



NOTICE OF MEETING BROCHURE

COMBINED GENERAL MEETING (Ordinary and Extraordinary)

Thursday 22 June 2017 at 9.30 a.m.

LA MAISON DES CENTRALIENS
8, rue Jean Goujon
75008 PARIS

This Notice of Meeting Brochure, together with the documents and information relating to this General Meeting, are available on the ORPEA website www.orpea-corp.com ("Shareholders" section)

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NOTICE OF MEETING

AGENDA

The shareholders of the Company are hereby notified that a Combined General Meeting (ordinary and extraordinary) will take place

on Thursday 22 June 2017 at 9.30 a.m.,

at LA MAISON DES CENTRALIENS, 8 rue Jean Goujon, 75008 Paris,

to deliberate on the following agenda and to vote on the following draft resolutions:

I. Within the authority of the Ordinary General Meeting

1- Presentation of the management report of the Board of Directors, the report of the Chairman of the Board of Directors as required under article L. 225-37 of the Commercial Code, and the reports of the statutory auditors on the discharge of their duties - Approval of the annual (parent) financial statements for the 2016 financial year ;

2- Presentation of the management report of the Board of Directors and the report of the statutory auditors on the discharge of their duties - Approval of the consolidated financial statements for the 2016 financial year;

3- Allocation of income - Distribution of a dividend of one euro (€1.00) per share ;

4- Presentation of the report of the statutory auditors on the agreements referred to in articles L. 225-38 et seq. of the Commercial Code - Approval of such Agreements ;

5- Appointment of Mr Xavier COIRBAY as Director ;

6- Renewal, for four years, of Mrs Bernadette CHEVALLIER-DANET's appointment as Director ;

7- Ratification of the appointment of Mr Philippe CHARRIER as Director ;

8- Ratification of the appointment of Mrs Joy VERLÉ as Director ;

9- Opinion on the compensation components payable or awarded to Mr Jean-Claude MARIAN, Chairman of the Board of Directors ;

10- Opinion on the compensation components payable or awarded to Mr Yves LE MASNE, Chief Executive Officer ;

11- Opinion on the compensation components payable or awarded to Mr Jean-Claude BRDENK, Deputy Chief Executive Officer ;

12- Approval of the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded

to the Chairman of the Board of Directors, Mr Jean-Claude MARIAN, for the period from 1st January 2017 to 28 March 2017;

13- Approval of the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to the Chairman of the Board of Directors, Mr Philippe CHARRIER, since 28 March 2017 ;

14- Approval of the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to the Chief Executive Officer, as from 1st January 2017 ;

15- Approval of the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to the Deputy Chief Executive Officer, as from 1st January 2017 ;

16- Authorisation granted to the Board of Directors to allow the Company to trade in its own shares;

II. Within the authority of the Extraordinary General Meeting

17- Renewal of the Board of Directors' authorisation to reduce the share capital by cancellation of treasury shares held by the Company;

18- Insertion into the bylaws (*statuts*) of provisions concerning the appointment of an Honorary Chairman of the Board of Directors and consequential amendment of the bylaws ;

III. Within the authority of the Ordinary General Meeting

19- Powers to carry out formalities.

REQUIREMENTS FOR PARTICIPATING AT THE GENERAL MEETING

➤ Conditions to be satisfied for participation at the General Meeting

Any shareholder, regardless of the number of shares he holds, may take part in the General Meeting, be represented by another shareholder, by his/her spouse or by the partner with whom he/she has entered into a civil solidarity pact. A shareholder may also be represented by such other natural or legal person as he may choose (Article L. 225-106 of the Commercial Code) or vote by postal ballot.

However, only those shareholders who have provided evidence of their status as required under Article R. 225-85 of the Commercial Code shall be entitled to participate at the General Meeting under the following conditions.

For holders of shares in registered form, their shares must be registered in their name in the registered share accounts held by Société Générale Securities Services, by midnight on the 2nd business day prior to the General Meeting, i.e. at 00.00 (Paris time) on 20 June 2017.

For holders of shares in bearer form, their shares must be entered in the accounts held by the authorized financial intermediary which manages their securities account, by midnight on the 2nd business day prior to the General Meeting, i.e. at 00.00 (Paris time) on 20 June 2017. Such entries are evidenced by a certificate of participation issued by the financial intermediary.

➤ Modes of participation

- Attendance in person at the General Meeting -

Shareholders wishing to attend the General Meeting in person must request an entry ticket as soon as possible in order to receive the ticket in good time.

Holders of shares in registered form must return the single postal or proxy voting form (having ticked box "A" on the form and then dated and signed it) to Société Générale Securities Services, using the envelope "T" enclosed with the notice of meeting, no later than **20 June 2017**.

Holders of shares in bearer form must either return the single postal or proxy voting form (having ticked box "A" on the form and then dated and signed it) to their financial intermediary, or request that their financial intermediary provide them with an entry ticket. The financial intermediary shall provide evidence of their status as a shareholder directly to Société Générale Securities Services (*Société Générale - Département Titres et Bourse - Service des Assemblées - SGSS/SBO/CIS/ISS/GMS - 32 rue du Champ de Tir, CS 30812, 44308 Nantes Cedex 03, France*), by delivering a certificate of participation. If a bearer share holder has not received his entry ticket by **20 June 2017**, he should request his financial intermediary to provide him with a certificate of participation which he can hand over at the reception desk at the General Meeting to prove his capacity as shareholder.

- Grant of proxy or postal vote -

If a shareholder is unable to attend the General Meeting in person, he may choose between one of the following three options:

- postal vote, on each individual resolution;
- grant proxy to the Chairman of the General Meeting ; or
- grant proxy to his/her spouse or any other person.

Holders of shares in registered form must return their duly completed and signed single postal or proxy voting form to Société Générale Securities Services, using the envelope "T" enclosed with the notice of meeting.

Holders of shares in bearer form must return their duly completed and signed single postal or proxy voting form to the authorised financial intermediary managing their securities account. Such intermediary shall provide evidence of their capacity as shareholder and return the form to Société Générale Securities Services.

In order to be acceptable, forms must reach Société Générale Securities Services (at the above-mentioned address), no later than **19 June 2017**.

Shareholders may obtain the single postal or proxy voting form by written request sent by ordinary post to Société Générale Securities Services (at the above-mentioned address). Such requests shall only be satisfied if received at such address no later than six days prior to the date of the General Meeting, namely **16 June 2017**.

Shareholders who have already expressed their vote by post, sent a proxy form or requested an entry ticket may no longer choose another mode of participation, but they may however sell all or some of their shares.

➤ Notice of grant or revocation of proxy

It should be noted that written and signed proxy forms should indicate the surname, forename and address of the shareholder as well as those of their proxy. Revocation of a proxy is effected in the same manner as the grant thereof.

As provided in article R.225-79 of the Commercial Code, a notice of grant or revocation of proxy may also be given by electronic means, as follows:

- **For holders of shares in registered form** : they must send an email bearing an electronic signature, obtained from a third-party certificate issuing authority, in accordance with applicable laws and regulations to the following email address: mandataires-assembleegenerale@orpea.net ; this e-mail must specify the surname, forename, address and Société Générale identifier, in the case of "pure registered" share holders (as indicated at the top left of their account statement) or their financial intermediary identifier, in the case of "administered registered" share holders, as well as the surname, forename and address of the appointed or revoked proxy;
- **For holders of shares in bearer form** : they must send an email bearing an electronic signature, obtained from a third-party certificate issuing authority, in accordance with applicable laws and regulations to the following email address: mandataires-assembleegenerale@orpea.net ; this e-mail must specify their surname, forename and address and that of the appointed or revoked proxy. They must then mandatorily request the financial intermediary managing their securities account to send a written confirmation (by post or fax) to Société Générale (*Société Générale – Département Titres et Bourse – Service des Assemblées – SGSS/SBO/CIS/ISS/GMS – 32 rue du Champ de Tir, CS 30812, 44308 Nantes Cedex 03, France*).

Only notices of grant or revocation of a proxy may be sent to the above-mentioned email address. No other request or notice on any other subject matter will be accepted and/or processed.

Grants or revocations of proxy notified by electronic means shall only be admissible if the relevant email and/or written confirmation by the financial intermediary is duly received by Société Générale as indicated above no later than **19 June 2017**.

➤ **Written questions**

All shareholders may pose written questions to which the Board of Directors will reply during the course of the General Meeting. Such written questions must be sent to ORPEA's registered office (ORPEA SA, for the attention of the Chairman of the Board of Directors – "Written questions for the General Meeting" – 12 rue Jean Jaurès – CS 10032 – 92813 Puteaux Cedex) by registered letter with request for acknowledgement of receipt or by email to the following address: financegroupe@orpea.net, no later than the 4th business day prior to the date of the General Meeting, namely **16 June 2017**. Such written questions must be provided together with a certificate of registration, either in the registered shares accounts held by the Company, or in the bearer shares accounts held by an authorised financial intermediary.

In accordance with applicable laws and regulations, a collective response may be given to questions whose content or subject matter is the same. A response to a written question shall be deemed to have been given if it appears on ORPEA's website (www.orpea-corp.com/Shareholders/General Meeting).

➤ **Information and documents available to shareholders**

In accordance with the law, documents to be made available to shareholders in connection with such General Meeting, shall be available within the required deadlines at the head office of the Company and on its website at the following address: www.orpea-corp.com/Shareholders/General Meeting.

