

Quarterly Financial Information as of June 30, 2014  
IFRS - Regulated Information - Audited

## Cegedim: EBITDA margin nearly stable in the first half of 2014

- Like-for-like revenue increases in the second quarter
- Response to IMS Health proposed transaction expected before end-October 2014
- The Group reiterates its 2014 targets

**Paris, September 18, 2014** – [Cegedim](#), a global technology and services company specializing in the healthcare field, generated consolidated first half 2014 revenues of €428.7 million, down 1.9% on a reported basis and 0.9% like for like.

The 2.8% drop in L-f-L Q1 revenues was partly offset by 1.0% growth in the second quarter. The decline in L-f-L revenues at the *Healthcare professionals* division was more than offset by L-f-L growth in revenue at the *CRM and strategic data*, *Insurance and services* and *GERS Activities* and *Reconciliation* divisions. It is worth noting that the *Healthcare professionals* division's sales momentum turned around over the month of June.

EBITDA came to €53.5 million, down €1.9 million compared with the first six months of 2014. The result was a virtually stable EBITDA margin of 12.5% in the first half of 2014, on a par with the 12.7% posted a year earlier. The EBITDA trend reflected declines at the *Healthcare professionals* and *Insurance and services* divisions, which were partly offset by a substantial improvement at the *CRM and strategic data* and *GERS activities and Reconciliation* divisions.

Net financial debt fell by €11.2 million to €460.0 million.

With respect to the proposed IMS Health transaction announced on June 24<sup>th</sup>, consultations of employee representatives have begun, and they are expected to issue an opinion in late September. Thus, the Board of Directors should be able to vote on the offer before the end of October 2014.

### • Simplified income statement

	H1 2014		H1 2013		Δ
	€m	%	€m	%	
<b>Revenue</b>	<b>428.7</b>	<b>100%</b>	<b>437.2</b>	<b>100%</b>	<b>(1.9)%</b>
EBITDA	53.5	12.5%	55.4	12.7%	(3.5)%
Depreciation	32.3	—	29.4	—	+9.8%
<b>Operating income from recurring operations</b>	<b>21.1</b>	<b>4.9%</b>	<b>25.9</b>	<b>5.9%</b>	<b>(18.7)%</b>
Exceptional operating income / expenses	(9.1)	—	(4.0)	—	+125.3%
<b>Operating income</b>	<b>12.0</b>	<b>2.8%</b>	<b>21.9</b>	<b>5.0%</b>	<b>(45.3)%</b>
Cost of net financial debt	24.4	—	36.1	—	(32.2)%
Tax expenses	(5.3)	—	0.4	—	n.m.
<b>Consolidated profit</b>	<b>(16.8)</b>	<b>(3.9)%</b>	<b>(12.8)</b>	<b>(2.9)%</b>	<b>+30.6%</b>
Profit attributable to the owners of the parent	(16.8)	(3.9)%	(12.8)	(2.9)%	+30.6%

Cegedim generated consolidated first half year 2014 revenues of €428.7 million, down 1.9% on a reported basis and 0.9% like for like compared with the same period a year earlier. Acquisitions had a positive impact of 0.2%, and currencies provided a negative impact of 1.2%.

Operating expenses fell by €4.1 million. This trend reflects decreases of €4.3 million in purchases used and €2.6 million in payroll costs, whereas external costs increased by €2.8 million.

EBITDA fell by €1.9 million to €53.5 million, and the margin decreased from 12.7% in the first half of 2013 to 12.5% in first half of 2014.

This EBITDA trend was attributable to drops at the *Healthcare professionals* and *Insurance and services* divisions, partly offset by significant EBITDA growth at the *CRM and strategic data* and *GERS Activities and Reconciliation* divisions.

Depreciation expenses increased by €2.9 million, and non-recurrent income and expenses, by €5.1 million owing to the €5.7 million fine imposed by the French Competition Authorities. Thus, operating income from recurring operations came to €12.0 million, down €9.9 million compared to the first half of 2013.

The cost of financial debt decreased by €11.6 million, from €36.1 million at June 30, 2013, to €24.4 million at June 30, 2014. This decrease reflects the demanding comparison caused by accounting charges stemming from the 2013 refinancing.

