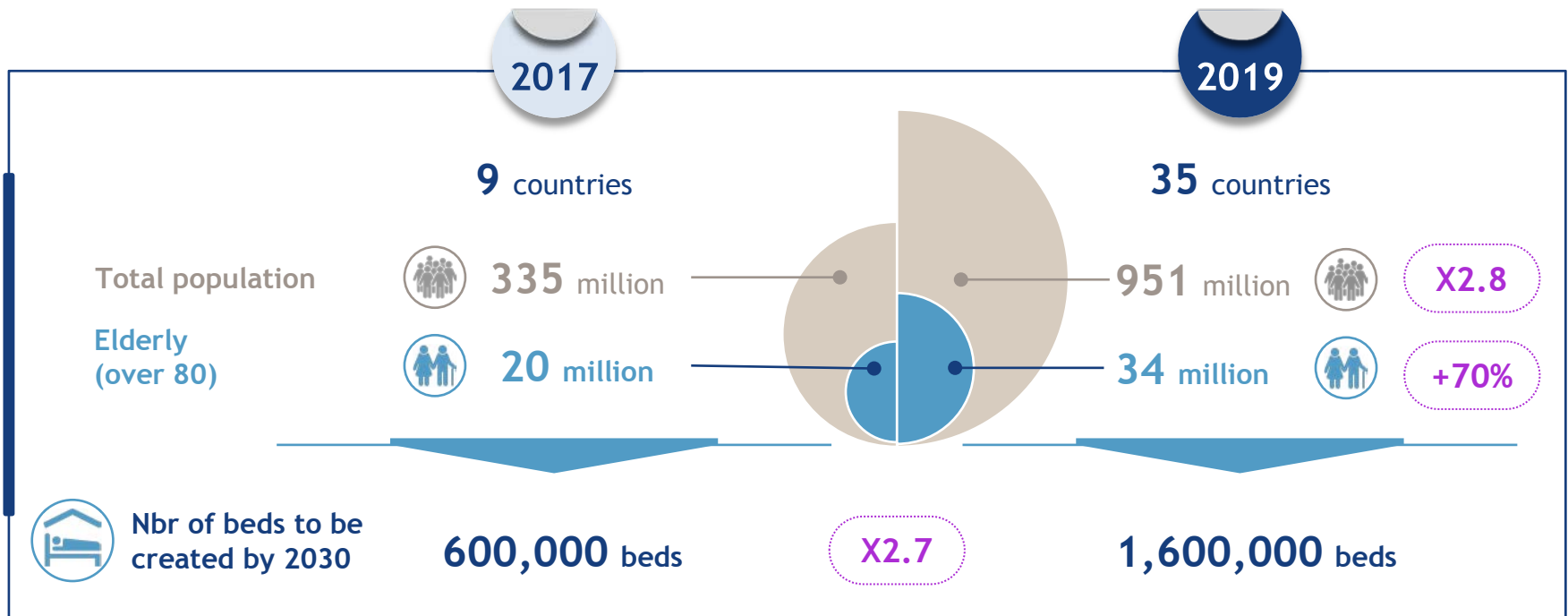
Clusters' organizational structure

CORPORATE INTERNAL AUDIT, RISKS & INTERNAL CONTROL OFFICER

CLUSTER



ORPEA new potential with geographic expansion and cluster organization



	EUROPE 2017 → 2050	LATAM 2017 → 2050
Elderly over 80 (million)	✦ 24.8 → 49.3 (x2.0)	✦ 9.3 → 36.5 (x3.9)
Equipment rate*	✦ 12% → 13%	✦ 3% → 7%

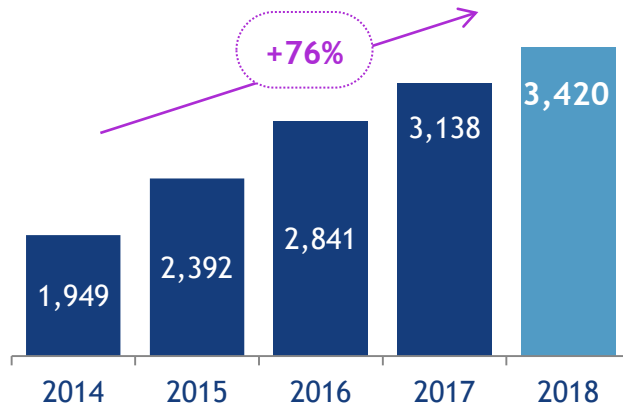
* Equipment rate: number of beds of nursing home divided by number of elderly over 80 years old



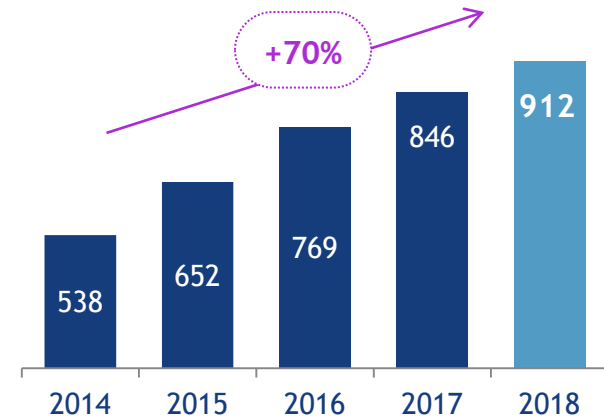
2018 Full-Year Results

A successful and profitable development strategy: +42,000 beds in 4 years

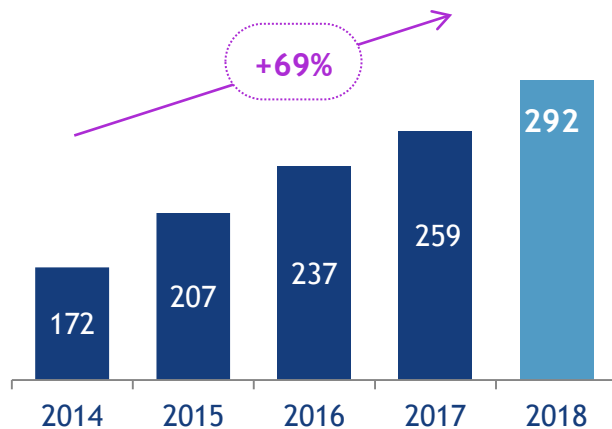
Revenue (€m)



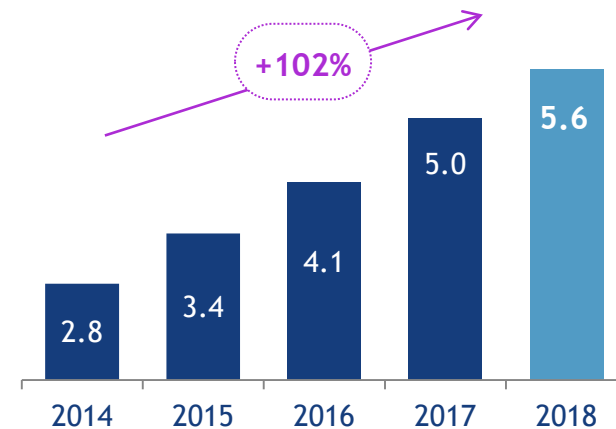
EBITDAR* (€m)