Furthermore, all of the documents and information required under article R.225-73-1 of the Commercial Code may be consulted on ORPEA's website at the same address, at the latest by the 21st day prior to the General Meeting, namely **1 June 2017**.

The text of points raised or draft resolutions presented, if applicable, by shareholders shall be published at the same address.

No voting by videoconference or other means of telecommunication is scheduled for this General Meeting and, accordingly, no site as referred to in article R.225-89 of the Commercial Code shall be established for such purpose.

The Board of Directors

REPORT OF ORPEA'S BOARD OF DIRECTORS ON THE DRAFT RESOLUTIONS FOR THE COMBINED GENERAL MEETING ON 22 JUNE 2017

The purpose of this report is to comment on the important issues covered in the draft resolutions submitted by your Company's Board of Directors to the General Meeting.

This report does not purport to be exhaustive and is not a substitute for, but is supplemental to, a full reading of the entire text of the draft resolutions.

The full text of the draft resolutions is set forth in a schedule hereto.

Resolutions within the authority of the Ordinary General Meeting

I. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS (1ST AND 2ND RESOLUTIONS) AND ALLOCATION OF INCOME (3RD RESOLUTION)

In accordance with applicable laws and regulations, you have been called to this General Meeting within six months of our financial year-end to examine, and have submitted to your approval, the Company's standalone and consolidated financial statements.

Having regard to the reports of the Board of Directors and of the Statutory Auditors, you are asked to approve:

- the standalone financial statements which reveal a net profit of €29,908,915.82, compared to €11,238,593.97 in 2015 (**1st resolution**) ;
- the consolidated financial statements, which reveal a net profit of €256,448,456, compared to €126,585,655 in 2015 (**2nd resolution**).

Details of these accounts are set forth in the Board of Directors' management report appearing in the 2016 Registration Document.

The Board of Directors proposes, in the **3rd resolution**, having allocated the required amount to the statutory reserve fund, to distribute an ordinary dividend of one (1) euro per share.

If the General Meeting approves this proposal, the dividend would be detached from the share on 7 July 2017 and paid on 11 July 2017.

II. APPROVAL OF RELATED PARTY TRANSACTIONS AND COMMITMENTS (4TH RESOLUTION)

The purpose of the **4th resolution** is to approve the transactions referred to in the special report of the Statutory Auditors.

It should be noted that, as provided by law, only new agreements, which have not previously been submitted to the approval of the general meeting, are submitted to a vote at the General Meeting. The Statutory Auditors' special report refers to old transactions that have continued in full force and effect

during the financial year ending 31 December 2016, but merely by way of shareholder information (they are not submitted for a new vote at the General Meeting).

III. BOARD OF DIRECTORS (5TH TO 8TH RESOLUTIONS)

1 – Board of Directors’ diversity policy

The Board of Directors’ discussions and strategic vision are enriched by the diversity of the backgrounds and complementarity of the skills, as well as the various national origins, of its directors.

2 – Composition of the Board of Directors at 31 December 2016

As at 31 December 2016, the Board of Directors comprised twelve directors, including one employee representative director, whose names, titles and term of office expiry date are summarised in the table below:

Surname and forename / Company	Title	Expiry of term of office
Mr Jean-Claude MARIAN	Director and Chairman of the BOD	OGM 2019
Mr Yves LE MASNE	Director	OGM 2019
Mr Alexandre MALBASA	Director	OGM 2017
Mr Jean-Patrick FORTLACROIX	Director	OGM 2018
FFP Invest, represented by Mr Thierry de PONCHEVILLE	Director	OGM 2019
Mrs Sophie MALARME-LECLOUX	Director	OGM 2017
Mr Alain CARRIER	Director	OGM 2019
Mrs Bernadette CHEVALLIER-DANET	Director	OGM 2017
Mr Christian HENSLEY	Director	OGM 2020
Mrs Laure BAUME	Director	OGM 2020
Mrs Brigitte LANTZ	Director	OGM 2020
Mrs Sophie KALAJDZIAN	Employee representative Director	OGM 2018

3 – Composition of the Board of Directors at 27 April 2017

As at 27 April 2017, the Board of Directors comprised twelve directors, including one employee representative director, whose names, titles and term of office expiry date are summarised in the table below:

Surname and forename / Company	Title	Expiry of term of office
Mr Philippe CHARRIER (replacing Mr Jean-Claude MARIAN)	Director and Chairman of the BOD	OGM 2019
Mr Yves LE MASNE	Director	OGM 2019

Mr Alexandre MALBASA	Director	OGM 2017
Mr Jean-Patrick FORTLACROIX	Director	OGM 2018
FFP Invest, represented by Mr Thierry de PONCHEVILLE	Director	OGM 2019
Mrs Sophie MALARME-LECLOUX	Director	OGM 2017
Mrs Joy VERLÉ (replacing Mr Alain CARRIER)	Director	OGM 2019
Mrs Bernadette CHEVALLIER-DANET	Director	OGM 2017
Mr Christian HENSLEY	Director	OGM 2020
Mrs Laure BAUME	Director	OGM 2020
Mrs Brigitte LANTZ	Director	OGM 2020
Mrs Sophie KALAJDIAN	Employee representative Director	OGM 2018

At a meeting held on 28 March 2017, following the resignation of Mr Jean-Claude MARIAN from his position as director and Chairman of the Board of Directors, taking immediate effect at the end of such meeting, the Board of Directors appointed as his replacement Mr Philippe CHARRIER in the capacity of director and Chairman of the Board of Directors, for the remaining duration of Mr Jean-Claude MARIAN's term of office.

At a meeting held on 27 April 2017, following the resignation of Mr Alain CARRIER from his position as director, taking immediate effect at the end of such meeting, the Board of Directors appointed as his replacement Mrs Joy VERLÉ, in the capacity of director for the remaining duration of Mr Alain CARRIER's term of office.

Appointment of Mr Xavier COIRBAY as a new director

It is proposed, by the **5th resolution**, that Mr Xavier COIRBAY be appointed as director for a duration of four years expiring at the end of the General Meeting to be held in 2021 and called to vote upon the financial statements for the 2020 financial year.

Information on Mr Xavier COIRBAY's candidacy :

Mr Xavier COIRBAY (52 years old, of Belgian nationality) is currently a member of Sofina's Executive Committee and responsible for the Sofina group's investment in the sphere of alternative funds and growth co-investment. He also leads Sofina's development in the United States and Asia, and oversees the Singapore office.

Prior to joining Sofina in 1992, he began his career as a financial analyst in the asset management department of Générale de Banque, which has since become part of the BNP Group.

Mr Xavier COIRBAY is a graduate of the Solvay Business School in Brussels (1988), where he also obtained a master's degree in tax management (1990).

Mr Xavier COIRBAY is a director of IPSOS.

Renewal of Mrs Bernadette CHEVALLIER–DANET’s appointment as director

It is proposed, by the **6th resolution**, that Mrs Bernadette CHEVALLIER–DANET, whose term of office expires at the end of this General Meeting, be re-appointed as Director for a duration of four years expiring at the end of the General Meeting to be held in 2021 and called to vote upon the financial statements for the 2020 financial year.

Information on Mrs Bernadette CHEVALLIER–DANET’s candidacy:

Mrs Bernadette CHEVALLIER–DANET (58 years old, of French nationality) has spent most of her career in tourism and hospitality. She successively held management positions in finance, sales and marketing at Club Méditerranée, then in the Accor Group and then in executive management in the independent hotel industry.

Mrs Bernadette CHEVALLIER–DANET has been a director of ORPEA since 2014; She does not have any other directorships outside the group.

Ratification of Mr Philippe CHARRIER’s co-option as director

At its meeting held on 28 March 2017, the Board of Directors decided to co-opt Mr Philippe CHARRIER as director, in replacement of Mr Jean–Claude MARIAN, who had resigned, for the remaining duration of Mr Jean–Claude MARIAN’s term of office, namely until the General Meeting called to vote in 2019 on the financial statements for the financial year ending 31 December 2018.

At the same meeting, he was appointed as Chairman of ORPEA’s Board of Directors.

It is proposed, by the **7th resolution**, to ratify Mr Philippe CHARRIER’s co-option as director, in replacement of Mr Jean–Claude MARIAN, who had resigned, for the remaining duration of his term of office, namely until the end of the General Meeting to be held in 2019 and called to vote upon the 2018 financial statements.

Information on Mr Philippe CHARRIER’s candidacy :

A graduate of HEC Paris, Mr CHARRIER (62 years old, of French nationality) has many years of experience heading up healthcare and consumer product groups.

He is currently Executive Chairman of the Ponroy Santé group, a European specialist in natural health products for the general public. Prior to this, he was CEO of Labco from 2011 to 2015, then Executive Chairman until 2016. From 2006 to 2010, he was CEO of Oenobiol, a European specialist in health and beauty food supplements. Previously, he was CEO of Procter & Gamble France for seven years. He was also Chairman of the Supervisory Board of Spotless until 2010 and a director of Lafarge until 2016, and is currently a director of Rallye and MédiPôle Partenaires.

He is also Founder and President of Clubhouse France an association for the social and professional reintegration of those who have suffered psychological problems.