Tax expense increased by €5.7 million, from a credit of €0.4 million to a charge of €5.3 million. This increase is mainly due to the non-capitalization of deferred tax on loss-making companies in 2014 unlike in 2013.

Consolidated net result, Group share, was a loss of €16.8 million, compared with a €12.8 million loss a year earlier. The loss per share from recurring operations went from €0.9 in the first half year of 2013 to €1.2 in the first half year of 2014.

#### Analysis of business trends by division

##### • Key figures by division

in € million	Revenue		EBIT from recurring operations		EBITDA	
	2 <sup>nd</sup> Quarter		2 <sup>nd</sup> Quarter		2 <sup>nd</sup> Quarter	
	2014	2013	2014	2013	2014	2013
CRM and strategic data	102.0	101.8	6.2	7.2	12.8	10.7
Healthcare professionals	74.6	75.7	8.2	9.8	14.3	15.2
Insurance and services	40.0	39.9	5.9	7.7	9.5	11.2
GERS Activities and Reconciliation	8.2	7.0	(1.5)	(1.6)	(1.1)	(1.2)
<b>Cegedim</b>	<b>224.7</b>	<b>224.4</b>	<b>18.8</b>	<b>23.2</b>	<b>35.5</b>	<b>35.9</b>

  

in € million	Revenue		EBIT from recurring operations		EBITDA	
	H1		H1		H1	
	2014	2013	2014	2013	2014	2013
CRM and strategic data	194.5	198.5	2.7	2.4	16.0	13.0
Healthcare professionals	141.9	147.6	13.0	17.1	24.3	28.3
Insurance and services	78.0	77.0	8.9	11.6	15.8	18.3
GERS Activities and Reconciliation	14.3	14.0	(3.4)	(5.1)	(2.6)	(4.3)
<b>Cegedim</b>	<b>428.7</b>	<b>437.2</b>	<b>21.1</b>	<b>25.9</b>	<b>53.5</b>	<b>55.4</b>

- **CRM and Strategic Data**

In the first six months of 2014, the division's revenues came to €194.5 million, down €4.0 million or 2.0% on a reported basis. Currencies had a negative impact of 3.2%. Like-for-like revenues fell 1.2% over the period.

EBITDA came to €16.0 million, up €3.0 million or 23.0%. The margin came to 8.2%, compared to 6.6% a year earlier.

This increase results mainly from growth in Compliance products and products and services linked to the *OneKey* database, together with stabilization in the market research activity and ongoing restructuring measures. As a result, EBITDA increased even though revenue decreased.

- **Healthcare Professionals**

In the first six months of 2014, the division's revenues amounted to €141.9 million, down €5.7 million or 3.9% on a reported basis. The *Webstar* and *SoCall* acquisitions and currencies had positive impacts of respectively 0.5% and 0.6%. Like-for-like revenues were down 5.0% over the period.

EBITDA was €24.3 million, down €4.0 million or 14.2% relative to the same period in 2013. The margin came to 17.1%, compared with 19.2% a year ago.

The decrease in EBITDA reflects mainly the demanding comparison in the computerization of UK doctors caused by an exceptional level of activity with the NHS in 2013 and the temporary decrease in French pharmacists' investments. Despite uncertainty related to government announcements regarding regulated professions, pharmacists in particular, the order is developing favorably.

It is worth noting the good business momentum in France stemming from products for doctors, which benefit from an enhanced services offering, and for nurses, with the *Simply Vitale* solution, as well as from the offering for multidisciplinary healthcare facilities.

- **Insurance and Services**

The division's first half 2014 revenues came to €78.0 million, up €0.9 million or 1.2% both on a reported basis and like for like. Currencies had virtually no impact and there were no acquisitions or divestments.

EBITDA came to €15.8 million, down €2.6 million or 14.0% year on year. The margin came to 20.2%, compared with 23.8% a year ago.

This decrease in EBITDA is chiefly attributable to the transition from a perpetual license model to an SaaS model at Cegedim Global Payments, part of the e-business activity, and to the significant investment made at *Kadrige*. It was partially offset by an increase at the Health Insurance companies activity and *Cegedim SRH*, the provider of human resources management solutions.

