Financial presentation

March 2017

LE NOBLE AGE GROUPE

Soigner et prendre soin.

2016 annual results and outlook

March 2017

Contents

LE NOBLE AGE GROUPE

LNA, TREATING AND PROVIDING CARE

A major player

at 31 December 2016

providing care for dependent people

68
authorized establishments

5,000
employees

7,345
authorized beds

61% of revenue from long-term care

ALF and specialized retirement homes

39% of revenue from medium-term care

aftercare and rehabilitation clinics, psychiatric clinics and hospital care at home

28% Aftercare and rehab

3% Psychiatric clinics

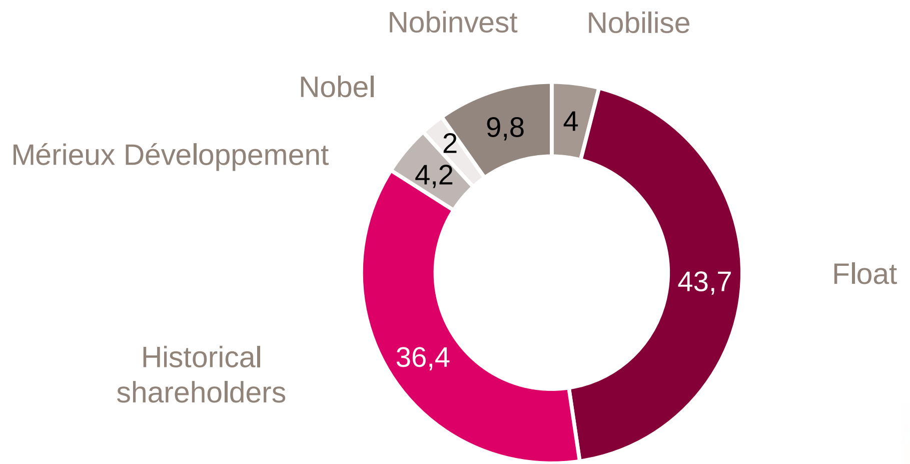
8% Hospital care at home

25 years
of expertise and innovation in the service of residents and patients

1 Le Noble Age Group

A medium-sized family-owned company with a long-term vision

- Families who joined forces 25 years ago to support an entrepreneur with an innovative project
- Shareholder-managers who are physical persons, working daily within the Group
- 81 managers/executives (NOBILISE) have signed the shareholders' agreement
- **Increase in capital with Mérieux Développement and Nobel**



Shareholder structure at 31/12/2016

In % of voting rights

1 Le Noble Age Group

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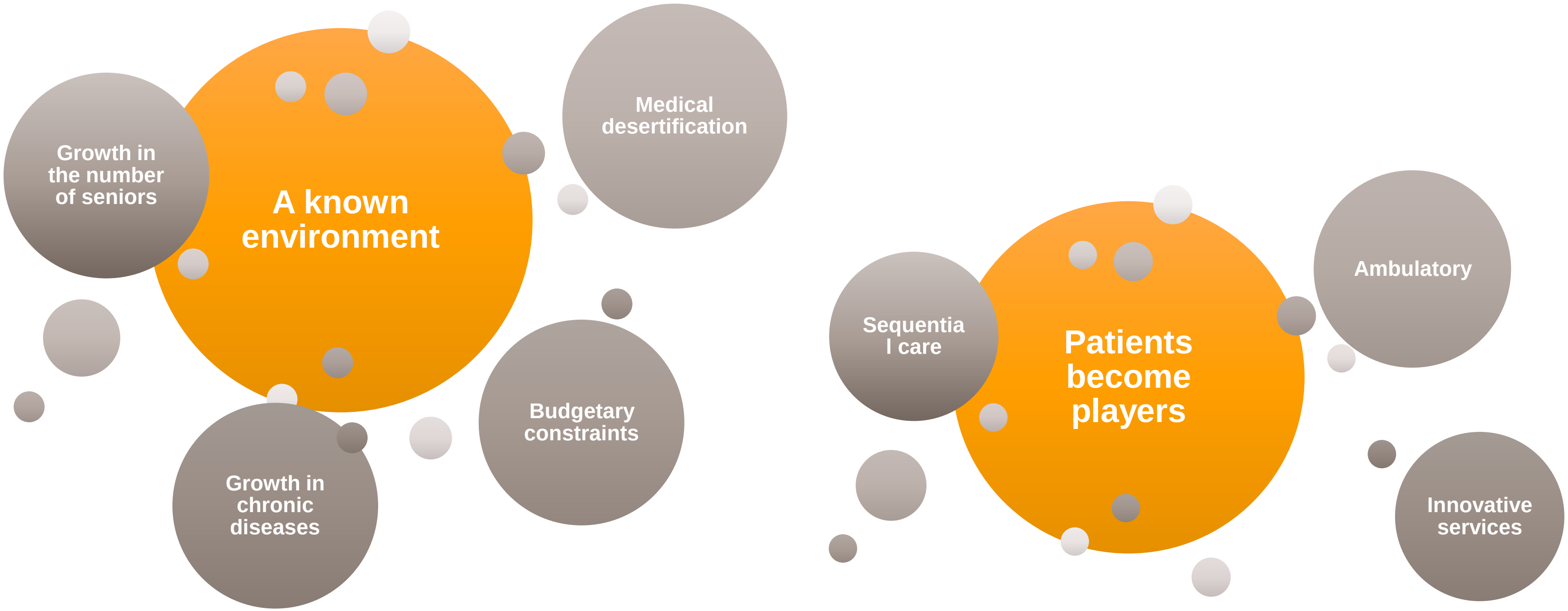
LE NOBLE AGE GROUPE

A clear vision, major challenges



LNA, an offering that is continuously being transformed

A clear solution closely adapted to changes in society

High added value specialities

Cancer treatment: convincing first steps

- Recognition of “associated facilities for cancer treatment*” Serris and Ennery
  - Intermediate link between acute care and ambulatory follow-up
  - Prepare for the return home
  - Examples: chemotherapy, monitoring of treatment, consequences of surgery
- Signing of an “Associated facility for chemotherapy” agreement, HAD Val de Loire - Tours CHRU Hospital

D1 Hospital treatment

- Preparation of injectable anti-cancer treatments for adults and children
- Carrying out chemotherapy

D 2...D+7 Home care

- Monitoring of the treatment at the patient’s place of residence
- LNA employees trained in chemotherapy techniques

LE NOBLE AGE GROUPE

High added value specialities

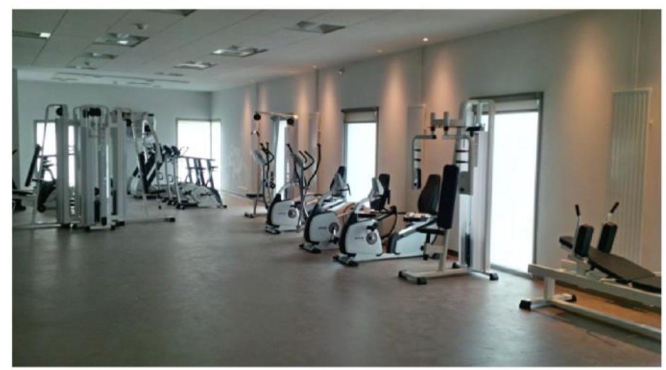
Chronic diseases: proven know-how

- Institut de Diabétologie et Nutrition du Centre (IDNC): specialised in diabetes/obesity
  - **Multidisciplinary team**: doctors, nurses, dieticians, psychologists, social workers, physical activity teachers etc.
  - **Expertise focussed on healthcare and therapeutic education**
    - Treatment and work groups
    - Instructions and advice regarding appropriate physical activity
    - Appropriate dietary instructions and advice
    - Introduction to insulin treatment