His current directorships outside the Group are as follows:

- Chairman and CEO of Alphident, a holding company managing the Ponroy Santé Group

- Director of Rallye
- Director of MédiPôle Partenaires

Ratification of Mrs Joy VERLÉ's co-option as director

At its meeting held on 27 April 2017, the Board of Directors decided to co-opt Mrs Joy VERLÉ as director, in replacement of Mr Alain CARRIER, who had resigned.

It is proposed, by the **8th resolution**, to ratify Mrs Joy VERLÉ's co-option as director, in replacement of Mr Alain CARRIER, who had resigned, for the remaining duration of his term of office, namely until the end of the General Meeting to be held in 2019 and called to vote upon the 2018 financial statements.

Information on Mrs Joy VERLÉ's candidacy :

Mrs Joy VERLÉ (38 years old, of French nationality) joined the Canada Pension Plan Investment Board (CPPIB) in 2016 and has since held the position of *Principal in Relationship Investments* (investment in companies that are listed or about to be listed on the stock market).

A graduate of HEC Paris in 2003, she first worked as a mergers and acquisitions and capital markets consultant at Morgan Stanley. Then, in 2006, she joined the Bregal Capital fund where she conducted private equity investment in the education, renewable energy and health sectors and where she became a Partner. She has also served on the board of directors of three companies in the education and renewable energy sectors.

Mrs VERLE does not have any other directorships outside the group.

Expiry of directors' terms of office if the 5th to 8th resolutions are approved by the Combined General Meeting of 22 June 2017

It should be noted that the terms of office of Mr Alexandre MALBASA, and of Mrs Sophie MALARME and Mrs Bernadette CHEVALLIER-DANET expire at the end of this general meeting.

Mr Alexandre MALBASA and Mrs Sophie MALARME have signified their decision, for personal reasons, not to seek reappointment as Director of ORPEA.

The Board of Directors has expressed its acknowledgement for their contribution to the Board of Directors and the development of the Company.

For information, if the Combined General Meeting of 22 June 2017 adopts the **5th to 8th resolutions**, and given the expiry of these two non-renewed directorships, the terms of office of the 11 directors of the Company, including the employee representative director, shall expire as follows:

Surname and forename / Company	Title	Expiry of term of office
Mr Philippe CHARRIER	Director and Chairman of the BOD	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Yves LE MASNE	Director	OGM 2019 voting on the

		financial statements for the financial year ending 31 December 2018
Mr Jean-Patrick FORTLACROIX	Director	OGM 2018 voting on the financial statements for the financial year ending 31 December 2017
FFP Invest, represented by Mr Thierry de PONCHEVILLE	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mr Xavier COIRBAY	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
Mrs Joy VERLÉ	Director	OGM 2019 voting on the financial statements for the financial year ending 31 December 2018
Mrs Bernadette CHEVALLIER-DANET	Director	OGM 2021 voting on the financial statements for the financial year ending 31 December 2020
Mr Christian HENSLEY	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Laure BAUME	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Brigitte LANTZ	Director	OGM 2020 voting on the financial statements for the financial year ending 31 December 2019
Mrs Sophie KALAJDIAN	Employee representative Director	OGM 2018 voting on the financial statements for the financial year ending 31 December 2017

Balanced male / female representation on the Board of Directors

As at 31 December 2016, out of a total of eleven directors (excluding the employee representative director), there are four women on the Board of Directors, which represents 36%.

According to the AFEP-MEDEF Code, concerning male/female representation on boards of directors, there should be a proportion of "at least 40% women as from the 2016 annual general meeting".

The law of 27 January 2011, concerning balanced male/female representation, provides that the 20% threshold should be achieved by the end of the 2014 annual general meeting, and that the 40% threshold should be achieved by the end of the 2017 annual general meeting.

At its meeting of 27 April 2017, the Board of Directors decided to co-opt Mrs Joy VERLÉ as a director, replacing Mr Alain CARRIER, who had resigned.

If the General Meeting ratifies the proposed co-options, renewal and appointment, there would be four women on the Board of Directors, for a Board of Directors comprising 10 directors (excluding the employee representative director), which is a female proportion of 40%.

IV. CORPORATE OFFICER COMPENSATION TERMS (9TH TO 15TH RESOLUTIONS)

Shareholders' advisory opinion on components of the compensation payable or awarded to each of the corporate officers for the 2016 financial year

As recommended in the AFEP-MEDEF Code, the Company's benchmark corporate governance code, the purpose of the 9th, 10th and 11th resolutions is to submit for consultation by the General Meeting each of the compensation components payable or awarded in respect of the 2016 financial year to each corporate officer, namely: Mr Jean-Claude Marian, Chairman of the Board of Directors, Mr Yves Le Masne, Chief Executive Officer, and Mr Jean-Claude Brdenk, Deputy Chief Executive Officer (details of each of these components are set forth in the Registration Document Corporate Governance section, 2016 report of the Chairman of the Board of Directors).

Components of compensation payable or awarded in respect of the 2016 financial year to Mr Jean-Claude Marian, Chairman of the Board of Directors

Components of compensation payable or awarded in respect of the financial year just ended	Amounts or accounting value submitted to vote	Presentation
Fixed compensation	550 K€	Compensation identical to previous financial year
Annual variable compensation	None	In principle, no award of annual variable compensation is scheduled.
Multi-year variable compensation	None	There is no multi-year variable compensation mechanism.
Stock options, performance shares or other share awards	None	None have been awarded in the financial year just ended.
Extraordinary compensation	None	In principle, no extraordinary compensation is scheduled.
Welcome package	None	Not relevant.
Termination indemnity: Severance pay / non-compete compensation	None	No such commitment exists
Supplementary pension scheme	None	There is no supplementary pension scheme

Directors' fees	35 K€	Directors' fees are allocated as follows: For attendance at Board of Directors meetings: a maximum fixed annual sum of €35,000, including €15,000 fixed component and €20,000 variable component, an amount of €2,500 being deducted for each absence as from the second absence.
Benefits in kind	None	The director receives no benefits in kind.

Components of compensation payable or awarded in respect of the 2016 financial year to Mr Yves Le Masne, Chief Executive Officer

Components of compensation payable or awarded in respect of the financial year just ended	Amounts or accounting value submitted to vote	Presentation
Fixed compensation	720 K€	Amount identical to previous financial year
Annual variable compensation	399.6 K€	Variable compensation comprising: quantifiable element (75%) granted in full; and, qualitative element (25%) granted as to 95%.
Multi-year variable compensation	Not relevant.	There is no multi-year variable compensation mechanism.
Stock options, performance shares or other share awards	13,000 shares (valuation: 799.2 K€)	Performance conditions: Achieving turnover and EBITDA targets specified in 2015 and 2016 budgets as presented to the Board of Directors. Percentage of share capital represented by the award: 0.2%. GM authorisation date and resolution number: EGM of 6 November 2015, 1st resolution. Date of award decision by the Board of Directors: 10 February 2016.
Extraordinary compensation	99.9 K€	Extraordinary element granted in full (20% of total variable compensation) with reference to

		Group outperformance.
Welcome package	Not relevant.	Not relevant.
Termination indemnity: Severance pay / non-competence compensation	No amount is payable in respect of the financial year just ended.	<p>– Description of the terms and conditions of the undertaking given by the Company:</p> <p>Any such indemnity would be paid by ORPEA:</p> <p>In the event of a forced departure: departure by decision of the Board of Directors, whatever the form such termination takes, including by dismissal, solicited resignation or non-renewal of directorship (excluding termination for gross negligence) ;</p> <p>Or</p> <p>In the event of a change of control (change of control meaning any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquired a percentage of the Company's share capital or voting rights conferring effective control over the Company) or strategy of the Company, at the initiative of the Board of Directors or the relevant director.</p> <p>Such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-extraordinary target variable compensation (excluding part of the extraordinary variable</p>

		<p>compensation), a pro rata reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-extraordinary target variable compensation with no indemnity being paid below 50%.</p> <p>A special arrangement applies if the officer departs within 24 months of his appointment.</p> <p>If the officer can claim his basic pension at full rate within six months of the end of his term of office, the indemnity shall not be paid.</p> <p>- Date of Board of Directors' decision: 25 March 2013 and 25 April 2013.</p> <p>- Date of submission to the General Meeting and number of the resolution under the related party transactions procedure: AGM of 20 June 2013, 5th resolution.</p>
Supplementary pension scheme	Not relevant.	The officer is not entitled to a supplementary pension scheme.
Directors' fees	35 K€	<p>Directors' fees are allocated as follows:</p> <p>For attendance at Board of Directors meetings: a maximum fixed annual sum of €35,000, including €15,000 fixed component and €20,000 variable component, an amount of €2,500 being deducted for each absence as from the second absence.</p>
Benefits in kind	3.5 K€	The officer is entitled to a company car.

