

RESULTS FOR THE 1ST HALF OF 2016

Operating activity: solid growth and performance

- Turnover: +11% at €193.6M
- Workforce: +11% at 4 700 FTE
- Inventory of “established”¹ beds: +12% at 4 791 beds
- EBITDA²: +24% at €21.8M
- Operating income: +27% at €16.5M

Strengthening of innovation and targeted development

- Opening of a first Health Center for out-patient medical consultations
- 2 new hospital-at-home programs: +130 spots
- Authorized number of beds: 7 294 beds as at June 30, 2016

Confirmation of all goals

- Organic growth,³ profitability and debt control

“In a healthcare environment that is constantly changing, and also looking for direction, the longevity and values of a family SME/mid-tier company are indispensable benchmarks for any projections. This unique approach to its line of business and the role it plays allows LNA Santé to establish the guidelines for its brand with confidence. Le Noble Age Groupe undertook, thanks to its spirit of innovation, a major shift that establishes the basis for offering global SSR/HAH/EHPAD services for the care of weakened persons. Mid-year, the success of the “Comfort” EHPADs (moderate rates), the increase in hospital-at-home structures (HAH) and the creation of a first health center are key steps that validate the Group’s choices and distinctive approach.”

Jean-Paul Siret – Chairman and CEO

Consolidated data IFRS In €M	Operations			Operations + Real Estate	
	HY1 2016	HY1 2015	Variation	HY1 2016	HY1 2015
Turnover	193,6	173,9	+ 11,3%	220,5	222,4
Personnel expenses	104,3	92,5	+ 12,8%	105,4	93,4
Rents	27,0	25,2	+ 7,4%	23,9	22,5
EBITDA	21,8	17,6	+ 23,8%	24,5	23,7
EBITDA margin (% of turnover)	11,3%	10,1%	+ 113 bp	11,1%	10,7%
Current operating income	16,7	13,6	+ 23,0%	18,0	18,4
Operating income	16,5	13,0	+ 27,2%	17,5	16,8
Operating margin (% of turnover)	8,5%	7,5%	+ 106 bp	8,0%	7,6%
Group's share in net income	7,9	6,2	+ 27,4%	7,6	5,5
Net margin (% of turnover)	4,1%	3,6%	+ 51 bp	3,45%	2,48%

The Board of Directors of the Noble Age Group, a local and global healthcare provider, which met on September 13, 2016, under the chairmanship of Jean-Paul Siret, closed the half-year accounts for 2016.

Within the context of an intensive transformation of the Group's inventory, results have solidly increased.

As per its "Grow Together" strategic plan, the Group is pursuing its significant changes with an increase in the number of its **"established" beds of +12% over one year**, i.e., a mature inventory now at 4 791 beds in 46 facilities, contributing in the long-term to the Group's consolidated results.

Including non-mature beds, the active network is made up of 6 847 beds distributed throughout 66 facilities focused on three different business lines: nursing homes, follow-up and re-adaptation care and psychiatric clinics, hospital-at-home structures. With the beds to be added, the authorized inventory amounts to 7 294 beds.

The overall turnover for the first half of 2016 was of €220.5M. **The Operating activity amounted to €193.6M, up +11.3%**, including **robust organic growth of +6.1%**, resulting a volume effect of 4.1% and a rates and activity-mix effect of 2.0%. First-time consolidations contributed additional growth of +5.2%, thanks to invoicing by the Ennery healthcare business, which was acquired at the end of 2015, representing +279 beds.

As expected, the real-estate activity did not contribute much over the first half of 2016. It posted a drop in sales of -45% over one year, with a rebound expected for the second half of 2016.

The EBITDA Operating margin stands out at 11.1%, up 113 base points compared with the first half of 2015 thanks to the performance of the "established" facilities (+45 base points at 12.8% of turnover) and the rigorous implementation of post-acquisition integration and restructuring plans.

Operating income amounted to €17.5M. Its growth of +4.1% includes the **very significant increase in Operations operating income by +27.2% to €16.5M**, in the absence of a significant contribution from the real estate business.

The cost of the financial debt showed a **recurring drop of -18.0%** to €3.6M, compared with €4.4M the previous year. The cost of the debt has thus reached an historic low of 2.19% compared with 2.43% one year prior, due to low money-market rates and the optimization of our financing, particularly with respect to real estate.

The Group's share in net income amounted to €7.6M, up +37.8% over one year, thanks to the Operating income (€7.9M, i.e., +27.4%). It posted a Group's share in net margin of 3.45% of the turnover (+97 base points), which remains a powerful tool for improvement with the qualitative transformation of the inventory.

