



Paris, 27 February 2019

## Half-year results at the end of December 2018

### Solid results were recorded in the first six months, and, moreover, the successful acquisition of the CAPIO Group opens up bright prospects

- Published half-year turnover up 25.7% to EUR 1,340.1 million, showing a net increase on a like-for-like basis (+2.9%) with two additional business days;
- Increase in reported EBITDA of 18.7% to EUR 123.1 million and improvement in EBITDA margin on a like-for-like basis;
- Group net profit at break-even compared with a loss of EUR 22.1 million at end December 2017;
- Deployment of the 2020 strategic plan in line with the objectives to transform, digitize and restructure the company;
- Capio Group integration process well under way.

According to Pascal Roché, Group Chief Executive Officer:

*“The acquisition of CAPIO on 7 November 2018 opens up very encouraging strategic prospects, a confirmed potential for financial synergies and quality of care, and the first few months are fully in line with our expectations. Our strongly improved results reflect the integration of this acquisition. On a like-for-like basis, despite weak growth in volumes and a pricing environment that continues to be adverse, our turnover increased by 2.9%, also buoyed by two additional business days. Similarly, the operating margin improved slightly, reflecting the merits of the diversity of our business segments, geographic positioning, quality of care and constant search for efficiency. The group’s transformation continued, in particular through the digitisation of the patient’s journey and a high level of investment.”*

The Board of Directors, meeting on 27 February, approved the consolidated financial statements for the semester ended December 2018. The accounts were subject to a limited review by the statutory auditors.

In € millions	From 1 July 2018 to 31 December 2018	Change	From 1 July 2017 to 31 December 2017
Turnover	1,340.1	+25.7%	1,066.4
Gross Operating Profit (EBITDA)	123.1	+18.7%	103.7
Current operating profit	48.9	+31.5%	37.2

<i>As a % of turnover</i>	3.6%	+0.1 point	3.5%
Operating profit	34.9	+636.9%	(6.5)
Net income - Group share	0.0	N/S	(22.1)
Net earnings per share (in €)	0.00	N/S	(0.29)

In € millions	From 1 July 2018 to 31 December 2018	From 1 July 2017 to 31 December 2017	Change
<i>Île-de-France</i>	446.2	438.1	+1.8%
<i>Auvergne-Rhône-Alpes</i>	180.7	172.4	+4.8%
<i>Nord - Pas de Calais - Picardie</i>	180.3	170.6	+5.7%
<i>Provence Alpes Côte d'Azur</i>	75.7	78.3	-3.3%
<i>Bourgogne Franche Comté</i>	52.1	49.5	+5.3%
<i>Other regions</i>	157.9	153.0	+3.2%
<i>Other activities</i>	0.0	4.5	-100.0%
Capio	247.2	0.0	--
<b>Published turnover</b>	<b>1,340.1</b>	<b>1,066.4</b>	+25.7%
Of which: - Organic	1,092.2	1,061.9	+2.9%
<i>Of which organic within France</i>	<i>1,081.1</i>	<i>1,050.7</i>	+2.9%
<i>Of which organic within Italy</i>	<i>11.1</i>	<i>11.2</i>	-0.9%
- Changes in scope of consolidation	247.9	4.5	

#### Important event during the half year:

On 8 November 2018, following the closing of the acceptance period for its public takeover bid for Capio shares, Ramsay Générale de Santé announced that on 7 November 2018, it had acquired 98.51% of the capital of Capio, one of Europe's leading providers of healthcare and health services, enabling the Group to position itself as one of the pan-European leaders in private hospitalisation and primary care, present in six countries with a prominent role in Scandinavia, notably in Sweden, and in France.

The public takeover bid by RGdS concerned all of Capio's shares at a price of SEK 58 per share. The price of the Capio acquisition thus amounted to EUR 779.7 million (fair value of the 139,050,816 Capio shares at 58 SEK per share converted at the hedging rate of 10.3437 SEK/EUR).