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Components of compensation payable or awarded in respect of the 2016 financial year to Mr Jean-Claude Brdenk, Deputy Chief Executive Officer

Components of compensation payable or awarded in respect of the financial year just ended	Amounts or accounting value submitted to vote	Presentation
Fixed compensation	640 K€	Amount identical to previous financial year
Annual variable compensation	355.2 K€	Variable compensation comprising: <ul style="list-style-type: none"> - quantifiable element (75%) granted in full; and, - qualitative element (25%) granted as to 95%.
Multi-year variable compensation	Not relevant.	There is no multi-year variable compensation mechanism.
Stock options, performance shares or other share awards	13,000 shares (valuation: 799.2 K€)	Performance conditions: Achieving turnover and EBITDA targets specified in 2015 and 2016 budgets as presented to the Board of Directors. <ul style="list-style-type: none"> - Percentage of share capital represented by the award: 0.2%. - GM authorisation date and resolution number: EGM of 6 November 2015, 1st resolution. - Date of award decision by the Board of Directors: 10 February 2016.
Extraordinary compensation	88.8 K€	Extraordinary element granted in full (20% of total variable compensation) with reference to Group outperformance.
Welcome package	Not relevant.	Not relevant.
Termination indemnity: Severance pay / non-compete compensation	No amount is payable in respect of the financial year just ended.	- Description of the terms and conditions of the undertaking given by the Company:

		<p>Any such indemnity would be paid by ORPEA:</p> <ul style="list-style-type: none"> • In the event of a forced departure: departure by decision of the Board of Directors, whatever the form such termination takes, including by dismissal, solicited resignation or non-renewal of directorship (excluding termination for gross negligence) ; <p>Or</p> <ul style="list-style-type: none"> • In the event of a change of control (change of control meaning any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquired a percentage of the Company's share capital or voting rights conferring effective control over the Company) or strategy of the Company, at the initiative of the Board of Directors or the relevant director. • Such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-
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		<p>extraordinary target variable compensation (excluding part of the extraordinary variable compensation), a pro rata reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-extraordinary target variable compensation with no indemnity being paid below 50%.</p> <p>A special arrangement applies if the officer departs within 24 months of his appointment.</p> <p>If the officer can claim his basic pension at full rate within six months of the end of his term of office, the indemnity shall not be paid.</p> <p>– Date of Board of Directors’ decision: 25 March 2013 and 25 April 2013.</p> <p>– Date of submission to the General Meeting and number of the resolution under the related party transactions procedure: AGM of 20 June 2013, 6th resolution.</p>
Supplementary pension scheme	Not relevant.	The officer is not entitled to a supplemental pension scheme.
Directors’ fees	Not relevant.	The officer does not receive directors’ fees.

Benefits in kind	4.5 K€	The officer is entitled to a company car.

Approval of the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to corporate officers

Pursuant to article L 225-37-2 of the Commercial Code, as introduced by the law on transparency in the battle against corruption and the modernization of the economy known as the Sapin II Law, the General Meeting is required each year to approve the principles and criteria for the determination, distribution and award of the fixed, variable and extraordinary components of overall compensation and benefits of all kinds awarded to corporate officers for the performance of their duties.

It is proposed, by the **12th, 13th, 14th and 15th resolutions**, that you approve the compensation policy applicable to the Chairman of the Board of Directors (Mr Jean-Claude MARIAN, for the period from 1 January 2017 to 28 March 2017 and Mr Philippe CHARRIER since 28 March 2017), the Chief Executive Officer (as from 1 January 2017) and the Deputy Chief Executive Officer (as from 1 January 2017), presented in the report of the Board of Directors prepared in accordance with article L. 225-37-2 of the Commercial Code as set out in Schedule 1 to this Notice of Meeting Brochure.

V. AUTHORISATION FOR THE PURCHASE BY THE COMPANY OF ITS OWN SHARES (16TH RESOLUTION)

The Combined General Meeting of 23 June 2016 authorised the Board of Directors to trade in the Company's own shares. The use made of the programme during the 2016 financial year is described in Chapter 2, section 2.2.10 - *Share buyback programme*, in the 2016 Registration Document which is available on the ORPEA website, www.orpea-corp.com.

We propose, by the **16th resolution**, that you renew the annual authorisation granted to the Board of Directors to buy back the Company's shares in accordance with articles L. 225-209 et seq. of the Commercial Code, in order:

- to stimulate the market or provide liquidity for the shares through an investment services provider acting under a liquidity agreement in accordance with the code of ethics recognized by the *Autorité des marchés financiers*, provided that the number of shares so redeemed must equal, for the purpose of the 10% limit specified below, the number of shares purchased, less the number of shares resold during the authorization period;
- to allot all or some of the acquired shares to employees and/or corporate officers of the Company and/or Group companies, under and in accordance with the law, in particular in connection with profit-sharing schemes, stock option awards, allotments of bonus shares or disposals of shares for their benefit;
- to deliver all or some of the acquired shares upon exercise of rights attached to securities conferring entitlement to the allotment of shares in the Company by conversion, exercise, redemption, exchange, presentation of a warrant or otherwise, in accordance with stock-market regulations;
- to cancel all or some of the acquired shares by reducing the share capital under and as provided in the Commercial Code, subject to approval by the Extraordinary General Meeting of the 14th resolution;

- to retain all or some of the acquired shares for subsequent tender by way of exchange, payment or otherwise in connection with external corporate growth, in compliance with market practices authorised by the *Autorité des marchés financiers* ; or
- more generally, to carry out any transaction for the purpose of hedging or any other transaction permitted or authorised from time to time under applicable regulations.

This authorisation is valid for a period of 18 months and shall replace, for the unutilised portion, the equivalent authorisation granted by the General Meeting on 23 June 2016.

This will enable the implementation of a share buyback programme with the following features:

- Maximum percentage of share capital permitted for buyback:
 - 10% of the total number of shares forming the share capital of the Company;
- Maximum purchase price: €150;
- Maximum overall amount of the programme : based on the share capital as at 10 April 2017, not counting shares already held, the amount would be €907,661,505;
- Buyback procedure: the acquisition, sale, transfer or exchange of such shares may be effected and paid for by any means in compliance with applicable regulations, on one or several occasions, on- or off-market, including over-the-counter, and by block sale or purchase (the portion of the buyback programme effected in such manner being unlimited), through the use of options or other derivative financial instruments, in each case either directly or indirectly through an investment services provider, and at such times as the Board of Directors may determine, other than during any public offer period involving the Company's share capital.

The shares purchased and retained by the Company shall be stripped of their voting rights and will not be entitled to dividend payments.

Resolutions within the authority of the Extraordinary General Meeting

VI. AUTHORISATION TO CANCEL SHARES ACQUIRED BY THE COMPANY (17TH RESOLUTION)

Pursuant to the terms of the **17th resolution**, it is proposed that you renew for a period of 18 months the Board of Directors' authorisation granted at the Combined General Meeting of 23 June 2016, to cancel all or some of the shares acquired under the share buyback programme.

As provided by law, a number of shares representing no more than 10% of the share capital may be cancelled within each 24 month period.

Since cancellation of shares involves reducing the share capital and accordingly requires amending the bylaws, this resolution is subject to the quorum and majority requirements for Extraordinary General Meetings.

It should be noted that to date no shares have been cancelled.

VII. INSERTION IN THE BYLAWS OF AN ARTICLE CONCERNING THE APPOINTMENT OF AN HONORARY CHAIRMAN OF THE BOARD OF DIRECTORS (18TH RESOLUTION)

At its meeting of 28 March 2017, the Board of Directors unanimously decided to appoint Dr. Jean-Claude Marian as Honorary Chairman, subject to ratification by this General Meeting of the consequential amendments to the bylaws.

Accordingly, by this **18th resolution**, it is proposed that the bylaws of the Company be amended to enable the Board of Directors to appoint, on an honorary basis, an Honorary Chairman, being a natural person and a former Chairman of the Board of Directors, who may be invited to meetings of the Board of Directors, where he shall have a purely advisory role. The Honorary Chairman must nevertheless agree to be bound by the Board's internal rules.

Resolution within the authority of both General Meetings

VIII. POWERS TO CARRY OUT FORMALITIES (SINGLE RESOLUTION)

Under this last resolution, you are asked to grant the powers needed to carry out any formalities required subsequent to this General Meeting.

SCHEDULE 1 : REPORT OF THE BOARD OF DIRECTORS PREPARED PURSUANT TO ARTICLE L. 225-37-2 OF THE COMMERCIAL CODE ON THE PRINCIPLES AND CRITERIA FOR DETERMINATION, DISTRIBUTION AND AWARD OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS OF ALL KINDS AWARDED TO THE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND DEPUTY CHIEF EXECUTIVE OFFICER FOR THE 2017 FINANCIAL YEAR

In this report prepared pursuant to article L. 225-37-2 of the Commercial Code, the Board of Directors sets forth the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to corporate officers.

The Combined General Meeting of 22 June 2017 is asked to approve the compensation policy for corporate officers in respect of the 2017 financial year based on this report. For such purpose, three resolutions are presented concerning the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer respectively.

The Board of Directors refers particularly to the recommendations in the AFEP-MEDEF code for determining compensation and benefits granted to corporate officers.

In accordance with these recommendations, and on the proposal of the Appointments and Remuneration Committee, the Board of Directors has strived to ensure that its compensation policy respects the principles of exhaustiveness, balance, comparability, coherence, transparency and moderation, and takes market practices into consideration.

1. Compensation of the Chairman of the Board of Directors

1.1. Compensation of Mr Jean-Claude Marian, Chairman of the Board of Directors up to 28 March 2017, for the 2017 financial year

Fixed compensation

Mr Jean-Claude Marian's basic annual gross compensation totals €550,000 (unchanged in 2017 compared to 2016).

