

## CONTINUED STRONG REVENUE GROWTH IN Q3 2019: +9.1% (€944 MILLION)

✦ ORGANIC GROWTH ACCELERATION AT +4.9%

## 2019 REVENUE TARGET INCREASED TO €3,735 MILLION (+9.2% VS. 2018)

Puteaux, 5 November 2019 (6:00 pm CET)

The ORPEA Group, a world leader in long-term care (nursing homes, post-acute and rehabilitation hospitals, psychiatric hospitals, and home care services), today announced its revenue for the third quarter of 2019, ended on 30 September.

<i>In €m</i>	Quarterly			9 months		
	Q3 2019	Q3 2018	<i>Change</i>	2019	2018	<i>Change</i>
France Benelux	557.1	513.6	+8.5%	1,649.7	1,523.8	+8.2%
Central Europe	244.7	220.6	+11.0%	718.8	650.4	+10.5%
Eastern Europe	91.8	85.6	+7.2%	267.4	248.6	+7.5%
Iberian Peninsula and Latam	49.6	44.6	+11.1%	145.9	120.5	+21.1%
Other country	0.8	0.6	<i>n/a</i>	2.3	1.6	<i>n/a</i>
<b>Total revenue</b>	<b>944.0</b>	<b>865.0</b>	<b>+9.1%</b>	<b>2,784.1</b>	<b>2,544.9</b>	<b>+9.4%</b>
<i>Including organic growth<sup>1</sup></i>			<b>+4.9%</b>			<b>+4.8%</b>

Consolidation dates: the disposals announced in France were deconsolidated from 1 April 2018, Dagelijks Leven in the Netherlands has been consolidated since 1 July 2018, Axion in Germany, September and Allerzorg in the Netherlands have been consolidated since 1 January 2019.

Clusters' composition: Central Europe (Germany, Italy, Switzerland), Eastern Europe (Austria, Poland, the Czech Republic), Iberian Peninsula and Latam (Spain, Portugal, Uruguay), other country (China).

<sup>1</sup> Organic growth of Group revenue reflects the following factors: 1. The year-on-year change in the revenue of existing facilities as a result of changes in their occupancy rates and per diem rates; 2. The year-on-year change in the revenue of redeveloped facilities or those where capacity has been increased in the current or year-earlier period; 3. Revenue generated in the current period by facilities created during the year or year-earlier period, and the change in revenue of recently acquired facilities by comparison with the previous equivalent period.

Q3 revenue was in line with previous quarters, increasing strongly by +9.1% to €944.0 million. This performance was driven by an acceleration in organic growth, which stood at +4.9% for the quarter (vs +4.7% in both Q1 and Q2), and by the contribution from selective acquisitions in Germany and the Netherlands. The acceleration in organic growth was attributed to the good performance of existing facilities and the ramp-up in facilities opened over the past two years which benefit from a more premium positioning.

During the first nine months of 2019, ORPEA reported revenue of €2,784.1 million, an increase of +9.4%. All geographical regions enjoyed sustained growth, particularly in terms of organic growth. Over nine months, the latter stood at 4.8%, driven by:

- continually high occupancy rates thanks to the quality of care and services provided in which the Group has invested for over 30 years;
- the upscaling of facilities over several years with restructuring and openings in prime locations;
- the ramp-up in facilities opened over the past two years, as well as the addition of 1,450 new beds since the beginning of the year.

In addition, at 1 October 2019, ORPEA acquired the remaining stakes (51%) in operational joint ventures in Portugal and Brazil set up with SIS Group in 2017. Given that ORPEA now has operational and development teams with strong expertise in these two countries, the Group has decided to carry out this acquisition earlier than planned.

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

*“Thanks to a growth model that is focused on internationalisation and the quality of its services, ORPEA has well performed, with revenue of €944 million over the three months, representing a 12-month Group activity less than ten years ago.*

*Driven by a stronger than expected organic growth, the Group raised its 2019 revenue target to €3,735 million (versus €3,700 million previously), an increase of +9.2% compared with 2018. This sustained growth (additional revenue of +€315 million) will be coupled with strong profitability.*

*ORPEA is also currently more confident than ever in its profitable growth momentum thanks to its optimised regional cluster-based organisation, which provides the Group with numerous organic and external growth opportunities over the next five to ten years. Finally, the Group continues the premiumisation of its network across all the regions in which it is present in a systematic and sustained manner.”*

Upcoming press release: full-year 2019 revenue  
11 February 2020 after market close

About ORPEA ([www.orpea-corp.com](http://www.orpea-corp.com))

Founded in 1989, ORPEA is one of the major world leaders in long-term care, with a network of 951 facilities comprising 96,677 beds (17,388 of which are under construction) across 16 countries, which are divided into five clusters:

- France Benelux: 484 facilities/42,625 beds (of which 4,514 are under construction)
- Central Europe: 238 facilities/25,419 beds (of which 4,389 are under construction)
- Eastern Europe: 125 facilities/12,917 beds (of which 2,817 are under construction)
- Iberian Peninsula/Latin America: 103 facilities/15,576 beds (of which 5,668 are under construction)
- Rest of the world: 1 facility/140 beds

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

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