Financial presentation

September 2016

LE NOBLE AGE GROUPE

Soigner et prendre soin.

Results for the first half of 2016 and future prospects

September 2016

LE NOBLE AGE GROUPE

Contents

LNA, PROVIDING CARE AND TAKING CARE

Major player

in the care of
weakened individuals

as at June 30, 2016

68
Authorized establishments

5 000
partners

7 294
Authorized beds

61% of turnover from Long-Term

EHPAD and MRS

39% of turnover from Medium-Term

Clinics for follow-up and re-adaptation care (SSR), psychiatry and hospital-at-home (HAD) care

28%
SSR

3%
Psychiatry

8%
HAD

25 years
of expertise and innovation serving residents and patients

1. The Noble Age Group

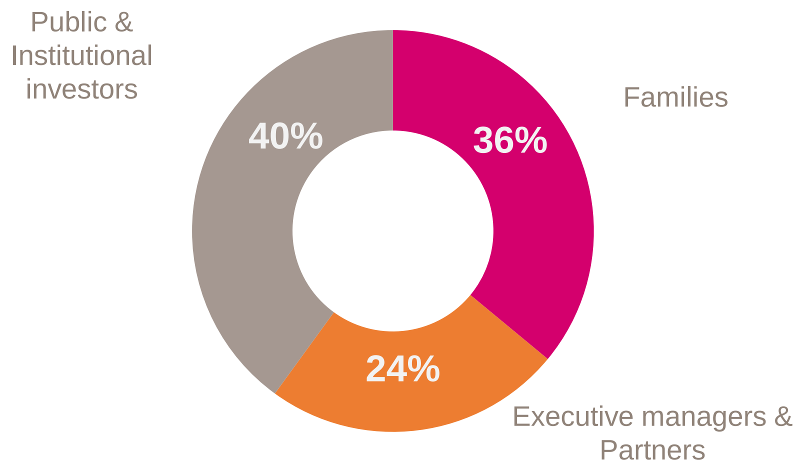
LE NOBLE AGE GROUPE

A family SME/mid-tier company with a long-term vision

- Families that partnered 25 years ago in support of an entrepreneur with an innovative project
- Individual shareholders who are managers and have jobs working every day within the Group
- 40 managers/executives (NOBILISE), among the shareholders
- 4 major lines of development: EHPAD Elégance, EHPAD Confort, SSR/Psy, HAD

Share capital breakdown as at June 30, 2016

In % of voting rights



1. The Noble Age Group

A solid business model

A high-visibility **sector**

- Increasing **health-care needs** (rise in chronic illnesses)
- **Aging population**
- **Restructuring of services offered**

Solvent demand

- EHPAD / SSR: **multiple funders**
- **Solid financial capacity** (assets + revenue) **of seniors**

A **successful** business model

- **Critical size and longevity of each site**
- Sharing of **skills** between facilities (Medico-Social and Health)
- **High performances by sites meeting the LNA standards** of "established facilities"

Clear competitive **advantages**

- **25 years of business expertise and innovation**
- **Unique model for design and externalization of real estate**
- **Acknowledged by public authorities and partners**
- **An HAD offer at the heart of the healthcare system**

Real estate: a tool serving performance

- **New or renovated building stock with moderate rents**
- Systematic restructuring and sale of real estate
- Limited capex during period of use

1. The Noble Age Group

Contents

A global and innovative player…

- A mature group
- A more fine-tuned and adapted offer
- An approach of positive treatment and personalized service inseparable from the group's values

A social network for residents and families

A common and shared identity server

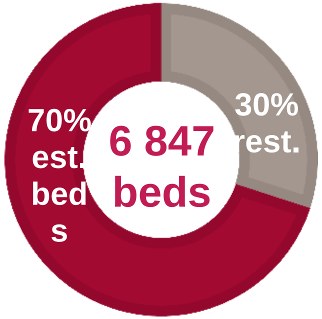
LNA Santé works with the Académie du Service

1st half of 2016

EHPAD / MRB*

Established beds
3 692

Beds undergoing restructuring
1 121



SSR/PSY

Established beds
1 024

Beds undergoing restructuring
655

HAD

Established beds
75

Beds undergoing restructuring
280

Significant numbers, with strong growth potential

** MRB: retirement homes in Belgium*

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1st half of 2016

- LNA SANTÉ, a brand that fully embodies the Group's development in response to healthcare and societal issues.
  - A new dimension, presented to the **public authorities** (ministries and regional healthcare agencies).
  - A **diversified offer** throughout the territory and **highly medicalized** facilities.
  - A brand that covers EHPAD, MRB, Follow-up and re-adaption care (SSR), Psychiatric clinics, Hospital-at-home (HAD), for the healthcare clusters and centers.
  - Wide variety of intake formulas and highly innovative service offers.

A new imprint on our territory, stronger, more visible

1st half of 2016

Innovation serving healthcare.

- EHPAD launch of a secure social network adapted for seniors, in partnership with the Famileo app.