An optimized and flexible financial structure

As at June 30, 2016, net financial debt⁴ amounted to € 267.8M compared with €254.6M as at December 31, 2015. It includes an **Operating debt that was down at €108.3M**, representing 40% of the total debt, compared with €110.7M at the end of 2015, thanks to the generation of positive cash flow from operations over the six-month period in question.

As at June 30, 2016, the Group was **compliant with all covenants**. **Operating leverage** (Net Operating Debt⁵/EBITDA Operations) and Operating gearing (Net Operating Debt/Equity and Quasi-Equity⁶) were down to **x 2.48** and x 0.61 respectively, well below the thresholds set at x 5.25 for the leverage (modified at the end of July 2016 to x 4.5 for the entire term of the syndicated loan at the Borrower's initiative, in order to better follow the new, less capitalistic, business plan) and at x 1.25 for the gearing.

The +8% increase in Cash Flow⁷ to €23.0M, carried by the increased contribution by Operations of €21.2M (+33%), as well as the decrease in Operating debt, allow great **flexibility to the financial structure**.

All of these elements contribute to a **net available cash⁸ amount available at closing of €79.0M**, which opens the way for new developments.

Prospects and strategy for 2016

The beginning of the 2nd half of the year presents a global level of activity that is very satisfying, in keeping with the 1st six months of the financial year. It allows the Group to confirm all of its goals for the year: increase in turnover from Operations (>9%), organic growth (>4%), "established" EBITDA margin (>12%) and debt leverage <3.5.

In a more open environment, Le Noble Age Groupe's development capacity remains intact.

The success of its "Comfort & Elegance" EHPAD offers, the ongoing development of its medical and out-patient specialties, and the first effective steps taken for its hospital-at-home structures are all assets that confirm and expand the Group's footprint.

With one third of the inventory undergoing restructuring or construction, there **is a strong potential for growth**. "Established" facilities should indeed continue to grow by an average of +10% annually over the period from 2016 to 2020, not including new developments. The level of available cash will also make it possible to accelerate development during the next few financial years.

Thanks to increased visibility on markets with high growth potential, and without deviating from its strategic approach, Le Noble Age Groupe intends to pursue the introduction of responsible and innovative services adapted to the changing healthcare system and its clients' varied expectations.

¹ Established beds refers to beds that comply with Noble Age's operating model (quality of care, facility target size, new condition of the property, trained and involved management, efficient organization).

² EBITDA: earnings before interest, taxes, depreciation and amortization

³ Organic growth of turnover corresponds to the change in turnover:

- between N-1 and N for the facilities that existed in N-1;
- between N-1 and N for the facilities opened in N-1 or in N;
- between N-1 and N for the facilities restructured in LNA Santé's specifications or whose capacity increased in N-1 or in N;
- in N compared with the equivalent period in N-1 for facilities acquired in N-1.

⁴ Net financial debt corresponds to gross financial debt less cash and cash equivalents.

⁵ Net Operating Debt represents the gross financial debt from Operations less cash and cash equivalents and equity invested in the real-estate activity.

⁶ Operating equity and quasi-equity represent the consolidated equity of the Operating activities, plus the deferred tax liabilities in connection with Operations.

⁷ Cash flow corresponds to the consolidated net income adjusted for amortization and provisions, the cost of the net financial debt, the change in fair value of ORNANE bonds, income tax expenses, income from sales, dividends received and other income and expenses not affecting the cash position.

⁸ Net cash is made up of available cash and cash equivalents less outstanding bank overdrafts.

Reconciliation of operating income and EBITDA :

In thousands of euros	1 ^{er} Half 2016			1 ^{er} Half 2015		
	Oper.	RE	Total	Oper.	RE	Total
Operating income	16 489	1 049	17 538	12 959	3 883	16 842
Net depreciation, amortization and provisions	4 634	1 389	6 023	3 205	1 274	4 479
Provision for retirement benefit obligations	356	1	357	289	1	290
Other operating revenue and expenses	75	(6)	69	515	(4)	511
Other operating income and expenses	256	211	467	654	913	1 567
EBITDA	21 810	2 644	24 454	17 622	6 067	23 689

The Group's net Financial debt breaks down as follows :

In thousands of euros	30/06/2016			31/12/2015		
	Oper.	RE	Total	Oper.	RE	Total
Financial debts net of current accounts ⁽¹⁾	182 496	164 758	347 254	178 693	145 495	324 188
cash and cash equivalents	74 168	5 331	79 499	67 956	1 599	69 555
Net debt	108 328	159 427	267 755	110 737	143 896	254 633

⁽¹⁾ The financial debts include the internal current accounts representing 3 002 thousand euros as at June 30, 2016, compared with 6 695 thousand euros as at December 31, 2015.