  - **Strong tendency to innovate and experiment,** and then to adopt **digital innovations** before other players

- **Connected fork** to help obese patients to chew for longer between mouthfuls
- **Connected remote glucose meter** together with an “SOS diabetes” helpline
- **Occulus 3D video** system for hypoglycaemia simulation
- **Observia application** for therapeutic diagnosis, improving patient compliance and post-hospitalization monitoring

High added value specialities



A comprehensive and efficient technical support center

LE NOBLE AGE GROUPE

Ability to transform and enhance the offering

Bordeaux : successful re-engineering of four facilities

Takeover of four facilities

- **Le Bourgailh**
  77 beds + 6 ADL places
- **Le Château Lamothe**
- 58 beds + 6 ADL places
- **Les Jardins de Laurenzanne**
  50 psychiatric hospital beds
- **Le Domaine des Augustins**
  41 psychiatric hospital beds

2018

- **Le Bourgailh**
  77 beds + 6 ADL places
- **Les jardins de Leysotte**
  110 beds + 6 ADL places
- **Résidence Talanssa**
  89 residential accommodation beds
- **Villa de Valrose**
  117 residential accommodation beds + 1 activity and appropriate treatment centre

2014

2015

2016

2018

Opening 29 September
Les Jardins de Leysotte

Opening 4 October
Résidence Talanssa

Delivery scheduled for September
Villa de Valrose

Ability to transform and enhance the offering

- Pôle de Serris (Seine-et-Marne): a wider range of services thanks to various partnerships

2006

July 2006 — Takeover of Clinique de Thorigny Aftercare and rehab facility with 59 multi-purpose beds

2009

18 March 2009 — Opening of Pôle de Serris

ALF: 87 residential accommodation beds + 5 temporary accommodation beds

2013

6 Sept. 2013 — Multi-purpose day hospital (15 places) and geriatric day hospital (10 authorized

Nov. 2013 — CBT unit with 10 beds (under the geriatrics authorization)

2014

Dec. 2014 — "Wounds and healing" team

2016

21 April 2016 — Conversion of multi-purpose beds at a neurology aftercare and rehab facility for full hospitalisation and day hospital (15 beds and 5 places)

25 May 2016 — Hospital care at home

(100 places)

19 Dec. 2016 — Cancer treatment, (15 beds)

2020

31 March 2020 — Delivery of Domitys assisted living facility + SOS Medecins premises

Ability to transform and enhance the offering

Pôle de Serris: a wider range of services thanks to various partnerships

Aftercare and rehab: 59 multi-purpose beds

2006

2006-2020: a major transformation

2020

- ALF: 92 beds
- **Aftercare and rehab**: 90 beds
  - Multi-purpose
  - Geriatrics
  - Cancer treatment
  - neurology
- **Day hospital**: 30 patients
- **Hospital care at home**: 100 beds
- **Dispensary for several LNA ALFs**
- **Mobile team** (wounds and healing)
- **SOS Medecins** (on the premises)
- **Domitys assisted living facility**: 110 apartments

Partnerships to transform the offering

- Landerneau (Finistère): opening of a new site in partnership with a private healthcare player, ELSAN

September 2013
- Takeover of the Kerlena clinic
- 127 beds managed

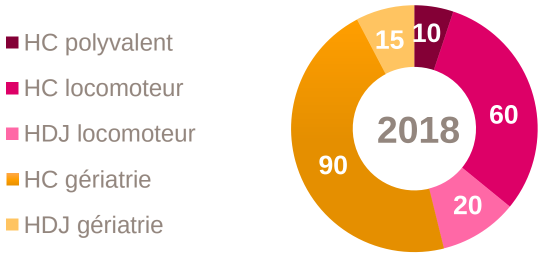
June 2016
- Geriatrics aftercare and rehab day hospital authorization

2018
- 160 beds and 35 day hospital places
- Integrated town radiology centre

2013

2016

2018



Partnerships to transform the offering

Achères (Yvelines): opening of a new site in partnership with a local authority

Takeover in September 2013

- Clinique de Bazincourt (110 beds)

2014

- Geriatrics aftercare and rehab day hospital authorization

2015

- Neurology aftercare and rehab day hospital authorization
- Pneumology aftercare and rehab full hospitalisation and day hospital authorization

2019

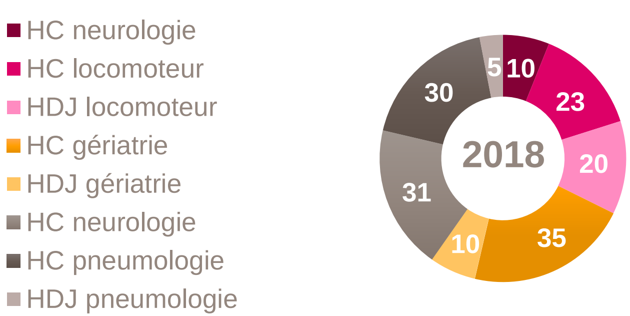
- Medical healthcare centre
- **119 full hospitalisation beds and 45 day hospital places**

2013

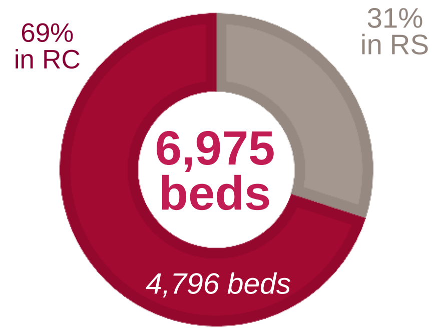
2014

2015

2019



Transformation of the facilities & beds in progress 31 December 2016



ALF/BRH

Beds in EF*
3,697

Beds undergoing restructuring
1,184

Aftercare and rehab/PSY

Beds in EF*
1,024

Beds undergoing restructuring
655

Hospital care at home

Beds in EF*
75

Beds undergoing restructuring
340

A significant size, high potential for growth

** EF: Established facilities*

** BRH: Belgian retirement home*

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LE NOBLE AGE GROUPE

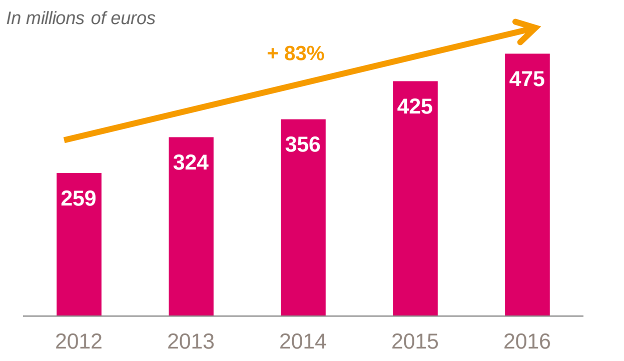
2016 in figures

2016 Targets		2016 Actual
Revenue from Operations €385m ***I.e. + 9%***	→	**€393.8m** **+11.2%**
Organic growth of 4%	→	**6.3%**
EBITDA margin of 12% **for established facilities**	→	**13.1%**
Leverage < 3.5	→	**1.70**

