



Paris, 18 April 2019

Revenue up 8.1% in Q1 2019 o/w 3.8% in organic growth

- **Significant increase of organic growth (3.8% vs 2.7% Q1 2018) in all geographies representing roughly 50% of reported growth**
- **Dynamic impact of the acquisitions completed in 2018 and 2019 in line with our Buy and Build strategy of bolt-on, offer enrichment and geographic diversification**
- **New foothold in the Netherlands with an innovative concept in specialised care services for people suffering from Alzheimer's disease**
- **2019 revenue and EBITDA margin objectives confirmed**

In the first three months of 2019, Korian group recorded revenue of €871.6 million, reflected an increase of 8.1% compared to the previous year and a 3.8% organic growth¹. This positive momentum was driven by all activities and geographies, supported by an active local development strategy combining optimisation of existing portfolio, enlargement of service offer and bolt-on acquisitions (10 operations completed in 2018 and 5 in Q1 2019), based on a differentiating approach of local service platforms and integrated pathways.

| In € million Revenue ² | 1 st Quarter | | % Change | | % Revenue |
|--------------------------------------|-------------------------|--------------|--------------|--------------|---------------|
| | 2019 | 2018 | Reported | Organic | |
| France* | 424.8 | 400.4 | +6.1% | +3.0% | 48.7% |
| Germany | 233.6 | 223.7 | +4.4% | +4.4% | 26.8% |
| Belgium | 123.7 | 100.8 | +22.6% | +6.7% | 14.2% |
| Italy | 89.5 | 81.1 | +10.4% | +2.5% | 10.3% |
| Total revenue | 871.6 | 806.1 | +8.1% | +3.8% | 100.0% |

* Including Spain

¹ Organic growth in revenue includes: a) year-on-year change in revenue (year N vs. year N-1) of existing facilities; b) revenue generated in year N by facilities created in year N or year N-1; c) the change in revenue (year N vs. year N-1) of facilities that were restructured or expanded in year N or year N-1; and d) the change in revenue, in year N compared to the equivalent period in year N-1, of facilities recently acquired.

² Revenue and other income with no material impact of IFRS 16



Strong growth contribution of modernisation plan and offer diversification in France

Revenue in France³ rose 6.1% (vs 3.0% in Q1 2018) at €424.8 million, driven by a strong organic growth of 3.0%. The two core activities (long-term care nursing homes and specialised clinics) benefited from numerous reconfiguration and modernisation projects launched during the last two years, in order to extend and better adapt the range of care and services offer to the needs and expectations of patients, residents and their families.

While consolidating its Nursing Homes and post-acute clinics footprint, France has accelerated the diversification of its offering through several acquisitions, such as assisted living and shared senior housing (Ages&Vie), home care (Clinidom) and home services (Petits-fils), that contributed significantly to growth in this 1st quarter 2019.

Finally, these figures include the acquisitions completed in Spain during the 1st quarter of 2019.

Growth acceleration in the other geographies

In Germany, revenue amounted €233.6 million, mainly driven by a 4.4% organic growth due to favourable care mix effect in Nursing Homes as well as a good contribution of Greenfields opened since 2017. Positive external growth effect (Schauinsland and PflegeExperten) compensated the reduction of the number of beds in accordance with the new regulatory framework that came into force in 2018.

Belgium achieved a €123.7 million revenue, delivering a strong 22.6% double digit growth, of which 6.7% organic, benefitting from a favourable price effect, strengthened by an active reconfiguration and extension roll-out, and a dynamic contribution of the acquisition of Senior Assist's Belgian operations (september 2018).

Italy delivered a €89.5 million growing by 10.4% o/w an accelerated 2.5% organic growth. This increase reflects both optimised price effect as well as successful integration of the acquisitions completed in 2018 (Smeralda and San Giuseppe), supporting the development of local geriatric platforms combining primary care, rehabilitation and long-term care.

New foothold in the Netherlands with an innovative concept in specialised care services for people suffering from Alzheimer's disease

Korian announced the acquisition of Stepping Stones, a high-quality and innovative Dutch private operator specialized in Alzheimer's disease and cognitive disorders.

Since its inception in 2006 by Christiaan Sap, Founder and CEO, Stepping Stones has developed a unique concept based on small-sized residential care villas adapted to patients suffering from Alzheimer's disease or cognitive disorders.

Personalised care, well-suited to Korian's Positive Care approach, is based on specific needs and wishes of people who are mostly highly dependent. Residents are supported until the end of their life, thanks to an expertise in palliative care. Staff is specifically trained to provide complex care, as required by the Dutch regional care offices (Zorgkantoren).

³ Including Spain



The company currently operates a portfolio of 12 care villas of high quality standard (3 of which are in a ramp-up phase), representing 260 apartments, mainly located in the centre and east of the Netherlands. Revenue in 2018 amounted to €13m. The company intends to more than double its portfolio in the next 4 years, leveraging the strong market needs in the country.

After Ages&Vie in France, Korian reinforces its foothold in the small-sized senior living communities business segment and thus enlarges its care service offer to better adapt to client needs.

2019 growth and EBITDA margin guidance confirmed

Korian confirms 2019 objectives on growth and EBITDA margin that were upgraded during the FY 2018 annual results presentation: revenue growth above or equal to 8% with an operating margin higher than or equal to 14.5%.

As a reminder, the Group also raised targets for the K-2020 strategic plan and is now targeting for 2021 revenue of at least €4.2 billion or CAGR above or equal to 8% for the 2019-2021 period and an EBITDA margin of 15.5%, a 120 bps increase over 2018.

The group will organise a Capital Market Day (in Paris) on the 20th of September 2019 to present in more details the key elements of its development dynamics.



Next event: 6 June 2019 – Annual General Meeting
Next publication: 31 July 2019 – Interim revenue and results

ABOUT KORIAN

Korian, an expert in care and support services for the elderly, manages Europe's leading network of long-term care nursing homes, specialised clinics, assisted living and shared senior housing, homecare and hospital-at-home services.

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

Korian has been listed on Euronext Paris (Compartment 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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