- **GERS Activities and Reconciliation**

The division's first half 2014 revenues came to €14.3 million, up €0.3 million or 2.1% both on a reported basis and like for like. Currencies had virtually no impact and there were no acquisitions or divestments.

EBITDA came to a loss of €2.6 million, an improvement of €1.7 million or 38.9% year on year. The margin came to (18.3)% compared with (30.5)% a year ago.

This favorable trend in EBITDA reflects the virtual stability of corporate costs and the gradual return to breakeven at GERS activities.

### Financial resources

Cegedim's total consolidated balance sheet at June 30, 2014, was €1,237.8 million, a 1.4% increase compared with the end of 2013.

Goodwill on acquisition was up €6.3 million, at €534.8 million, and represents 43.2% of total assets.

Cash and cash equivalents came to €79.8 million, up €12.9 million. This increase is mainly due to last April's refinancing. It should be noted that the premium of €7.9 million received from the additional 2020 bond offering made it possible to finance the €8.6 million premium paid for the partial 2015 bond buyback.

Shareholders' equity fell 3.0% to €335.6 million and represents 27.1% of the total balance sheet.

Net debt came to €460.0 million at the end of the first half of 2014, down €11.2 million compared with end of 2013. Gearing remained relatively stable at end-June 2014 compared to end-December 2013.

Before the cost of net financial debt and taxes, operating cash flow was €43.9 million at the end of the first half of 2014, a slight decrease of €8.1 million compared with the first half of 2013.

### Period highlights

- **Refinancing operation**

On April 7, 2014, Cegedim launched an additional bond offering of €100 million, upsized to €125 million on the issue date, of its 6.75% Senior Notes due 2020. Apart from the date and price of issuance (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the €300 million of 6.75% Senior Notes due in 2020 that the Group issued on March 20, 2013. It should be noted that Cegedim was able to issue at 5.60%, compared to 6.75% one year earlier.

The proceeds from the offering were used, among other things, to finance the redemption of €105,950,000 of outstanding bonds due 2015 (at a price of 108.102%), pay the premium and any related fees, and repay bank overdraft facilities.

As a result, the Group's current debt structure is as follows:

- €62.6 million of 7.00% bonds due July 27, 2015;
- €425 million of 6.75% bonds due April 1, 2020;
- €80 million of revolving credit due June 10, 2016, undrawn as of March 31, 2014;
- Overdraft facilities.

When the operation was announced on April 7, 2014, rating agency Standard and Poor's confirmed its B+ rating with a stable outlook for Cegedim and its two bonds.

- **Acquisition**

On April 15, 2014, Cegedim acquired the French company *SoCall*, which is based in Sèvres. Its core activity is providing secretarial and scheduling services for practices of healthcare professionals. The company manages incoming patient calls, messages, scheduling and records of past consultations for around 50 practices. Financed by internal financing, these activities represent annual revenues of less than €0.3 million and are part of the consolidation scope of Cegedim Group from Q2 2014.

- **Binding offer received from IMS Health for the new CRM and Strategic Data division**

On June 24, 2014, Cegedim announced that it had received a binding offer from IMS Health Inc. to acquire its new *CRM and strategic data* division in exchange for €385 million in cash<sup>1</sup>.

<sup>1</sup> On a cash-free debt-free basis, subject to certain adjustments based on the Group's net debt at the date of completion, changes in net working capital and 2014 CRM and strategic data division revenue.

In compliance with regulatory requirements in some jurisdictions, employee representatives are currently being consulted regarding the deal, which will then be submitted to the Board of Directors for a decision before end-October 2014.

If this proposal is accepted, most of the proceeds from the transaction would be used to repay debt and thus strengthen Cegecim's balance sheet and income statement with a debt ratio close to 1 and an improving margin. In addition, the Group would be led to recognize, at the effective time of the sale, an accounting loss with no impact on the Group's cash of approximately €180 million.