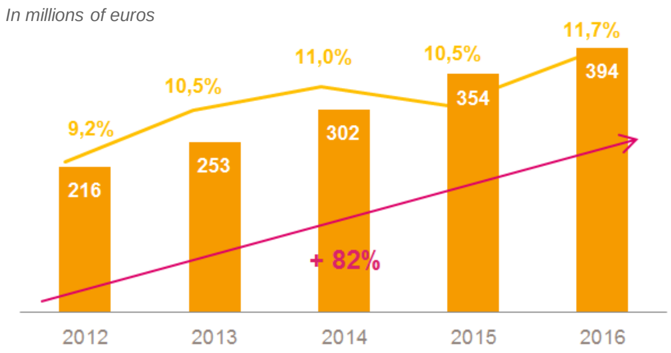
All of the targets set for 2016 were exceeded

Strong past performance

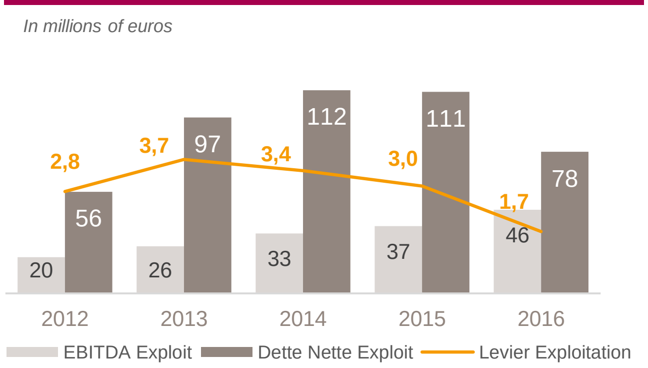
Consolidated revenue



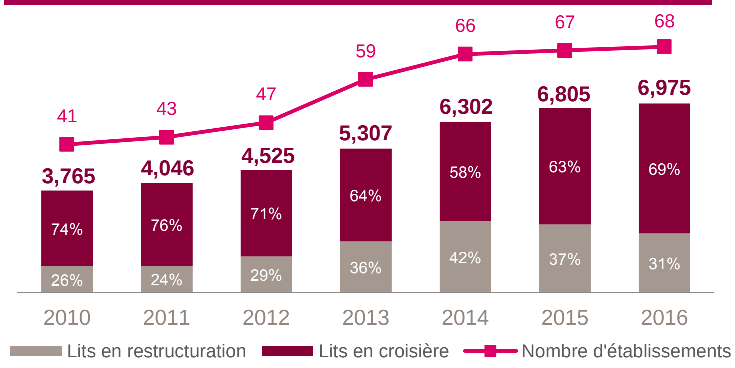
Revenue & EBITDA margin from operations



Net financial debt from Operations and leverage



Number of beds in operation



LE NOBLE AGE GROUPE

2016 financial summary

Regular growth in business

- Internal and external growth ➔ Revenue from Operations: + 11.2%
- Dynamics of the business lines ➔ increase in revenue of over 10% for long-term and medium-term care
- Balanced and stable business mix ➔ ALF/Healthcare revenue ratio of 61%:39%

Strong results and margins

- EBITDA margin from Operations of 11.7%, up by 1.14% (10.5% in 2015)
- Operating income before tax and extraordinary items of €37.2m up by 32%
- Net result (group's share)* of €15.5m up by 46%

** Restated to include non-current variations in deferred taxes*

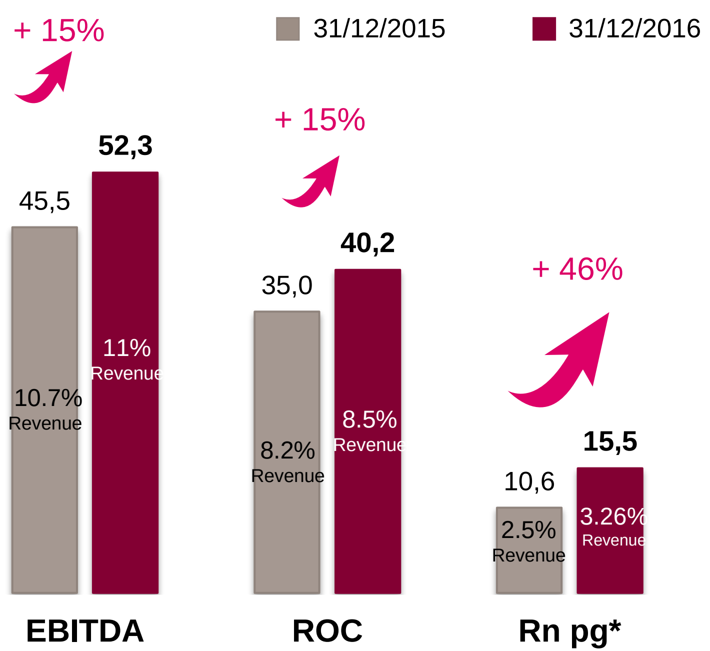
2016 financial summary

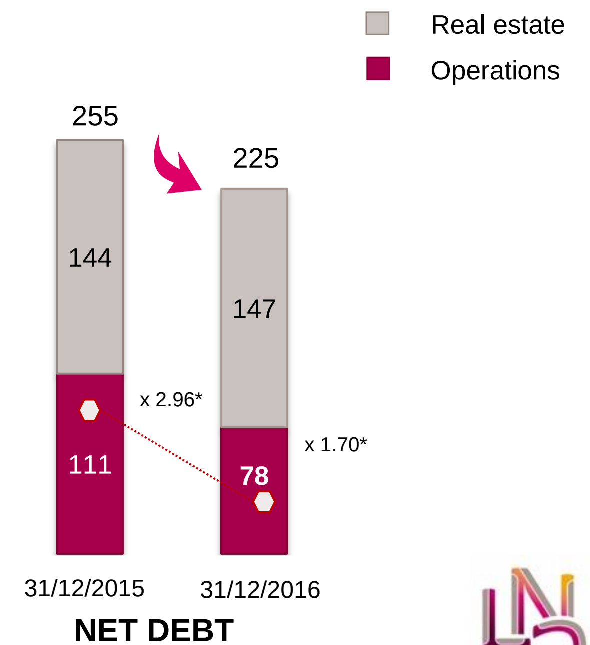
- A controlled capital structure
  - Cost of debt < 2.0%
  - Leverage of 1.7 (net debt from Operations/EBITDA from Operations) compared with 3.0 at the end of 2015
  - Strengthening of the capital with the arrival of two long-term investors
- A resilient model site by site
  - Cash flow from operating activities in the Operations sector up by 29%
  - CAPEX limited to 2.6% for established facilities
- A lever for growth and innate performance
  - 700 beds included in established facilities in 2017
  - 1/4 of the authorized total of 7,345 beds to be included in established facilities between 2018 and 2021 (i.e. 1,850 beds)