The valuation of the identifiable assets acquired and the liabilities recognised at their fair value at the date of acquisition in the financial statements as at 31 December 2018 is provisional, and is therefore subject to review based on the definitive valuation of the fair values.

#### Operations and turnover:

During the half year ending on 31 December 2018, Groupe Ramsay Générale de Santé generated consolidated turnover of EUR 1,340.1 million, compared with EUR 1,066.4 million from 1 July 2017 to 31 December 2017.

Since 7 November 2018, Capio entities have contributed EUR 247.2 million to Group consolidated turnover.

In addition to this major acquisition, the consolidation strategy for the divisions' medical projects in the territorial division in France led to the takeover in July 2017 of Hôpital Privé de l'Est Lyonnais (Lyon Cluster), followed by the buyout of Clinique La Parisière in July 2018 (Drôme-Ardèche Cluster).

After adjustment for changes in the scope of consolidation, turnover showed a net growth of 2.9% to EUR 1,092.2 million.

At the end of December 2018, total activity (excluding emergencies) effectively increased by 2% in terms of hospital admission volume, benefiting from two additional business days. The breakdown by business segment is as follows:

- +2,5% in Medicine-Surgery-Obstetrics
- +2,4% sub-acute care and rehabilitation
- -1,2% in mental health

With regard to the public service tasks managed by the group, the number of emergencies increased, up 1.7% over the past half year with close to 302,000 cases registered by the emergency services of our facilities.

### **Results:**

EBITDA for the half year ending on 31 December 2018 was EUR 123.1 million, up 18.7% on a reported basis. At constant scope and accounting methods, EBITDA increased 8.5% over the period. EBITDA margin as a percentage of sales was 9.2%, contracting from the previous year (9.7%), but improving at constant scope and accounting methods.

The published operating profit for the period 1 July 2018 to 31 December 2018 reached EUR 48.9 million (or 3.6% of sales), up 31.5% from EUR 37.2 million recorded for the half year ending on 31 December 2017.

The other non-current income and expenses resulted in a net expense of EUR 14.0 million for the year ended, consisting almost entirely of costs related to the acquisition of the Capiro Group. From 1 July 2017 to 31 December 2017, the amount of other non-current income and expenses represented a net expense of EUR 43.7 million.

The cost of net financial debt amounted to EUR 27.6 million for the six months ended 31 December 2018, compared with EUR 20.2 million the previous year. This consists primarily of interest on senior debt and includes the cost of the subordinated bonds subscribed to by the shareholders of Ramsay Générale de Santé as part of the acquisition of the Capiro Group.

In total, net profit attributable to the Group was at break-even as at 31 December 2018 compared with a loss of EUR 22.1 million for the period from 1 July 2017 to 31 December 2017.

### **Debts:**

Net financial debt at 31 December 2018 greatly increased to EUR 2,252.5 million compared to EUR 965.2 million at 31 December 2017. This debt includes, in particular, EUR 1,501.4 million in non-current borrowings and financial debt, EUR 1,087.4 million in current financial debt, balanced by EUR 274.6 million in cash.

This change in the Group's net financial debt naturally reflects the impact of the takeover of the Capiro Group, including its own debt. Financing for the Capiro acquisition has been secured

- thanks to the issue of subordinated bonds subscribed to by its two majority shareholders, Ramsay Health Care (UK) and Prévoyance Dialogue du Crédit Agricole ("Predica"), to the amount of EUR 550 million,

- and through the establishment of a term loan of up to EUR 750 million, the terms of which are governed by an Incremental Facility Notice dated 13 July 2018, as amended and restated, and by the 2014 Credit Agreement, as amended. This term loan was used at the end of December 2018 for EUR 266 million to finance the purchase of securities.

## **About Ramsay Générale de Santé**

After the successful acquisition of Capio AB Group in 2018, Ramsay Générale de Santé is becoming one of the leaders of the hospitalisation and primary care in Europe with 36 000 employees and 8 600 practitioners serving 7 millions patients in our 310 establishments in six countries : France, Sweden, Norway, Denmark, Germany, Italy.

