Paris, 7 February 2018

Revenue up 5% in 2017

- Dynamic growth internationally (+9.7%) - Continued active development strategy with over 3,150 beds added to the portfolio in 2017
- 2017 operating margin objective confirmed
- At least 5.5% revenue growth expected for 2018 - Operating income (EBITDA) to increase less than revenue due to the costs associated with the plan to boost growth in France
- Confirmation of the financial objectives of the Korian 2020 plan

### Revenue at 31 December 2017

<table>
<thead>
<tr>
<th>In € millions</th>
<th>12 months</th>
<th>Reported change</th>
<th>Organic change²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
<td>change</td>
</tr>
<tr>
<td>France</td>
<td>1,573</td>
<td>1,583</td>
<td>0.7%</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>52.6%</td>
<td>50.5%</td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>1,414</td>
<td>1,552</td>
<td>9.7%</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>47.4%</td>
<td>49.5%</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>852</td>
<td>882</td>
<td>3.5%</td>
</tr>
<tr>
<td>Italy</td>
<td>303</td>
<td>307</td>
<td>1.5%</td>
</tr>
<tr>
<td>Belgium</td>
<td>259</td>
<td>363</td>
<td>39.8%</td>
</tr>
<tr>
<td>Group total</td>
<td>2,987</td>
<td>3,135</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

1 Revenue and other income
2 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.
**Consolidated revenue up 5.1% in the fourth quarter of 2017**

Consolidated revenue totalled €802 million in the fourth quarter of 2017, up 5.1% compared to the same period in 2016. Growth was driven by organic growth of 2.4% and by acquisitions completed in Belgium and Italy. Business in the international sector now accounts for over half of revenue (50.3% in the fourth quarter). The number of beds operated grew by over 1,000 units, primarily in Belgium where the Group acquired an additional portfolio of eight facilities from Senior Assist in late December.

**Organic growth of 1.0% in France**

Revenue in France totalled €398 million, up 1.0% organically and 0.8% in reported figures (after taking into account the impact of the disposal of the Centre Hospitalier des Courses in early 2017).

In the Seniors Division (long-term care nursing homes), healthy average daily rates and the strategy of expanding the range of services offered to residents and their families continued to drive revenue growth. A new facility with a capacity of 75 beds was opened in early December in Saverne.

The Healthcare Division (comprising mostly post-acute and rehabilitation care clinics) started to benefit from the projects to develop and transform the network delivered in the second half of 2017. These projects aim to develop additional inpatient and outpatient care capacities, expand the level of specialisation and increase the number of individual rooms. A new project was delivered in November 2017 in Talence (merger of two facilities into a new site and creation of a day hospital).

**Strong growth internationally (9.7% in reported figures), which now accounts for over half of consolidated revenue**

Revenue from International operations totalled €404 million, up 9.7% driven by solid organic growth (4.0%) and acquisitions in Belgium and Italy.

Germany reported organic growth of 4.5%, driven by the ramp-up of facilities opened over the last 18 months and by a favourable price and mix impact due to the application of the new PSG2 regulations. Two additional long-term care nursing homes were delivered during the period. Korian Germany also ceased operating a facility in the fourth quarter, the second one since the start of the year, in connection with its portfolio optimisation policy.
Growth in Italy accelerated in the fourth quarter (+10.2%), driven by the acquisitions completed since the start of 2017. A fifth facility was acquired during the period. Organic growth stood at 0.8%.

Revenue in Belgium increased sharply, up 26.3% driven by an active external development strategy and organic growth that continues to be strong (5.7%), notably driven by the ramp-up of facilities opened, expanded and renovated since late 2016. In December 2017, the Group strengthened its leadership position by acquiring a “stand-alone” facility and an additional portfolio of eight facilities from Senior Assist. This transaction follows a first acquisition of eight facilities that was completed in June 2017.

**Annual revenue up 5.0%**

Full-year revenue for 2017 totalled €3,135 million, up 5.0% in reported figures. Organic growth stood at +2.4% including 4% in International operations and 0.9% in France.