NET CASH PRESENTED IN THE CASH FLOW STATEMENT

The Group's net cash is broken down as follows :

In thousands of euros	30/06/2016			30/06/2015		
	Oper.	RE	Total	Oper.	RE	Total
Available cash	60 292	5 331	65 623	29 538	11 414	40 952
cash equivalents	13 876		13 876	3 263		3 263
cash and cash equivalents	74 168	5 331	79 499	32 801	11 414	44 215
Current bank overdrafts	(386)	(104)	(490)	(414)	(36)	(450)
Net cash	73 782	5 227	79 009	32 387	11 378	43 765



**Next press release:
Turnover for the 3rd quarter of 2016
November 8, 2016, after the market closes**

Le Noble Age Groupe is eligible for the SME Equity Savings Plan (PEA-PME)

About Noble Age Groupe: Thanks to over 25 years' experience, Le Noble Age Groupe is an integral part of the healthcare landscape, aiming to improve quality of life for people who are temporarily or permanently weakened by providing a welcoming and caring environment adapted to each person and every age.

Noble Age is listed in Compartment B of Euronext Paris' Eurolist.

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APPENDICES

Consolidated income statement

In thousands of euros	Notes	1 ^{er} Half 2016			1 ^{er} Half 2015		
		Oper.	RE	Total	Oper.	RE	Total
Turnover		193 647	26 856	220 503	173 920	48 510	222 430
Purchases		(16 884)	(38 553)	(55 437)	(16 261)	(36 340)	(52 601)
Personnel expenses	1.	(104 291)	(1 067)	(105 358)	(92 456)	(906)	(93 362)
External expenses	2.	(45 351)	202	(45 149)	(43 156)	228	(42 928)
Taxes, duties and similar payments		(6 902)	(418)	(7 320)	(6 360)	(382)	(6 742)
Net amortization, depreciation and provisions		(4 635)	(1 389)	(6 024)	(3 205)	(1 274)	(4 479)
Change in inventories of work in progress and finished products		490	15 888	16 378	912	(4 420)	(3 508)
Other operating income	3.	1 587	7	1 594	820	26	846
Other operating expenses	3.	(1 181)	(1)	(1 182)	(1 245)	(2)	(1 247)
Liaison account		265	(265)		644	(644)	
Current operating income		16 745	1 260	18 005	13 613	4 796	18 409
Other current operating income	4.	710		710	864		864
Other current operating expenses	4.	(966)	(211)	(1 177)	(1 518)	(913)	(2 431)
Operating income		16 489	1 049	17 538	12 959	3 883	16 842
Income from financial investments	5.	296		296	94		94
Interest on financial debt	5.	(2 667)	(1 236)	(3 903)	(1 591)	(966)	(2 557)
Interest on Orname (convertible bonds)	5.	(42)		(42)	(976)	(1 010)	(1 986)
Cost of net financial debt	5.	(2 413)	(1 236)	(3 649)	(2 473)	(1 976)	(4 449)
Change in the fair value of the Orname derivative and currency translation	21.	(197)		(197)	623		623
Other financial income	6.	22	13	35	27	5	32
Other financial expenses	6.	(206)	(14)	(220)	(131)	(25)	(156)
Earnings before taxes		13 695	(188)	13 507	11 005	1 887	12 892
Income tax expense	7.	(5 352)	(50)	(5 402)	(4 477)	(2 533)	(7 010)
Net income of consolidated companies		8 343	(238)	8 105	6 528	(646)	5 882
Net income of all consolidated accounts		8 343	(238)	8 105	6 528	(646)	5 882
Non-controlling interests		432	62	494	317	41	358
Group's share in net income		7 911	(300)	7 611	6 211	(687)	5 524
Earnings per share	8.			0,8497			0,6335
Diluted earnings per share	8.			0,8497			0,6163

Consolidated financial position - assets

In thousands of euros	30/06/2016			31/12/2015		
	Oper.	RE	Total	Oper.	RE	Total
Long-term assets	342 196	28 703	370 899	339 729	29 459	369 188
Goodwill	84 475	2 920	87 395	84 584	3 131	87 715
Intangible fixed assets	216 047		216 047	216 807		216 807
Tangible fixed assets	37 742	24 426	62 168	34 441	24 972	59 413
Financial fixed assets	2 668	2	2 670	2 603	2	2 605
Deferred tax assets	1 264	1 355	2 619	1 294	1 354	2 648
Current assets	118 672	167 429	286 101	110 383	152 193	262 576
Inventory and work in progress	1 511	126 880	128 391	1 398	115 697	117 095
Accounts receivables and accruals	23 638	30 403	54 041	22 193	27 121	49 314
Other receivables and accruals	19 355	4 815	24 170	18 836	7 776	26 612
Cash and cash equivalents	74 168	5 331	79 499	67 956	1 599	69 555
TOTAL ASSETS	460 868	196 132	657 000	450 112	181 652	631 764