Mr Jean-Claude Marian resigned as Chairman of the Board of Directors on 28 March 2017 ; it was decided that for 2017 he should be paid a pro rata proportion of such basic annual compensation, i.e. €137,500, for the performance of his function as Chairman of the Board of Directors between 1 January 2017 and 28 March 2017.

Annual variable compensation and other compensation components

Mr Jean-Claude Marian does not receive any variable compensation. He receives no other compensation components or benefits in kind.

He has not been paid any indemnity whatsoever, following his resignation as director and Chairman of the Board of Directors.

1.2. Compensation of Mr Philippe Charrier, non-executive Chairman of the Board of Directors, for the 2017 financial year

Fixed compensation

Mr Philippe Charrier was co-opted as a director and appointed Chairman of the Board of Directors on 28 March 2017. He was awarded compensation in a total gross fixed annual amount of €120,000 for the 2017 financial year in his capacity as non-executive Chairman of the Board of Directors, plus an amount in respect of directors' fees in his capacity as director.

Annual variable compensation and other compensation components

Mr Philippe Charrier does not receive any variable compensation. He receives no other compensation components or benefits in kind.

2. Compensation of the Chief Executive Officer and the Deputy Chief Executive Officer

2.1. Principles

The Board of Directors, upon the recommendation of the Appointments and Remunerations Committee and having read the comparative study of compensation packages for similar posts conducted by an independent firm, has defined a target breakdown of the compensation awarded to the Chief Executive Officer and the Deputy Chief Executive Officer as follows:

- one third, fixed compensation;
- one third, variable compensation; and
- for the final third, a long-term Company share incentive plan.

Under this proposal, for the 2017 financial year, the compensation payable to the Chief Executive Officer and the Deputy Chief Executive Officer is determined as follows:

- **Chief Executive Officer** :
 - o Fixed compensation: €720,000 (unchanged for the sixth consecutive year) ;
 - o Variable compensation: a target bonus of 70% of the fixed compensation subject to a maximum of 150% of the target bonus for outperformance, namely a total maximum bonus of 105% (150% x 70%) of the fixed compensation;
 - o a long-term incentive plan in the form of a bonus shares award or any similar scheme (LTIP) for a maximum amount equal to 100% of the fixed compensation, at IFRS value as determined by an independent firm.
- **Deputy Chief Executive Officer** :
 - o Fixed compensation: €640,000 (unchanged from the previous financial year) ;
 - o Variable compensation: a target bonus of 70% of the fixed compensation subject to a maximum of 150% of the target bonus for outperformance, namely a total maximum bonus of 105% (150% x 70%) of the fixed compensation;
 - o a long-term incentive plan in the form of a bonus shares award or any similar scheme (LTIP) for a maximum amount equal to 100% of the fixed compensation, at IFRS value as determined by an independent firm.

The Chief Executive Officer and the Deputy Chief Executive Officer also have the use of a company car, by way of sole benefit in kind.

2.2. Criteria

Their variable compensation is made up of:

- a portion linked to quantifiable targets, with a target proportion of 80% of overall variable compensation, and,
- a portion linked to qualitative targets, with a target proportion of 20% of overall variable compensation.

The targets for the variable compensation of the Chief Executive Officer and the Deputy Chief Executive Officer for 2017 are defined principally as follows:

- portion linked to quantifiable targets (80%),
 - o turnover growth
 - o organic growth of turnover and EBITDA
 - o growth of EBITDA and improvement of margins
 - o increase in free cash flow per share
 - o increase in normalised consolidated net profit
 - o evolution of restated financial leverage ratio
- portion linked to qualitative targets (20%),
 - o the implementation of a succession plan also covering levels N-1 and the deployment of a policy for management and development of the principal managers
 - o the results of the annual satisfaction survey
 - o increasing real estate holdings
- Long term incentive plan (LTIP):
 - o an amount equal to the fixed salary component, valued in shares using the IFRS valuation method as determined by an independent firm, using the date of the Board of Directors meeting of 4 May 2017 as the reference date;
 - o Target : change in the ORPEA share price inclusive of dividends (TSR) compared to the average change in the MSCI Europe excl. UK (comprising more than 300 companies in Europe excluding UK) and the CAC 40, including dividends paid, over the two financial years 2017 and 2018 ;
 - o maximum LTIP achieved if the change in the ORPEA share price (TSR), is equal to or greater than 10% of the average for the two indices over the period;
 - o minimum LTIP (i.e. 0) if the change in the ORPEA share price (TSR), is less than or equal to the average of such two indices over the period;
 - o pro rata LTIP if the change in the ORPEA share price (TSR), is between 0 and 10% above the average for the two indices over the period;
 - o the shares are acquired in accordance with the performance condition after a period of two years after which the shares must be retained for a minimum of two years;

- reference periods: average ORPEA share price over the period from 1 January 2019 to 30 April 2019, plus the dividends paid in respect of the 2018 financial year, compared to such same average over the period from 1 January 2017 to 30 April 2017, plus the dividends paid in respect of the 2016 financial year;
- corporate officers are obliged to retain 25% of the shares acquired until the expiry of their term of office.

3. Undertaking to the Chief Executive Officer and the Deputy Chief Executive Officer pursuant to article L 225-90-1 of the Commercial Code

At the Board of Directors meeting held on 28 March 2017, and at the time of renewal of the appointments of Messrs Yves Le Masne and Jean-Claude Brdenk as Chief Executive Officer and Deputy Chief Executive Officer respectively, the Board of Directors confirmed the continuation of the indemnity mechanism established in the event of termination of their appointments.

This mechanism was decided and defined at Board of Directors meetings held on 25 March 2013 and 25 April 2013.

Having regard to the major contribution of the Chief Executive Officer and the Deputy Chief Executive Officer to the Group's development over several years, and given their waiver in respect of their employment contract, this mechanism provides that these officers are entitled to payment of an indemnity equal to twenty four (24) months gross fixed and variable compensation (multiple of the average monthly compensation due and paid in respect of the last two financial years) in the event of termination of their functions as executive corporate officer.

This indemnity is payable in the following cases:

- in the event of forced departure: by decision of the Board of Directors, whatever form such termination may take, in particular by dismissal, solicited resignation or non-renewal of their appointment as corporate officer (excluding termination for gross negligence) ; or
- in the event of a change of control¹ of, or change in strategy by, the Company, upon the decision of the Board of Directors or the relevant corporate officer.

Furthermore, such indemnity will be granted by the Board of Directors provided that the average variable compensation received in respect of the two financial years preceding the date of departure of the relevant officer was equal to or greater than 75% of the non-extraordinary target variable compensation (excluding part of the extraordinary variable compensation), a pro rata reduction of such amount being applied in the event that the average variable compensation received in respect of the two preceding financial years was between 74% and 50% of such non-extraordinary target variable compensation with no indemnity being paid below 50%.

If Messrs Le Masne and Jean-Claude Brdenk can claim their basic pension at full rate within six months of the end of their term of office, this indemnity shall not be paid.

¹ change of control means any change in the Company's legal position resulting from any merger, restructuring, transfer, public cash or exchange offer, as a result of which a shareholder, whether a legal entity or natural person, acting alone or in concert, directly or indirectly, acquired a percentage of the Company's share capital or voting rights conferring effective control over it.

TEXT OF DRAFT RESOLUTIONS PRESENTED BY ORPEA'S BOARD OF DIRECTORS

I. Ordinary resolutions

FIRST RESOLUTION (APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS FOR THE 2016 FINANCIAL YEAR)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the management report of the Board of Directors and the schedules thereto, the report of the Chairman of the Board of Directors specified in article L.225-37 of the Commercial Code and the reports of the Statutory Auditors, approves, in the form presented, the financial statements for the financial year ended 31 December 2016 showing a profit of €29,908,915.82.

Moreover, the General Meeting notes that that amount of the expenses and charges specified by articles 39-4 and 39-5 of the French General Tax Code incurred by the Company for the year ended 31 December 2016 amounted to €232,458 and that the amount of tax owed by the Company due to the non-deductible nature of these charges amounted to €80,035.

SECOND RESOLUTION (APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2016 FINANCIAL YEAR)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the management report of the Board of Directors and the schedules thereto, and the report of the Statutory Auditors, approves, in the form presented, the consolidated financial statements for the financial year ended 31 December 2016 showing a net profit of €256,448,456.

THIRD RESOLUTION (ALLOCATION OF INCOME)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, decides to allocate the profit, totalling €29,908,915.82, as follows:

- total profit.....€29,908,915.82
- for allocation to the legal reserve in an amount of..... €1,495,446.00
 - the remainder, i.e..... €28,413,469.82
 - plus:
 - 1) the "retained earnings" item, i.e..... €363,900.14
 - 2) the "bond conversion premiums" item, in an amount of..... €32,000,000.00
 - giving a total distributable amount of..... €60,777,369.96
- distribution of a cash dividend of €1 (one euro) for each of the 60,531,156 shares forming the share capital as at 27 April 2017, i.e..... €60,531,156.00

- the balance, to the "Other reserves" account, i.e..... €246.213,96

This dividend shall be paid on 11 July 2017, provided however that no dividend will be paid on treasury shares held by the Company on the day of detachment of the coupon and that the relevant amounts shall be allocated to the "Other reserves" account. If there has been any change in the number of shares eligible for dividends, compared to the 60,531,156 shares forming the share capital at 27 April 2017, the Board of Directors may adjust the overall amount of the dividend by deduction from distributable profits.