Family

(Sends messages)

famileo

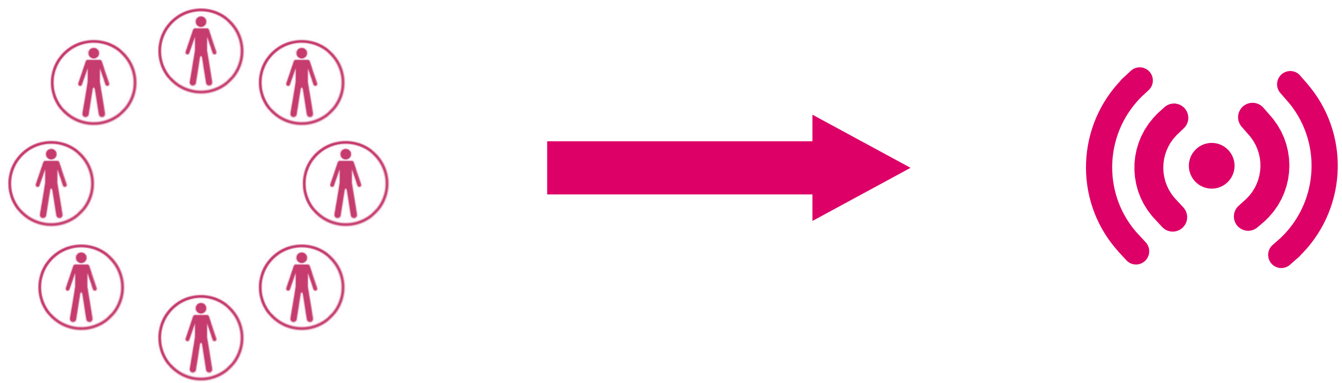
LNA residents

(Distribution of gazette)

Preserve, strengthen family ties

1st half of 2016

- Innovation serving the course of care and treatment.
  - A new common and shared identity server.



Decentralized identity information service

Common host server for identity monitoring

Secure, harmonize and facilitate the sharing of information during the course of care and treatment

1st half of 2016

Opening of a 1st Healthcare Center.

- A structure for medical consultations that provides a range of salaried practitioners:
  - dentists, general practitioners (sector I), specialists, etc.
  - auxiliary health workers (registered nurses, physios, midwives)
- A shared back office
  - technical facilities: medical laboratory, imaging, ultrasound
  - maintenance, administrative optimization
  - telemedicine
- First opening in early April 2016.

An answer for areas lacking medical solutions, strengthens local integration

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1st half of 2016

- Innovation in customized service: an LNA Santé commitment.
  - Rollout of a services repository and hotel practices.
    - Undertaken as a partnership between LNA Formation and the “Académie du service.”
    - Teams formed in order to improve our service offers and segment our Comfort/Elegance offers.
    - A test phase test: already creating synergies.

LNA values – always more relevant

CONTENTS

LE NOBLE AGE GROUPE

The 1st half of the year in figures

Growth in activity throughout our business lines

Turnover* €193.6M

+11.3%

A optimized and **flexible financial structure**

Lever* < 2.5

Solid organic growth

+6.1%

Improved results and margins

EBITDA* +24%

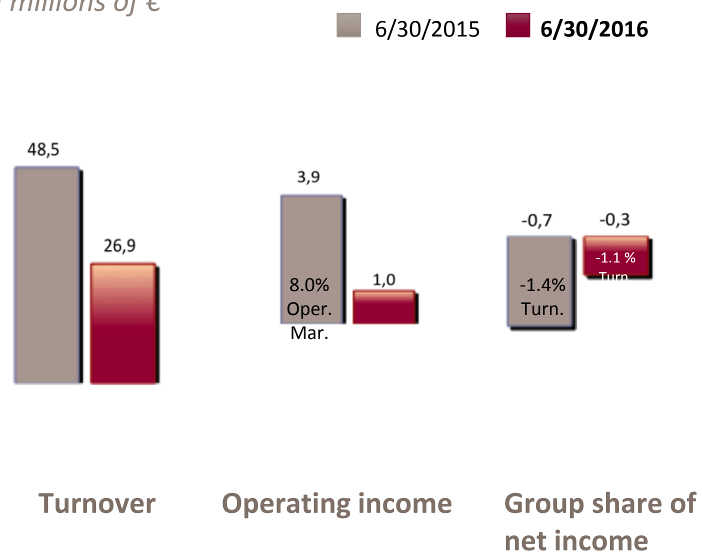
Growth underway with 2,500 beds to become established beds

*from Operations

Status of real-estate sales

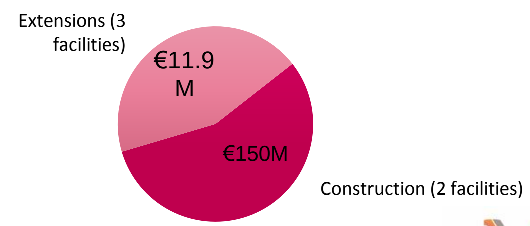
- Activity of €27M compared with €49M in HY1 2015
- Operating margin and program follow-up under control
- Preparations for about 15 deliveries during the period from 2016 through 2019
- Real-estate loss controlled in the interest of Operations