2016 Group key figures

Strong growth in earnings and organic reduction in debt

In millions of euros





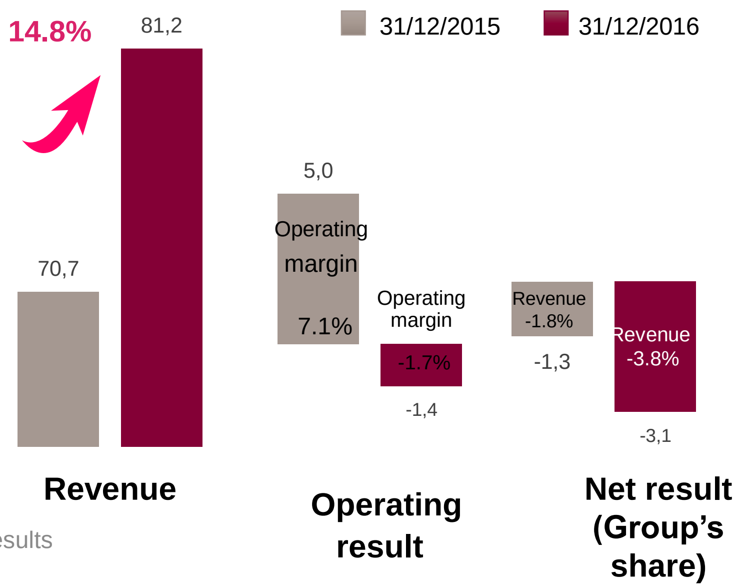
** Restated to include the impact of the change in the rate of corporate income tax based on deferred taxes and the potential loss of deferred tax assets on irrecoverable losses*

** Leverage: Net financial debt from Operations* /EBITDA from Operations

2016 acceleration in real estate sales

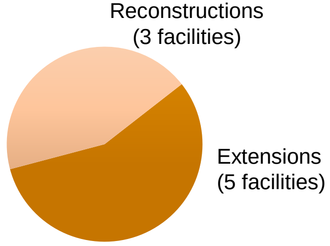
- **Sustained dynamics** for marketing in 2016
- **Operating margin** including adjustments in asset values
- Real estate loss maintaining the interest of long-term Operations
- Preparation of **about twenty deliveries** over the period 2017-2020

In millions of euros



Continuation of the transformation of the facilities & beds in 2016

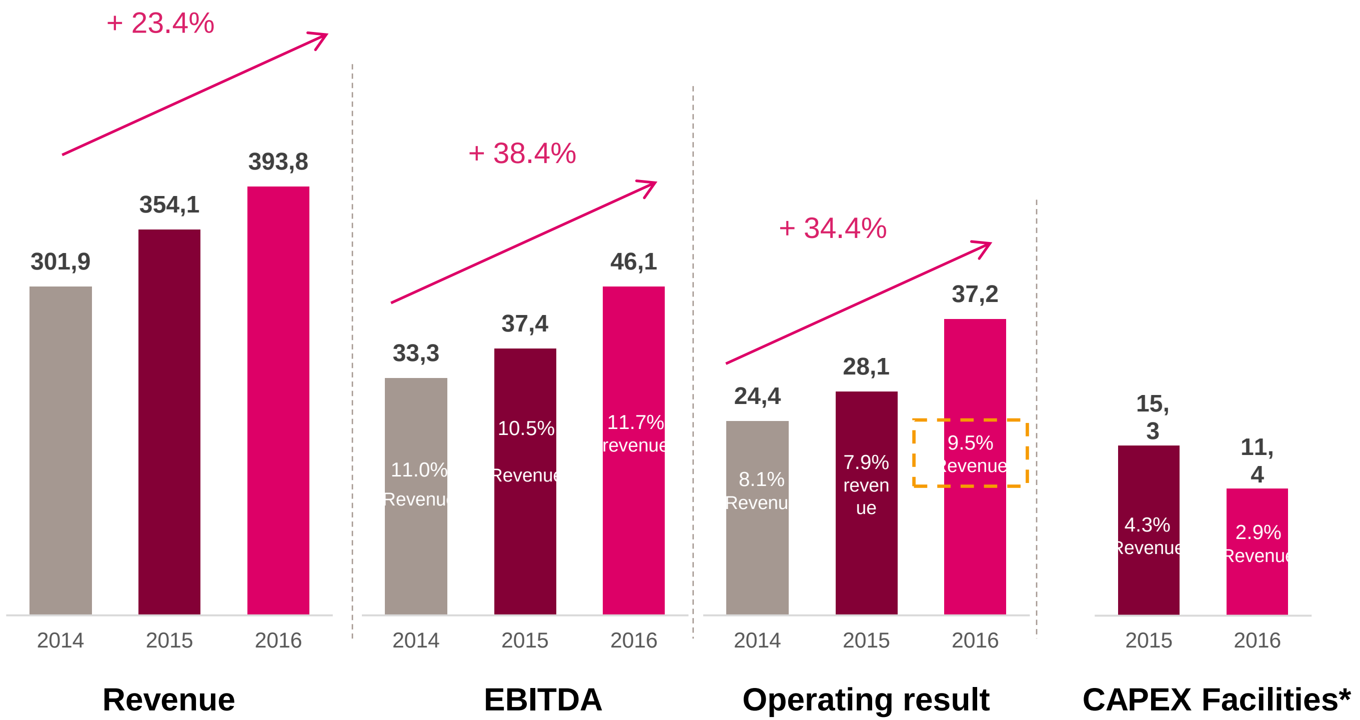
(breakdown of real estate revenue)



2016 Operations key figures

Big improvement in operational performance

In millions of euros



* Maintenance investments

Revenue from Operations

Sustained increase in activity for all businesses

Revenue	2016		2015		Total Variation	Organic Growth	Breakdown of Organic Growth
By activity	**In €m**	**% revenue**	**In €m**	**% revenue**			
Long-term care France	214.3	54%	192.3	55%	**+11.5%**	**+7.6%**	**4.1%**
Long-term care Belgium	27.0	7%	26.5	7%	**+1.6%**	**+4.9%**	**0.4%**
Medium-term care France	152.1	39%	134.7	38%	**+13.0%**	**+5.1%**	**1.9%**
TOTAL	**393.8**	**100%**	**354.1**	**100%**	11.2%	+6.3%	+6.3%

Price Effect	Volume Effect
2.5%	**3.8%**

Analysis of EBITDA from Operations

From revenue to EBITDA from Operations, controlled charges

In millions of euros	31/12/2016	31/12/2015	Variation (%)
Revenue	**393.8**	**354.1**	**11.2%**
External purchases and expenses	-129.6	-123.0	+5.3%
Including rent	*-53.9*	*-50.9*	*+6.0%*
Payroll expense	-208.7	-187.2	+11.5%
Taxes and duties	-13.0	-12.1	+7.7%
Miscellaneous revenue and expenses	3.6	5.6	-5.3%
EBITDA	**46.1**	**37.4**	**+23.3%**

Analysis of the EBITDA from Operations (excluding holding company)

- Improvement in the EBITDA margin in each sector
  - ALFs at maturity, supporting the margin for established facilities at 13.1%
  - Improvement in restructuring performance at 5.9% which brings the overall margin to 10.9%