The entire amount of the proposed dividend is eligible for the 40% allowance referred to in article 158-3 2° of the French General Tax Code.

The General Meeting acknowledges to the Board of Directors the amounts distributed by way of dividend in the three previous financial years, as summarised in the table below:

Financial year	Net dividend received (in euros)	Distributed income fully eligible for the 40% allowance (in euros)*	Total (in euros)
2013	0.70	0.70	0.70
2014	0.80	0.80	0.80
2015	0.90	0.90	0.90

* *The annual dividend was eligible for the tax allowance available to private individual shareholders resident in France for tax purposes, in accordance with the provisions of article 158.3, paragraph 2 of the French General Tax Code.*

FOURTH RESOLUTION (PRESENTATION OF THE REPORT OF THE STATUTORY AUDITORS ON RELATED PARTY AGREEMENTS AND COMMITMENTS AS REFERRED TO IN ARTICLES L. 225-38 ET SEQ. OF THE COMMERCIAL CODE - APPROVAL OF SUCH AGREEMENTS)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having read the special report of the Statutory Auditors on related party agreements and commitments as referred to in article L.225-38 et seq. of the Commercial Code and voting on such report, approves the report and the agreements referred to therein.

FIFTH RESOLUTION (APPOINTMENT OF MR XAVIER COIRBAY AS DIRECTOR)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, appoints Mr Xavier COIRBAY as director for a period of four (4) years.

His term of office will expire at the closure of the General Meeting held in 2021 to approve the financial statements for the previous year.

SIXTH RESOLUTION (RENEWAL OF MRS BERNADETTE CHEVALLIER-DANET'S APPOINTMENT AS DIRECTOR)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, renews Mrs Bernadette CHEVALLIER-DANET's appointment as director for a period of four (4) years.

Her term of office will expire at the closure of the General Meeting held in 2021 to approve the financial statements for the previous year.

SEVENTH RESOLUTION (RATIFICATION OF THE CO-OPTION OF MR PHILIPPE CHARRIER AS DIRECTOR IN REPLACEMENT OF DR. JEAN CLAUDE MARIAN)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, ratifies Mr Philippe CHARRIER's appointment as director co-opted at the Board of Directors meeting held on 28 March 2017, in replacement of Dr. Jean Claude MARIAN, who had resigned, for the remaining period of Dr. Jean Claude MARIAN's term of office, namely until the close of the annual ordinary general meeting held in 2019 to approve the financial statements for the year ending 31 December 2018.

EIGHTH RESOLUTION (RATIFICATION OF THE CO-OPTION OF MRS JOY VERLÉ AS DIRECTOR IN REPLACEMENT OF MR ALAIN CARRIER)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors, ratifies Mrs Joy VERLÉ's appointment as director co-opted at the Board of Directors meeting held on 27 April 2017, in replacement of Mr Alain CARRIER, who had resigned, for the remaining period of Mr Alain CARRIER's term of office, namely until the close of the annual ordinary general meeting held in 2019 to approve the financial statements for the year ending 31 December 2018.

NINTH RESOLUTION (OPINION ON THE COMPENSATION COMPONENTS PAYABLE OR AWARDED TO MR JEAN-CLAUDE MARIAN, CHAIRMAN OF THE BOARD OF DIRECTORS)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article 26 of the AFEP-MEDEF corporate governance code for listed companies and having considered the report of the Board of Directors, issues a favourable opinion on the components of the compensation payable or awarded in respect of the financial year ending 31 December 2016 to Mr Jean-Claude MARIAN, Chairman of the Board of Directors for such period, as set forth in the 2016 registration document and included in the Board of Directors' report.

TENTH RESOLUTION (OPINION ON THE COMPENSATION COMPONENTS PAYABLE OR AWARDED TO MR YVES LE MASNE, CHIEF EXECUTIVE OFFICER)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article 26 of the AFEP-MEDEF corporate governance code for listed companies and having considered the report of the Board of Directors, issues a favourable opinion on the components of the compensation payable or awarded in respect of

the financial year ending 31 December 2016 to Mr Yves LE MASNE, Chief Executive Officer, as set forth in the 2016 registration document and included in the Board of Directors' report.

ELEVENTH RESOLUTION (OPINION ON THE COMPENSATION COMPONENTS PAYABLE OR AWARDED TO MR JEAN-CLAUDE BRDENK, DEPUTY CHIEF EXECUTIVE OFFICER)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article 26 of the AFEP-MEDEF corporate governance code for listed companies and having considered the report of the Board of Directors, issues a favourable opinion on the components of the compensation payable or awarded in respect of the financial year ending 31 December 2016 to Mr Jean-Claude BRDENK, Deputy Chief Executive Officer, as set forth in the 2016 registration document and included in the Board of Directors' report.

TWELFTH RESOLUTION (APPROVAL OF THE PRINCIPLES AND CRITERIA FOR DETERMINATION, DISTRIBUTION AND AWARD OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS OF ALL KINDS AWARDED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS, MR JEAN-CLAUDE MARIAN, FOR THE PERIOD FROM 1ST JANUARY 2017 TO 28 MARCH 2017)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article L. 225-37-2 of the Commercial Code and having considered the report of the Board of Directors, approves, in respect of the 2017 financial year, the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to the Chairman of the Board of Directors, Mr Jean-Claude MARIAN, as set forth in the report attached to the report referred to in articles L. 225-100 and L. 225-102 of the Commercial Code and set forth in paragraph 3.1.7. of the 2016 registration document.

THIRTEENTH RESOLUTION (APPROVAL OF THE PRINCIPLES AND CRITERIA FOR DETERMINATION, DISTRIBUTION AND AWARD OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS OF ALL KINDS AWARDED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS, MR PHILIPPE CHARRIER, AS FROM 28 MARCH 2017)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article L. 225-37-2 of the Commercial Code and having considered the report of the Board of Directors, approves, in respect of the 2017 financial year, the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded to the Chairman of the Board of Directors, Mr Philippe CHARRIER, as set forth in the report attached to the report referred to in articles L. 225-100 and L. 225-102 of the Commercial Code and set forth in paragraph 3.1.7. of the 2016 registration document.

FOURTEENTH RESOLUTION (APPROVAL OF THE PRINCIPLES AND CRITERIA FOR DETERMINATION, DISTRIBUTION AND AWARD OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS OF ALL KINDS AWARDED TO THE CHIEF EXECUTIVE OFFICER, AS FROM 1ST JANUARY 2017)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article L. 225-37-2 of the Commercial

Code and having considered the report of the Board of Directors, approves, in respect of the 2017 financial year, the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded for the execution of his office to Mr Yves LE MASNE, Chief Executive Officer, as set forth in the report attached to the report referred to in articles L. 225-100 and L. 225-102 of the Commercial Code and set forth in paragraph 3.1.7. of the 2016 registration document.

FIFTEENTH RESOLUTION (APPROVAL OF THE PRINCIPLES AND CRITERIA FOR DETERMINATION, DISTRIBUTION AND AWARD OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF THE OVERALL COMPENSATION AND BENEFITS OF ALL KINDS AWARDED TO THE DEPUTY CHIEF EXECUTIVE OFFICER, AS FROM 1ST JANUARY 2017)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having been consulted in accordance with article L. 225-37-2 of the Commercial Code and having considered the report of the Board of Directors, approves, in respect of the 2017 financial year, the principles and criteria for determination, distribution and award of the fixed, variable and extraordinary components of the overall compensation and benefits of all kinds awarded for the execution of his office to Mr Jean-Claude BRDENK, Deputy Chief Executive Officer, as set forth in the report attached to the report referred to in articles L. 225-100 and L. 225-102 of the Commercial Code and set forth in paragraph 3.1.7. of the 2016 registration document.

SIXTEENTH RESOLUTION (AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO ALLOW THE COMPANY TO TRADE IN ITS OWN SHARES)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, having considered the report of the Board of Directors and the description of the share buyback programme prepared in accordance with articles 241-1 et seq. of the *Autorité des marchés financiers*' General Regulations, authorises the Board of Directors, under and as provided in article L.225-209 et seq. of the Commercial Code, to acquire, on one or more occasions and in any manner whatsoever, a number of shares in the Company representing no more than 10% of the number of shares forming the share capital of the Company at any time.

The purpose of this authorisation is to enable the Company to use the available options permitted by law for trading in its own shares to:

- a) stimulate the market or provide liquidity for the shares through an investment services provider acting under a liquidity agreement in accordance with the code of ethics recognized by the *Autorité des marchés financiers*;
- b) to allot all or some of the acquired shares to employees and/or corporate officers of the Company and/or Group companies, under and in accordance with the law, in particular in connection with profit-sharing schemes, stock option awards, allotments of bonus shares or disposals of shares for their benefit;
- c) to deliver its shares upon exercise of rights attached to securities conferring entitlement by conversion, exercise, redemption, exchange or otherwise to the allotment of shares in the Company, in accordance with stock-market regulations;
- d) to cancel the shares by reducing the share capital as provided in the Commercial Code;
- e) to retain all or some of the acquired shares for subsequent tender by way of exchange or payment in connection with growth by acquisition or any other transaction permitted under applicable regulations; or

f) to conduct any market practice permitted by law or authorised by the *Autorité des marchés financiers*.