In millions of €



Inventory undergoing transformation

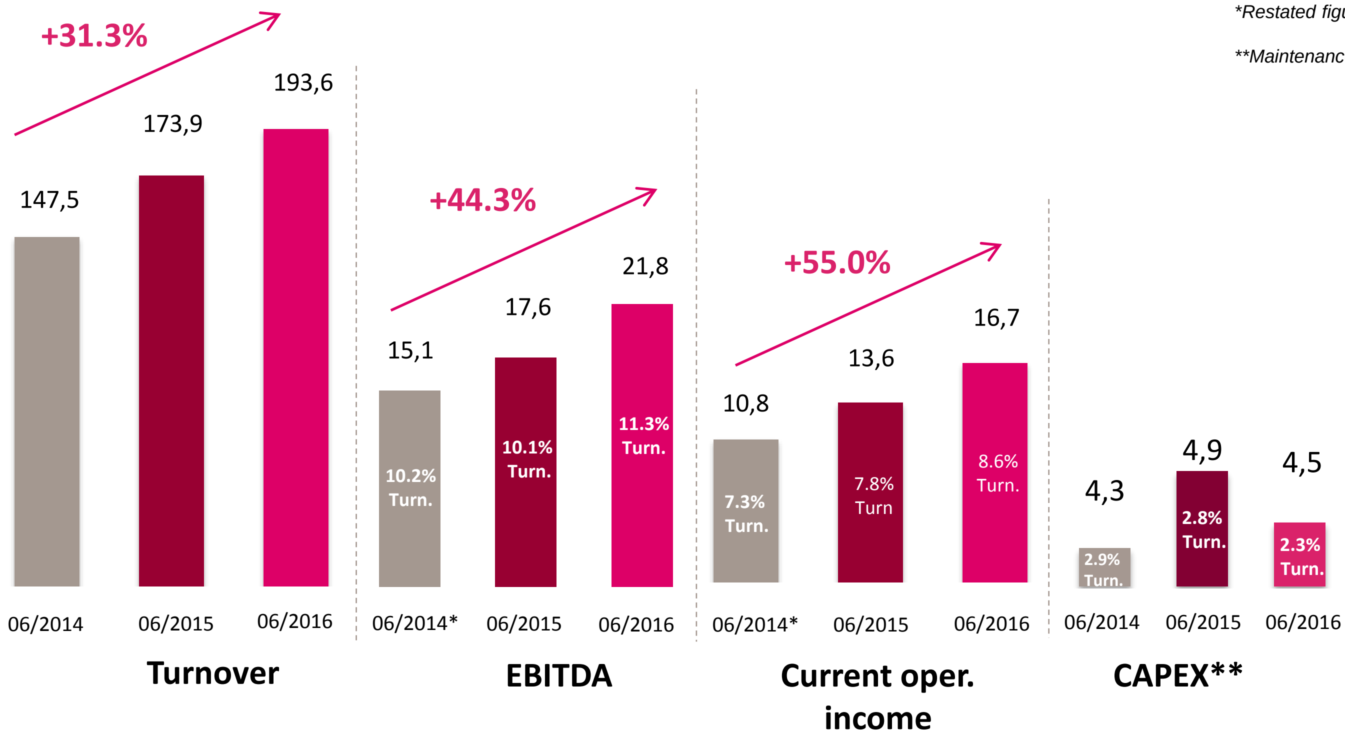
(breakdown of turnover from real-estate activities)



Overview of Operations

Strong improvement in current operating performance

In millions of €



*Restated figures pursuant to retrospective application of IFRIC 21

**Maintenance investments

Turnover from Operations

Steady growth for all business lines

Turnover	HY1 2016		HY1 2015		Total Variation	Organic growth	Breakdown of organic growth
By activity	**In M€**	**% Turn.**	**In M€**	**% Turn.**			
Long-Term France	105.1	54.3%	93.0	53.5%	**13.0%**	**8.7%**	**4.7%**
Long-Term Belgium	13.8	7.1%	13.3	7.7%	**3.9%**	**3.9%**	**0.3%**
Medium-Term France	74.7	38.6%	67.4	38.8%	**10.8%**	**3.1%**	**1.2%**
TOTAL	**193.6**	**100%**	**173.9**	**100%**	**+ 11.3%**	**6.1%**	**6.1%**

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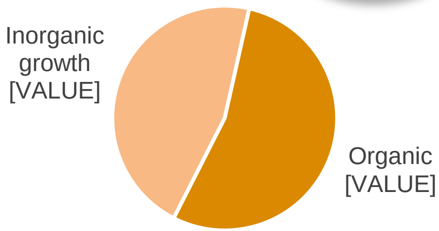
Analysis of EBITDA from Operations