	Established facilities		Other facilities		Total	
EBITDA – as % of revenue	**2016**	**Var. 2016-2015**	**2016**	**Var. 2016-2015**	**2016**	**Var. 2016-2015**
Long-term care France	13.8%	+ 44 bps	8.9%	+ 100 bps	12.8%	+ 75 bps
Long-term care Belgium	7.5%	+ 42 bps	- 7.0%	+ 353 bps	4.1%	+ 142 bps
Medium-term care France	12.9%	- 137 bps	5.2%	+ 636 bps	9.5%	+ 105 bps
TOTAL	**13.1%**	**- 11 bps**	**5.9%**	**+ 114 bps**	**10.9%**	**+ 95 bps**

LE NOBLE AGE GROUPE

Focus on “Established facilities”

Facilities & beds	Established facilities 31/12/2016	Established facilities 31/12/2015	Other facilities 31/12/2016	Other facilities 31/12/2015	
Number of facilities/Total	**46/68**	**42/67**	**22/68**	**25/67**	
Number of beds	4,796	4,293	2,179	2,512	
Revenue from Operations	**277.6**	**251.2**	**115.8**	**102.3**	
EBITDA/Revenue	**13.1%**	**13.2%**	**5.3%**	**1.6%**	**≠ 7.7 points**
EBITDA	**36.2**	**33.1**	**6.2**	**1.7**	
Operating income before tax and extraordinary items	**29.9**	**27.7**	**3.0**	**-0.7**	**≠ 8.2 points**
Current operating margin as % of revenue	**10.8%**	**11.0%**	**2.6%**	**-0.7%**	

Un levier de performance embarquée intact

Established facilities central to value creation

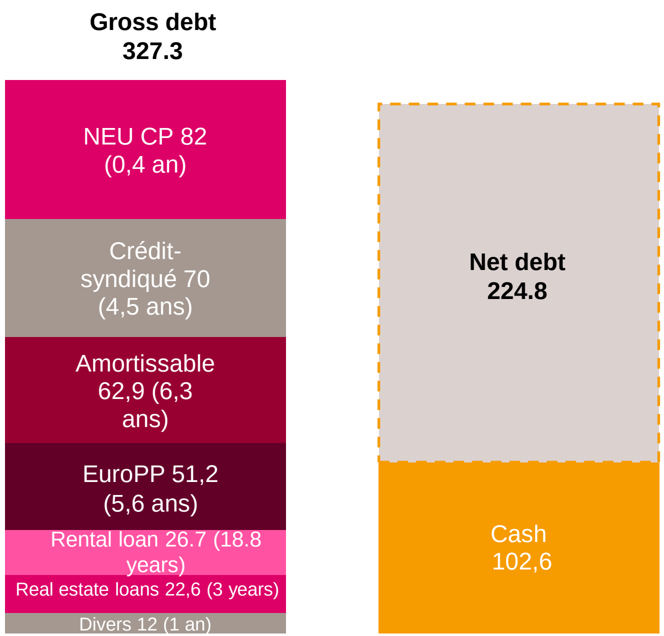
Operations profit and loss account

Stable growth in earnings

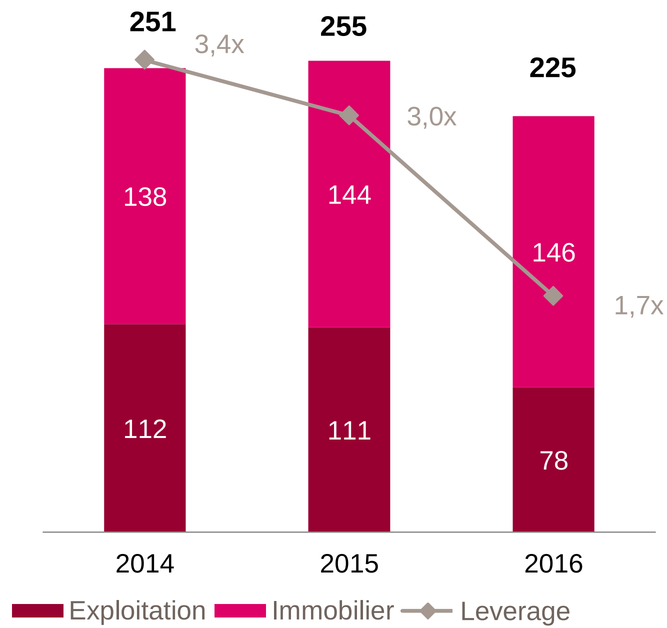
In millions of euros	2016	2015	Variation (%)
Revenue	393.8	354.1	+ 11.2%
EBITDA	46.1	37.4	+ 23.3%
EBITDA margin (%)	*11.7%*	*10.5%*	*+ 114 bps*
Operating income before tax and extraordinary items	37.2	28.1	+ 32.4%
Current operating margin (%)	*9.5%*	*7.9%*	*+ 151 bps*
Operating result	36.3	26.7	+ 35.6%
Financial result	(5.7)	(6.6)	- 12.7%
Earnings before tax	30.5	20.2	+ 51.3%
Net result (Group's share) restated to include non-current variations in deferred taxes	18.7	11.9	+ 57.3%
Restated net margin (Group's share) (%)	*4.8%*	*3.4%*	*+ 139 bps*
Net result (Group's share)	24.7	11.9	N/A
Net margin (Group's share) (%)	*6.3%*	*3.4%*	*+ 291 bps*

Diversified debt, according to project cycles

Debt structure and maturity

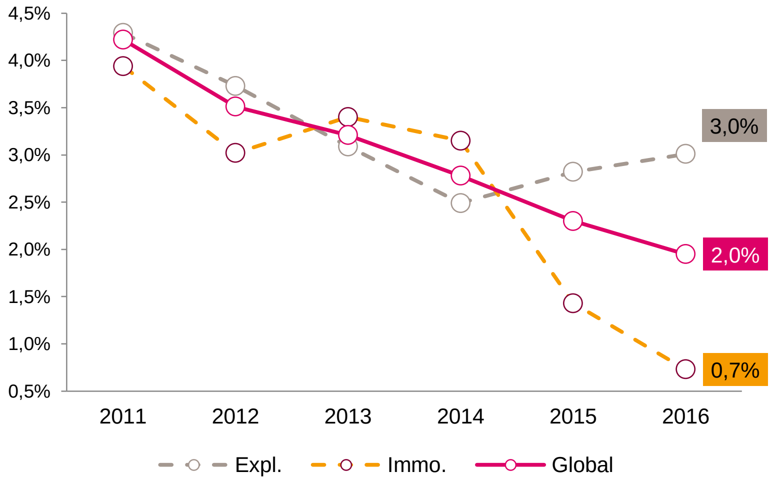


Consolidated net debt

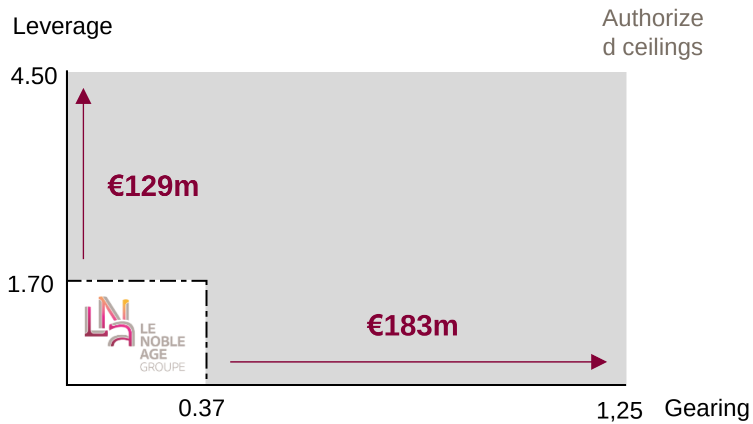


Optimized capital structure

Decline in the cost of debt



Highly flexible capital structure



Continuation of the road map

2017

- **Organic growth of 4%** *linked to transformation of the facilities*
- EBITDA for established facilities of **12% of revenue**
- Controlled leverage **< 2.5**
- A total of **1,850 beds** under preparation in established facilities
- **Growth in earnings** making it possible to continue the gradual and progressive distribution and development policy

