

30 years of commitment toward elderly people

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HomeVi confirms previous positive trends

HomeVi – through its subsidiary company, DomusVi - is the third largest provider of elderly care services in the French private commercial market, since Sept 2015 it is also the third largest operator in Spain through its 100% owned subsidiary, Geriatros.

In January 2016 Home Vi acquired through its subsidiary DomusVi Domicile, Domidom Soins, provider of homecare services in the Paris area. The company manages 537 homecare nursing places. In 2015, the company generated € 7 million revenue and € 0.1 million EBITDA. The acquisition is expected to reinforce the Home care segment of our Home services in order to give some added value to the services rendered by DomusVi Domicile and to provide limited cost synergies.

For the 3 months ending March 31, 2016, HomeVi operated 21,947 beds in 246 facilities in total with a concentrated footprint on attractive urban and suburban areas of France, mainly Greater Paris, Greater Lyon, French Riviera in France and Galicia and Madrid in Spain. For the 3 months period, the portfolio consists mainly in 186 medical nursing homes at DomusVi – that generated during the last three months ended March, 78% of our group revenue, 15 non-medical nursing homes and day accommodation center (2% of group revenue). The 46 agencies of DomusVi Domicile represented 7% of the group revenue. Geriatros accounted for 13% of the group revenue for 45 residences.

During the first quarter of 2016 HomeVi delivered a +22.1% increase of its revenue versus Q1 in 2015 (+3.8% like for like excluding the impact of acquisitions. Due to acquisitions and due to the increased occupancy (with very low growth of expenses), efficient cost control alongside partly compensated by increased tax expense, the group continued to report a significant progression of its EBITDAR, at +21.1% and +5.6% like for like and of its EBITDA at +58.2% and +20.7% like for like.

EBITDA margin increased from 8.1% to 10.5% on the back of efficient cost management, ramp-up effect, and management of leases. The addition of Geriatros & Domidom Soins mechanically lowered the EBITDAR margin which would have changed from 26.6% to 27.1% in Q1 2016 excluding acquisitions.

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(€ millions)	As of and for the 3 months ended March 31st	
	<u>2015</u>	<u>2016</u>
Revenue	179,5	219,1
EBITDA	14,6	23,1
<i>Ebitda margin%</i>	<i>8,1%</i>	<i>10,5%</i>
EBITDAR	47,8	57,9
<i>Ebitdar margin%</i>	<i>26,6%</i>	<i>26,4%</i>

The Adjusted net financial debt increased by € 14.9 million with a leverage ratio up at 5.39x in March versus 5.37x at the end of December, 2015.

(€ millions)	For the 12 months ended Dec 31	For the 12 months ended March 31
	<u>2015</u>	<u>2016</u>
Reported EBITDA	86,2	94,7
LTM PF EBITDA (1)	100,8	103,2
Adjusted net financial debt (2)	540,9	555,8
Ratio of adj. Net fin. Debt to PF Ebitda (2)	5,37	5,39

(1) Including 12 months of Geriatros

(2) Adjusted for the Transaction in march 2015

As a conclusion, Aymar Henin, CEO, indicates that this quarter confirms opportunities existing in HomeVi on its domestic markets, France and Spain. The two countries delivered growth and strong margin improvement over the quarter. The creation of this new international group bears numerous beneficial and motivating perspectives. Geriatros and DomusVi teams are committed in making this project a success.

Next press release: 2016 Q2 results; Sept 15th, 2016.