From the turnover to the EBITDA from Operations, dynamic flows were generated

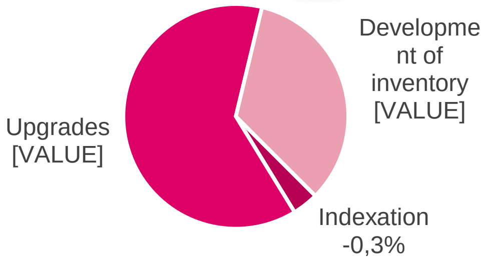
In millions of euros	6/30/2016	6/30/2015	Variation (%)
Turnover	**193.6**	**173.9**	**+11.3%**
External purchases and expenses	(62.2)	(59.4)	+4.7%
Personnel expenses	(104.3)	(92.5)	+12.8%
Taxes and duties	(6.9)	(6.4)	+8.5%
Other income and expenses	1.6	1.9	-17.7%
EBITDA	**21.8**	**17.6**	**+23.8%**

Rigorous control over the main expense items

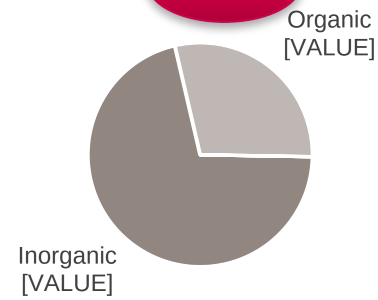
Turnover + 11.3%



Rents + 7.4%



Personnel expenses + 12,8%



Operations: balanced growth of results

From EBITDA to Net income, solid performances

In millions of euros	HY1 2016	HY1 2015	Variation (%)
Turnover	193.6	173.9	+11.3%
EBITDAR	48.8	42.8	+14.1%
EBITDA	21.8	17.6	+23.8%
Current operating income	16.7	13.6	+23.0%
Operating income	16.5	13.0	+27.2%
Restated financial income*	(2.6)	(2.6)	+0.8%
Restated pre-tax income*	13.9	10.4	+33.8%
Restated net income*	8.5	6.2	+36.0%
Group's share of net income (not restated)	7.9	6.2	+27.4%

** Takes into account the change in the fair value of the ORNANE derivatives and currency translation*

Spotlight on “established facilities”

Inventory	Established facilities 6/30/2016	Established facilities 6/30/2015	Other facilities 6/30/2016	Other facilities 6/30/2015
Number of facilities / Total	**46/66**	**42/65**	**20/66**	**23/65**
Number of beds	4 791	4 287	2 056	2 098
Turnover from Operations	**137.4**	**124.3**	**56.2**	**49.4**
EBITDAR / Turnover	27.9%	27.3%	13.3%	15.2%
EBITDA / Turnover	**12.8%**	**12.3%**	**3.0%**	**3.0%**
	> Guidance 2016: 12%			
EBITDA	**17.6**	**15.4**	**1.7**	**1.5**
Capex *	2.18	2,45	1.3	0.6
Capex/Turnover	**1,6%**	**2.0%**	**2.4%**	**1.2%**
Current operating income	15.0	12.9	0.5	0.5
Current operating margin as % of turnover	**10.9%**	**10.4%**	**1.0%**	**0.9%**

+/- 10 points

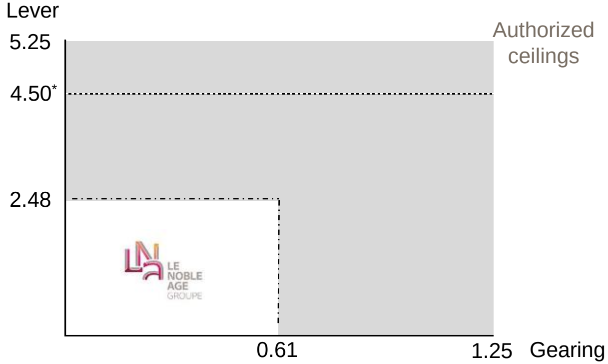
Un levier de performance embarquée intact

