First-half revenues for 2014

- Consolidated revenues for Korian – Medica: €952.8 million, up 45.4%
- Korian – Medica pro forma revenues: €1,230.4 million, an increase of 3.7%
- Restated objective of pro forma revenues of €2.5 billion in 2014

CONSOLIDATED KORIAN – MEDICA REVENUES

<table>
<thead>
<tr>
<th>In millions of euros</th>
<th>Quarterly figures</th>
<th>Half-yearly figures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q2 2014</td>
<td>Q2 2013</td>
</tr>
<tr>
<td>France</td>
<td>371.4</td>
<td>195.3</td>
</tr>
<tr>
<td>% of total revenues</td>
<td>61.3%</td>
<td>55.0%</td>
</tr>
<tr>
<td>International</td>
<td>234.3</td>
<td>159.6</td>
</tr>
<tr>
<td>% of total revenues</td>
<td>38.7%</td>
<td>45.0%</td>
</tr>
<tr>
<td>Germany</td>
<td>118.0</td>
<td>115.2</td>
</tr>
<tr>
<td>Italy</td>
<td>65.4</td>
<td>44.4</td>
</tr>
<tr>
<td>Belgium</td>
<td>50.9</td>
<td>50.9</td>
</tr>
<tr>
<td>Group total</td>
<td>605.7</td>
<td>354.9</td>
</tr>
</tbody>
</table>

The Group’s consolidated revenues for 2014 first half totalled €952.8 million, representing a significant increase of 45.4%. Medica has been included in the financial statements since 1 April 2014.

The occupancy rate for mature facilities remains high, at 95%, due to the effective management of Group facilities as well as the quality of the Group’s network and services.
KORIAN - MEDICA PRO FORMA REVENUES

<table>
<thead>
<tr>
<th>In millions of euros</th>
<th>Quarterly figures</th>
<th>Half-yearly figures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q2 2014</td>
<td>Q2 2013</td>
</tr>
<tr>
<td>France</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of total revenues</td>
<td>60.0%</td>
<td>59.5%</td>
</tr>
<tr>
<td>International</td>
<td>40.0%</td>
<td>40.5%</td>
</tr>
<tr>
<td>Germany</td>
<td>118.0</td>
<td>115.2</td>
</tr>
<tr>
<td>Italy</td>
<td>79.0</td>
<td>78.0</td>
</tr>
<tr>
<td>Belgium</td>
<td>50.9</td>
<td>50.1</td>
</tr>
<tr>
<td><strong>Group total</strong></td>
<td><strong>619.3</strong></td>
<td><strong>600.0</strong></td>
</tr>
</tbody>
</table>

Unaudited figures

As a result of good levels of business, the Korian – Medica group generated pro forma revenues of €1,230.4 million across the first half of 2014, an increase of 3.7%. Growth was recorded in all countries:
- France was up by 4.5%, with pro forma revenues reaching €738.1 million and accounting for 60% of total revenues for the period.
- Germany recorded pro forma revenues of €233.4 million, up by 2.5%. Growth stood at 3.9%, taking into account the removal from scope of two facilities during 2013.
- Lastly, Italy and Belgium accounted for pro forma revenues of €157.1 million and €101.7 million, up by 2.1% and 2.8% respectively.

Expertise in new development strategies
In 2010, Korian – Medica launched a major project in Sardinia, bringing together five clinics on three sites held by Kinetika Sardegna. Already a shareholder with a 28% stake, the Group has finalised the acquisition of Kinetika Sardegna’s entire share capital with effect from 30 June 2014. The annual revenues of these facilities are in the region of €50 million.

Additionally, the Group has just finalised the takeover from a foundation of the Centre Hospitalier des Courses in Maisons-Laffitte, France, with a view to restructuring the facility. This project forms part of a public authority partnership and aims to build a full service offering in Healthy Ageing. The deal represents potential additional revenues of around €10 million.

Lastly, the Group recently opened a facility in France’s Bouches du Rhône region and has finalised the extension of a nursing home in the Aude department in south-west France, with a total of 94 new beds.

Initiation of discussions with a view to the delisting of Curanum
Having exceeded the threshold of 90% of the capital and voting rights in Curanum AG, the Group entered into negotiations with Curanum AG with a view to launching a merger by absorption procedure that is expected to lead to delisting in the first half of 2015. This operation will finalise the integration of the German subsidiaries, which is already well under way.
Optimising Group financing
On 15 July, Korian – Medica issued a private bond loan of €45 million under attractive terms, with a fixed coupon of 3.65% and a long maturity (7.5 years). This operation is part of an ongoing effort to diversify the Group’s sources of financing and extend debt maturity.

In addition, in the second quarter the Group finalised a programme of restructuring for its interest rate hedges. This restructuring will significantly reduce the average cost of finance, which will fall from 4.3% at the end of 2013 to 3.8% in 2015, whilst reducing risk by extending maturity. The total cost of €24 million will be included under non-recurring financial expenses.

Dividend distribution
Further to the approval by shareholders at the Combined Shareholders’ Meeting of 26 June, the Group will pay a total dividend of €0.60 per share on 31 July 2014, with an option for payment in shares at €0.30, based on a price per share of €26.42. Shareholders have until Tuesday, 22 July 2014 to opt to receive this payment in shares.

Yann Coléou, Chief Executive Officer of Korian – Medica, said: “2014 is a year for integrating and consolidating our organisations. Today, we are building solid foundations to pursue our profitable growth from 2015. The roll-out of various operational projects is continuing in a very satisfactory manner, with the purpose of sharing best practice and optimising our networks.

Activity in the first half of 2014 demonstrates the strength of our model, with healthy growth being recorded in the context of a merger that is impacting the entire Group organisation at all levels. The trends seen since the start of the financial year in each of our operating countries give us confidence that we will achieve our pro forma revenue target of €2.5 billion for 2014, a stepping stone on the way to our objective of €3 billion for 2017.”

Next announcement: Thursday, 11 September 2014 before the start of trading

2014 half-year earnings

ABOUT KORIAN – MEDICA

Korian – Medica, Europe’s leading Healthy Ageing specialist, founded in 2001, has the capacity to accommodate more than 57,000 residents and patients in Europe (France, Germany, Belgium and Italy) and employs nearly 40,000 staff. The Group manages 507 nursing homes and 87 specialist follow-up care and rehabilitation clinics, has over 2,400 beds in assisted living facilities and provides homecare services for over 9,000 people.

Website: www.groupe-korian.com

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

INVESTOR CONTACTS

KORIAN – MEDICA
Jean-Brieuc Le Tinier
Chief Financial Officer
jean-brieuc.letinier@groupe-korian.com
Tel: +33 1 55 37 53 17

Alexis Jungels
Investor Relations
a.jungels@groupe-korian.com
Tel: +33 1 55 37 52 25

Watchowah
Patrick Massoni
Associate Director
korian-medica@watchowah.com
Tel: +33 (0)1 47 64 78 20

PRESS CONTACTS

Eudoxie PR
Agnès Gilbert
Founder
a.gilbert@eudoxie-pr.com
Tel: +33 (0)6 84 61 30 71

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1 Full integration of Medica with effect from 1 April 2014. Further to a change in IFRS accounting standards and the removal of proportionate consolidation, the inclusion of 28% of Kinetika’s revenues was cancelled for 2013 (-€14.6 million) and the first quarter of 2014 (-€3.7 million).

2 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 first quarter of 2014.