A strategic business plan in progress

CONTENTS

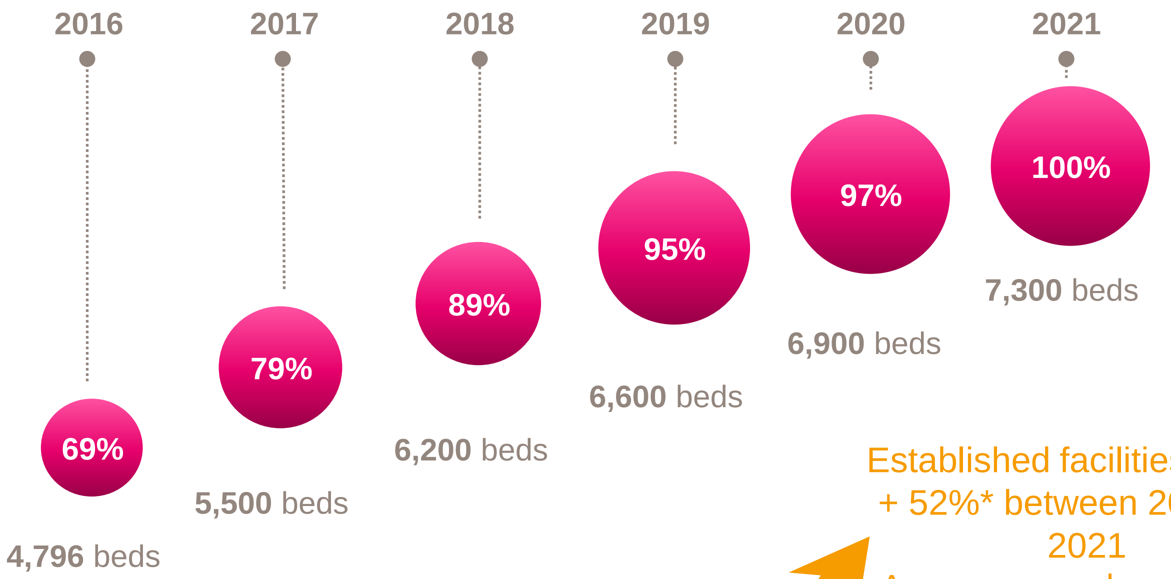
LE NOBLE AGE GROUPE

Outlook

- **A business base** showing steady growth, offering increased visibility
- **Development** of innovative services in the target territories
- **Growing Together 2018/2022**: a solution to the challenges facing society

Controlled growth areas

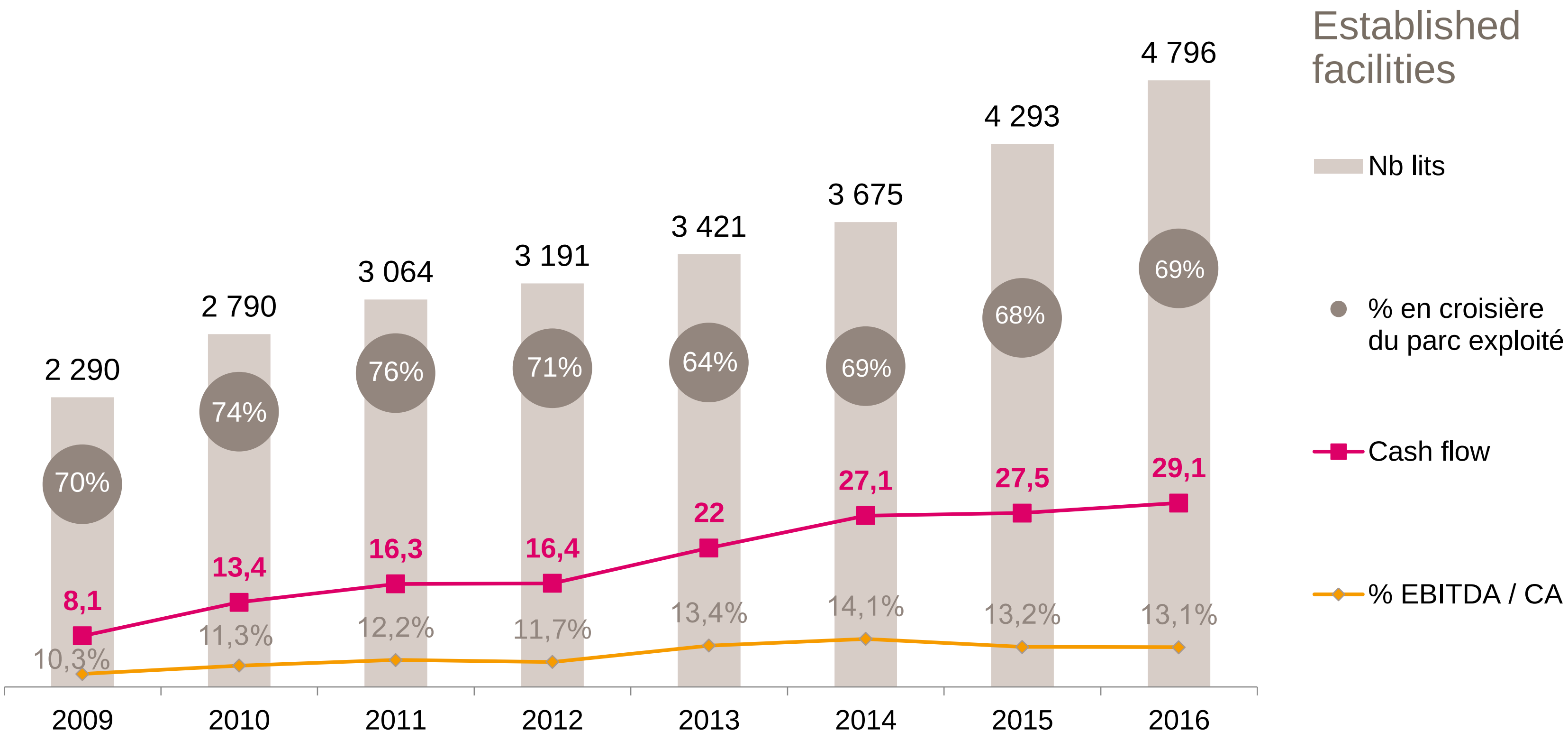
- Transformation of the existing facilities & beds into “established facilities”, excluding new developments



Established facilities & beds + 52%* between 2016 and 2021
Average annual growth rate: +/- 9%

**% of beds in “established facilities”*
(No. of beds in established facilities during the year/No. of beds in operation at the end of the period)

