

STRONG 2017 REVENUE GROWTH OF +10.5% TO €3,138.2M, ABOVE GUIDANCE

SOLID ORGANIC GROWTH OF +5.4%

STRONG INTERNATIONAL MOMENTUM, WITH REVENUE UP +19%

2018 REVENUE TARGET: €3,400M (GROWTH OF +8.3% VS. 2017) ALREADY SECURED

Puteaux, 13 February 2018 (6:00 pm CET)

The ORPEA group, one of the main world leaders in long-term care (nursing homes, post-acute and rehabilitation hospitals, psychiatric hospitals, and homecare services), today announces its revenue for the 2017 financial year ended on 31 December.

| In €m IFRS | Full-year | | | Quarterly | | |
|---|----------------|------------|---------------|--------------|------------|---------------|
| | 2017 | 2016 | Change | Q4 2017 | Q4 2016 | Change |
| France | 1,775.1 | 1,695.4 | +4.7% | 456.0 | 431.2 | +5.7% |
| <i>% of total revenue</i> | <i>57%</i> | <i>60%</i> | | <i>56%</i> | <i>59%</i> | |
| International | 1,363.1 | 1,145.8 | +19.0% | 359.5 | 304.9 | +17.9% |
| <i>% of total revenue</i> | <i>43%</i> | <i>40%</i> | | <i>44%</i> | <i>41%</i> | |
| Germany | 531.7 | 501.0 | | 136.4 | 127.7 | |
| Austria | 242.6 | 176.3 | | 70.5 | 47.5 | |
| Belgium | 167.6 | 162.1 | | 44.0 | 41.8 | |
| China | 1.5 | 0.4 | | 0.4 | 0.2 | |
| Spain | 142.8 | 101.7 | | 37.4 | 34.5 | |
| Italy | 51.7 | 48.4 | | 13.7 | 11.9 | |
| Poland | 13.0 | 11.3 | | 3.0 | 3.2 | |
| Switzerland | 199.0 | 142.9 | | 49.1 | 37.4 | |
| Czech Rep. | 13.2 | 1.7 | | 4.9 | 0.7 | |
| Total revenue | 3,138.2 | 2,841.2 | +10.5% | 815.5 | 736.1 | +10.8% |
| <i>Including organic growth¹</i> | | | +5.4% | | | +5.7% |

Spitex in Switzerland has been consolidated since 1st January 2017, Anavita in the Czech Republic since 1st April 2017, and Dr. Dr. Wagner in Austria since 1st July 2017. Inoges in Germany has been consolidated since 1st January 2018.

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

2017: revenue growth of 10.5%

In 2017, 15 years on from its IPO, ORPEA reported revenue above its guidance at €3,138 million. It represents a substantial increase of 10.5%, or close to €300 million in additional revenue. This solid performance, consistent over the past 15 years, was again driven by a combination of:

- a healthy organic growth of 5.4%, underpinned by the excellent performance of mature facilities, the ramp-up in facilities opened over the past two years and the opening of 1,900 new beds (through new builds and restructuration) during the year,
- a dynamic external growth, leading to the acquisitions of Anavita in the Czech Republic, Dr. Dr. Wagner in Austria, Spitex in Switzerland and independent facilities.

The international business again strongly contributed to revenue growth. In only three years, revenue generated outside France tripled from €450 million in 2014 to over €1.35 billion in 2017, representing an average annual growth rate of 45%.

In 2017, this fast-paced business development and growth went hand in hand with increasing profitability.

2018: sustained momentum in opening new beds (2,500) and job creation

In 2018, ORPEA will open another new 2,500 beds, including 85% outside France, representing approximately 20 facilities and extensions. In line with ORPEA's longstanding strategy, these facilities located in areas with strong purchasing power, including Europe's major cities, such as Paris (16th *arrondissement*), Prague, Berlin, Milan, Zurich and Veyrier, will meet the highest standards of care and service quality.

ORPEA again expects a year of active recruitment and job creation thanks to the ongoing opening of new facilities and strengthening of organisational management. Close to 2,000 new jobs will be created in Europe, including approximately 400 in France. Most of these jobs are sustainable and cannot be transferred abroad. They offer substantial career opportunities as a result of the Group's ambitious training policy with the creation, in particular, of many diplomas in partnership with renowned universities.

Outlook for 2018: revenue target of €3,400 million

For 2018, ORPEA securely forecasts revenues of €3,400 million, an increase of 8.3% driven by a consistent solid organic growth and acquisitions. The Group is looking at a number of selective acquisition opportunities in several countries.

Yves Le Masne, Chief Executive Officer of ORPEA, concluded by saying:

"Building on the commitment of our employees to deliver high-quality services worldwide, our loyal management team and our sound financial flexibility, we will continue to deliver profitable growth in 2018: selective acquisitions, revenue of €3,400 million already secured, and robust profitability, with an EBITDA margin (as a % of revenue) equal to or above its 2017 level.

Our tremendous potential for creating value comes from:

- *the significant additions to our growing pipeline of beds under construction and redevelopment, which will fuel our organic growth in the future,*
- *our numerous attractive acquisition projects,*
- *an organisation and information system geared for international expansion.*

We are now in a remarkably good position and are uniquely placed to accelerate our international expansion and become the world leader in long-term care.

Financial reporting schedule for 2018

The following dates can be subject to change. Press releases will be published after market close.

| Event | Date |
|--------------------------|---------------------------|
| Full-year 2017 results | Tuesday 27 March 2018 |
| First-quarter 2018 sales | Wednesday 2 May 2018 |
| Half-year 2018 sales | Tuesday 24 July 2018 |
| Half-year 2018 results | Tuesday 25 September 2018 |
| Third-quarter 2018 sales | Tuesday 6 November 2018 |

About ORPEA (www.orpea-corp.com)

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

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

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

Investor Relations:

ORPEA

Yves Le Masne
Chief Executive Officer

Steve Grobet
Investor Relations
Tel.: +33 (0)1 47 75 74 66
s.grobet@orpea.net

Investor and Media Relations:

NewCap

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