



Paris, February 26, 2014

Press release

### 2013 Results:

- ✓ **Solid performance in a very challenging environment;**
- ✓ **Générale de Santé, the leader in outpatient care in France, which accounts for more than half of all its treatment services;**
- ✓ **First recruiter in the private sector: more than 2,300 permanent employment contracts in 2013.**

Against the backdrop of economic crisis, pressure on prices and increased competition in the public hospital sector, Générale de Santé reported a steady performance in 2013, confirming the relevance of its economic model designed to serve its medical vision:

- Revenue on a reported basis contracted by a slight 3.1% (up 1.3% on a like-for-like basis);
- EBITDA remained stable (12.1% in 2013, vs. 12.4% in 2012), with a slight decline in absolute value (down 5.8%);
- Current operating profit was down 9.4%;
- Debt was substantially reduced at €610.3 million (down from €769.1 million at end 2012).

Pascal Roché, the Group's Chief Executive Officer, issued the following statement:

"The Group recorded a good performance in fiscal 2013, in a period marked by excessive pressure on prices and in a particularly tough and worrying economic environment for the sector as a whole. As a result of our constant measures to manage costs, the Group proved resilient, maintaining a consistent level of performance and reporting a stable EBITDA rate, while continuing to deleverage significantly, by more than 20%. During FY 2013, Générale de Santé refocused on its core business (healthcare services in Medicine, Surgery and Obstetrics, After-care and Rehabilitation), following the disposal of its mental health division, and continued to roll out its ambitious investment policy. Backed by its dynamic teams, the Group is strengthening its leadership in the sector by developing an integrated and personalized healthcare offering, attuned to the challenges of the future in both medical and surgical care. The Group is firmly positioned at the top of the leader board in outpatient care, which is the future for the hospital sector, and which currently accounts for more than half of all treatment services provided in our facilities."

➤ **Reported revenue down 3.1% in 2013.**

Despite the decline on a reported basis, Générale de Santé grew revenue by 1.3% on a like-for-like basis compared with 2012, with two fewer working days. The number of short-term care stays inched up 0.4% to 841,000 overnight stays on a like-for-like basis;

➤ **EBITDA contracted by 5.8% to €225.8 million.**

➤ **Reported current operating profit stood at €104.4 million at end-December 2013, down from €115.2 million in 2012.**

€ million	2013	Change	2012
Revenue	1,869.7	- 3.1%	1,928.6
EBITDA	225.8	- 5.8%	239.7
Current operating income	104.4	- 9.4%	115.2
<i>As a % of revenue</i>	<i>5.6%</i>		<i>6.0 %</i>
Operating income	163.3	+ 21.6%	134.3
Net income attributable to the Group	111.3	+99.8%	55.7
Net earnings per share (€)	1.97		0.99

### Business - Decline in reported revenue

2013 consolidated revenue amounted to €1,869.7 million, compared with €1,928.6 million the previous year, a decline of 3.1%. Stripping out differences in consolidation scope, revenue grew by 1.3% in the period, boosted by the 2.5% rise in the fourth quarter alone.

€ million	2013	2012	Change 2013/2012	Q4 2013	Q4 2012	Change 2013/2012
<i>Ile de France (Paris region)</i>	742.3	738.5	+ 0.5%	191.9	189.1	+ 1.5%
<i>Rhône Alpes</i>	278.2	270.2	+ 3.0%	73.6	68.4	+ 7.6%
<i>North</i>	194.8	195.1	- 0.2%	50.2	50.7	- 1.0%
<i>Provence Alpes Côte d'Azur</i>	162.0	160.1	+ 1.2%	41.7	41.0	+ 1.7%
<i>Burgundy</i>	109.6	106.2	+ 3.2%	28.9	28.2	+ 2.5%
<i>Other regions</i>	199.0	196.0	+ 1.5%	51.3	50.6	+ 1.4%
<i>Other activities (1)</i>	183.8	262.5	- 30.0%	33.0	59.3	- 44.4%
<b>Reported revenue</b>	<b>1,869.7</b>	<b>1,928.6</b>	<b>- 3.1%</b>	<b>470.6</b>	<b>487.3</b>	<b>- 3.4%</b>
<b>Of which: - Organic</b>	<b>1,867.3</b>	<b>1,843.3</b>	<b>+ 1.3%</b>	<b>470.6</b>	<b>459.2</b>	<b>+ 2.5%</b>
<b>Of which organic France</b>	<b>1,844.4</b>	<b>1,820.3</b>	<b>+ 1.3%</b>	<b>464.5</b>	<b>452.7</b>	<b>+ 2.6%</b>
<b>Of which organic Italy (2)</b>	<b>22.9</b>	<b>23.0</b>	<b>- 0.4%</b>	<b>6.1</b>	<b>6.5</b>	<b>- 6.2%</b>
<b>- Changes in scope</b>	<b>2.4</b>	<b>85.3</b>	<b>N/S</b>	<b>--</b>	<b>28.1</b>	<b>N/S</b>