The business activities targeted by this proposal represent 47% of non-group revenue, 43% of current EBIT and 41% of EBITDA on the basis of figures at December 31, 2013. It should be noted that the financial statements closed at June 30, 2014, continue to include all the data relating to the business activities targeted by the IMS proposal. IFRS 5, whose objective is to separately classify activities considered as held for sale, does not apply for the time being. In fact, the sale cannot be considered as "highly probable" as long as the Board of Directors of Cegecim has not made a statement on the transaction, and the business activities cannot be considered as being "immediately available for sale in their current condition", considering that it is first essential to physically separate the data processing centers that support all the Group's operational activities, as well as divide the assets held in legal entities sheltering mixed activities.

Apart from the items cited above, to the best of the company's knowledge, there were no events or changes during the period that would materially alter the Group's financial situation.

#### Significant post-closing transactions and events

Decision no. 14-D-06 of July 8, 2014, by French Competition Authorities imposed a €5.7 million fine on Cegecim based on a complaint brought by Euris. Euris claimed that Cegecim refused to sell its *OneKey* database to clients using Euris software products. As a reminder, Cegecim's refusal to do so was related to a lawsuit alleging that Euris has counterfeited its *OneKey* database.

Cegecim appealed this decision to the Paris Court of Appeals. The French Competition Authorities decision is enforceable, therefore, at the end of June 2014, Cegecim accounted an accrued expenses payable for the amount of the fine.

We note that this risk was cited in paragraph 4.3.24 of the 2013 Annual Report and in the prospectus that accompanied our bond issue in April.

The fine does not in any way affect the terms of the offer made by IMS Health on June 24.

Apart from the items cited above, to the best of the company's knowledge, there were no events or changes during the period that would materially alter the Group's financial situation.

#### Outlook

Cegecim is reconfirming its target for 2014 of at least stable revenue and operating margin from recurring operations.

For the second half of 2014, the group expects a slight slowdown at the *CRM and Strategic Data* division, and a slight increase in activity at the other divisions. A less demanding comparison level for UK doctors software in the second half of 2014 and a restored order book for French pharmacist software activities point to more positive revenue developments in the second half of the year.

Furthermore, if the IMS Health offer, as previously disclosed, is accepted, **at the time of the sale** the Group would be led to recognize an accounting loss with no impact on the Group's cash of approximately €180 million.

### Financial calendar

The Group will hold a conference call today, September 18, 2014, at 6:15 pm in English (Paris time). The call will be hosted by [Jan Eryk Umiastowski](#), [Cegedim Chief Investment Officer and Head of Investor Relations](#).

A presentation of Cegedim 2014 First Half Results will also be available on the website: <http://www.cegedim.com/finance/documentation/Pages/presentations.aspx>

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#### September 19, 2014, at 10:30 am

- SFAF meeting presenting H1 2014 Results (24 rue de Penthièvre, 75008 Paris)

#### October 28, 2014 (after the stock market closes)

- Q3 2014 Revenue announcement

#### November 27, 2014 (after the stock market closes)

- Q3 2014 Results announcement

#### December 16, 2014 - 2:30 pm to 5:30 pm (welcome coffee at 2:00 pm)

- 5<sup>th</sup> Investor Summit (Auditorium Cegedim, 17 rue de l'Ancienne Mairie, Boulogne-Billancourt France)

### Additional Information

The Audit Committee met on September 15<sup>th</sup>, 2014. The Board of Directors met on September 18<sup>th</sup>, 2014, to review the 2014 first half consolidated financial statements.

The First Half financial report, including management discussion and analysis, is available in the Finance section of Cegedim's website:

- In French:  
<http://www.cegedim.fr/finance/documentation/Pages/rapports.aspx>
- In English:  
<http://www.cegedim.com/finance/documentation/Pages/reports.aspx>

This information is also available on [Cegedim IR](#), the Group's financial communications app for smartphones and iOS and Android tablets. To download the app, visit: <http://www.cegedim.fr/finance/profil/Pages/CegedimIR.aspx>.