** Capex taking into account investments in medicalized beds financed pursuant to healthcare funding.*

“Established facilities”: the key to creating value

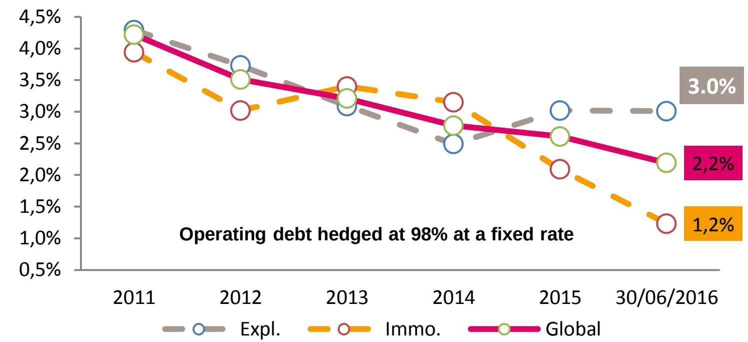
Effectively managed financial structure

A flexible financial structure

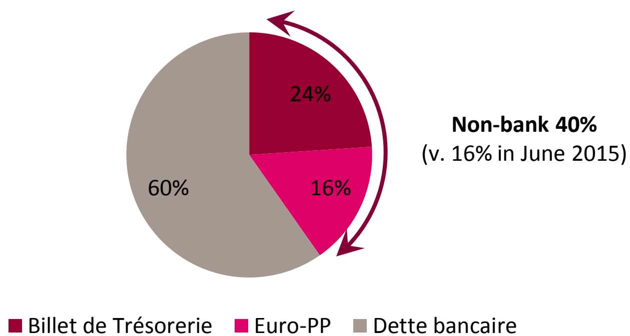


* After amendment no. 2 to the RCF

Drop in cost of debt

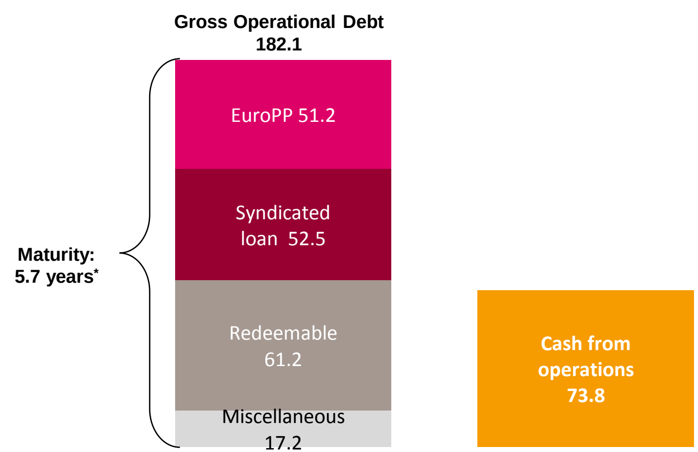


A diversified debt*



* total bank and market debts (EuroPP, BT)

Extended maturity



* yc extension RCF as at 07/2021

Financing strategy

Integration

- **RCF of €149.4M** at 5 years (extended by 1 year: 07/20 to 07/21)

  Average outstanding balance HY1 2016: €79M
  - Goal: replace illiquid bilateral credit facilities and act as backup to the commercial-paper program
  - Financed assets: authorizations to operate while in the restructuring phase and property developments carried prior to completion of work

Restructuring (Works)

- **Commercial-paper program of €120M**

  Average HY1 2016: €105M
  - Goal: refinance the carrying of credit lines as well as the illiquid bilateral credit facilities
  - Financed assets: works in progress and real-estate assets ready for sale
- **Carrying and promotion loan of €40M**

  Average HY1 2016: €28M
  - Goal: finance the works phase
  - Financed assets: works in progress ready for sale

Established

- **Euro PP of €51.2M** - 7 years (maturity 07/2021)
  - Goal: cover medium and long-term credit needs for Operations
  - Financed assets: authorizations to operate after the restructuring phase for facilities
- **Redeemable loans of €60.8M** (average term: 6.1 years)

CONTENTS

Future prospects

- Performances **combined** with an ever-stronger presence.
- **Controlled** growth spurts**.**
- **Increased** visibility on markets with high growth potential.

Capacity for development remains intact in an increasingly open environment

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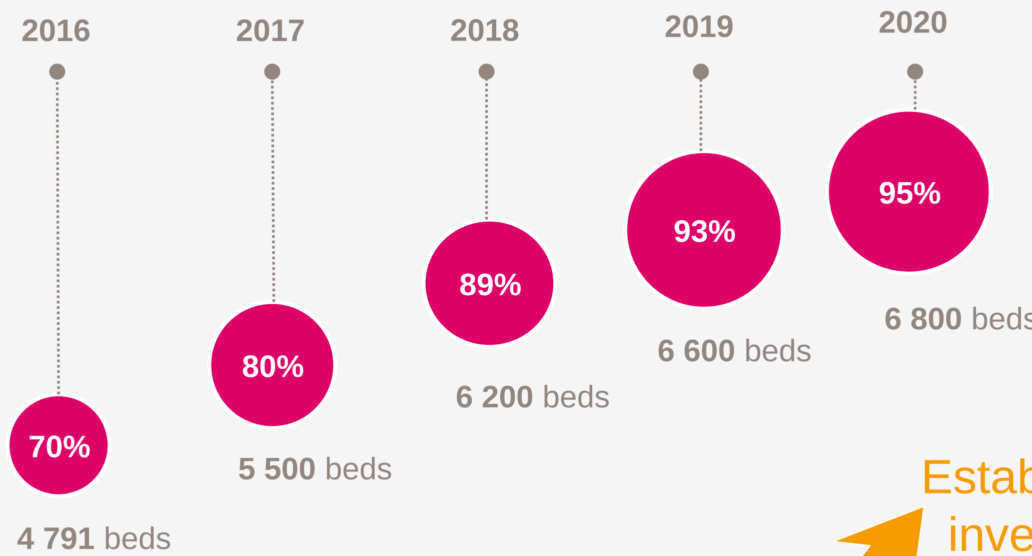
Towards a stronger presence