Ordinary profit before tax* (M€)



Real-estate portfolio¹ (€bn)



¹ Excluding the impact of assets held for sale

* See definitions in the glossary

Audit in progress

2018 OBJECTIVES

2018 ACHIEVEMENTS

① Revenue growth: +8.3% (€3,400m)

+9.0%
€3,420m

② Strong organic growth*

+5.0%
€155m

③ EBITDA* margin at least = 2017

+20 bps
17.7%

④ Debt optimisation

Cost of debt = - 20 bps at 2.9%
Average maturity = +1 year at 6.2 years

⑤ Strengthening of real-estate portfolio¹

+€586m
€5.6bn

¹ Excluding the impact of the €206m in assets held for sale at 31.12.18

* See definitions in the glossary

Strong growth of FY2018 revenue: +9.0% to €3,420m

€m	2018	2017	Ch.
France / Benelux	2,040.3	1,942.7	+5.0%
Central Europe	875.1	782.5	+11.8%
Eastern Europe	335.0	268.8	+24.6%
Iberian Peninsula	167.4	142.8	+17.2%
Other countries	2.0	1.5	NA
Total	3,419.8	3,138.2	+9.0%

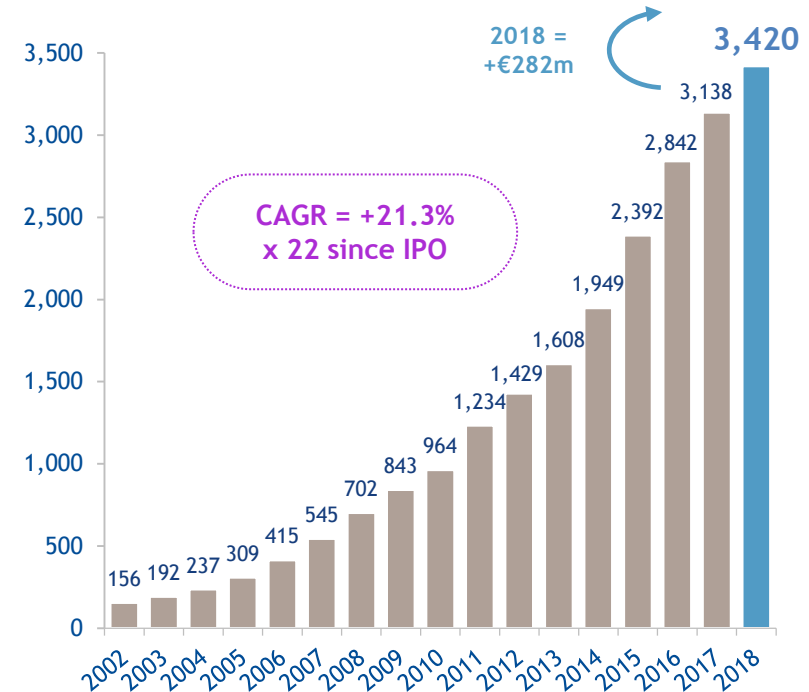
Central Europe: Germany, Italy and Switzerland
 Eastern Europe: Austria, Poland, Czech republic
 Iberic peninsula: Spain
 Other countries: China