Consolidated financial position - Liabilities

In thousands of euros	30/06/2016			31/12/2015		
	Oper.	RE	Total	Oper.	RE	Total
Total equity	130 776	(1 851)	128 925	125 165	(1 415)	123 750
Share capital	17 969		17 969	17 969		17 969
Issue premiums	31 617		31 617	31 617		31 617
Consolidated reserves	68 032	(1 679)	66 353	58 306	(247)	58 059
Group share net income	7 911	(300)	7 611	11 901	(1 278)	10 623
Group's equity	125 529	(1 979)	123 550	119 793	(1 525)	118 268
Non-controlling interests	5 247	128	5 375	5 372	110	5 482
Non-current liabilities	222 860	27 842	250 702	214 258	28 020	242 278
Retirement benefits and similar obligations	5 157	8	5 165	4 942	7	4 949
Non-current provisions for contingencies	5 689	422	6 111	5 677	415	6 092
Deferred tax liabilities	46 754	1 966	48 720	47 444	1 993	49 437
Non-current borrowings and financial debts	161 335	25 446	186 781	152 986	25 605	178 591
Other non-current items	3 925		3 925	3 208		3 208
Current liabilities	107 232	170 141	277 373	110 689	155 047	265 736
Current provisions for contingencies	6 544	85	6 629	6 506	85	6 591
Trade payables and advances received	26 778	10 645	37 423	25 976	11 954	37 930
Ornane - current				1 592		1 592
Current borrowings and financial debts	18 159	142 314	160 473	17 420	126 585	144 005
Other liabilities and deferred items	59 086	13 762	72 848	64 911	10 707	75 618
Liaison account	(3 335)	3 335		(5 716)	5 716	
TOTAL LIABILITIES	460 868	196 132	657 000	450 112	181 652	631 764

Cash flow statement

In thousands of euros	1 ^{er} Half 2016			1 ^{er} Half 2015		
	Oper.	RE	Total	Oper.	RE	Total
OPERATING TRANSACTIONS						
Net income of all consolidated accounts			8 105			5 882
Elimination of costs and gains without any impact on cash position or not related to operations :						
<i>Depreciation and provisions</i>			5 407			3 589
<i>Cost of net financial debt</i>			3 649			4 449
<i>Change in Orname fair value and currency</i>			197			(623)
<i>Tax expenses</i>			5 402			7 010
<i>Gains or losses on sales of assets</i>			405			987
<i>Dividends received</i>						(6)
<i>Other income and expenses</i>			(151)			16
Cash flow before cost of net debt and tax	21 202	1 812	23 014	15 979	5 325	21 304
Change in WCR	(520)	(13 082)	(13 602)	5 395	10 307	15 702
<i>Inventory</i>	(115)	(14 759)	(14 874)	(2)	5 644	5 642
<i>Receivables</i>	(598)	(153)	(751)	729	23 184	23 913
<i>Debts</i>	193	1 830	2 023	4 668	(18 521)	(13 853)
Taxes paid	(9 660)	(246)	(9 906)	(8 006)	375	(7 631)
Net cash flow from operating activities	11 022	(11 516)	(494)	13 368	16 007	29 375
FINANCIAL TRANSACTIONS						
Acquisition of intangible assets			(2 273)			(960)
Acquisition of tangible assets			(3 653)			(4 649)
Acquisition of financial assets			(322)			(31)
Debts on fixed assets			(1 733)			(837)
Disposal of intangible assets						
Disposal of tangible assets			120			58
Disposal of financial assets			248			13
Dividends received						6
Net cash / acquisition and disposal of subsidiaries			2 058			
Net cash flow from financial transactions	(5 563)	8	(5 555)	(5 890)	(510)	(6 400)
FINANCING TRANSACTIONS						
Dividends paid out to minority shareholders			(577)			(536)
Treasury shares and other non-current items			115			(57)
Issuing of disintermediated loans			66 175			5 000
Issuing of bank loans			7 803			22 626
Increase in miscellaneous financial debts			1 767			2 120
Repayment of disintermediated loans			(21 489)			(11 379)
repayment of bank loans			(32 122)			(25 215)
repayment of miscellaneous financial debts			(3 030)			(2 299)
Financial costs disbursed			(2 413)			(4 960)
Net cash flow from financing transactions	1 032	15 197	16 229	(4 208)	(10 492)	(14 700)
Beginning cash position	67 292	1 537	68 829	29 117	6 373	35 490
End cash position	73 782	5 227	79 009	32 387	11 378	43 765
CHANGE IN CASH POSITION	6 490	3 690	10 180	3 270	5 005	8 275