Ramsay Générale de Santé offers almost all medical and surgical care in three jobs : general hospitals (medicine – surgery – obstetric), follow-up care and rehabilitation clinics, mental health. In all its territories, the group develops missions of public service and contributes to the territorial sanitary disposal, as in Sweden with more than 100 proximity care units.

The quality and security of care is the group's priority in all its countries. That's why our group is today a reference in terms of modern medicine, especially in outpatient care and rapid recovery.

Each year, the group invests more than 200M€ in innovation whether it is in new surgical or imaging technologies, in building or modernising its facilities... The group also innovates with new digital tools to the benefit of its patients or in improving its organisations for a more efficient care.

Website : <https://www.ramsaygds.fr>

Facebook : <https://www.facebook.com/RamsayGDS>

Twitter : <https://twitter.com/RamsayGDS>

LinkedIn : <https://www.linkedin.com/company/ramsaygds>

YouTube : <https://www.youtube.com/c/RamsayGDSante>

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## **A CONFERENCE CALL IN ENGLISH WILL BE HELD TODAY**

**at 7.30 p.m. (Paris time) - Dial-in at the following numbers**

**In France: +33 (0)1 76 77 22 61**

**In the UK: +44 (0)330 336 6025**

**In Australia: +61 (0)2 8524 5352**

**Access code: 465602**

## Glossary

### Constant scope of consolidation

- The restatement of the scope of consolidation for incoming entities is as follows:
  - o Entities entering the scope of consolidation in the current year must have the contribution from the acquired entity deducted from the performance indicators in the current year;
  - o Entities entering the scope of consolidation in the previous year must have the contribution from the acquired entity deducted from the performance indicators of the previous month in the month of the acquisition.
  
- The restatement of the scope of consolidation for outgoing entities is as follows:
  - o For entities leaving the scope of consolidation in the current year, the contribution of the outgoing entity must be deducted in the previous year from the performance indicators as of the month that the entity leaves the scope of consolidation.
  - o For entities leaving the scope of consolidation in the previous year, the contribution of the outgoing entity must be deducted for the full previous period.

Current operating profit is the operating profit before other non-current income or expenses, consisting of restructuring costs (expenses and provisions), capital gains or losses from disposal, or significant and non-recurring depreciation or amortisation of non-current assets, whether tangible or intangible; also, other operating expenses and income such as provisions relating to major litigation.

EBITDA is the current operating profit before depreciation and amortisation (charges and provisions in the profit and loss account are grouped according to their nature).

Net financial debt consists of gross financial debts, less financial assets.

- Gross financial debts consist of:
  - o bank loans, including incurred interest;
  - o loans relating to finance leases including incurred interest;
  - o fair value hedging instruments recognised in the balance sheet net of tax;
  - o current financial debt in relation to current financial accounts with minority investors;
  - o bank overdrafts.
  
- Financial assets consist of:
  - o the fair value of hedging instruments recognised in the balance sheet net of tax;
  - o current financial receivables in relation to current financial accounts with minority investors
  - o cash and cash equivalents, including treasury shares held by the Group (considered as marketable securities);
  - o financial assets directly linked to the loans taken out and recognised in gross financial debts