Solid organic growth

- ✦ Openings in 2018: 2,300 beds
- ✦ Organic growth* in 2018: +5.0%

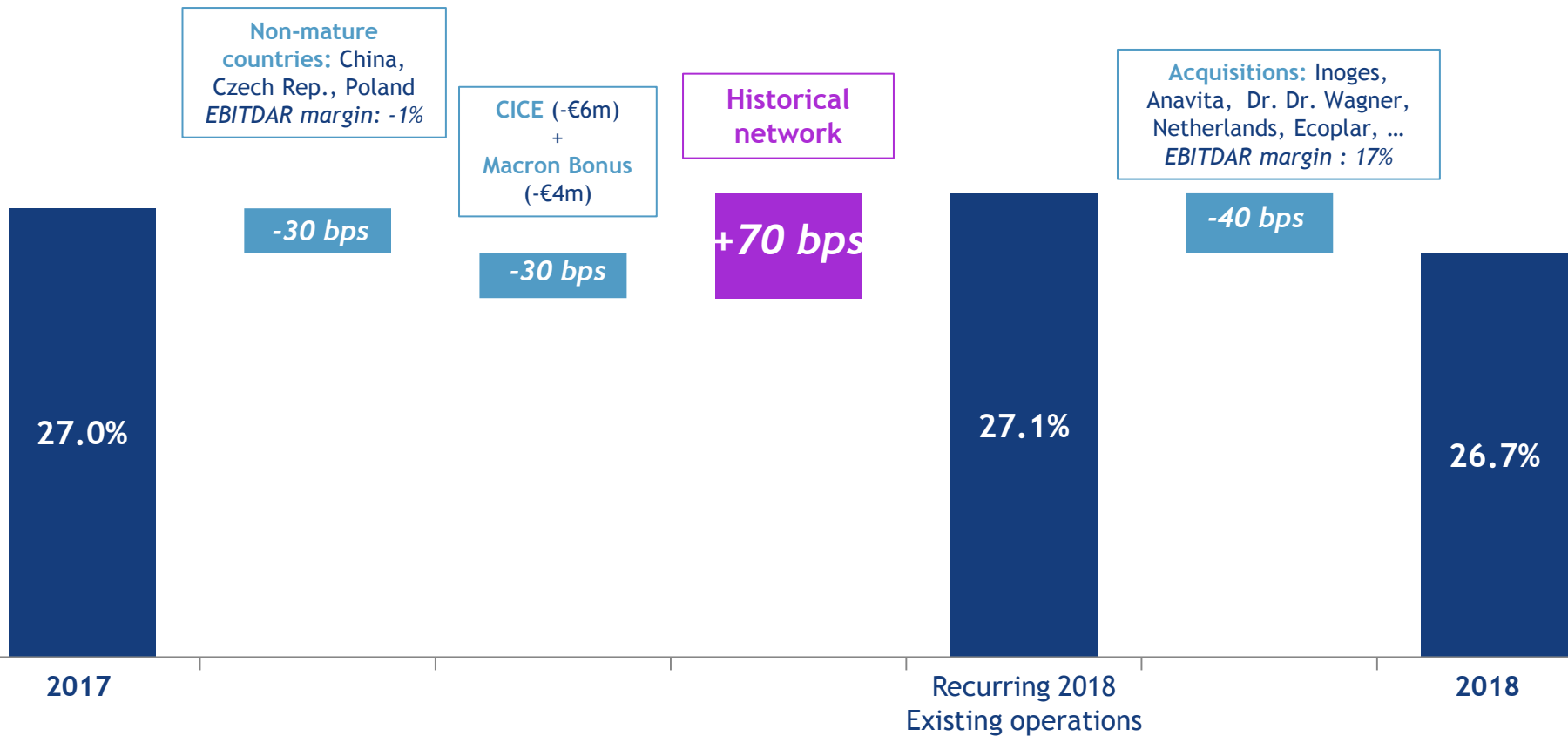
Sustained level of activity

Revenue annual growth since ORPEA IPO



* See definitions in the glossary

Strong increase in EBITDAR margin for historical network

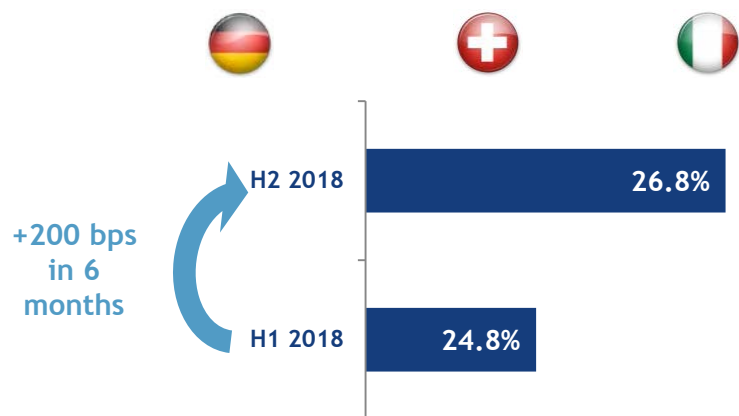


-  Solid performance of historical countries
-  Impact of new countries and acquisitions

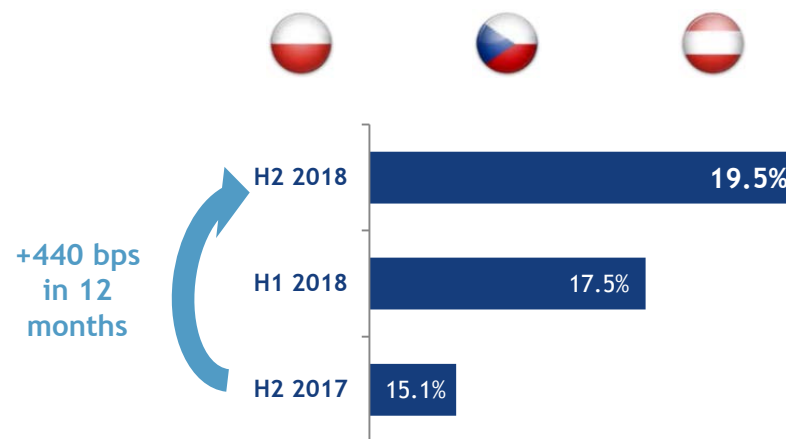
Profitability geographical breakdown

In €m	2018			2017			Comments
	Sales	EBITDAR*	Margin	Sales	EBITDAR*	Margin	
France / Benelux	2040.3	591.2	29.0%	1942.7	563.8	29.0%	+50bps excl. CICE cut and Macron bonus
France / Benelux excl. CICE and Macron bonus			29.5%				
Central Europe	875.1	225.9	25.8%	782.5	211.4	27.0%	100 bps negative impact from Inoges acquisition
Central Europe excl. Inoges			26.8%				
Eastern Europe	335.0	62.0	18.5%	268.8	44.0	16.4%	+210 bps: Dr Dr Wagner integration benefits
Iberia peninsula	167.4	35.1	21.0%	142.8	29.8	20.9%	+10 bps
Other countries	2.0	-2.3	N.A.	1.5	-2.9	N.A.	

Central Europe: strong increase in H2 EBITDAR margin

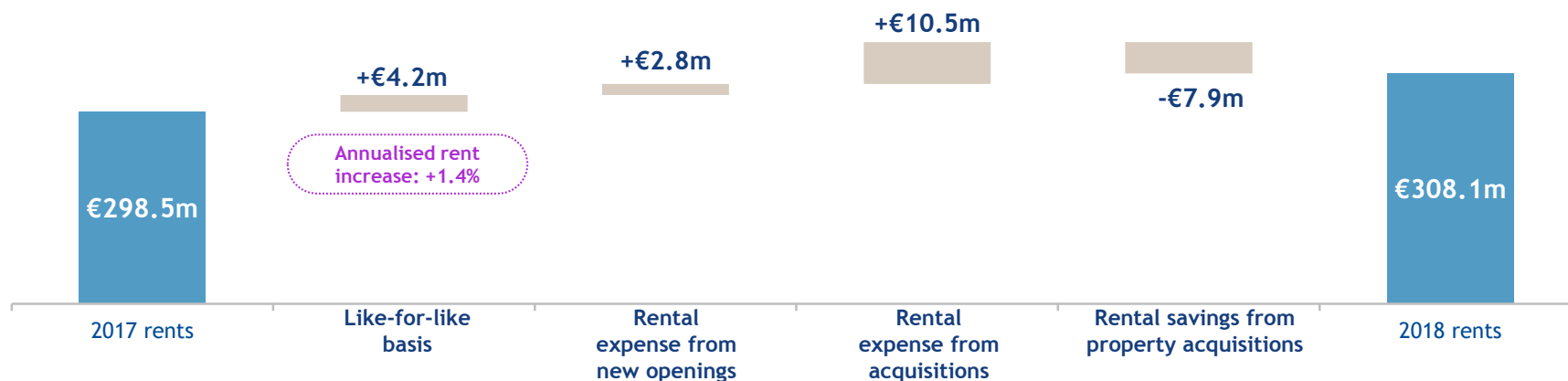


Eastern Europe: ramp-up effect



€m	2018	2017	Change
Revenue	3419.8	3138.2	+9.0%
Staff costs	-1802.3	-1639.5	+9.9%
Procurement	-607.5	-563.0	+7.9%
Taxes and duties	-119.3	-104.4	+14.2%
Other income and expenses	21.0	14.8	N.A.
EBITDAR* (before rent)	911.8	846.2	+7.8%
% of revenue	26.7%	27.0%	
Rents	-308.1	-298.5	+3.2%
EBITDA*	603.7	547.7	+10.2%
% of revenue	17.7%	17.5%	

Rental expenses analysis (in €m):



