



Paris, 19 July 2017

Revenue up 5.1% in second quarter 2017

- Continued dynamic growth internationally (+9.6%)
- Successful issue of undated convertible bonds ("ODIRNANE" bonds) for an amount of €240 million
- Annual revenue growth and operating margin objectives confirmed

2ND QUARTER REVENUE ¹

In € millions	2 nd quarter		Reported change	Organic change ²
	2016	2017		
France	391	395	1.2%	1.4%
<i>as % of revenue</i>	52.8%	50.8%		
International	349	383	9.6%	3.8%
<i>as % of revenue</i>	47.2%	49.2%		
Germany	211	218	3.2%	3.5%
Italy	79	77	-2.2%	1.2%
Belgium	59	87	48.2%	7.9%
Group Total	740	778	5.1%	2.5%

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 5.1% in 2nd quarter 2017

The Group's revenue totalled €778 million in 2nd quarter 2017, up 5.1% compared to the previous year. Organic growth stood at 2.5%, driven by the International business, which grew by 3.8%. The scope impact was primarily due to the acquisitions in Belgium in the 2nd half of 2016 and early 2017. In the second quarter, the number of beds operated by Korian increased by over 1,200 units, nearly 1,000 of which were in Belgium as the result of the acquisition of eight facilities from Senior Assist group, with an additional 200 beds in Germany.

Growth of 1.4% in the French business³

Revenue in France totalled €395 million, up 1.2%. This figure includes the impact of the disposal of CHC in early 2017. Restated for this impact, organic growth was 1.4%.

Growth in the Senior business line (nursing homes) continued at a rate exceeding 2%, which was driven by healthy average daily rates.

In the Healthcare business line (mainly post-acute and rehabilitation clinics), whose occupancy rate remains very high, the sale of additional services and a favourable business mix offset the decrease in rates.

Continued dynamic growth internationally: 9.6% as reported, including 3.8% organic growth

International revenue rose by 9.6% to €383 million, and accounts for 49.2% of consolidated revenue. This strong increase was driven, in particular, by the acquisitions in Belgium, partially offset by the transfer of the operation of four facilities in Italy in 2016. Organic growth continues to be sustained, at 3.8%.

Organic growth in Germany was 3.5%. Revenue increased by 3.2% in reported figures after taking into account the ceasing of operation on a facility in the 1st quarter, in connection with the portfolio optimisation policy. Growth was driven by the ramp-up of facilities opened over the last eighteen months and by a favourable price impact. Two new facilities opened at the end of June. Five new facilities (greenfields) are expected to open by the end of the year.

Organic growth in Italy stood at 1.2%, bolstered by high occupancy rates. Reported growth was -2.2% due to the transfer of the operation of four facilities in 2016, which was partially offset by the acquisition of two facilities in 1st quarter 2017.

³ organic growth



Belgium continues to experience high organic growth, at 7.9%, driven primarily by the ramp-up of beds opened in 2016 and since the start of 2017. Revenue increased by 48.2% in reported figures due to the addition of Foyer de Lork (as from 1 September 2016), OTV (as from 1 January 2017) and eight facilities acquired from Senior Assist (as from 1 June 2017).

Confirmation of annual objectives

Revenue growth over the first half totalled 4.9% in reported figures and 2.5% in organic figures. Korian opened or acquired over 1,700 beds during the period.

The pace of facility openings will accelerate in the second half with seven new facilities (greenfields) planned (five in Germany and two in France).

The Group confirms its revenue growth and operating margin objectives for financial year 2017, as announced on 15 March when it published its annual results for 2016.

Increased financial flexibility

On 28 June, Korian announced the issue of undated bonds with an option for repayment in cash and/or new and/or existing shares ("ODIRNANE" bonds) for an amount of €240 million. The Group also issued €60 million in undated hybrid unlisted bonds that do not give access to equity. These issues, for a total amount of €300 million, provide the Group with increased financial flexibility to pursue its development strategy through targeted acquisitions (bolt-ons). They will be classified as equity in the consolidated financial statements, in accordance with IAS 32.

Dividend distribution

On 21 July, Korian will distribute a dividend of €0.60 per share for the financial year ended 31 December 2016. Shareholders representing 46.9% of capital on the ex-dividend date opted for payment of the dividend in shares. On the basis of a price per share of €28.82, this option will result in issuing 777,940 new shares, increasing the number of shares comprising Korian's capital to 80,982,343 shares. The total amount of the cash dividend is €25.6 million.



Telephone conference

Korian will hold a telephone conference on **19 July 2017** at **6.00 pm** (Paris time).

Dial-in numbers: **+33 1 72 00 15 10 / +44 203 367 3043 2440 – code: 40788822#**

Replay dial-in:

France: +33 1 72 00 15 00

UK: +44 203 367 94 60

access code: 309858#

**Next event: 13 September 2017 after the close of trading
H1 2017 results**

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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APPENDICES

H1 REVENUE⁴

In € millions	1st half		Reported change	Organic change ⁵
	2016	2017		
France	778	784	0.8%	1.0%
<i>as % of revenue</i>	52.9%	50.9%		
International	692	758	9.4%	4.2%
<i>as % of revenue</i>	47.1%	49.1%		
Germany	420	435	3.7%	4.1%
Italy	156	152	-3.0%	1.1%
Belgium	117	171	46.7%	8.3%
Group Total	1,470	1,542	4.9%	2.5%

⁴ Revenue and other income

⁵ 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.