2006	2016	2020
1 544 beds	6 847 beds	10 000 beds
128 beds / 1 SSR	1 674 beds / 13 SSR	
	1 Healthcare Center	
1 416 beds / 16 EHPAD/MRB	4 818 beds / 48 EHPAD/MRB	
	355 spots / 5 HAD	
1 000 partners	5 000 partners	7 500 partners

Controlled growth spurts

- Transformation of HY1 2016 existing inventory of “established facilities” *excluding new developments*



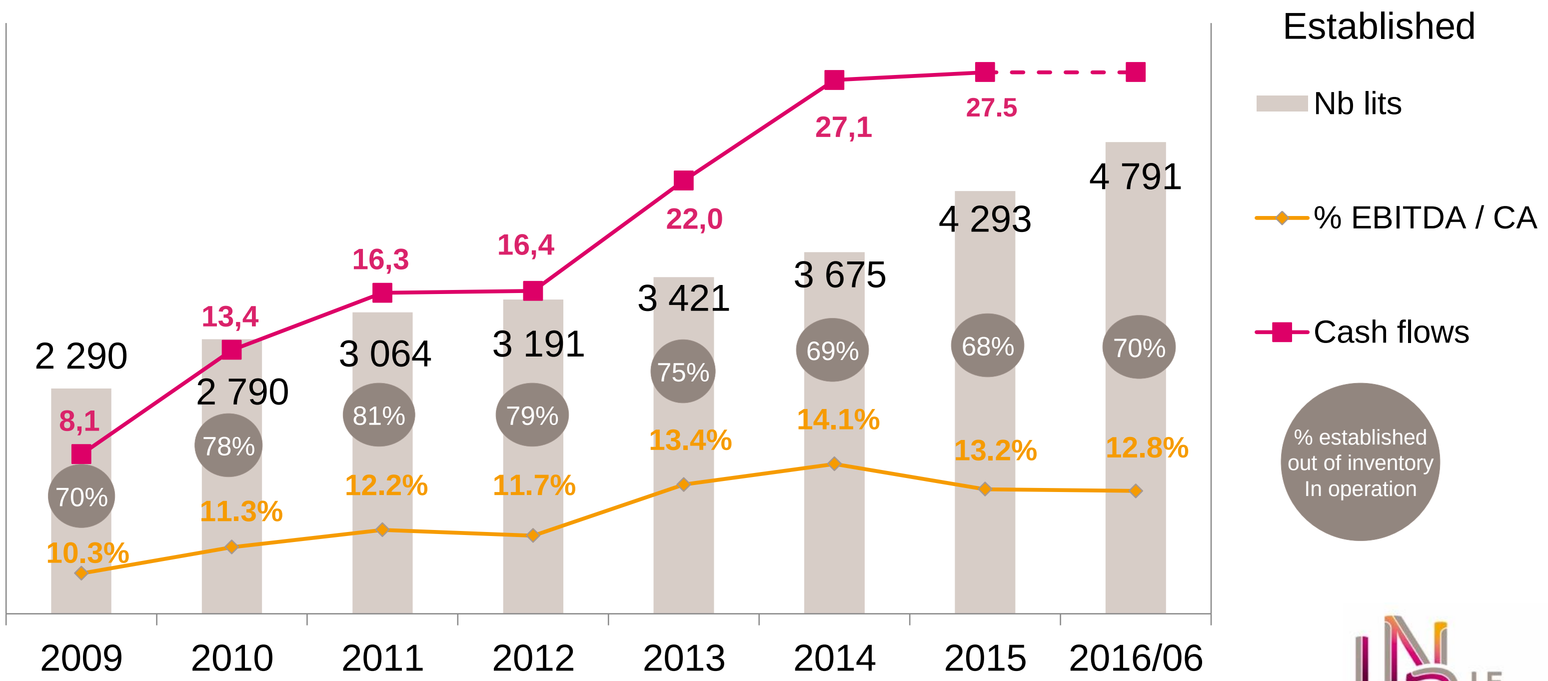
Established inventory +42%*

AAGR: +/- 10%

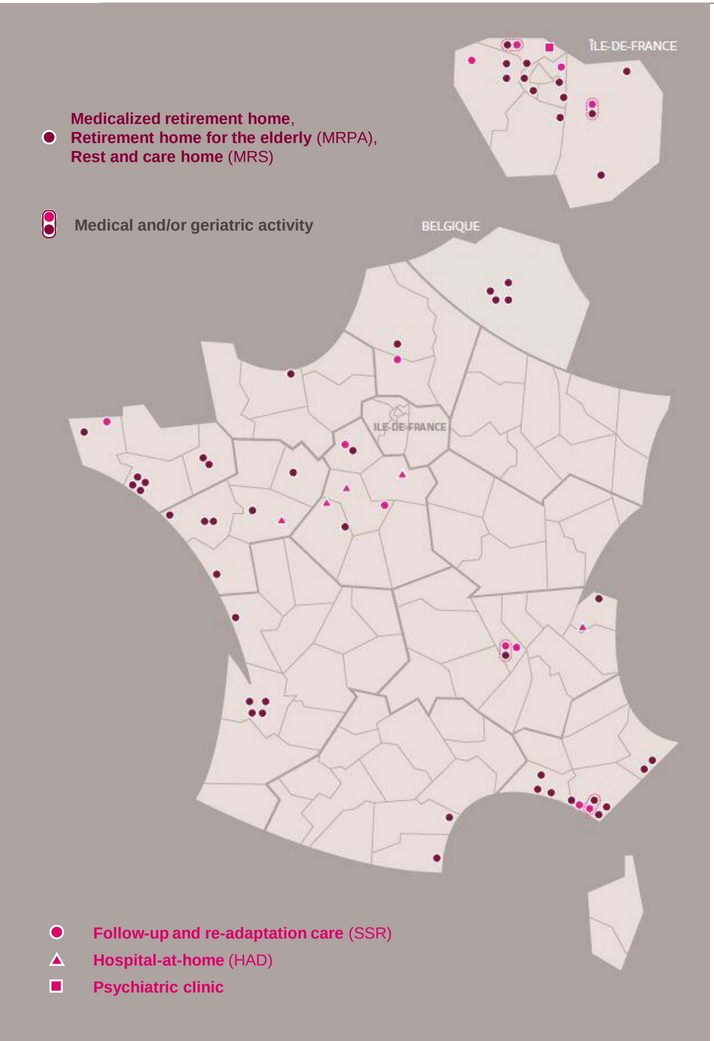
** % of “established” beds*
(no. of established beds for the financial year / no. of operational beds at the end of the period)

Controlled growth spurts

	Established 2016/06	Other facilities 2016/06	Diff.
EBITDA / Turnover	12.8%	3.0%	+ 10 pt



Increased visibility on markets with high growth potential



- A "known" healthcare environment.
- An evolving and innovative offer.
- Unifying skills and allure.
- Since, 1 252 beds taken over from public players and associations (11 structures).
- A "surgical" and innovative development approach.