(1) "Other activities" includes non-strategic businesses whose assets have been sold

Changes in scope in France arose from the disposals of the Charleville-Mézières and Saint Martin – Pessac clinics in July and August 2012, the sale of the Hôpital Privé Beauregard in May 2013, Le Floride clinic in July 2013 and the Kerléna, Bazincourt and Les Sorbiers clinics in September 2013.

On December 16, 2013, Générale de Santé disposed of its mental health activities and related after-care and rehabilitation clinics.

In 2013, Hospital Care and Services in France recorded organic growth of 1.3% for the year, due to a slight increase in volumes and an improvement in the mix.

In fiscal 2013, acute care (medical, surgery and obstetrics) in the Group's hospitals grew by 0.4% on a like-for-like basis, compared with 2012, with 841,000 overnight stays. The increase in surgery (up 1.2%) and medicine (up 0.2%) was slightly offset by the dip in obstetrics (contracting by 2.8%).

In fulfillment of the Group's public service missions, the number of emergency care treatments rose 4.2% in 2013, bringing total patient visits to our emergency departments to 395,000.

Organic revenue in Italy came solely from the activity of the Hôpital d'Omegna, which recorded a stable performance in 2013.

## **Results:**

### **1) Decline in current operating profit**

In line with the 3.1% decline in reported revenue, the Group posted a fall in EBITDA (down 5.8%), primarily due to the increase in its rental expenses and an unfavorable scissors effect linked to rising expenses.

Following the same downward trend, current operating profit declined 9.4% to €104.4 million.

### **2) Rebound in operating profit and net profit**

Operating profit stood at €163.3 million at end-2013, up from €134.3 in FY 2012, buoyed by the proceeds from disposals during the fiscal year.

The increase in net profit is closely related to the rise in operating profit.

## **Net debt: net financial debt per IFRS was down to €610.3 million in 2013 (from €769.1 million at end-December 2012)**

Net financial debt per IFRS shrank markedly year-on-year to €610.3 million, as the proceeds of disposals during the year were used to pay down debt. Debt includes €163.2 million in borrowings and long-term financial debt, €424.2 million in short-term debt and €23.2 million in bank overdraft facilities.

*The Board of Directors meeting on February 25, 2014 approved the 2013 financial statements. The audit procedures were completed and the Notes and Auditors' Report are being prepared.*

**About Générale de Santé:**

Générale de Santé, listed on the Euronext Paris Eurolist (formerly known as the Premier Marché) since June 2001, is included in the Midcac Index. The leading private healthcare and services group, Générale de Santé has 19,000 employees, including 7,000 nurses and 4,000 care staff in 75 facilities and centers.

With almost 4,500 practitioners, it is the leading independent medical community in France. As a major player in hospital care, Générale de Santé covers the entire healthcare chain: medical, surgery and obstetrics, oncology, after-care and rehabilitation, and home medical services. Générale de Santé has developed a unique healthcare offering combining quality and safety of care, efficient organization, and a human touch. The Group offers comprehensive care with personalized support before, during, and after hospitalization, taking into account all aspects of the patient's needs; it also operates in the public health service and national healthcare network.

For more information, go to [www.generale-de-sante.fr](http://www.generale-de-sante.fr)

**ISIN and Euronext Paris Code: FR0000044471**

**Website: [www.generale-de-sante.fr](http://www.generale-de-sante.fr)**

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### Date for your diary:

**First quarter of 2014 financial statements publication on 30<sup>th</sup> April 2014**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