Strong increase in net profitability¹

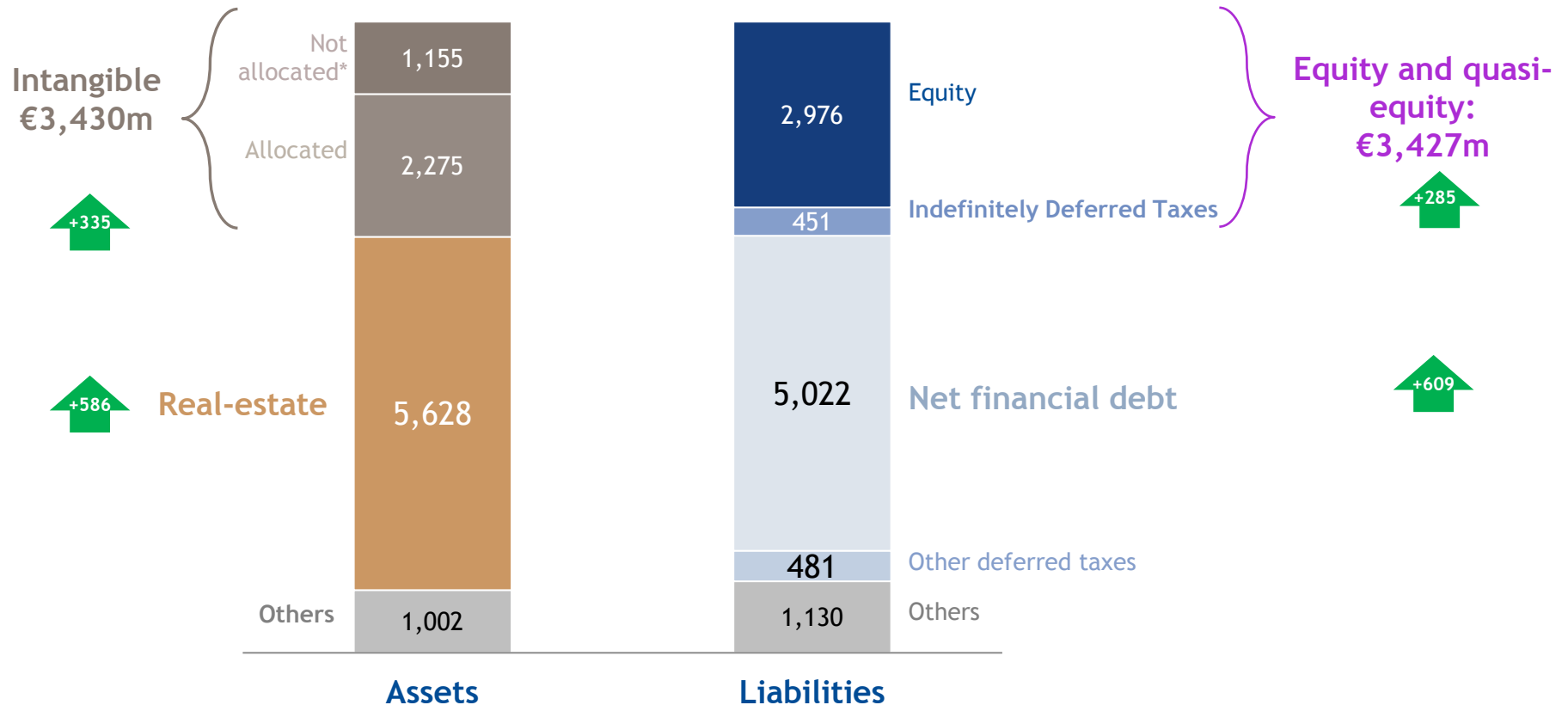
In €m	2018	2017 ¹	Change
EBITDA*	603.7	547.7	+10.2%
Depreciation, amortisation and provisions	-175.9	-153.3	+14.7%
Recurring operating profit	427.7	394.4	+8.4%
Net financial cost	-136.2	-135.4	+0.6%
Pre-tax profit on ordinary activities*	291.5	259.0	+12.6%
Non-recurring items	17.9	19.0	<i>N.A.</i>
Pre-tax profit	309.4	278.0	+11.3%
Income tax expense	-95.3	-84.6	+12.7%
Share in profit / (loss) of associates	7.0	4.4	<i>N.A.</i>
Net consolidated profit	220.4	197.8	+11.4%

¹ Excl. the cost (non-cash impact) of the early redemption of the ORNANE bonds

* See definitions in the glossary

<i>In €m</i>	2018	2017
EBITDA	604	548
Net cash from operating activities	415	398
Investments in construction projects	-382	-303
Acquisitions of real-estate	-336	-631
Disposals of real-estate	23	31
Net real estate investments	-695	-903
Net investments in operating assets	-264	-165
Net cash from financing activities	698	744
Change in cash over the period	154	74
	31.12.18	31.12.17
Cash at end of period	768	614

Simplified balance sheet¹ at 31.12.18 (€m)



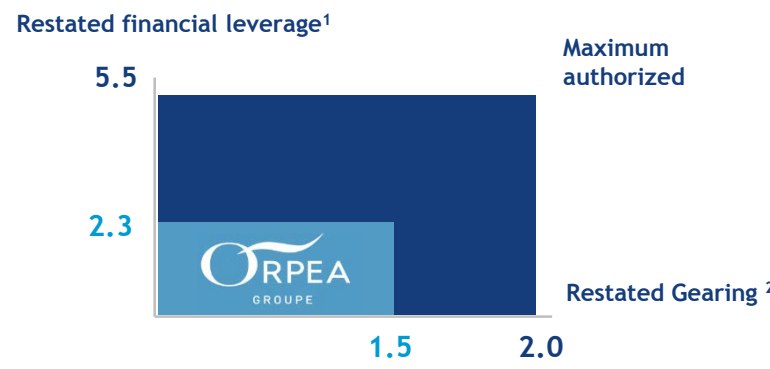
Net financial debt:
Intangible + real-estate =

+€609m
+€921m

¹ Excluding €206m in assets and debt associated with assets held for sale * Not allocated: goodwill and intangibles allocation in progress

Indicators	31.12.18	30.06.18	31.12.17
Net financial debt* (€m)	5,022	4,819	4,413
% real estate debt	85%	85%	85%
Restated financial leverage ¹	2.3	2.3	2.1
Restated gearing ²	1.5	1.5	1.4

