



Paris, 11 February 2015

Korian – Medica 2014 revenue up 64%, in line with expectations

- 64% revenue growth
- Pro forma * revenue: €2.5 billion, in line with targets
- Roll-out of growth strategy

Korian – Medica, market leader in the European Ageing Well sector, is today announcing its revenue figures for the 4th quarter and full-year 2014. Due to major changes in the scope of consolidation over the period, the Group is presenting its consolidated revenue below followed by its pro forma revenue.

CONSOLIDATED REVENUES

In millions of euros (IFRS data, not audited)	12 months			4 th quarter		
	2013	2014	Change	2013	2014	Change
France	765.5	1,323.4	+72.9%	189.2	384.2	+103.0%
<i>as % of revenues</i>	56.4%	59.6%		53.9%	60.1%	
International	590.8	898.8	+52.1%	161.6	254.8	+57.6%
<i>as % of revenues</i>	43.6%	40.4%		46.1%	39.9%	
Germany	413.7	476.2	+15.1%	116.5	122.5	+5.1%
Italy	177.1	265.6	+50.0%	45.1	79.0	+75.0%
Belgium	-	157.0	NS	-	53.4	NS
Group total	1,356.4	2,222.2	+63.8%	350.9	639.0	+82.1%

PRO FORMA REVENUES

In millions of euros (IFRS data, not audited)	12 months			4 th quarter		
	2013	2014	Change	2013	2014	Change
France	1,441.4	1,503.3	+4.3%	368.8	384.2	+4.2%
<i>as % of revenues</i>	59.7%	60.1%		59.8%	60.1%	
International	972.0	996.2	+2.5%	248.1	254.8	+2.7%
<i>as % of revenues</i>	40.3%	39.9%		40.2%	39.9%	
Germany	461.2	476.2	+3.3%	116.5	122.5	+5.1%
Italy	308.9	312.4	+1.1%	79.7	79.0	-0.9%
Belgium	202.0	207.6	+2.8%	51.8	53.4	+2.9%
Group total	2,413.4	2,499.5	+3.6%	616.8	639.0	+3.6%

Quantitative and qualitative targets met

Korian – Medica generated consolidated revenues of €2.2 billion as at 31 December 2014, a sharp rise of 64%. This growth was due to the consolidation of Medica from 1 April 2014, as well as that of Curanum in Germany and Kinetika Sardegna in Italy. Together, these transactions led to the creation of the European market leader in the Ageing Well sector, with 600 facilities in four European countries and nearly 40% of revenue generated internationally.

On a pro forma basis, Korian - Medica generated revenue of €2.5 billion in 2014 in line with its 2014 target. Since 2005, revenue has grown at an annual average of 20% illustrating the Group's development trend.

Occupancy rates and customer satisfaction, two key operating indicators, remain high. They show that the Medica merger has been a success, meeting the Group's qualitative targets for 2014.

Targets have been achieved thanks to merged entities now operational

In France, consolidated revenue for 2014 grew by nearly 73% to €1.3 billion. On a pro forma basis, 2014 revenue rose by 4.3% to over €1.5 billion. This growth reflected a rising occupancy rate at facilities and optimised management of the service offering and daily rates.

Germany, which generates 19% of Group revenue, made substantial progress despite the merger of organisations. Also, German growth accelerated in the 4th quarter thanks to a number of action plans which helped drive a continuous improvement in the occupancy rate and despite the closure of one site in August 2013.

In Italy, the regional reorganisation had only a minor impact on the ground and business remained healthy. The fall in revenue during the 4th quarter was due to the sale of the Vado Ligure site. Stripping this out, pro forma revenue would have grown by 0.2%.

Finally, the Belgian business moved ahead steadily, in line with prior quarters and the Group's targets.

Roll-out of growth strategy

Following the successful merger of its organisations in France and internationally, Korian decided to create a more operationally focused Group Executive Committee. The appointment to the Committee of the two COO of France and the COO of Germany was designed to strengthen expertise in the business lines and rebalance the size of the entities represented. The current CEO France left this month to specialise in our Hospital Home Care business.

In keeping with its strategy of combining organic growth with targeted acquisitions, Korian instigated several transactions in 2014. Having bought out the non-controlling interests in Kinetika Sardegna in Italy, Korian - Medica went on to take over the Centre Hospitalier des Courses facility in France and the Ry du Chevreuil nursing home in Belgium and recently finalised the acquisition of the Evergreen Holding GmbH group in Germany. The Group also completed the acquisition of Curanum on 19 December 2014, leading to its delisting from the German stock market in the coming days.

To support its development, the Group continues to optimise its financing and on 16 December 2014 announced the successful placement of a €358.5 million Schuldschein. This transaction extended the maturity of the Group's debt and diversified its sources of finance.

In light of the roll-out of its growth strategy Korian - Medica has reiterated its 2017 revenue target of €3 billion.

Yann Coléou, Chief Executive Officer of Korian – Medica said: *«Hitting our 2014 revenue target against a background of profound change underlines the high quality of the services we offer and the commitment of our employees to our residents and patients. Our ambition is to press resolutely ahead with growth and become the benchmark company specialising in services for the elderly. We can confirm that operating profit will be slightly up for 2014 and reiterate our revenue target of €3 billion by 2017.»*

Upcoming news release: 2014 annual results

Wednesday 25 March 2015 after close of trading

ABOUT KORIAN – MEDICA

Korian – Medica, Europe's leading Healthy Ageing specialist, founded in 2003, has the capacity to accommodate more than 58,000 residents and patients in Europe (France, Germany, Italy and Belgium) and employs around 40,000 staff members. The Group manages 600 facilities in four business lines: Nursing homes, post-acute and rehabilitation clinics, assisted living and home-care services.

For more information, please visit the website: www.groupe-korian.com

Korian – Medica has been listed on Euronext Paris Compartment B since November 2006 and is included in the following indices: SBF 120, CAC Health Care, CAC Mid 60, CAC Mid & Small and MSCI Global Small Cap

Euronext ticker: KORI - ISIN: FR0010386334 – Reuters: KORI.PA – Bloomberg: KORI.FP

INVESTOR CONTACTS

Jean-Brieuc Le Tinier

Chief Financial Officer

jean-brieuc.letinier@groupe-korian.com

Tel: +33 (0)1 55 37 53 17

Didier Laurens

Investor Relations

didier.laurens@groupe-korian.com

Tel: +33 (0)1 55 37 53 55

PRESS CONTACT

Amélie Nun

Communications officer

a.nun@groupe-korian.com

Tel: + 33 (0)1 55 37 52 62

* The Korian – Medica pro forma statement of revenues has been prepared using the following assumptions:

- integration of the Curanum group into Korian on 1 January 2013;
- takeover of Senior Living Group by Medica on 1 January 2013;
- sale of Korian's psychiatry division before 1 January 2013;
- merger of the Korian and Medica groups on 1 January 2013;
- consolidation of 100% of Kinetika revenues on 1 January 2013. Kinetika was consolidated to the extent of 28% in 2013 and through the 1st quarter of 2014.