( in million euros )	2011	2012	2013
<b>TURNOVER</b>	<b>1,955.0</b>	<b>1,928.6</b>	<b>1,869.7</b>
Personnel expenses and profit sharing .....	(874.4)	(873.5)	(826.8)
Purchased consumables .....	(374.0)	(362.0)	(347.2)
Other operating income and expenses .....	(226.8)	(214.5)	(229.8)
Taxes and duties.....	(81.7)	(85.1)	(83.3)
Rents.....	(149.2)	(153.8)	(156.8)
<b>EBITDA</b>	<b>248.9</b>	<b>239.7</b>	<b>225.8</b>
Depreciation.....	(123.5)	(124.5)	(121.4)
<b>Current operating profit</b>	<b>125.4</b>	<b>115.2</b>	<b>104.4</b>
Restructuring costs .....	(43.9)	(10.4)	(6.9)
Result of the management of real estate and financial assets .....	19.0	29.5	65.8
Impairment of goodwill.....	(50.2)	--	--
<b>Other non current income and expenses</b> .....	<b>(75.1)</b>	<b>19.1</b>	<b>58.9</b>
<b>Operating profit</b>	<b>50.3</b>	<b>134.3</b>	<b>163.3</b>
Gross interest expenses .....	(46.9)	(33.3)	(32.1)
Income from cash and cash equivalents .....	0.8	0.5	0.7
<b>Net interest expenses</b> .....	<b>(46.1)</b>	<b>(32.8)</b>	<b>(31.4)</b>
Other financial income .....	0.6	0.4	0.7
Other financial expenses .....	(5.2)	(6.3)	(4.6)
<b>Other financial income and expenses</b> .....	<b>(4.6)</b>	<b>(5.9)</b>	<b>(3.9)</b>
Corporate income tax .....	(25.3)	(36.5)	(13.2)
Share of net profit of associates .....	--	0.2	--
<b>NET PROFIT FOR THE PERIOD</b> .....	<b>(25.7)</b>	<b>59.3</b>	<b>114.8</b>
<i>Revenues and expenses recognised directly as equity</i>			
- Retirement commitments .....	4.4	(1.7)	1.8
- Change in fair value of hedging financial instruments .....	3.2	0.6	10.2
- Translation differential.....	--	--	--
- Income tax on other comprehensive income .....	(2.5)	(0.1)	(4.5)
<b>Results recognised directly as equity</b> .....	<b>5.1</b>	<b>(1.2)</b>	<b>7.5</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(20.6)</b>	<b>58.1</b>	<b>122.3</b>
<b>PROFIT ATTRIBUTABLE TO (in million euros)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Group's share of net earnings .....	(28.5)	55.7	111.3
Non-controlling interests .....	2.8	3.6	3.5
<b>NET PROFIT FOR THE PERIOD</b>	<b>(25.7)</b>	<b>59.3</b>	<b>114.8</b>
NET EARNINGS PER SHARE (in euros)	(0.50)	0.99	1.97
NET DILUTED EARNINGS PER SHARE (in euros)	(0.50)	0.99	1.97
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Group's comprehensive income for the period.....	(23.4)	54.5	118.8
Non-controlling interests .....	2.8	3.6	3.5
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(20.6)</b>	<b>58.1</b>	<b>122.3</b>

**CONSOLIDATED BALANCE SHEET – ASSETS**

( in million euros )	12-32-2011	12-31-2012	12-31-2013
Goodwill .....	569.0	562.2	512.0
Other intangible fixed assets .....	18.6	19.0	18.8
Tangible fixed assets .....	863.5	809.8	697.9
Investments in associates.....	0.1	0.5	0.3
Other long-term investments .....	29.2	35.7	24.1
Deferred tax assets.....	48.4	44.5	49.3
<b>NON CURRENT ASSETS</b>	<b>1 528.8</b>	<b>1 471.7</b>	<b>1 302.4</b>
Inventories .....	34.6	33.2	33.2
Trade and other receivables.....	120.3	121.5	103.0
Other current assets .....	155.5	138.1	144.7
Current tax assets.....	6.1	2.5	6.5
Current financial assets .....	7.3	4.4	4.0
Cash and cash equivalents.....	---	---	---
Assets held for sale .....	3.7	1.5	5.3
<b>CURRENT ASSETS</b>	<b>327.5</b>	<b>301.2</b>	<b>296.7</b>
<b>TOTAL ASSETS</b>	<b>1,856.3</b>	<b>1,772.9</b>	<b>1,599.1</b>

**CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY**

( in million euros )	12-31-2011	12-31-2012	12-31-2013
Share capital .....	42.3	42.3	42.3
Additional paid-in capital.....	64.6	64.6	64.6
Consolidated reserves .....	283.5	211.5	228.2
Group's share of net profit .....	(28.5)	55.7	111.3
<b>Group's share of equity</b>	<b>361.9</b>	<b>374.1</b>	<b>446.4</b>
Non-controlling interests .....	12.4	12.2	11.3
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>374.3</b>	<b>386.3</b>	<b>457.7</b>
Borrowings and financial debts.....	688.1	620.1	163.2
Provisions for retirement and other employee benefits.....	29.7	33.4	28.1
Non-current provisions.....	42.2	34.8	27.6
Other long term liabilities .....	32.9	24.9	11.7
Deferred tax liabilities .....	78.9	70.2	65.0
<b>NON CURRENT LIABILITIES</b>	<b>871.8</b>	<b>783.4</b>	<b>295.6</b>
Current provisions.....	11.2	8.9	11.6
Accounts payable.....	128.1	159.2	129.6
Other current liabilities .....	305.7	287.8	253.2
Tax liabilities due .....	2.0	3.9	4.0
Short-term borrowings .....	137.5	133.1	424.2
Bank overdraft.....	25.7	10.3	23.2
Liabilities related to assets held for sale.....	---	---	---
<b>CURRENT LIABILITIES</b>	<b>610.2</b>	<b>603.1</b>	<b>845.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,856.3</b>	<b>1,772.9</b>	<b>1,599.1</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

( in million euros )	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	RESERVES	RESULTS RECOGNISED DIRECTLY AS EQUITY	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	GROUP'S SHARE OF EQUITY	NON CONTROLLING INTERESTS	SHAREHOLDERS' EQUITY
<b>Shareholders' equity at December 31, 2010</b>	<b>42.2</b>	<b>62.5</b>	<b>316.0</b>	<b>(17.3)</b>	<b>35.0</b>	<b>438.4</b>	<b>10.7</b>	<b>449.1</b>
Capital increase (including net fees) .....	0.1	2.1	--	--	--	2.2	--	2.2
Treasury shares .....	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	1.1	--	--	1.1	--	1.1
Prior year appropriation of earnings .....	--	--	35.0	--	(35.0)	--	--	--
Distribution of dividends .....	--	--	(56.4)	--	--	(56.4)	(1.4)	(57.8)
Change in consolidation scope .....	--	--	--	--	--	--	0.3	0.3
Total comprehensive income for the period.....	--	--	--	5.1	(28.5)	(23.4)	2.8	(20.6)
<b>Shareholders' equity at December 31, 2011</b>	<b>42.3</b>	<b>64.6</b>	<b>295.7</b>	<b>(12.2)</b>	<b>(28.5)</b>	<b>361.9</b>	<b>12.4</b>	<b>374.3</b>
Capital increase (including net fees) .....	--	--	--	--	--	--	--	--
Treasury shares .....	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	--	--	--	--	--	--
Prior year appropriation of earnings .....	--	--	(28.5)	--	28.5	--	--	--
Distribution of dividends .....	--	--	(42.3)	--	--	(42.3)	(3.2)	(45.5)
Change in consolidation scope .....	--	--	--	--	--	--	(0.6)	(0.6)
Total comprehensive income for the period.....	--	--	--	(1.2)	55.7	54.5	3.6	58.1
<b>Shareholders' equity at December 31, 2012</b>	<b>42.3</b>	<b>64.6</b>	<b>224.9</b>	<b>(13.4)</b>	<b>55.7</b>	<b>374.1</b>	<b>12.2</b>	<b>386.3</b>
Capital increase (including net fees) .....	--	--	(4.2)	--	--	(4.2)	--	(4.2)
Treasury shares .....	--	--	--	--	--	--	--	--
Stocks options and free share.....	--	--	--	--	--	--	--	--
Prior year appropriation of earnings .....	--	--	55.7	--	(55.7)	--	--	--
Distribution of dividends .....	--	--	(42.3)	--	--	(42.3)	(2.9)	(45.2)
Change in consolidation scope .....	--	--	--	--	--	--	(1.5)	(1.5)
Total comprehensive income for the period.....	--	--	--	7.5	111.3	118.8	3.5	122.3
<b>Shareholders' equity at December 31, 2013</b>	<b>42.3</b>	<b>64.6</b>	<b>234.1</b>	<b>(5.9)</b>	<b>111.3</b>	<b>446.4</b>	<b>11.3</b>	<b>457.7</b>
	<b>12-31-2011</b>	<b>12-31-2012</b>	<b>12-31-2013</b>					
Dividends per share (in euros including pre-distribution).....	1.00	0.75	0.75					
Number of treasury shares.....	25 301	25 301	25 301					

**REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY**

( in million euros )	12-31-2011	Income and expenses 2012	12-31-2012	Income and expenses 2013	12-31-2013
Translation differential.....	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments .....	(1.2)	(1.6)	(2.8)	1.2	(1.6)
Fair value of hedging financial instruments .....	(10.7)	0.4	(10.3)	6.3	(4.0)
<b>Results recognised directly as equity (Group's share)</b>	<b>(12.2)</b>	<b>(1.2)</b>	<b>(13.4)</b>	<b>7.5</b>	<b>(5.9)</b>

**CONSOLIDATED CASH FLOW STATEMENT**

( in million euros )	2011	2012	2013
Total net consolidated profit.....	(25.7)	59.3	114.8
Depreciation.....	123.5	124.5	121.4
Other non current income and expenses.....	75.1	(19.1)	(58.9)
Share of net profit of associates.....	--	(0.2)	--
Other financial income and expenses.....	4.6	5.9	3.9
Net interest expenses.....	46.1	32.8	31.4
Corporate income tax.....	25.3	36.5	13.2
<b>EBITDA</b>	<b>248.9</b>	<b>239.7</b>	<b>225.8</b>
Non cash items including provisions and reversals (transactions with no cash effect).....	1.0	(1.4)	4.0
Other income and expenses paid.....	(44.5)	(23.0)	(19.8)
Changes in other long term assets and liabilities.....	(2.6)	(4.3)	(0.8)
<b>Cash flow before net interest expenses &amp; taxes</b>	<b>202.8</b>	<b>211.0</b>	<b>209.2</b>
Corporate income tax paid.....	(23.5)	(36.3)	(28.6)
Change in working capital requirements.....	(6.9)	32.0	(29.3)
<b>NET CASH FROM OPERATING ACTIVITIES : (A)</b>	<b>172.4</b>	<b>206.7</b>	<b>151.3</b>
Purchase of property, plant & equipment and intangible assets.....	(60.5)	(55.3)	(67.4)
Proceeds from sale of tangible and intangible assets.....	7.5	10.0	110.2
Purchase of financial assets.....	(0.6)	(7.0)	---
Proceeds from the disposal of financial assets.....	40.7	40.3	79.3
Dividends from non consolidated companies.....	0.6	0.4	0.3
<b>NET CASH USED FOR INVESTING ACTIVITIES : (B)</b>	<b>(12.3)</b>	<b>(11.6)</b>	<b>122.4</b>
Capital increase: (a).....	2.2	---	(4.2)
Capital increase performed by subsidiaries subscribed to by third parties (b).....	---	---	---
Exceptional distribution of additional paid-in capital (c).....	---	---	---
Dividends paid to GDS shareholders: (d).....	(56.4)	(42.3)	(42.3)
Dividends paid to minority interests of consolidated companies: (e).....	(1.4)	(3.2)	(2.9)
Net interest expense paid : (f).....	(46.1)	(32.8)	(31.4)
Debt issue costs : (g).....	---	---	---
<b>Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)</b>	<b>58.4</b>	<b>116.8</b>	<b>192.9</b>
Increase in borrowings : (i).....	50.0	25.0	15.0
Repayment of borrowings : (j).....	(88.7)	(126.4)	(220.8)
<b>NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j</b>	<b>(140.4)</b>	<b>(179.7)</b>	<b>(286.6)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: ( A + B + C )</b>	<b>19.7</b>	<b>15.4</b>	<b>(12.9)</b>
Cash and cash equivalents at beginning of period.....	(45.4)	(25.7)	(10.3)
Cash and cash equivalents at end of period.....	(25.7)	(10.3)	(23.2)
<b>Net indebtedness at beginning of period</b>	<b>871.4</b>	<b>854.4</b>	<b>769.1</b>
Cash flow before repayment of borrowings: (h).....	(58.4)	(116.8)	(192.9)
Capitalization of financial leases.....	38.2	32.8	114.2
Loan issue charges fixed assets.....	3.5	3.5	3.5
Assets held for sale.....	2.3	(2.2)	3.8
Fair value of financial hedging instruments.....	(2.0)	(0.4)	(6.3)
Change in scope of consolidation and other.....	(0.6)	(2.2)	(81.1)
<b>Net indebtedness at end of period</b>	<b>854.4</b>	<b>769.1</b>	<b>610.3</b>