The General Meeting decides that the Company may not use this resolution and continue to execute its buyback programme in the event of a public offer involving the Company's shares.

The purchase, sale, transfer or exchange of these shares may be effected and settled by any means, on regulated markets or multi-lateral trading systems, in particular under a liquidity agreement entered into by the Company with an investment services provider, subject to compliance with applicable regulations, including over-the-counter and by block sale or purchase, through the use of derivative financial instruments or the implementation of options strategies (purchase and sale of put and call options or any combination thereof in compliance with applicable regulations), and at such times as the Board of Directors or, where applicable, a person acting under the authority of the Board of Directors, deems fit. The portion of the buyback programme that may be executed by block transactions is unlimited.

The General Meeting sets the following limits on the Board of Directors' use of this authority:

- a) the maximum purchase price, excluding transaction costs, may not exceed €150 (one hundred and fifty euros) per share;
- b) the maximum number of shares that may be acquired may not exceed 10% of the total number of shares in issue; provided however that such limit shall be assessed on the date of each buyback to take account of any increase or reduction of the share capital that may take place whilst the programme remains in effect. For the purpose of calculating this limit, the number of shares taken into account shall be the number of shares purchased less the number of shares resold whilst the programme remains in effect; and
- c) the maximum amount that may be used for such purchases, based on the existing share capital as at 10 April 2017, would be €907,661,505 (nine hundred and seven million, six hundred and sixty one thousand five hundred and five euros).

These limits are set subject to any adjustments for transactions on the Company's share capital under and in accordance with applicable laws and regulations.

This authorisation is granted for a period of eighteen months from the date of this General Meeting.

The General Meeting confers full powers on the Board of Directors, with the power of sub-delegation under and in accordance with applicable laws and regulations, to implement this authorisation, to define, if necessary, the terms and arrangements for the implementation thereof, and in particular to place orders on the stock markets, sign all purchase, exchange or transfer deeds and documents, conclude any agreements, make all declarations and carry out any formalities, make any adjustments as provided above and, more generally, do all that is necessary for the implementation of this authorisation.

This resolution cancels, for the non-utilised portion thereof, any previous delegation of authority on the same subject matter.

II. Extraordinary resolutions

SEVENTEENTH RESOLUTION (RENEWAL OF THE AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLING TREASURY SHARES HELD BY THE COMPANY)

The General Meeting, voting in compliance with the quorum and majority requirements for Extraordinary General Meetings, having considered the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with article L.225-209 of the Commercial Code :

1. Authorises the Board of Directors, to cancel, on one or more occasions, in such proportions and at such times as it may decide, any number of treasury shares as it may decide, subject as permitted by law, namely as of today's date, up to a limit of 10% of the Company's share capital within each twenty four (24) month period, provided however that such limit applies to the amount of the Company's share capital after adjustment, if relevant, for any transaction affecting the share capital subsequent to this General Meeting, and to reduce accordingly the share capital of the Company;
2. Decides that the authorisation hereby granted to the Board of Directors shall remain valid for a period of 18 months following the date of this General Meeting;
3. Decides that the Board of Directors shall have full powers, with the power of sub-delegation under and in accordance with applicable laws and regulations, to implement, as permitted by law, this resolution and in particular to:
 - a) cancel the shares and reduce the share capital accordingly,
 - b) determine the final amount, set the terms and conditions and record the completion thereof,
 - c) allocate the difference between the book value of the cancelled shares and their par value to any available reserve or share premium accounts, including the legal reserve for an amount of up to 10% of the cancelled share capital, and
 - d) make any consequential amendments to the bylaws and, more generally, do all things necessary, all in accordance with laws and regulations applicable at the time this authorisation is utilised;
4. Duly notes that this authorisation cancels, for the period remaining, and replaces the authorisation granted by the fourteenth resolution of the Combined General Meeting held on 23 June 2016.

EIGHTEENTH RESOLUTION (INSERTION INTO THE BYLAWS OF PROVISIONS CONCERNING THE APPOINTMENT OF AN HONORARY CHAIRMAN OF THE BOARD OF DIRECTORS AND CONSEQUENTIAL AMENDMENTS OF THE BYLAWS)

The General Meeting, voting in compliance with the quorum and majority requirements for Extraordinary General Meetings, and having considered the report of the Board of Directors, decides :

- to grant the Board of Directors the option to appoint an Honorary Chairman of the Board of Directors, being a natural person and former Chairman of the Board of Directors, who may be invited to Board of Directors' meetings, where he shall have a purely advisory role, and who must agree to be bound by the Board of Directors' internal rules;
- accordingly, to insert a new article 20 into the Company's bylaws, which shall be drafted follows:

" ARTICLE 20 - HONORARY CHAIRMAN

"The Board of Directors may appoint, on an honorary basis, an (or more than one) Honorary

Chairman, being a natural person and a former Chairman of the Board of Directors. The Honorary Chairman may be invited to meetings of the Board of Directors, where he shall have a purely advisory role. He must agree to be bound by the Board's internal rules."

III. Resolution within the authority of both General Meetings:

NINETEENTH RESOLUTION (POWERS TO MAKE FILINGS AND CARRY OUT FORMALITIES)

The General Meeting, voting in compliance with the quorum and majority requirements for Ordinary General Meetings, confers full powers on the bearer of an original, copy or extract of the minutes of this General Meeting to carry out all legal or administrative formalities and make all filings and publications required by applicable laws.

OVERVIEW

In 2016, ORPEA continued to expand internationally, in particular through four notable acquisitions: Medi-System in Poland, Vitalis in Germany, Sanyres in Spain and Spitex Ville et Campagne in Switzerland. The Group also continued its selective development through targeted acquisitions and obtaining authorizations in the European countries where it is established, particularly in Spain, Germany and Belgium. Finally, the plan to open a first retirement home in Nanjing, China came to fruition.

✓ 2016 KEY FIGURES

Selected financial information from the consolidated income statement

In M€ (IFRS)	31.12.2016	31.12.2015	31.12.2014
Turnover	2 841.2	2 391.6	1 948.6
EBITDAR ²	769.4	652.5	537.8
EBITDA ³	474.5	400.5	350.1
Current EBIT or Current Operating Income	348.1	303.6	271.2
Operating Income	371.0	323.0	308.9
Net financial indebtedness cost	(111.6)	(96.8)	-99.2
Change in FVO ⁴	(1.8)	(43.0)	-25.1
Net Income group share, excluding net change in FVO ⁴	257.6	153.3	136.3
Net Income group share	256.4	126.6	120.8

Consolidated turnover

In 2016, ORPEA posted a new record year with turnover up +18.8% to 2,841.2 M€, 122 M€ more than the initial target announced at the beginning of last year, and also above the mid-year revised target.

This performance demonstrates the strength of ORPEA's activity's resilience to the economic, financial, and geopolitical environment, in so far as dependency management meets a structural need that cannot be put off. Indeed, ORPEA's activity is not influenced by macroeconomic factors such as commodity prices, currencies or economic growth. Indeed, it is more closely linked to demographic change, which is a more reliable and easily predictable statistic.

This increase in activity is the result of successful execution of the Group's strategy, combining:

- strong organic growth of + 6.0%. Mature institutions have consistently high occupancy rates due to the structural needs of the sector and the location, attractiveness and good reputation of ORPEA establishments. Like every year, organic growth was also fueled by the increase in the

² EBITDAR = EBITDA before rent, includes provisions relating to "external expenses" and "payroll costs"

³ EBITDA = current operating income before net depreciation and amortization expense, includes provisions relating to "external expenses" and "payroll costs"

⁴ FVO = fair value of the entitlement to the allotment of ORNANE shares

number of establishments opened in 2015 and by the opening in 2016 of approximately 2,100 beds (resulting from construction or restructuring);

- strong external growth internationally, with the full-year contribution of the acquisitions made in 2015 (SeneCura in Austria, Celenus Kliniken and Residenz Gruppe Bremen in Germany) and the contribution of the 2016 acquisitions, Vitalis in Germany over 12 months, Medi-System in Poland over 12 months and Sanyres in Spain over 6 months. Spitex Ville et Campagne did not contribute to the turnover for the year having being consolidated only since 31 December 2016.

As a result of the various acquisitions, international operations increased by 44.1%, bringing turnover up to 1,145.8 M€ and the international part of the business to 40% of the Group's overall activity.

<i>in M€ IFRS</i>	2016	2015	Δ 16/15	2014
France	1 695.4	1 596.6	+ 6.2 %	1 499.8
<i>% of total turnover</i>	<i>60 %</i>	<i>67%</i>		<i>77%</i>
International	1 145.8	795.0	+ 44.1 %	448.8
<i>% of total turnover</i>	<i>40 %</i>	<i>33%</i>		<i>23%</i>
Of which:				
Germany	501.0	287.50		102.2
Austria	176.3	109.8		
Belgium	162.1	157.8		164.9
China	0.4			
Spain	101.7	63.9		55.6
Italy	48.5	45.9		41.6
Poland	11.3			
Switzerland	142.9	130.1		84.4
Czech Republic	1.7			
Total turnover	2 841.2	2 391.6	+ 18.8 %	1 948.6
<i>Of which organic growth⁵</i>			+ 6.0 %	

In France, 2016 turnover increased by + 6.2% to 1,695.4 M€, due to the robustness of the mature establishments and the increase in number of establishments opened or restructured over the last two years.