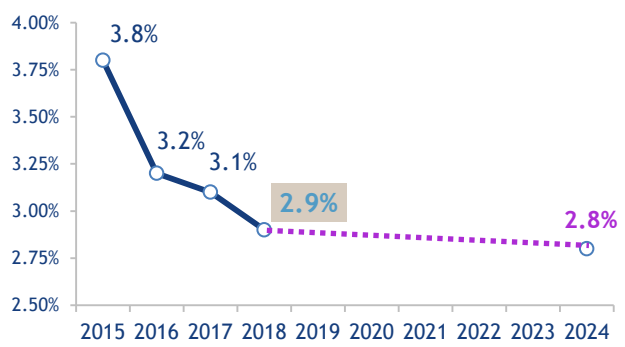
Covenants comfortably met



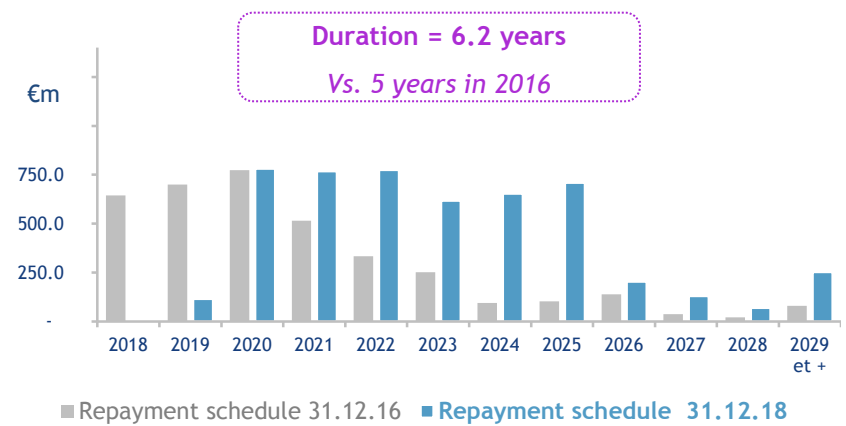
¹ $\frac{\text{Financial liabilities Net} - \text{Real estate debt}}{\text{EBITDA} - (6\% \text{ real est. debt})}$

² $\frac{\text{Net debt}}{\text{equity} + \text{quasi equity}}$

Improved cost of debt



Maturity profile of net debt*



* Excl. debt associated with assets held for sale of €206m at 31.12.18 , €28m at 30.06.2018 and €64m at 31.12.17

✦ Non-rated public bond

- Inaugural issue in 2018: €400m with a 7-year maturity and 2.625% fixed rate
- Diversification of credit investors

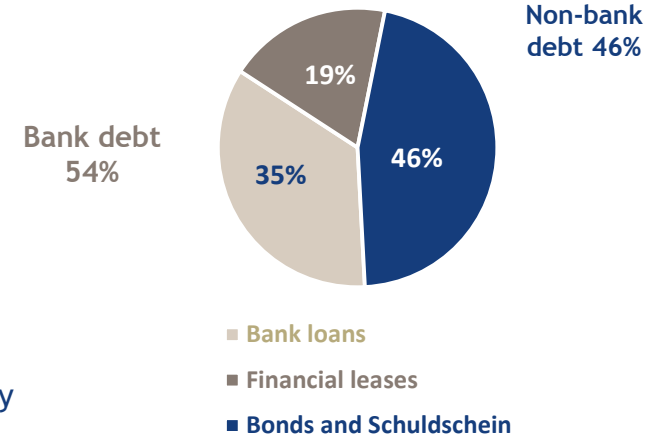
✦ Schuldschein: ORPEA is the 1st French issuer

- Outstanding amount net of refinancing and repayment: €1.3bn
- Diversification of investors base: 55 different investors
- 2018: €336m of which €170m to extend maturity and €166m of new money
- 2019: issue in EUR and CZK by the Austrian subsidiary for €63m (initial size of €30m)

✦ New mortgage for €300m

- 2019: mortgage over 12 years with a 75% LTV
- Aim: extend maturity of debt at an attractive rate

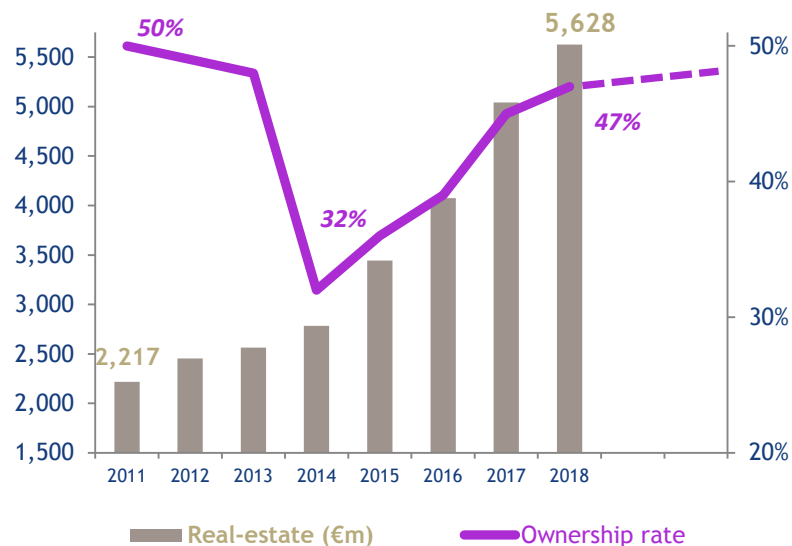
Diversified net debt



Real-estate portfolio: €5.6bn (+11.6% in a year)

	31.12.18	31.12.17	Chg.
Real-estate ownership rate	47%	45%	+2 pts
Surface area (sqm)	2,004,000	1,842,000	+8.8%
Total value ¹ (€m)	5,628	5,042	+11.6%
Average yield (properties valued by Cushman & Wakefield and JLL)	5.8%	6.0%	-20 bps

Growth in portfolio (€m) and ownership rate



Real-estate ownership rate by cluster

	31.12.18	31.12.17	Chg.
TOTAL Groupe	47%	45%	+2 pts
France / Benelux	52%	51%	+1 pt
Central Europe	22%	18%	+4 pts
Eastern Europe	62%	62%	=
Iberia	74%	69%	+5 pts
Rest of the world	0%	0%	=

¹Excluding the impact of the €206m and €33m in assets held for sale at 31.12.18 and 31.12.17 respectively



Principles

- ✦ Recognition of all leases in the balance sheet (no more distinction between finance leases and operating leases):
 - the lease liability is measured at the present value of future lease payments over the length of the lease contract
 - the right-of-use asset is recognised for an amount equal to the lease liabilities
- ✦ Applicable as of 1 January 2019



