



Paris, October 24, 2011

Press release

Results for the nine-months to September 30, 2011

➤ **Revenue up 2.3% in the nine months to September 30, 2011.**

At constant structure, revenue was up 2.8%, with the same number of working days. The group recorded a 1.7% increase of the number of stays in acute care.

➤ **The current operating profit in the nine months to September 30, 2011 was €91.8m, vs. €80.6m in the first nine months of 2010.**

Excluding the reclassification of expenses resulting from the implementation of the reorganization plan, the current operating profit would have been stable. Mechanical inflation in operating expenses in a restrictive tariff environment dampened the impact of growth in our business.

€m	September 30, 2011	Change	September 30, 2010
Revenue	1,460.9	+ 2.3%	1,428.7
EBITDA	185.5	+ 10.7%	167.5
Current operating profit	91.8	+ 13.9%	80.6
<i>As a % of revenue</i>	<i>6.3 %</i>	<i>+ 0.7 points</i>	5.6%
Operating profit	57.1	- 44.2%	102.4
Group share of net profit	3.6	- 92.0%	44.9
Net earnings per share (en €)	0.06	-€0.74	0.80

Revenue: increase in reported revenue

Consolidated revenue for the nine months to September 30, 2011 was €1,460.9m, vs. €1,428.7m for the same period in 2010.

€m	Sept. 30, 2011	Sept. 30, 2010	Change 2011/2010	Q3 2011	Q3 2010	Change 2011/2010
<i>Ile de France (Paris region)</i>	570.1	544.5	+ 4.7%	164.7	158.3	+ 4.0%
<i>Rhône Alpes</i>	210.6	209.4	+ 0.6%	63.6	62.8	+ 1.3%
<i>Nord</i>	153.6	148.2	+ 3.6%	46.9	46.5	+ 0.9%
<i>Provence Alpes Côte d'Azur</i>	173.4	167.3	+ 3.6%	51.7	48.9	+ 5.7%
<i>Burgundy</i>	79.6	77.6	+ 2.6%	24.2	24.1	+ 0.4%
<i>Other regions</i>	254.2	242.7	+ 4.7%	80.2	73.9	+ 8.5%
<i>Other activities (1)</i>	19.4	39.0	- 50.3%	--	10.2	- 100.0%
Reported revenue	1,460.9	1,428.7	+ 2.3%	431.3	424.7	+ 1.6%
O/w: - Organic	1,448.4	1,408.6	+ 2.8%	427.2	414.5	+ 3.1%
<i>o/w organic France</i>	1 431.5	1 391.3	+ 2.9%	422.6	409.9	+ 3.1%
<i>o/w organic Italy</i>	16.9	17.3	- 2.3%	4.6	4.6	-
- Changes in scope	12.5	20.1	-	4.1	10.2	-

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

The Hospital Care France business recorded organic growth of 2.9% over the period, attributable to a volume/mix effect.

In France, changes in the scope of consolidation resulted chiefly from the disposal of the Medical Analysis business on February 2, 2010, the acquisition of Hôpital Privé de Marne la Vallée on October 2, 2010, the disposal of Clinique Convert (May 31, 2011), then Clinique Pasteur in Vitry and its scanner (June 28, 2011).

During the first nine months of 2011, acute care activity carried out in Group hospitals increased by 1.7% compared with the same period in 2010, with 670,000 visits over the period. The increase was attributable to surgery (+3.5%), activity in obstetrics and medicine remaining stable. As part of public-service healthcare initiatives managed by the Group, emergency-room activity rose by 9.2% during the first nine months of 2011, with 277,000 patient visits in Group establishments.

With regard to mental health, sub-acute care and rehabilitation, the group increased its number of days billed by 3.9% (to 1,088,000 days) in the nine months to September 30, 2011, thanks to a further increase in its occupancy rates, but also and above all to the gradual ramp-up of extensions made to several establishments.

Organic revenue in Italy was derived solely from the hospital in Omegna, which recorded a slight decline in the period to September 30, 2011.

Results:

1) Improvement in the current operating profit

The reported current operating profit was €91.8m, an increase of 13.9% compared with the same period in 2010. It benefited from the reclassification of expenses (primarily personnel) resulting from the implementation of the reorganization plan announced by the Group on March 24, 2011. Excluding this adjustment, it would have been stable.

2) Decline in the operating profit and the net profit

The operating profit fell from €102.4m (first nine months of 2010) to €57.1m (first nine months of 2011) due mainly to the following non-recurring items:

- an expense of €28.7m recognized as of September 30, 2011, linked to the ongoing reorganization of support functions at the headquarters and regional offices, of which nearly €16m in provisions,
- the capital gain recognized on disposals in 2011,
- the capital gain of nearly €30m, recognized in the first half of 2010, following the disposal of the Medical Analysis business in France.

The decline in the net profit was closely in line with that of the operating profit.