## Appendices

## Balance sheet

## Assets

<i>In thousands of euros</i>	<i>06/30/2014</i>	<i>12/31/2013</i>
<b>Goodwill on acquisition</b>	<b>534,765</b>	<b>528,465</b>
Development costs	32,347	16,791
Other intangible fixed assets	198,026	207,097
<b>Intangible fixed assets</b>	<b>230,373</b>	<b>223,888</b>
Property	389	389
Buildings	4,373	4,764
Other tangible fixed assets	26,723	27,110
Construction work in progress	226	45
<b>Tangible fixed assets</b>	<b>31,711</b>	<b>32,307</b>
Equity investments	704	704
Loans	2,466	2,464
Other long-term investments	11,602	10,793
<b>Long-term investments - excluding equity shares in equity method companies</b>	<b>14,772</b>	<b>13,960</b>
Equity shares in equity method companies	8,639	8,599
Government - Deferred tax	41,495	42,121
Accounts receivable: Long-term portion	14,183	14,379
Other receivables: Long-term portion	911	894
<b>Non-current assets</b>	<b>876,848</b>	<b>864,615</b>
Services in progress	173	186
Goods	10,277	10,428
Advances and deposits received on orders	817	428
Accounts receivable: Short-term portion	216,409	229,958
Other receivables: Short-term portion	32,816	31,972
Cash equivalents	3,287	3,515
Cash	76,548	63,458
Prepaid expenses	20,632	16,618
<b>Current assets</b>	<b>360,958</b>	<b>356,564</b>
<b>Total assets</b>	<b>1,237,806</b>	<b>1,221,179</b>

**Liabilities**

<i>In thousands of euros</i>	<i>06/30/2014</i>	<i>12/31/2013</i>
Share capital	13,337	13,337
Issue premium	182,955	185,562
Group reserves	157,657	214,419
Group exchange reserves	(238)	(238)
Group exchange gains/losses	(1,556)	(8,996)
Group earnings	(16,753)	(58,634)
<b>Shareholders' equity, Group share</b>	<b>335,401</b>	<b>345,449</b>
Minority interests (reserves)	208	419
Minority interests (earnings)	(2)	(43)
<b>Minority interests</b>	<b>206</b>	<b>376</b>
<b>Shareholders' equity</b>	<b>335,607</b>	<b>345,825</b>
Long-term financial liabilities	528,393	513,650
Long-term financial instruments	9,046	8,905
Deferred tax liabilities	9,705	9,513
Non-current provisions	29,271	27,501
Other non-current liabilities	2,210	2,421
<b>Non-current liabilities</b>	<b>578,626</b>	<b>561,988</b>
Short-term financial liabilities	11,456	24,564
Short-term financial instruments	7	7
Accounts payable and related accounts	115,039	108,269
Tax and social liabilities	114,888	124,764
Provisions	3,809	5,840
Other current liabilities	78,375	49,922
<b>Current liabilities</b>	<b>323,574</b>	<b>313,365</b>
<b>Total Liabilities</b>	<b>1,237,806</b>	<b>1,221,179</b>

**Income statement**

<i>In thousands of euros</i>	<i>06/30/2014</i>	<i>06/30/2013</i>
<b>Revenue</b>	<b>428,729</b>	<b>437,229</b>
Other operating activities revenue	-	-
Capitalized production	24,177	22,601
Purchases used	(52,916)	(57,184)
External expenses	(116,361)	(113,539)
Taxes	(7,504)	(7,326)
Payroll costs	(219,725)	(222,344)
Allocations to and reversals of provisions	(2,396)	(3,797)
Change in inventories of products in progress and finished products	(14)	8
Other operating income and expenses	(536)	(248)
<b>EBITDA</b>	<b>53,454</b>	<b>55,397</b>
Depreciation expenses	(32,348)	(29,448)
<b>Operating income from recurring operations</b>	<b>21,106</b>	<b>25,949</b>
Non-recurrent income and expenses	(9,121)	(4,048)
<b>Other exceptional operating income and expenses</b>	<b>(9,121)</b>	<b>(4,048)</b>
<b>Operating income</b>	<b>11,985</b>	<b>21,901</b>
Income from cash and cash equivalents	399	201
Gross cost of financial debt	(28,241)	(29,061)
Other financial income and expenses	3,401	(7,208)
<b>Cost of net financial debt</b>	<b>(24,441)</b>	<b>(36,068)</b>
Income taxes	(5,091)	(6,879)
Deferred taxes	(163)	7,302
<b>Total taxes</b>	<b>(5,254)</b>	<b>423</b>
Share of profit (loss) for the period of equity method companies	956	919
Profit (loss) for the period before earnings from activities that have been discontinued or are being sold	(16,755)	(12,825)
Profit (loss) for the period net of income tax from activities that have been discontinued or are being sold	-	-
Consolidated profit (loss) for the period	(16,755)	(12,825)
<b>Attributable to owners of the parent (A)</b>	<b>(16,753)</b>	<b>(12,826)</b>
Minority interests	(2)	1
Average number of shares excluding treasury stock (B)	13,948,889	13,957,919
<b>Current Earnings Per Share (in euros)</b>	<b>(1.8)</b>	<b>(0.6)</b>
<b>Earnings Per Share (in euros) (A/B)</b>	<b>(1.2)</b>	<b>(0.9)</b>
Dilutive instruments	none	none
<b>Earning for recurring operation per share (in euros)</b>	<b>(1.2)</b>	<b>(0.9)</b>