2018 impact

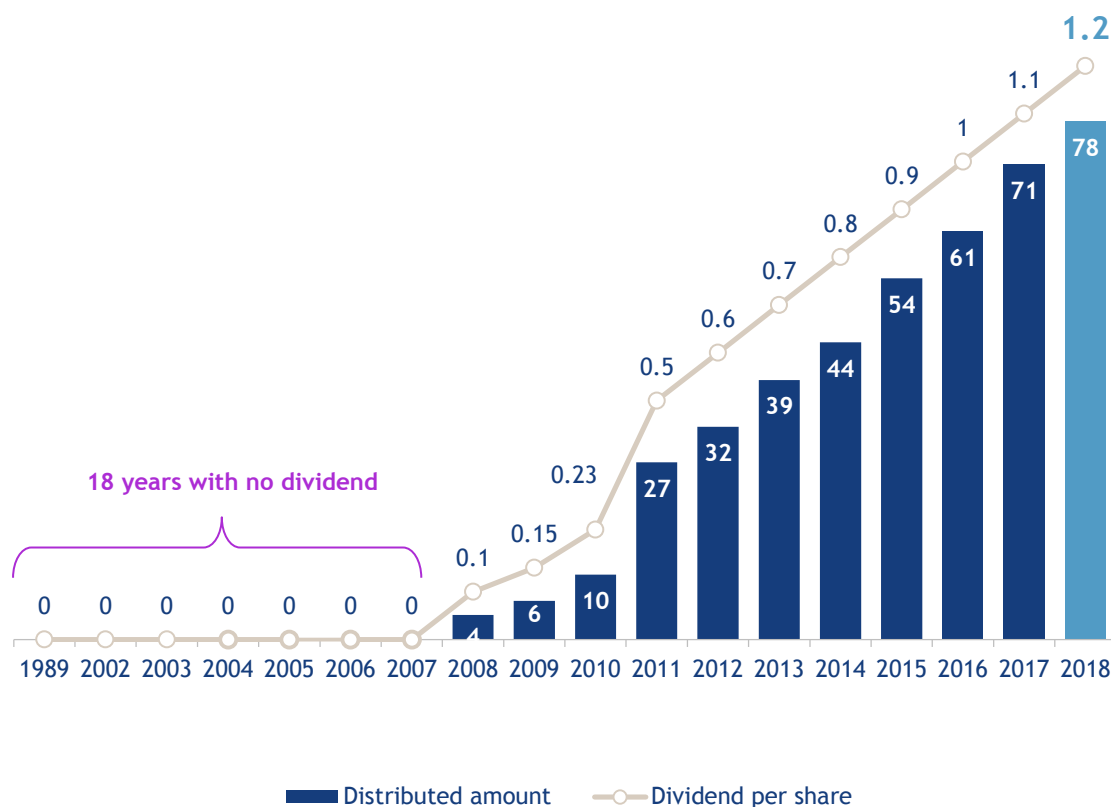
- ✦ **EBITDA:** approx. +€300m (elimination of 95% of rent expenses)
- ✦ **Debt or lease liability:** approx. €2.4bn



Leverage

- ✦ No cash impact
- ✦ IFRS 16 impact excluded from debt covenants

Proposed dividend to the 2018 General Shareholder meeting: €1.20 / share



Increase in dividend per share:
+9%

Yield* :
1.2%

** Based on the closing price of the share at 25.03.19*

Pay-out ratio of the net profit:
35%



New openings 2018 / 2019

2018: opening of 2,300 beds



Ostend (Belgium) - 157 beds



Paris 16th (France) - 87 beds



Callian (France) - 80 beds



Brussels (Belgium) - 223 beds



Bern (Switzerland) - 226 beds



Milan (Italy) - 120 beds



Praha (Czech Rep.) - 224 beds



Hamburg (Germany) - 111 beds



Genoa (Italy) - 141 beds

2019: opening of 2,500 beds



Warsaw (Poland) - 135 beds



Zürich (Switzerland) - 99 beds



Telc (Czech Rep.) - 130 beds



Marbella (Spain) - 140 beds



Berlin (Germany) - 169 beds



Liberec (Czech Rep.) - 149 beds



Flanders (Belgium) - 112 beds



Marseille (France) - 115 beds



Pau (France) - 101 beds

Rio de Janeiro (Brazil)



Leader in Latin America



CHILE



- ✦ Acquisition of a 50% stake in **Senior Suites, leader in Chile**
- ✦ 4 opened facilities (616 beds), all in Santiago de Chile + 3 under construction
- ✦ 50% owned by Cimenta, real estate sovereign Chilean fund
- ✦ Call option to buy up to 100% of the capital within 5 years

↪ **Sustained development projects**



BRAZIL



- ✦ Acquisition of a **20% stake in the first Brazilian group: Brasil Senior Living (Cora)**
- ✦ 22 facilities located in São Paulo: 9 opened/ 13 under construction or project
- ✦ Call option to buy up to 100% of the capital within 5 years
- ✦ Strong geographical complementarity with ORPEA network in Brazil

↪ **ORPEA becomes a leader in Brazil**



URUGUAY



- ✦ Acquisition of the « reference facility » in Montevideo: 98 beds



Construction of a leadership position in LATAM with step-by-step investments in the best assets



Chile: acquisition of a 50% stake in Senior Suites, Chile's leading group

Solid country in Latin America

- ✦ GDP growth per capita: 6.4% p.a. between 2000 and 2017
- ✦ Private healthcare spending (% of total health expenditure): 31.5% (one of the highest levels in the world)
- ✦ Need for authorisation to open a facility / average per diem rate of €70 paid by the resident
- ✦ Mainly public and non-profit sector (60%) and highly fragmented sector



- ✦ **Senior Suites: Chile's number 1 nursing home group** with 4 facilities (616 beds) plus 3 facilities under construction (around 350 beds)
- ✦ **High-quality network:** considered as the number 1 group in terms of quality, recently built facilities, located in Santiago de Chile, with a private room rate of over 95%
- ✦ **Property portfolio fully owned**
- ✦ **A leading partner with Cimenta, Chile's sovereign property fund:**
 - Existing management team will continue to manage and develop the business (ORPEA will account for it under the equity method)
 - 5-year call option enabling ORPEA to buy the remaining capital
 - Development plan supported by new facilities and selective acquisitions



Establishment of a prime position on the Chilean market with a powerful and well-known partner to accelerate the development



Chile: Senior Suites, the quality reference in Chile



1st Chilean nursing home group



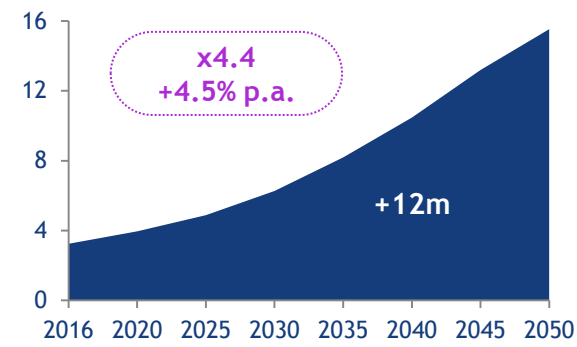


Brazil: healthy fundamentals and strong development potential

Rapid population ageing

- ✦ Strong increase in life expectancy: 75 years (+12 years over 30 years)
- ✦ Growth rate in population of over 80s one of the highest in the world: Set to increase by 12m out to 2050, double the rate in Europe