## Overview of half-year financial results as at 31 December 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
(in million euros)	from 1 July 2017 to 30 June 2018	From 1 July 2017 to 31 December 2017	From 1 July 2018 to 31 December 2018
<b>TURNOVER</b>	<b>2,241.5</b>	<b>1,066.4</b>	<b>1,340.1</b>
Personnel expenses and profit sharing	(971.5)	(476.5)	(629.9)
Purchased consumables	(450.0)	(212.6)	(256.6)
Other operating income and expenses	(280.7)	(138.0)	(171.7)
Taxes and duties	(93.8)	(45.2)	(50.7)
Rents	(189.9)	(90.4)	(108.1)
<b>EBITDA</b>	<b>255.6</b>	<b>103.7</b>	<b>123.1</b>
Depreciation	(129.9)	(66.5)	(74.2)
<b>Current operating profit</b>	<b>125.7</b>	<b>37.2</b>	<b>48.9</b>
Restructuring costs	(58.0)	(42.3)	(18.7)
Result of the management of real estate and financial assets	(1.9)	(1.4)	4.7
Impairment of goodwill	--	--	--
<b>Other non-current income and expenses</b>	<b>(59.9)</b>	<b>(43.7)</b>	<b>(14.0)</b>
<b>Operating profit</b>	<b>65.8</b>	<b>(6.5)</b>	<b>34.9</b>
Gross interest expenses	(39.8)	(20.7)	(27.9)
Income from cash and cash equivalents	0.7	0.5	0.3
<b>Net interest expenses</b>	<b>(39.1)</b>	<b>(20.2)</b>	<b>(27.6)</b>
Other financial income	1.2	0.5	1.4
Other financial expenses	(4.4)	(2.9)	(2.4)
<b>Other financial income and expenses</b>	<b>(3.2)</b>	<b>(2.4)</b>	<b>(1.0)</b>
Corporate income tax	(8.5)	9.2	(5.3)
Amount attributable to associates	0.1	--	--
<b>NET PROFIT FOR THE PERIOD</b>	<b>15.1</b>	<b>(19.9)</b>	<b>1.0</b>
<i>Revenues and expenses recognized directly as equity</i>			
- Retirement commitments	(0.1)	--	(3.6)
- Change in fair value of hedging financial instruments	--	--	--
- Translation differential		--	6.2
- Income tax on other comprehensive income	1.0	0.5	--
<b>Results recognized directly as equity</b>	<b>0.9</b>	<b>0.5</b>	<b>2.6</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>16.0</b>	<b>(19.4)</b>	<b>3.6</b>
<b>PROFIT ATTRIBUTABLE TO (in millions euros)</b>	<b>from 1 July 2017 to 30 June 2018</b>	<b>From 1 July 2017 to 31 December 2017</b>	<b>From 1 July 2018 to 31 December 2018</b>
- Group's share of net earnings	7.3	(22.1)	--
- Non-controlling interests	7.8	2.2	1.0
<b>NET PROFIT FOR THE PERIOD</b>	<b>15.1</b>	<b>(19.9)</b>	<b>1.0</b>
NET EARNINGS PER SHARE (in euros)	0.10	(0.29)	0.00
NET DILUTED EARNINGS PER SHARE (in euros)	0.10	(0.29)	0.00
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)</b>	<b>from 1 July 2017 to 30 June 2018</b>	<b>From 1 July 2017 to 31 December 2017</b>	<b>From 1 July 2018 to 31 December 2018</b>
- Group's comprehensive income for the period	8.2	(21.6)	2.6
- Non-controlling interests	7.8	2.2	1.0
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>16.0</b>	<b>(19.4)</b>	<b>3.6</b>

<b>CONSOLIDATED BALANCE SHEET – ASSETS</b>			
<b>(in millions euros)</b>	<b>06-30-2017</b>	<b>06-30-2018</b>	<b>12-31-2018</b>
Goodwill	727.1	754.4	1 718.9
Other intangible fixed assets	23.1	23.8	227.9
Tangible fixed assets	877.9	869.2	1 143.5
Investments in associates	0.5	0.6	0.3
Other long-term investments	49.6	69.1	96.9
Deferred tax assets	33.3	45.2	97.1
<b>NON CURRENT ASSETS</b>	<b>1,711.5</b>	<b>1,762.3</b>	<b>3,284.6</b>
Inventories	62.3	67.8	106.9
Trade and other receivables	158.3	157.6	240.1
Other current assets	224.8	190.6	316.5
Tax assets	6.0	9.8	50.7
Current financial assets	2.0	0.3	10.6
Cash and cash equivalents	180.8	308.0	274.6
Assets held for sale	--	5.6	--
<b>CURRENT ASSETS</b>	<b>634.2</b>	<b>739.7</b>	<b>999.4</b>
<b>TOTAL ASSETS</b>	<b>2,345.7</b>	<b>2,502.0</b>	<b>4,284.0</b>