**Consolidated cash flow statement**

<i>In thousands of euros</i>	<b>06/30/2014</b>	<b>12/31/2013</b>	<b>06/30/2013</b>
Consolidated profit (loss) for the period	(16,755)	(58,677)	(12,825)
Share of earnings from equity method companies	(956)	(1,275)	(919)
Depreciation and provisions <sup>(1)</sup>	31,516	127,421	30,010
Capital gains or losses on disposals	400	(397)	42
<b>Cash flow after cost of net financial debt and taxes</b>	<b>14,205</b>	<b>67,072</b>	<b>16,308</b>
Cost of net financial debt.	24,441	60,060	36,068
Tax expenses	5,254	25,483	(423)
<b>Operating cash flow before cost of net financial debt and taxes</b>	<b>43,900</b>	<b>152,615</b>	<b>51,953</b>
Tax paid	(5,236)	(12,451)	(6,402)
Change in working capital requirements for operations: requirement	0	0	0
Change in working capital requirements for operations: surplus	27,733	9,424	6,991
<b>Cash flow generated from operating activities after tax paid and change in working capital requirements (A)</b>	<b>66,397</b>	<b>149,588</b>	<b>52,542</b>
Acquisitions of intangible assets	(25,747)	(51,051)	(24,801)
Acquisitions of tangible assets	(12,107)	(22,340)	(11,657)
Acquisitions of long-term investments	0	(2,914)	(16)
Disposals of tangible and intangible assets	478	4,674	583
Disposals of long-term investments	722	0	0
Impact of changes in consolidation scope	(467)	(1,697)	(147)
Dividends received from equity method companies	17	884	852
<b>Net cash flows generated by investment operations (B)</b>	<b>(37,104)</b>	<b>(72,444)</b>	<b>(35,186)</b>
Dividends paid to parent company shareholders	0	0	0
Dividends paid to the minority interests of consolidated companies	(3)	(94)	(75)
Capital increase through cash contribution	(53)	0	0
Loans issued	125,000	300,000	300,000
Loans repaid	(106,907)	(290,857)	(284,647)
Interest paid on loans	(20,833)	(43,413)	(24,765)
Other financial income and expenses paid or received	(1,890)	(8,339)	(3,194)
<b>Net cash flows generated by financing operations (C)</b>	<b>(4,686)</b>	<b>(42,703)</b>	<b>(12,681)</b>
<b>Change In Cash without impact of change in foreign currency exchange rates (A + B + C)</b>	<b>24,606</b>	<b>34,441</b>	<b>4,675</b>
Impact of changes in foreign currency exchange rates	285	(1,668)	(623)
<b>Change in cash</b>	<b>24,891</b>	<b>32,773</b>	<b>4,052</b>
Opening cash	54,227	21,454	21,454
Closing cash	79,118	54,227	25,506

(1) Including Impairment of goodwill for 63,300 thousand euros as at December 31, 2013

- Glossary

**GERS Activities and Reconciliation:** this division encompasses the activities the Group performs as the parent company of a listed entity, as well as the support it provides to the three operating divisions. The activities of GERS in France and Romania and the company Pharmastock were transferred from the *CRM and strategic data* division to the *Reconciliation* division, which was accordingly renamed *GERS Activities and Reconciliation*. This reorganization aims to simplify the reading of the Cegedim income statement in the event that the IMS Health proposal results in a favorable outcome. More information is available in the "Presentation of Cegedim's Divisions" section of the HY 2014 Financial Report.