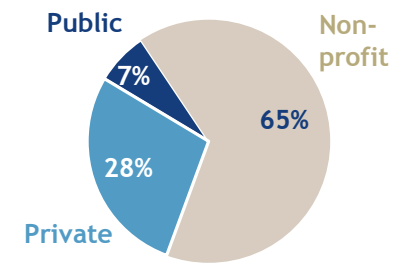
Evolution of over 80s (m)¹



Une offre insuffisante et inadaptée

- ✦ Existing capacity: 100,000 beds/3,500 facilities
- ✦ Low infrastructure rate: 3% vs. 15 to 20% in Europe
- ⇒ Number of beds to be created by 2030: +300,000 beds

Breakdown of existing capacity



Cadre réglementaire favorable

- ✦ Authorisation granted by the city authorities in connection with the building permit (compliance with standards)
- ✦ No control over daily rates and fully paid by residents



A country with cultural similarities to Europe and offering a very strong development potential

¹ Source: World Bank



Brazil: acquisition of a 20% stake in Brasil Senior Living, the Brazilian market leader



- ✦ **No. 1 operator of long-term care facilities** for the dependent elderly, which was founded in 2012. BSL is owned by a fund managed by Patria Investments, a leading alternative investment manager in Latin America which operates in partnership with the Blackstone Group (shareholder at 40% of Patria Investments)
- ✦ **A robust partner, an expert in development, and a global reputation**
- ✦ **Active across the entire spectrum of the long-term care sector:** nursing homes, post-acute and rehabilitation hospitals, and homecare
- ✦ **A recently built network, meeting the highest quality standards, with a major growth pipeline: 22 facilities (over 3,000 beds), all located in São Paulo:**
 - 9 facilities already open (1,283 beds)
 - 13 facilities under construction or at the planning stage (1,800 beds)
- ✦ **Real estate strategy identical to ORPEA's:**
 - Focus on prime locations and ownership of 50% of properties
- ✦ **Benefits of acquiring a 20% stake:**
 - Become the undisputed leader in Brazil, with a focus on locations with strong purchasing power
 - **Gain the backing of Blackstone - a highly renowned partner and an expert in development**
 - Step up the pace of ORPEA's growth by adding a secure pipeline
 - Create a major barrier to entry
 - **Call option to increase ownership to 100% within 5 years**



ORPEA is building a Brazilian leader set to have over 5,500 beds



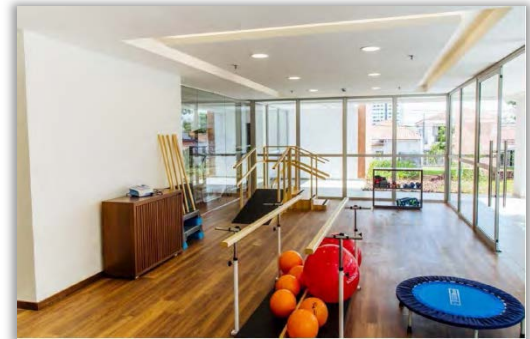
BSL: a high-quality network in São Paulo (29m inhabitants)



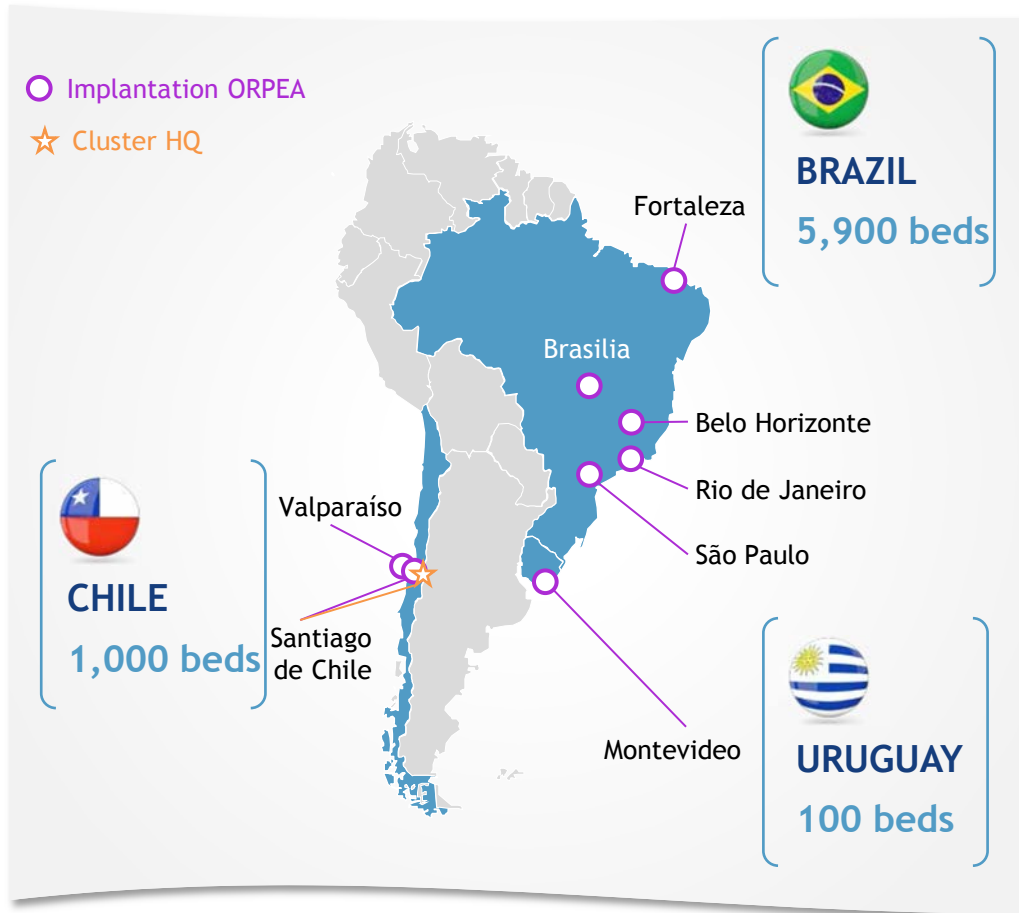
BSL
BRASIL SENIOR LIVING



A recently built network with high-quality standards



ORPEA LATAM: construction of a leadership position in dependency care



IN 5-YEAR TIME,
WITH THE SECURED PIPELINE:



48 facilities



7,000 beds



€200m revenues

- ✦ Location in the biggest cities
- ✦ A global offering: nursing homes, post-acute and psychiatric clinics, homecare



A sustained growth focused on value creation in LATAM with renowned partners



Strategy and outlook



Pursue the strategy of upgrading the network

* Sale-and-lease back over the next 12 months



Development in prime locations

- ✦ Creation of new facilities (locations with high purchasing power)
- ✦ Selective and opportunistic acquisitions



Internationalisation

- ✦ New developments in the 16 existing countries, especially Eastern Europe and Latam clusters
- ✦ Identification of new geographical areas with insufficient capacities and strong purchasing power