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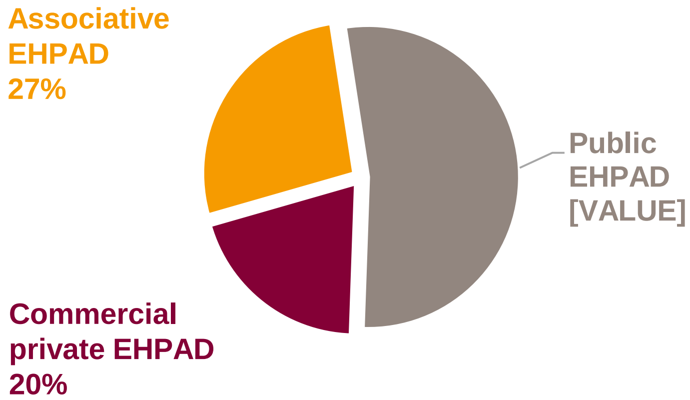
Increased visibility on markets with high growth potential

EHPAD: a growing presence to be strengthened.



- Aging and increasing obsolescence of facilities.
- Towards a reconfiguration of the services offered.

Number of beds / spots: 592 970

Number of facilities: 7 272

”Comfort” and “Elegance” offers are at the heart of the market

Increased visibility on markets with high growth potential

SSR: anticipation in line with the changes in healthcare needs.

Number of beds / spots: 108 607

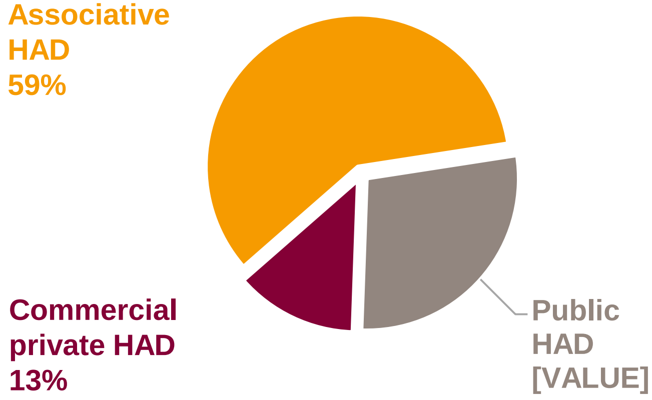
Number of facilities: 1 813

- Development of out-patient care (day hospitals).
- Financing reform focused on relevance, efficiency and effectiveness of intakes.

Steady development of specialties and out-patient care

Increased visibility on markets with high growth potential

HAD: a "pioneering" approach.



- Objective: double the activity in 4-5 years from the Ministry.