Indeed, ORPEA has maintained high occupancy rates in its mature establishments, benefiting from a quality offer, that is modern and perfectly suited to the changing needs of dependent individuals. The progress of the establishments opened in 2015 and the opening of six establishments in 2016, which were under construction or being restructured, also contributed to this strong performance. All of these new establishments offer a high-quality hotel environment, good strategic locations in major population centres (Paris, Arcachon, Cannes ...) and modern facilities. The Group also made some targeted acquisitions.

⁵ The Group's organic turnover growth includes: 1. The change in turnover (N vs N-1) of existing establishments as a result of changes in their occupancy rates and day prices; 2. The change in turnover (N vs N-1) of establishments restructured or whose capacity was increased in N or N-1, 3. Turnover achieved in N by establishments created in N or N-1, and the change in turnover of recently acquired establishments over an equivalent period in N to the consolidation period in N-1

In Germany, turnover amounted to 501.0 M€, up 74.3% on the previous year.

This increase is due in particular to the full contribution over 2016 of the various acquisitions made in 2015 and at the beginning of the financial year: Celenus Kliniken, consolidated as from 1 July 2015, Residenz Gruppe Bremen, consolidated as from 1 October 2015 and Vitalis, consolidated as from 1 January 2016.

In Austria, turnover increased by 60.6% to 176.3 M€, due to the full contribution over 2016 of SeneCura, which was consolidated as from 1 April 2015. In addition, activity was boosted by the opening of new sites and some targeted acquisitions in 2016.

In Belgium, turnover for the year amounted to 162.1 M€, compared with 157.8 M€ in 2015. The slight increase resulted from the restructuring of the Belgian network.

Indeed, over the period 2015 to 2017, the Belgian network is undergoing a profound transformation with the completion of numerous restructuring operations and the opening of new high-quality establishments in areas with a high level of purchasing power, such as Brussels or Flanders.

These operations, which generate significant value in the medium and long term, impact the Group's performance over the short term.

In China, in the first year of operation, the Nanjing establishment generated turnover of 0.4 M€.

In Spain, turnover increased by + 59.2% to reach 101.7 M€. This performance results from:

- the robustness of the long-standing establishments, mostly located in Madrid and enjoying a solid reputation in dependency care;
- the consolidation over six months of the Sanyres Group, which has 3,300 beds.

In Italy, ORPEA's turnover amounted to 48.5 M€, up + 5.7%. This rise is the result of the increase in newly opened establishments.

This performance confirms ORPEA's long-term strategy in Italy: obtaining permits and constructing or restructuring high-quality establishments in Northern Italy, with a very high ratio of private rooms.

In Switzerland, turnover totalled 142.9 M€, an increase of + 9.8% compared to 2015. This performance is due in particular to the increase in the number of Senevita establishments opened in 2015 and over the course of the year.

In Poland, following the acquisition of Medi-System on 1 January 2016, turnover for the year amounted to 11.3 M€.

In the Czech Republic, turnover reached 1.7 M€ following the opening during the year of the first two establishments in this country. These facilities had been developed by SeneCura.

Selected financial information from the consolidated cash flow statement

In M€	31.12.2016	31.12.2015	31.12.2014
Gross self-financing margin	386	301	260

Net cash flow from operating activities	347	314	290
Net cash flow from investing activities	(787)	(1014)	(587)
Net cash flow from financing activities	461	597	450
Change in Cash and equivalent	21	(103)	154
Cash and equivalent, end of period	540	519	622

Net cash flow from operating activities increased by 10.5% in 2016.

Net cash flow from investing activities increased sharply, in particular due to operational acquisitions (Spain, Poland, Germany and Austria) and real estate investments.

Selected financial information from the consolidated balance sheet

In M€	31.12.2016	31.12.2015	31.12.2014
Shareholders' equity group share	2 076	1 810	1 498
Current financial liabilities *	559	514	522
Non-current financial liabilities	3 801	3 292	2 509
–Cash & Cash Equivalent	(540)	(519)	(622)
Net financial indebtedness	3 820	3 287	2 409
Goodwill	982	842	677
Intangible assets ⁶	1 963	1 825	1 619
Tangible assets ⁷	4 142	3 572	2 907
Total Balance Sheet	8 326	7 371	6 286

* including liabilities relating to assets held with a view to sale

As at 31 December 2016, on the asset side of the balance sheet, Goodwill totalled 982 M€, compared to 842 M€ at 31 December 2015. This increase was mainly due to the acquisition of Vitalis in Germany, Spitex Ville et Campagne in Switzerland and the takeover of Familisanté in France. Intangible assets (mainly operating authorizations) amounted to 1,889 M€⁸, compared with 1 751 M€ at the end of 2015. The increase was mainly due to the acquisition of Sanyres in Spain and other acquisitions in 2016 made in France and Austria.

Impairment tests for Goodwill, intangible assets and real estate assets reveal that no impairment need be recorded.

The total value of the assets amounted to 4,075 M€⁹, including 443 M€ in land and assets under construction or restructuring.

At 31 December 2016, shareholders' equity group share totalled 2,076 M€ compared to 1,810 M€ at 31 December 2015.

At the end of 2016, the Group had cash and cash equivalents of 540 M€, compared with 519 M€ at the end of 2015, mainly due to the proceeds from financing in the second half of 2016, including Schuldschein-type instruments and conventional bilateral loans.

⁶ Including intangible assets held with a view to sale for an amount of 73 M€ in 2015 and 73 M€ in 2016

⁷ Including tangible assets held with a view to sale for an amount of 127 M€ in 2015 and 67 M€ in 2016

⁸ Less intangible assets held with a view to sale for an amount of 73 M€

⁹ Less fixed assets in the process of being sold for 67 M€

Net financial debt amounted to 3,680 M€¹⁰, compared to 3,014 M€ at 31 December 2015. This increase is the result of the sustained rate of real estate investment and operational activities over the 2016 financial year. The net financial debt at the end of 2016 comprises:

- Gross short-term financial debt: 419 M€ ;
- Gross long-term financial debt: 3,801M€
- Cash and equivalent: (540 M€).

✓ EVENTS THAT HAVE OCCURRED SINCE 1st JANUARY 2017

Succession of Dr Jean-Claude Marian, founding Chairman of ORPEA – Press release dated 28 March 2017

ORPEA announced, on 28 March 2017, the appointment of Mr Philippe Charrier as non-executive Chairman, following the decision of Dr Jean-Claude Marian to trigger his succession.

Acquisition of Anavita in the Czech Republic and DR. DR. Wagner in Austria – Press release dated 18 April 2017

ORPEA announced on 18 April 2017, two new high value generation acquisitions: Anavita (932 beds) in the Czech Republic and Dr. Dr. Wagner (1,812 beds) in Austria.

Anavita is one of the principal nursing home operators in the Czech Republic with a network of six establishments representing 932 beds. These establishments, located in major towns, are sizeable (155 beds on average) and recently completed (2.5 years old on average). Anavita generated 7 M€ in turnover in 2016.

The Dr. Dr. Wagner Group is a benchmark Austrian healthcare establishment provider, operating in the continuing care and rehabilitation clinic and retirement home sector.

To date, the group has 18 establishments representing 1,812 beds, spread over five Austrian regions.

This network has all of the features sought by ORPEA:

- a very good reputation,
- recent buildings of which 80% are owned outright, in a good location

The Dr. Dr. Wagner group achieved a turnover of 60 M€ in 2016.

This acquisition remains subject to the approval of the competition Authority.

¹⁰ Excluding debt relating to assets held with a view to their sale for 140 M€

REQUESTS FOR DOCUMENTS AND INFORMATION AS REFERRED TO IN ARTICLE R 225-83 OF THE COMMERCIAL CODE RELATING TO THE ORPEA COMBINED GENERAL MEETING TO BE HELD ON 22 JUNE 2017

Such documents and information are also available on the ORPEA website : www.orpea-corp.com ("Shareholders" section).

Form to be detached and returned, in the case of holders of shares in registered form, using envelope "T" enclosed with the notice of meeting bundle, and in the case of holders of shares in bearer form, to the following address:

SOCIETE GENERALE - Département Titres et Bourse - Service des Assemblées - SGSS/SBO/CIS/ISS/GMS - 32 rue du Champ de Tir, CS 30812, 44308 Nantes Cedex 03, France

I the undersigned Mrs Miss Mr Company

Name (or company name) _____

Forename _____

Address _____

Owner of: _____ registered shares of the company ORPEA (registered securities account n° _____)

Or/and _____ bearer shares, held in an account with _____

(attach a certificate of entry in the bearer securities account held by your financial intermediary)

Wish to receive at the above-mentioned address (or at the above-mentioned email address) the documents and information referred to in article R.225-83 of the Commercial Code in relation to the combined general meeting to be held on 22 June 2017.

I wish to receive such documents and information by email. My email address is as follows:
_____@_____.

At _____, on _____2017

Signature obligatory

Notice: shareholders owning registered shares may, if they have not already done so, make a single request to the Company to send the documents and information referred to in articles R 225-83 of the Commercial Code, for each subsequent shareholders' general meeting.