Real-estate strategy: 50/50 mix between lease and ownership

- ✦ Ownership of real-estate in the best locations
- ✦ Sale-and-lease back of 50% of new facilities



Ongoing organizational change

- ✦ Strengthening of headquarter staff in clusters
- ✦ Monitoring of Group Standards implementation at clusters level



ORPEA becomes one of the main global leaders of Dependency care

LE GRAND Anniversaire

30 ANS ORPEA | 20 ANS CLINEA

30 years of shared values
that have now gained an international dimension

Positive attitude
Professionalism

Loyalty
Humility



Residents and patients

- ✦ Staying true to its culture and values, ORPEA has decided to celebrate its 30th birthday together with its employees and its residents and patients
- ✦ Party for its employees in every facility
- ✦ A celebratory meal offered to residents' families in each facility



Employees

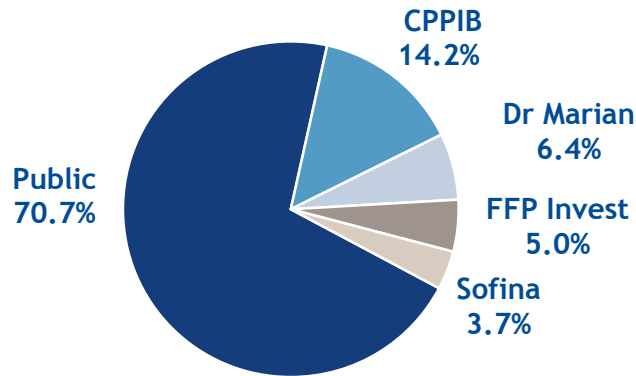




Organic growth	<p>Organic growth reflects the following factors:</p> <ol style="list-style-type: none">1. The year-on-year change in the revenue of existing facilities as a result of changes in their occupancy rates and per diem rates2. The year-on-year change in the revenue of redeveloped facilities or those where capacity has been increased in the current or year-earlier period3. Revenue generated in the current period by facilities created in the current or year-earlier period, and the change in revenue at recently acquired facilities by comparison with the previous equivalent period
EBITDAR	<p>EBITDA before rents, including provisions related to external charges and staff costs</p>
EBITDA	<p>Recurring operating profit before net additions to depreciation and amortisation, including provisions related to external charges and staff costs</p>
Pre-tax profit on ordinary activities	<p>Recurring operating profit - Net financial expense</p>

In €m		31-dec-18	31-dec-17
ACTIF	Non-current assets	9,303	8,324
	Goodwill	1,155	1,013
	Intangible assets	2,275	2,082
	Property, plant & equipment and property under development	5,628	5,042
	Other non-current assets	244	187
	Current assets	1,526	1,308
	<i>Of which cash, cash equivalents and marketable securities</i>	<i>768</i>	<i>614</i>
	Assets held for sale	206	64
	TOTAL ASSETS	11,034	9,696
	PASSIF	Equity attributable to equity holders of the parent and perm.	3,427
Equity attributable to equity holders of the parent		2,976	2,715
Deferred taxes on intangible assets		451	427
Non-controlling interests		1	0
Non-current liabilities		5,703	5,248
Other deferred tax liabilities		481	431
Provision for liabilities and charges		233	194
Medium- and long-term financial debt		5,026	4,622
Current liabilities		1,660	1,242
<i>Of which short-term debt (bridge loans)</i>		<i>764</i>	<i>405</i>
Debt linked to assets held for sale	206	64	
TOTAL EQUITY AND LIABILITIES	11,034	9,696	

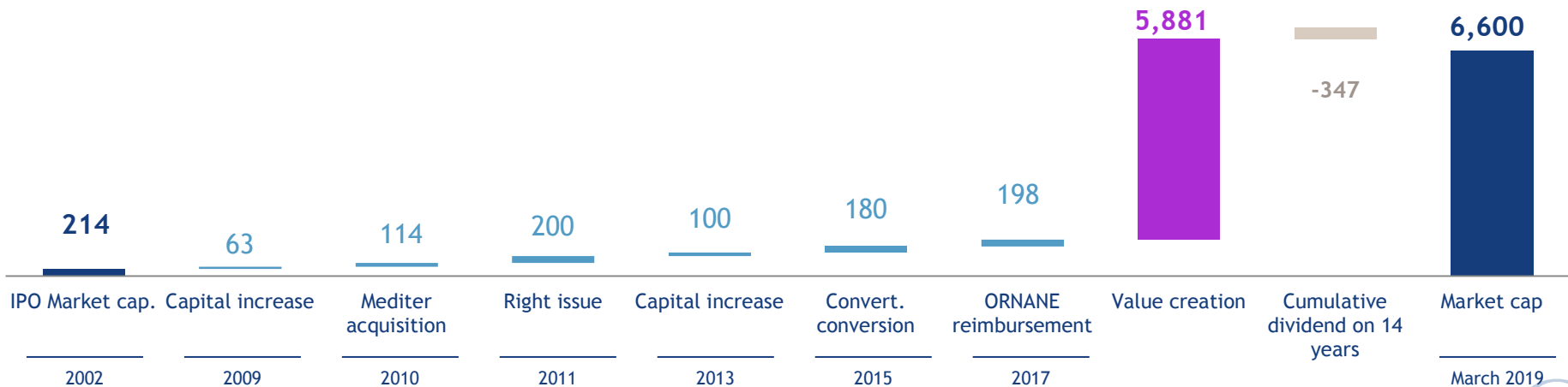
Shareholding structure (% of share capital)



An 11-member Board with complementary skills

- ✦ **Board members:**
 - Philippe Charrier - Non-executive Chairman
 - Yves Le Masne - CEO
 - Jean Patrick Fortlacroix
 - FFP Invest (Thierry Mabilbe de Poncheville)
 - Xavier Coirbay (appointed on proposal by Sofina)
 - Joy Verlé (appointed on proposal by CPPIB)
 - Moritz Krautkraemer (appointed on proposal by CPPIB)
 - Bernadette Chevallier
 - Brigitte Lantz
 - Laure Baume
 - Sophie Kalaidjian (Employees representative)

Strong value creation since the IPO (€m)



Market data (12 months)

- ✦ Average trading volume: **192,000 shares per day** (= €20m) all platforms combined
- ✦ Share price: **€103.25**
- ✦ 12-month high: **€125.20**
- ✦ 12-month low: **€83.56**
- ✦ Turnover: **76% in 12 months**
- ✦ Mkt cap.: **€6,669m**
- ✦ Nbr of shares outstanding: **64,586,323**



Data as of 20 March 2019

Indices

- ✦ Compartment A of Euronext Paris
- ✦ Component of the MSCI Small Cap Europe, Stoxx Europe 600, CAC Mid 60 and SBF 120 indices
- ✦ Member of the SRD (deferred settlement service)

Contacts

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