**EPS:** Earnings Per Share is a specific financial indicator defined by the Group as the net profit (loss) for the period divided by the weighted average of the number of shares in circulation.

**Operating expenses:** defined as purchases used, external expenses and payroll costs.

**Revenue at constant exchange rate:** when changes in revenue at constant exchange rate are referred to, it means that the impact of exchange rate fluctuations has been excluded. The term "at constant exchange rate" covers the fluctuation resulting from applying the exchange rates for the preceding period to the current fiscal year, all other factors remaining equal.

**Revenue on a like-for-like basis:** the effect of changes in scope is corrected by restating the sales for the previous period as follows:

- by removing the portion of sales originating in the entity or the rights acquired for a period identical to the period during which they were held to the current period;
- similarly, when an entity is transferred, the sales for the portion in question in the previous period are eliminated.

**Life-for-like data:** at constant scope and exchange rates.

**Internal growth:** internal growth covers growth resulting from the development of an existing contract, particularly due to an increase in rates and/or the volumes distributed or processed, new contracts, acquisitions of assets allocated to a contract or a specific project.

**External growth:** external growth covers acquisitions during the current fiscal year, as well as those which have had a partial impact on the previous fiscal year, net of sales of entities and/or assets.

**EBIT:** Earnings Before Interest and Taxes. EBIT corresponds to net revenue minus operating expenses (such as salaries, social charges, materials, energy, research, services, external services, advertising, etc.). It is the operating income for the Cegedim group.

**EBIT from recurring operations:** this is EBIT restated to take account of non-current items, such as losses on tangible and intangible assets, restructuring, etc. It corresponds to the operating income from recurring operations for the Cegedim group.

**EBITDA:** Earnings before interest, taxes, depreciation and amortization. EBITDA is the term used when amortization or depreciation and revaluations are not taken into account. "D" stands for depreciation of tangible assets (such as buildings, machines or vehicles), while "A" stands for amortization of intangible assets (such as patents, licenses and goodwill). EBITDA is restated to take account of non-current items, such as losses on tangible and intangible assets, restructuring, etc. It corresponds to the gross operating earnings from recurring operations for the Cegedim Group.

**Net Financial Debt:** this represents the Company's net debt (non-current and current financial debt, bank loans, debt restated at amortized cost and interest on loans) net of cash and cash equivalents and excluding revaluation of debt derivatives.

**Free cash flow:** free cash flow is cash generated, net of the cash part of the following items: (i) changes in working capital requirements, (ii) transactions on equity (changes in capital, dividends paid and received), (iii) capital expenditure net of transfers, (iv) net financial interest paid and (v) taxes paid.

**Operating margin:** defined as the ratio of EBIT/revenue.

**Operating margin from recurring operations:** defined as the ratio of EBIT from recurring operations/revenue.

**Net cash:** defined as cash and cash equivalent minus overdraft.

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*About Cegedim :*

Founded in 1969, Cegedim is a global technology and services company specializing in the healthcare field. Cegedim supplies services, technological tools, specialized software, data flow management services and databases. Its offerings are targeted notably at healthcare industries, life sciences companies, healthcare professionals and insurance companies. The world leader in life sciences CRM, Cegedim is also one of the leading suppliers of strategic healthcare industry data. Cegedim employs 8,000 people in more than 80 countries and generated revenue of €902 million in 2013. Cegedim SA is listed in Paris (EURONEXT: CGM). To learn more, please visit: [www.cegedim.com](http://www.cegedim.com)  
And follow Cegedim on Twitter: [@CegedimGroup](https://twitter.com/CegedimGroup)

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