Debt: increase in net financial debt per IFRS as of September 30, 2011 to €905.8m (vs. €871.4m as of December 31, 2010)

Net financial debt per IFRS was up compared with December 30, 2010, due to a recurring seasonal effect.

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 Group in the private hospital care sector in France, Générale de Santé has 23,800 employees in 110 private hospitals and clinics. With 5,000 practitioners, it represents the leading independent medical community in France. A major player in hospitalization, Générale de Santé provides a comprehensive range of patient care services spanning acute care, oncology, sub-acute care and rehabilitation, mental health and homecare. Générale de Santé has an original healthcare offering, combining medical excellence, organizational efficiency and a human touch; it provides a seamless service with an individually adapted patient support package, before, during and after hospitalization, taking into consideration all of its patients' needs; it takes part in public-service healthcare initiatives and forms part of the nationwide healthcare chain in France.

ISIN code and Euronext Paris: FR0000044471

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Dates for your diary:

Publication of full-year results on February 17, 2012

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

(in million euros)	Period ended 30 september 2010	Period ended 30 september 2011
TURNOVER	1,428.7	1,460.9
Personnel expenses and profit sharing	(659.4)	(654.0)
Purchased consumables	(269.5)	(278.6)
Other operating income and expenses.....	(171.0)	(171.3)
Taxes and duties.....	(61.6)	(59.6)
Rents.....	(99.7)	(111.9)
EBITDA	167.5	185.5
Depreciation.....	(86.9)	(93.7)
Current operating profit	80.6	91.8
Restructuring costs	(10.8)	(36.4)
Result of the management of real estate and financial assets	32.6	1.7
Impairment of goodwill.....	--	--
Other non current income and expenses	21.8	(34.7)
Operating profit	102.4	57.1
Gross interest expenses.....	(34.8)	(35.8)
Income from cash and cash equivalents	0.6	0.9
Net interest expenses.....	(34.2)	(34.9)
Other financial income.....	0.6	0.6
Other financial expenses	(3.7)	(4.1)
Other financial income and expenses	(3.1)	(3.5)
Corporate income tax	(16.5)	(11.9)
Share of net profit of associates	--	--
NET PROFIT FOR THE PERIOD.....	48.6	6.8
<i>Revenues and expenses recognised directly as equity</i>		
- Retirement commitments	--	--
- Change in fair value of hedging financial instruments.....	0.5	3.4
- Translation differential.....	--	--
- Income tax on other comprehensive income.....	(0.2)	(1.2)
Results recognised directly as equity	0.3	2.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	48.9	9.0
PROFIT ATTRIBUTABLE TO (in million euros)	Period ended 30 september 2010	Period ended 30 september 2011
Group's share of net earnings	44.9	3.6
Non-controlling interests.....	3.7	3.2
NET PROFIT FOR THE PERIOD	48.6	6.8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (in million euros)	Period ended 30 september 2010	Period ended 30 september 2011
Group's comprehensive income for the period.....	45.2	5.8
Non-controlling interests.....	3.7	3.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	48.9	9.0

CONSOLIDATED BALANCE SHEET - ASSETS

(in million euros)	12-31-2010	At september 30, 2011 (unaudited)
Goodwill	641.6	624.4
Other intangible fixed assets	20.4	16.6
Tangible fixed assets	896.6	864.7
Investments in associates.....	0.1	0.1
Other long-term investments	29.4	29.0
Deferred tax assets.....	54.2	51.7
NON CURRENT ASSETS	1 642.3	1,586.5
Inventories.....	35.4	35.0
Trade and other receivables.....	121.8	145.6
Other current assets	136.2	156.9
Current tax assets.....	7.5	7.8
Current financial assets	11.3	4.2
Cash and cash equivalents.....	---	---
Assets held for sale.....	1.5	2.0
CURRENT ASSETS	313.7	351.5
TOTAL ASSETS	1,956.0	1,938.0

CONSOLIDATED BALANCE SHEET - LIABILITIES AND EQUITY

(in million euros)	12-31-2010	At september 30, 2011 (unaudited)
Share capital	42.2	42.3
Additional paid-in capital.....	62.5	64.6
Consolidated reserves	298.7	280.6
Group's share of net profit.....	35.0	3.6
Group's share of equity	438.4	391.1
Non-controlling interests.....	10.7	12.6
TOTAL SHAREHOLDERS' EQUITY	449.1	403.7
Borrowings and financial debts.....	756.2	710.7
Provisions for retirement and other employee benefits.....	32.9	35.2
Non-current provisions.....	49.5	55.4
Other long term liabilities	32.1	27.5
Deferred tax liabilities	77.1	71.2
NON CURRENT LIABILITIES	947.8	900.0
Current provisions.....	11.4	11.3
Accounts payable.....	127.8	128.3
Other current liabilities	297.2	304.3
Tax liabilities due	3.5	1.2
Short-term borrowings	73.8	129.6
Bank overdraft.....	45.4	59.6
Liabilities related to assets held for sale.....	--	--
CURRENT LIABILITIES	559.1	634.3
TOTAL EQUITY AND LIABILITIES	1,956.0	1,938.0