<b>CONSOLIDATED BALANCE SHEET – LIABILITIES AND EQUITY</b>			
<b>( in millions euros )</b>	<b>06-30-2017</b>	<b>06-30-2018</b>	<b>12-31-2018</b>
Share capital	56.9	56.9	56.9
Additional paid-in capital	71.2	71.2	71.2
Consolidated reserves	276.9	334.8	344.8
Group's share of net profit	57.0	7.3	--
<b>Group's share of equity</b>	<b>462.0</b>	<b>470.2</b>	<b>472.9</b>
Non-controlling interests	40.0	40.8	53.9
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>502.0</b>	<b>511.0</b>	<b>526.8</b>
Borrowings and financial debts	1,099.8	1,195.6	1,501.5
Provisions for retirement and other employee benefits	50.6	51.0	100.2
Non-current provisions	27.0	63.5	56.3
Other long term liabilities	13.4	12.2	16.8
Deferred tax liabilities	58.3	50.9	114.2
<b>NON CURRENT LIABILITIES</b>	<b>1,249.1</b>	<b>1,373.2</b>	<b>1,789.0</b>
Current provisions	12.9	17.8	27.1
Accounts payable	186.4	191.9	267.8
Other current liabilities	327.0	329.5	573.4
Tax liabilities	14.9	13.3	12.5
Short-term borrowings	53.4	63.7	1,087.4
Bank overdraft	---	---	---
Liabilities related to assets held for sale	---	1.6	---
<b>CURRENT LIABILITIES</b>	<b>594.6</b>	<b>617.8</b>	<b>1,968.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,345.7</b>	<b>2,502.0</b>	<b>4,284.0</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
( in millions 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 June 30, 2017</b>	<b>56.9</b>	<b>71.2</b>	<b>288.2</b>	<b>(11.3)</b>	<b>57.0</b>	<b>462.0</b>	<b>40.0</b>	<b>502.0</b>
Capital increase (including net fees)	--	--	--	--	--	--	--	--
Treasury shares	--	--	--	--	--	--	--	--
Stocks options and free share	--	--	--	--	--	--	--	--
Prior year appropriation of earnings	--	--	57.0	--	(57.0)	--	--	--
Distribution of dividends	--	--	--	--	--	--	(7.0)	(7.0)
Change in consolidation scope	--	--	--	--	--	--	--	--
Total comprehensive income for the period	--	--	--	0.9	7.3	8.2	7.8	16.0
<b>Shareholders' equity at June 30, 2018</b>	<b>56.9</b>	<b>71.2</b>	<b>345.2</b>	<b>(10.4)</b>	<b>7.3</b>	<b>470.2</b>	<b>40.8</b>	<b>511.0</b>
Capital increase (including net fees)	--	--	--	--	--	--	--	--
Treasury shares	--	--	--	--	--	--	--	--
Stocks options and free share	--	--	--	--	--	--	--	--
Prior year appropriation of earnings	--	--	7.3	--	(7.3)	--	--	--
Distribution of dividends	--	--	--	--	--	--	(2.1)	(2.1)
Change in consolidation scope	--	--	0.1	--	--	0.1	14.2	14.3
Total comprehensive income for the period	--	--	--	2.6	--	2.6	1.0	3.6
<b>Shareholders' equity at December 31, 2018</b>	<b>56.9</b>	<b>71.2</b>	<b>352.6</b>	<b>(7.8)</b>	<b>--</b>	<b>472.9</b>	<b>53.9</b>	<b>526.8</b>