Number of beds / spots: 12 387

Number of facilities: 302

3rd-ranked national HAD player in France

2016: annual objectives confirmed

Objectives 2016		Achieved HY1 2016
Turnover from Operations €385M i.e., +9%	→	**€193.6M +11.3%**
Organic growth of 4%	→	**6.1%**
EBITDA margin for established facilities of 12 %	→	**12.8%**
Leverage < 3.5	→	**2.48**

A high reserve of 2 500 beds close to transitioning into “established” beds

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Thank you for your time

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ANNEXES

LE NOBLE AGE GROUPE

Analysis of EBITDA – Operations

HY1 2016, in M€	Operations	Long-term France	Long-term Belgium	Medium-term France
EBITDA	21.8	12.6	0.7	6.3
Margin	11.3%	12.0%	5.1%	8.5%
Variation in margin 2016 - 2015	+113 bp	+125 bp	+126 bp	-132 bp
No. of beds in operation as at 30/16/16 Established inventory HY1 2016 (% total)	*6 847* *4 791 (70%)*	*4 263* *3 277 (77%)*	*555* *420 (76%)*	*2 029* *1 094 (54%)*
Reminder of established inventory HY1 2015 (% total)	4 287 *(67%)*	2 803 *(70%)*	420 *(68%)*	1 064 *(59%)*
Margin of established inventory	12.8%	13.0%	9.1%	13.3%
Variation in margin of established inventory	+45 bp	+119 bp	+26 bp	-85 bp

- Strong contribution from the long-term sector in the improvement of the EBITDA-Operations margin (mature facilities and performance of established inventory)

A view of sites synonymous of efficiency

Evolution of the average inventory

	EHPAD	MRB	SSR	*All sectors*
Engaged 2020	**103**	**145**	**160**	***118***
variation	***6%***	***4%***	***24%***	***11%***
09/2016	97	139	129	*106*
Average Sector	< 80	< 80	< 70	

A major choice

Glossary

ARS

- *Agence Régionale de Santé* – Regional Healthcare Agency

CRAM

- *Caisse Régionale d'Assurance Maladie* – regional social-security office managing healthcare coverage

Organic growth

Corresponds to the change in turnover:

- between N-1 and N for facilities existing in N-1;
- between N-1 and N for facilities opened in N-1 or in N
- between N-1 and N for facilities restructured according to LNA Santé specifications or the capacity of which increased in N-1 or in N;
- in N compared with the equivalent period in N-1 for facilities acquired in N-1.

Secured deal flow

- Takeovers, creations and/or extensions

Net financial debt

- Financial debt less cash and cash equivalents

Net financial debt from operations

- Represents gross financial debt from Operations less cash and cash equivalents and capital contributed to the real-estate activity

Medical supplies

- Necessary equipment and medical supplies such as medical beds, patient lifters, lifts, bandages, syringes, nutrients, etc.

Care allocation:

- The formula is as follows:

  Current rate * Number of authorized beds * (GMP + PMP * 2.59)
- With:
  - GMP = *Gir Moyen Pondéré* (= average evaluation of the dependency of the people under care)
  - PMP = *Pathos Moyen Pondéré* (= evaluation of the technical care required for the people under care)

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Glossary

EBITDA

- Earnings before interest, taxes, depreciation and amortization

EBITDAR

- Earnings before interest, taxes, depreciation, amortization and rent

EHPAD

- Facility providing residential care for the dependent elderly

Established facilities

- Real estate expanded (if necessary) and renovated, with 100% capacity authorized
- Human organization and management method in line with the Group's standards

Facilities being restructured or opened

- Facilities taken on or opened in the past year or so
- Renovation and/or expansion work underway
- Implementation of the Group's standards

Equity and quasi equity from Operations

- The consolidated equity from Operations, plus deferred tax liabilities in connection with Operations

Gearing

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

Gerontogrowth

- Increase in number of elderly in this population (quantity)

Glossary

GMP

- *Groupe iso-ressource Moyen Pondéré* (evaluation of dependency)

HAD

- Hospital-at-home

Financial leverage

- (Net Debt Oper / EBITDA Oper) measures the company's ability to reimburse its debt. It expresses the number of years in which the company will be able to reimburse its debt based on its EBITDA.

MAD

- Home care

MRPA

- Retirement home for the elderly

ORNANE

- Convertible bonds with repayment option in cash and/or new shares and/or existing shares

PMP

- *Pathos Moyen Pondéré* (evaluation of technical care required)

PMR

- *Personne à Mobilité Réduite* – Person with reduced mobility

PUI

- *Pharmacie à Usage Intérieur* – Hospital pharmacy

Taken on mid-financial year

- Facilities that were not present within the Group on January 1, N
- Creations opened during the financial year

RFP

- *Rentabilité des fonds propres* – Profitability of equity, measured as net income/equity. It is equal to economic profitability plus leverage.

Glossary

ROCE – Operations

- Return On Capital Employed or return on capital invested, measured based on operating income (before or after taxes) / capital invested (equity + net debt)

SI

- *Système d'information* – Information network

SSIAD

- *Services de Soins Infirmiers A Domicile* – Home nursing care

SSR

- *Soins de Suite et Réadaptation* – Follow-up and re-adaptation care

Tarif Soin Global - General-Care Rate

- For EHPADs, this is the cost covered by the EHPAD's budget for the fees of outside independent medical professionals: general practitioners, physiotherapists, speech therapists, and radiology and laboratory expenses

T2A

- *Tarification à l'Activité* – Pricing by act

USLD

- *Unité de Soins de Longue Durée* – Long-term care unit