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
Shareholders' equity at December 31, 2009	42.2	62.5	340.2	(20.2)	42.4	467.1	10.0	477.1
Capital increase (including net fees)	--	--	--	--	--	--	--	--
Treasury shares	--	--	--	--	--	--	--	--
Stocks options and free share	--	--	3.4	--	--	3.4	--	3.4
Prior year appropriation of earnings	--	--	42.4	--	(42.4)	--	--	--
Distribution of dividends	--	--	(69.9)	--	--	(69.9)	(1.8)	(71.7)
Change in consolidation scope	--	--	(0.1)	--	--	(0.1)	(0.4)	(0.5)
Total comprehensive income for the period	--	--	--	2.9	35.0	37.9	2.9	40.8
Shareholders' equity at December 31, 2010	42.2	62.5	316.0	(17.3)	35.0	438.4	10.7	449.1
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)	(1.3)	(57.7)
Change in consolidation scope	--	--	--	--	--	--	--	--
Total comprehensive income for the period	--	--	--	2.2	3.6	5.8	3.2	9.0
Shareholders' equity at 30 september 2011 (unaudited)	42.3	64.6	295.7	(15.1)	3.6	391.1	12.6	403.7

REVENUES AND EXPENSES RECOGNISED DIRECTLY AS EQUITY

(in million euros)	12-31-2009	Income and expenses 2010	12-31-2010	Income and expenses at september 30, 2011	At september 30, 2011 (unaudited)
Translation differential	(0.3)	--	(0.3)	--	(0.3)
Retirement commitments	(4.0)	(0.3)	(4.3)	--	(4.3)
Fair value of hedging financial instruments	(15.9)	3.2	(12.7)	2.2	(10.5)
Results recognised directly as equity (Group's share)	(20.2)	2.9	(17.3)	2.2	(15.1)

CONSOLIDATED CASH FLOW STATEMENT (unaudited)

(en millions d'euros)	Period ended 30 september 2010	Period ended 30 september 2011
Total net consolidated profit.....	48.6	6.8
Depreciation.....	86.9	93.7
Other non current income and expenses.....	(21.8)	34.7
Share of net profit of associates.....	–	–
Other financial income and expenses.....	3.1	3.5
Net interest expenses.....	34.2	34.9
Corporate income tax.....	16.5	11.9
EBITDA	167.5	185.5
Non cash items including provisions and reversals (transactions with no cash effect).....	–	1.9
Other income and expenses paid.....	(9.1)	(29.7)
Changes in other long term assets and liabilities.....	1.7	0.6
Cash flow before net interest expenses & taxes	160.1	158.3
Corporate income tax paid.....	(26.9)	(20.2)
Change in working capital requirements.....	(21.4)	(34.0)
NET CASH FROM OPERATING ACTIVITIES : (A)	111.8	104.1
Purchase of property, plant & equipment and intangible assets.....	(88.6)	(54.8)
Proceeds from sale of tangible and intangible assets.....	–	7.5
Purchase of financial assets.....	(3.3)	(0.5)
Proceeds from the disposal of financial assets.....	55.8	16.7
Dividends from non consolidated companies.....	0.4	0.6
NET CASH USED FOR INVESTING ACTIVITIES : (B)	(35.7)	(30.5)
Capital increase: (a).....	–	2.2
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).....	(69.9)	(56.4)
Dividends paid to minority interests of consolidated companies: (e).....	(1.8)	(1.2)
Net interest expense paid : (f).....	(34.2)	(34.9)
Debt issue costs : (g).....	–	–
Cash flow before repayment of borrowings: (h) = (A+B + a + b + c + d + e + f + g)	(29.8)	(16.7)
Increase in borrowings : (i).....	120.8	50.0
Repayment of borrowings : (j).....	(149.5)	(47.5)
NET CASH USED FOR FINANCING ACTIVITIES: (C) = a + b + c + d + e + f + g + i + j	(134.6)	(87.8)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS: (A + B + C)	(58.5)	(14.2)
Reclassification of the cash of the assets held for sale.....	13.0	–
Cash and cash equivalents at beginning of period.....	(5.1)	(45.4)
Cash and cash equivalents at end of period.....	(50.6)	(59.6)
Net indebtedness at beginning of period	885.8	871.4
Cash flow before repayment of borrowings: (h).....	29.8	16.7
Capitalization of financial leases.....	6.7	17.1
Loan issue charges fixed assets.....	2.6	2.6
Assets held for sale.....	(0.6)	0.6
Fair value of financial hedging instruments.....	(0.3)	(2.3)
Change in scope of consolidation and other.....	8.7	(0.3)
Net indebtedness at end of period	932.7	905.8