STATEMENT OF INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY					
( in millions euros )	06-30-2017	Income and expenses July 1, 2017 to June 30, 2018	06-30-2018	Income and expenses July 1, 2018 to December 31, 2018	12-31-2018
Translation differential	(0.3)	--	(0.3)	6.2	5.9
Retirement commitments	(4.9)	0.5	(4.4)	(3.6)	(8.0)
Fair value of hedging financial instruments	(6.1)	0.4	(5.7)	--	(5.7)
<b>Results recognized directly as equity (Group's share)</b>	<b>(11.3)</b>	<b>0.9</b>	<b>(10.4)</b>	<b>2.6</b>	<b>(7.8)</b>

<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>			
<b>( in millions d'euros)</b>	<b>from 1 July 2017 to 30 June 2018</b>	<b>From 1 July 2017 to 31 December 2017</b>	<b>From 1 July 2018 to 31 December 2018</b>
Total net consolidated profit	15.1	(19.9)	1.0
Depreciation	129.9	66.5	74.2
Other non-current income and expenses	59.9	43.7	14.0
Amount attributable to associates	(0.1)	--	--
Other financial income and expenses	3.2	2.4	1.0
Cost of net financial debt	39.1	20.2	27.6
Income tax	8.5	(9.2)	5.3
<b>Gross operating surplus</b>	<b>255.6</b>	<b>103.7</b>	<b>123.1</b>
Non-cash items relating to recognition and reversal of provisions (transactions of a non-cash nature)	(2.9)	(1.7)	0.1
Other non-current income and expenses paid	(18.0)	(9.8)	(25.3)
Change in other non-current assets and liabilities	(13.5)	4.1	(12.0)
<b>Cash flow from operations before cost of net financial debt and tax</b>	<b>221.2</b>	<b>96.3</b>	<b>85.9</b>
Income tax paid	(26.4)	(15.9)	(11.0)
Change in working capital requirement	19.1	32.3	5.0
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES: (A)</b>	<b>213.9</b>	<b>112.7</b>	<b>79.9</b>
Investments in tangible and intangible assets	(62.6)	(22.2)	(86.3)
Disposals of tangible and intangible assets	7.2	6.6	20.1
Acquisition of entities	(21.1)	(21.5)	(811.1)
Disposal of entities	0.5	0.5	--
Dividends received from non-consolidated companies	0.6	0.1	0.2
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES: (B)</b>	<b>(75.4)</b>	<b>(36.5)</b>	<b>(877.1)</b>
Dividends paid to minority interests of consolidated companies: (a)	(7.0)	(1.3)	(2.1)
Net interest expense paid: (b)	(39.1)	(20.2)	(27.6)
Debt issue costs: (c)	(4.9)	(3.5)	(11.3)
<b>Cash flow before change in borrowings: (d) = (A+B + a + b + c)</b>	<b>87.5</b>	<b>51.2</b>	<b>(838.2)</b>
Increase in borrowings: (e)	122.2	4.5	832.5
Repayment of borrowings: (f)	(82.5)	(56.2)	(28.8)
<b>NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + e + f</b>	<b>(11.3)</b>	<b>(76.7)</b>	<b>762.7</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: ( A + B + C )</b>	<b>127.2</b>	<b>(0.5)</b>	<b>(34.5)</b>
Currency differences in cash and cash equivalents	--	--	1.1
Cash and cash equivalents at beginning of period	180.8	180.8	308.0
Cash and cash equivalents at end of period	308.0	180.3	274.6
<b>Net indebtedness at beginning of period</b>	<b>964.0</b>	<b>964.0</b>	<b>927.1</b>
Cash flow before change in borrowings: (d)	(87.5)	(51.2)	838.2
Capitalization of financial leases	68.7	54.5	22.2
Loan issue charges fixed assets	(1.4)	(1.0)	(9.2)
Assets held for sale	--	--	--
Fair value of financial hedging instruments	(0.9)	(0.8)	(0.9)
Change in scope of consolidation and other	(15.8)	(0.3)	475.1
<b>Net indebtedness at end of period</b>	<b>927.1</b>	<b>965.2</b>	<b>2,252.5</b>