**Continued active development strategy in 2017**

The Group continued its active development strategy and expanded the number of beds operated by over 3,150 units, increasing its total portfolio to 75,060 beds. The Group now has a portfolio of 743 facilities. This expansion has been achieved through ten selective acquisitions in Belgium and Italy, and by opening eight new facilities (greenfields), primarily in Germany and France.

The Group has also strongly expanded its presence in the home care segment in Belgium and Germany, adopting a care pathway approach.

In total, international revenue was up 9.7%, and accounted for 49.5% of consolidated revenue in 2017.

**Implementation of an ambitious programme to develop and modernise the network in France**

In connection with its growth acceleration plan in France, the Group has undertaken an ambitious programme to modernise and reconfigure its facilities in order to make its offers more attractive, to relocate its facilities, particularly its healthcare facilities, closer to its main referring practitioners, and to develop additional capacities, particularly in assisted living apartments, individual rooms and ambulatory care. In the Healthcare Division, three reconfiguration projects were successfully placed into service in 2017 (Guyancourt, Martigues and Talence). Two new facilities (greenfields) were also opened: a post-acute and rehabilitation care clinic in Troyes and a long-term care nursing home, combined with an assisted living facility, in Saveme.

The Group, which will publish its full-year results on 14 March 2018, confirms its operating margin (EBITDA) objective for 2017.
Outlook

In 2018, Korian is targeting revenue growth of at least 5.5%. The growth will be driven, in particular, by a stronger momentum in France due to the effect of the various measures undertaken in 2017, the impact of the selective acquisitions completed in 2017, and the opening of ten new facilities in Germany, France and Belgium.

In total, the Group expects its portfolio to increase by over 2,500 beds.

Margins are expected to increase in the International sector, particularly in Germany, as a result of the first benefits of the Success 2020 performance plan.

In France, the costs associated with re-launching growth and the ramp-up of the facilities that have been restructured will weigh on margins, as well as the impact of the reduction in the CICE tax credit and the probable decreases in rates in the health sector.

In total, the Group expects its operating income (EBITDA) to increase less than revenue.

The Group confirms the financial objectives of the Korian 2020 strategic plan, for the years 2019 and 2021, in particular with respect to revenue and operating margin.

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:

- Accelerated growth, driven by the expansion of the portfolio of assets, the modernisation and optimisation of the network and a broader services offer;
- Increased ownership of real estate assets and dynamic management of the real estate portfolio;
- Improved operational performance;
- Encouraging innovative medical care and the use of digital tools;
- An active policy of training and developing the skills of our employees.
Korian will hold a telephone conference on **7 February 2018** at **6.00 pm** (Paris time).

**Dial-in numbers:** +33 1 72 72 74 03 / +44 20 7194 3759 – code: 67060206#

**To re-hear the conference:**
- France: +33 (0)1 70 71 01 60
- UK: +44 20 3364 5147
- Access code: 418725921#

**Next event: 14 March 2018 after the close of trading**

**2017 Annual Results**

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**ABOUT KORIAN**

Korian, the expert in providing care and support services for seniors, with around 740 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 had the capacity to accommodate around 75,000 beds in four countries (France, Germany, Belgium and Italy) and employed around 49,000 people.

For more information, please visit the website: [www.korian.com](http://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

#### 4th QUARTER REVENUE

<table>
<thead>
<tr>
<th>In € millions</th>
<th>4th quarter</th>
<th>Reported change</th>
<th>Organic change(^4)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>395</td>
<td>398</td>
<td>0.8%</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>51.8%</td>
<td>49.7%</td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>368</td>
<td>404</td>
<td>9.7%</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>48.2%</td>
<td>50.3%</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>217</td>
<td>225</td>
<td>3.7%</td>
</tr>
<tr>
<td>Italy</td>
<td>74</td>
<td>82</td>
<td>10.2%</td>
</tr>
<tr>
<td>Belgium</td>
<td>77</td>
<td>97</td>
<td>26.3%</td>
</tr>
<tr>
<td><strong>Group total</strong></td>
<td>763</td>
<td>802</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

\(^3\)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.