Visibility regarding the transformation of the facilities & beds

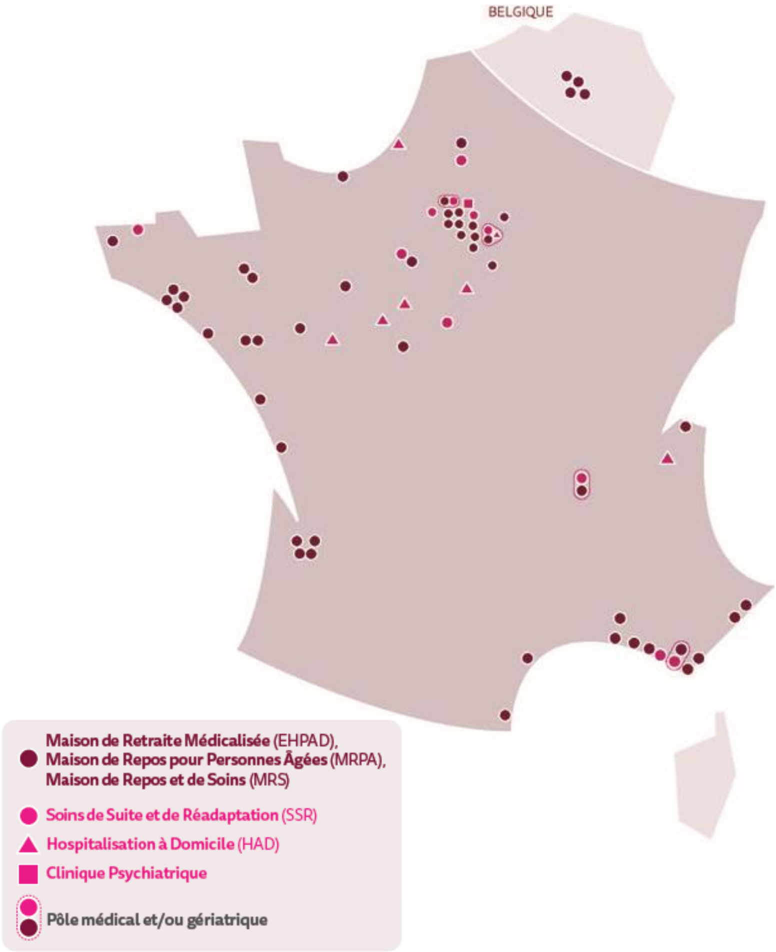


	2016 Established facilities	2016 Other facilities	Difference
EBITDA/Revenue	13.1%	5.3%	+ 8 pts.

Increasing our influence

2006	2016	2021
1,544 beds	6,975 beds	10,500 beds
128 beds/1 aftercare and rehab facility	1,679 beds/13 aftercare and rehab facilities	
	1 Health Centre	
1,416 beds/16 ALFs/BRHs	4,881 beds/48 ALFs/BRHs	
	415 places/7 hospital care at home facilities	
1,000 employees	5,000 employees	> 7,000 employees

Development of innovative services in the target territories



- A “known” health environment
- An upgradeable and innovative offering
- Unifying know-how and attractiveness
- Since 2008, 1,252 beds taken over from public players and associations (11 facilities)
- A surgical and innovative development approach

Growing Together

- An **inclusive** and unifying approach for assessing the Growing Together plan:
  - Business work groups
  - Appraisal interviews on different sites
  - Specific work groups for the ExCom and Liaison Committee
  - Electronic consulting of all employees
- Topics for **reflection**:
  - Medical offering
  - Digital technology and connected objects
  - Development of ambulatory care and sequential care
  - Territorial foothold: healthcare systems, sectors

Create the new strategic plan from March to December 2017

High-quality performance and profitable growth

2021

- A total of **10,500 beds** with 3,000 beds from targeted external growth in our health territories
- A **territorial foothold** with segmented and specialised offerings
- Organic growth of **almost 4%** over the period 2016-2021 with constant prices
- Target of **7,300 beds in established facilities** with new developments
- Controlled financial leverage

Growth combining quality and performance

Thank you for your attention

APPENDICES

LE NOBLE AGE GROUPE

Size of the sites synonymous with efficiency

Change in the average size

	ALF	BRH	Aftercare and rehab	All sectors
Established facilities in 2020	103	145	174	*120*
variation	5%	4%	23%	12%
03/2017	98	139	142	*107*
Average Sector	< 80	< 80	< 70	

Glossary

ARS
- Regional healthcare agency

CRAM
- Regional health insurance office

Organic Growth
corresponds to the variation in revenue:
- between the previous/current year for facilities existing the previous year,
- between the previous/current year for facilities opened the previous/current year
- between the previous/current year for facilities restructured according to LNA Santé specifications or whose capacity increased in the previous/current year,
- in the current year compared with the same period in the previous year for facilities acquired the previous year.

ExCom
- Executive Committee

LC
- Liaison Committee

Secure deal flow
- Takeovers, creations and/or extensions

Net financial debt
- Gross financial debt after deducting cash and cash equivalents

Net financial debt from Operations
- gross financial debt from Operations after deducting cash and cash equivalents and equity contributed to the real estate business

Medical devices
- Prescribed medical equipment and supplies such as: hospital beds, patient lifter, standing table, dressings, syringes, nutriments etc.

PATHOS allocation:
- The following calculation formula is used:

  Rate in force x No. of beds authorized x (GMP + PMP x 2.59)
- Where:
  - GMP = GIR weighted average (= average load of the facility for dependency)
  - PMP = PATHOS weighted average (= average load of the facility for care)

Glossary

EBITDA

- Earnings before Interest, Taxes, Depreciation, and Amortization

EBITDAR

- Earnings Before Interest, Taxes, Depreciation, Amortization and Rent

ALF

- Assisted Living Facilities

Established facilities

- Real estate that has been extended (if necessary) and renovated, with 100% of its authorized capacity
- Human organisation and method of management in line with Group standards

Facilities undergoing restructuring or being opened

- Facilities taken over or opened within the last year or so
- Renovation and/or extension work in progress
- Implementation of the Group's standards

Operations equity and quasi-equity

- the consolidated equity capital of the Operations business, increased by deferred tax liabilities linked to Operations

Gearing

- Ratio of the net financial debt from Operations to equity and quasi-equity from Operations. It measures the risk of the company's capital structure.

Gerontogrowth

- Increase in the number of elderly persons in the population (quantity)

Glossary

GMP
- Groupe Iso Ressource weighted average (assessment of dependence)

HAD
- Hospital care at home

Financial leverage
- (Net debt from Operations/EBITDA from Operations) measures the company’s ability to repay its debt. It shows the number of years required for the company to repay its debt based on its EBITDA.

