



Paris, 24 October 2017

Revenue up 5% in the third quarter of 2017

- Dynamic growth internationally (+10.2%)
- Continued expansion with over 450 beds opened or acquired during the period, primarily in Germany and Italy
- Annual revenue growth and operating margin objectives confirmed

3RD QUARTER REVENUE¹

In € millions	3 rd quarter		Reported change	Organic change ²
	2016	2017		
France	399	401	0.4%	0.6%
<i>as % of revenue</i>	53.0%	50.7%		
International	354	390	10.2%	3.8%
<i>as % of revenue</i>	47.0%	49.3%		
Germany	216	222	2.9%	3.3%
Italy	72	74	2.0%	0.4%
Belgium	66	95	43.1%	8.9%
Group total	754	791	5.0%	2.1%

NB: revenue at 30 September is shown in the appendix

¹ Revenue and other income

² Organic revenue growth includes: a) the change in the revenue between year Y and year Y-1 of facilities already in operation; b) the revenue generated in year Y by facilities created in year Y or Y-1; c) the change in the revenue between year Y and year Y-1 of facilities that were restructured or the capacity of which was increased in year Y or Y-1; d) the change in the revenue of recently acquired facilities observed in year Y relative to the equivalent period in year Y-1.



Consolidated revenue up 5.0% in the third quarter of 2017

In the third quarter of 2017, the Group generated consolidated revenue of €791 million, up 5.0% in reported figures. Growth was driven by the acquisitions in Belgium in the second half of 2016 and the first half of 2017 and by organic growth of 2.1%.

Business in the international sector grew by 10.2% in reported figures, and 3.8% organically.

The number of beds operated by Korian grew by over 450 units in the third quarter, primarily in Germany and Italy.

Organic growth of 0.6% in France

Revenue in France totalled €401 million, up 0.6% organically and 0.4% in reported figures (after taking into account the impact of the disposal of the Centre Hospitalier des Courses in early 2017).

Growth in the Seniors Division (long-term care nursing homes) continued to be driven by healthy average daily rates and the strategy of expanding the range of services offered to residents and their families.

In the Healthcare Division (mainly post-acute and rehabilitation care clinics), optimal patient mix management and sales of additional services offset decreases in tariffs. Two new facilities, including one greenfield and one relocated facility, opened in September.

Continued dynamic growth internationally: 10.2% in reported figures, 3.8% organically

International revenue totalled €390 million, up 10.2%, due to an active strategy of selective acquisitions in Belgium and Italy, and solid organic growth of 3.8%.

Germany posted organic growth of 3.3% in the third quarter, in line with the trend observed in the second quarter. Growth was driven by a favourable price impact and the ramp-up of facilities opened over the last twelve months. Two new assisted living facilities were opened during the period.

In Italy, revenue increased by 2% in reported figures, due to the favourable impact of four facilities acquired since the beginning of the year, including two facilities acquired in the third quarter. Organic growth totalled 0.4%.



Revenue in Belgium rose by 43.1% in reported figures, due to the consolidation of the acquisitions completed over the last twelve months (primarily Foyer de Lork, OTV, and the eight facilities acquired from Senior Assist). Organic growth remained very high at 8.9%, driven primarily by the ramp-up of facilities opened in 2016 and since the start of 2017.

Conclusion and outlook

In the first nine months of the year, revenue totalled €2,333 million, up 4.9% in reported figures and +2.4% organically. Korian has opened or acquired over 2,150 beds since the start of the year. The expansion of the network will continue in the fourth quarter with the scheduled opening of four new facilities (three in Germany and one in France) and additional selective acquisitions.

The Group confirms its objectives for 2017 of revenue growth over 5% and operating margin (EBITDA) of around 13.7%, equal to the restated margin for 2016.

The Group has substantial assets to reinforce its position as the European leader in care and support services for seniors, and will continue to deploy its strategic roadmap, which focuses on:

- Accelerating growth, in particular, by reconfiguring the portfolio of facilities in France, developing outpatient care in a joined-up approach and continuing a policy of selective acquisitions;
- Implementing an active management of real estate assets, to support growth and create value;
- Improving operational performance, in particular thanks to the implementation of the Success 2020 plan in Germany;
- Encouraging Innovative medical care and the use of digital tools;
- Developing the skills of our employees.



Telephone conference

Korian will hold a telephone conference on **24 October 2017** at **6.00 pm** (Paris time).

Dial-in numbers: **+33 1 72 72 74 03 / +44 20 7194 3759 – code: 01528779#**

To re-hear the conference:

France: +33 1 70 71 01 60

UK: +44 20 3364 5147

access code: 418704442#

**Next event: 7 February 2018 after the close of trading
2017 Annual Revenue**

ABOUT KORIAN

Korian, the expert in providing care and support services for seniors, with 715 facilities, operates Europe's largest network of long-term care nursing homes, specialised clinics, assisted-living facilities, home care and hospital home care services. At the end of December 2016, the Korian group has the capacity to accommodate around 72,000 beds in four countries (France, Germany, Belgium and Italy) and employs around 47,000 people.

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

Korian has been listed on Euronext Paris Section A 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

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APPENDIX

REVENUE AT 30 SEPTEMBER³

In € millions	9 months		Reported change	Organic change ⁴
	2016	2017		
France	1,177	1,185	0.6%	0.9%
<i>as % of revenue</i>	52.9%	50.8%		
International	1,046	1,148	9.7%	4.0%
<i>as % of revenue</i>	47.1%	49.2%		
Germany	635	657	3.4%	3.8%
Italy	228	225	-1.4%	0.9%
Belgium	183	266	45.4%	8.5%
Group total	2,224	2,333	4.9%	2.4%

³ Revenue and other income

⁴ Organic revenue growth includes: a) the change in the revenue between year Y and year Y-1 of facilities already in operation; b) the revenue generated in year Y by facilities created in year Y or Y-1; c) the change in the revenue between year Y and year Y-1 of facilities that were restructured or the capacity of which was increased in year Y or Y-1; d) the change in the revenue of recently acquired facilities observed in year Y relative to the equivalent period in year Y-1.