MAD
- Home care

MRPA
- Rest home for the elderly

ORNANE
- Bonds redeemable in cash and/or new and/or existing shares

PMP
- PATHOS weighted average (assessment of the technical care required)

PRM
- Person with reduced mobility

PUI
- Pharmacy for residents and patients

Taken over during the financial year
- Facilities that were not included on 1 January of the current year
- New creations opened during the year

RFP
- Return on own funds, measured by the ratio between net income/shareholders' equity. Equal to the sum of the economic rate of return and the leverage

Glossary

Operating ROCE

- Return On Capital Employed measured by the ratio between the operating result (before or after tax)/capital employed (shareholders' equity + net debts)

IS

- Information System

SSIAD

- Home nursing services

SSR

- Aftercare and rehabilitation services

Total treatment price

- In ALF, this refers to inclusion in the ALF budget of the fees of external private practitioners, such as GPs, physiotherapists and speech therapists, and radiology and laboratory costs

T2A

- Activity-based pricing

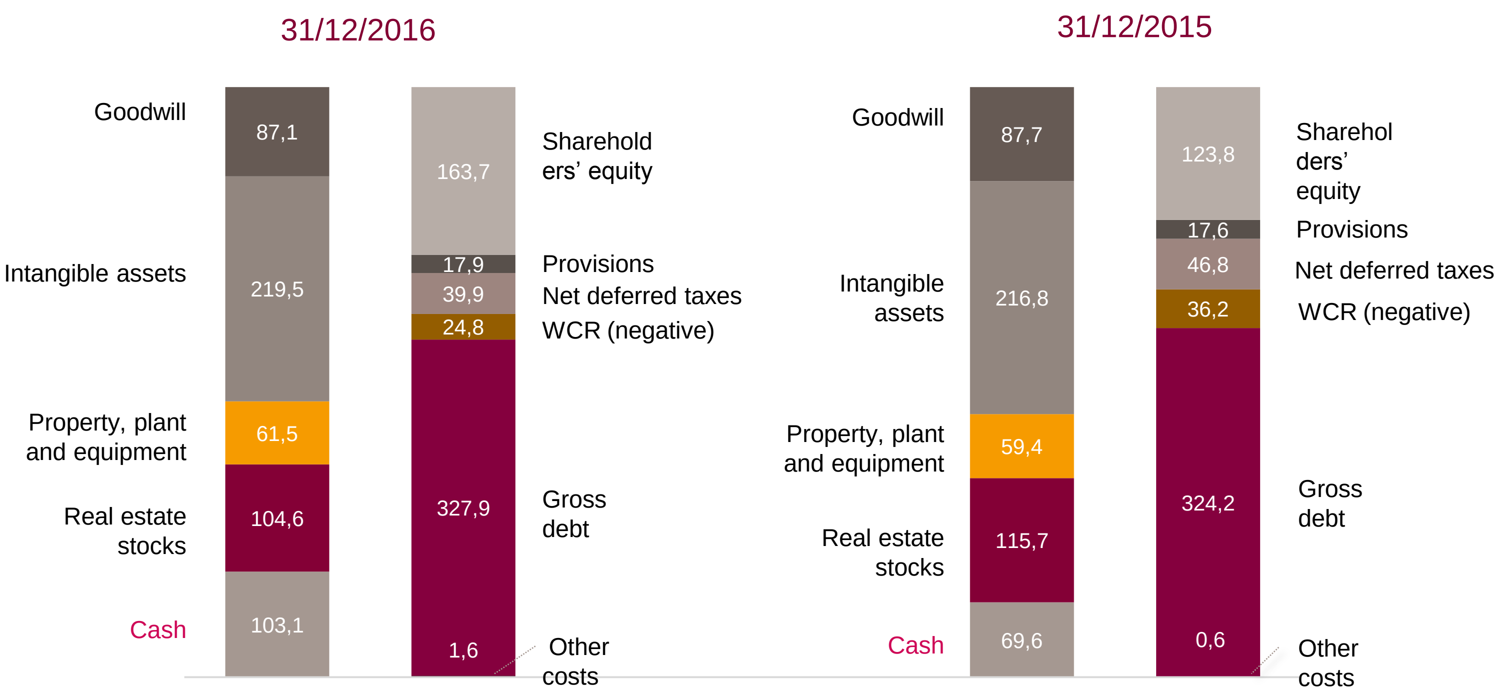
USLD

- Long-term care facility

Simplified cash flow statement and cash

In millions of euros	2016	2015	Variation in value
Cash at start of previous year	**68.8**	**35.5**	**33.3**
OPERATING ACTIVITIES	**32.1**	**20.2**	**11.9**
Restated cash flow from operating activities	**45.5**	**42.4**	**3.1**
Including Operations	*44.7*	*34.5*	*10.2*
Variation in the working capital requirement including payment of corporate income tax	-13.4	-22.2	8.8
INVESTING ACTIVITIES	**-10.1**	**-20.4**	**10.3**
Development investments	-0.4	-10.9	10.5
Maintenance investments	-9.4	-11.3	1.9
Other variations	-0.3	1.8	-2.1
FINANCING ACTIVITIES	**11.7**	**33.6**	**-21.9**
Dividends paid	-2.0	-0.5	-1.5
Capital increase	19.7		19.7
Issue of disintermediated loans	88.0	63.8	24.2
Issue of bank loans	18.6	149.2	-130.6
Repayment of disintermediated loans	-20.9	-47.9	27.0
Repayment of bank loans	-83.0	-122.3	39.3
Net financial costs paid	-7.2	-7.7	0.5
Other costs	-1.5	-1.0	-0.5
Cash at the end of the current year on 31/12	**102.6**	**68.8**	**33.8**
Including Operations	**98.1**	**67.3**	**30.8**

Operations + Real Estate balance sheet



Optimized debt structure

Reference rate	31/12/2016		31/12/2015	
3 month Euribor rate (12 month period)	-0.26%		-0.02%	
5-year mid-swap rate	0.08%		0.33%	
Group Debt	**31/12/2016**		**31/12/2015**	
1 - Gross cost of debt	1.9%		2.3%	
2 – Disintermediated component *	SFAF 30/03/17	31/12/2016	SFAF 07/04/2016	31/12/2015
	61%	46%	52%	23%
3 – Fixed and floating-rate component hedged	68%		53%	
Operations debt	**31/12/2016**		**31/12/2015**	
4 – Operations debt component/Consolidated debt	35%		43%	
5 - Gross cost of debt	3.0%		2.8%	
6 – Fixed and floating-rate component hedged	99%		92%	
7 - Maturity of the Operations debt	5.5 years		5.7 years	
8 - Operations financial charges/Operations EBITDA	11%		12%	
Bank covenants	**31/12/2016**		**31/12/2015**	
9 - Operations gearing **	0.37		0.64	
10 – Leverage (Operations net debt/Operations EBITDA)	1.70		2.96	
Cash and loans available	**31/12/2016**		**31/12/2015**	
11 - Operations net cash position	98.1		67.3	

** Disintermediated component at 30/03/2017: projected amount*

*** Net financial debt from Operations/shareholders' equity and deferred taxes from Operations*

Financing structure

- 5-year RCF of €149.4m (extended by one year: 07/2020 to 07/2021)
  - Purpose: replace the bilateral bank liquidity lines that are not very liquid, and provide a backup for the short-term negotiable securities programme (e.g. commercial papers)
  - Assets financed: operating licences during restructuring and real estate complexes held before carrying out the work
- Short-term negotiable securities programme of €120m
  - Purpose: finance carrying cost credits and bilateral bank liquidity lines that are not very liquid
  - Assets financed: construction work in progress and real estate assets ready for sale
- 7-year Euro PP of €51.2m (maturity date 07/2022)
  - Purpose: cover medium and long-term credit requirements in the Operations sector
  - Assets financed: operating licences at the end of the facility restructuring phase
- Capital increase in cash of €20.2m
  - Purpose: consolidate the Group’s independence and governance aimed at accelerating its development
  - Immediate impact: increase in the Group’s cash and reduction in its gearing