

Half-year Financial Information as of June 30, 2011
 IFRS – Regulated Information – Not audited

Cegedim: First half 2011 is on target. The Group is revising its outlook for second half 2011.

Paris, August 3, 2011 – [Cegedim](#), a global technology and services company specializing in the healthcare field, generated consolidated Q2 2011 revenues of €247.1 million, up 1.6% on a reported basis and virtually stable like for like*. Excluding currency impacts, growth amounted to 3.2%, compared with initial guidance of 4%.

The strategic acquisitions made in 2010 are spurring growth, contributing more than three points of the rise in first half 2011 revenues. These new businesses, now successfully integrated, harbor synergies and offer excellent prospects for profitable growth.

In the second quarter, the Group adopted new procedures for implementing CRM products and services, benefited from the surge in electronic medical record activity worldwide, the revolution in online personal insurance services in France, and the global dematerialization trend.

To reflect budget revisions affecting the second half, Cegedim is lowering its guidance for full year 2011 revenue growth to 2% on a reported basis excluding currency impacts, and 0% like for like*. However, thanks to rigorous cost management relative to revenue trends, the Group remains confident in its ability to generate 2011 EBIT close to that of 2010 in real terms.

Cegedim is still confident in its future growth potential and continues to invest strongly in innovative products and services.

- **The change in revenues per sector of activity for the second quarter is as follows:**

€ thousands	2 nd quarter 2011	2 nd quarter 2010	Q2 2011/2010 change	
			Reported	L-f-L*
CRM and strategic data	136 091	137 575	-1.1%	+1.3%
Healthcare professionals	74 732	74 277	+0.6%	-3.5%
Insurance and services	36 251	31 364	+15.6%	+1.8%
Group	247 073	243 217	+1.6%	-0.1%

Like-for-like* growth in the second quarter of 2011 was close to zero. Acquisitions boosted revenues by 3.3%, and currencies had a negative impact of 1.6%.

- The change in revenues per sector of activity for the first half is as follows:

€ thousands	HY 2011	HY 2010	HY 2011/2010 change	
			Reported	L-f-L*
CRM and strategic data	249 206	249 107	+0.0%	+0.3%
Healthcare professionals	140 233	138 739	+1.1%	-3.3%
Insurance and services	69 144	60 991	+13.4%	+0.8%
Group	458 584	448 837	+2.2%	-0.7%

First half 2011 like-for-like* revenues fell 0.7% compared with the same period in 2010. Acquisitions boosted revenues by 3.2% and currencies had a negative impact of 0.3%.

Analysis of business trends by sector

- CRM and strategic data

Q2 2011 sector revenues were €136.1 million, down 1.1% on a reported basis. Currencies had a negative impact on revenues of 2.6%. Despite pressure on medical sales reps, particularly in France and the US, the sector posted like-for-like growth* of 1.3%. As a result, H1 like-for-like revenue growth was 0.3%.

Strong momentum in the APAC region continued in the second quarter, driving revenue organic growth of over 20%.

Emerging countries, a major focus for pharmaceutical companies in terms of new business opportunities, with double-digit growth, saw their share of sector revenues rise steadily and now represent more than 10%.

The delivery of new tools for implementing Mobile Intelligence in late April marks the beginning of a return to normal in the roll-out of CRM offerings for new clients since end-June.

Two consecutive years of strong investment in innovation is translating directly into product quality, and is being noticed by industry watchers such as IDC. This is making it possible to win over new markets, as evidenced by the partnership in Japan with Hitachi.

In a report last June, IDC¹ confirmed Cegedim's position as world leader in market share for aggregate spend solution for Life Sciences industries. This offering is an optimal response to the requirements of the Sunshine Act in the US, which requires pharmaceutical and medical equipment companies to disclose all payments and gifts to physicians. Following in the US's footsteps, France is one of the first European countries about to adopt a "French-style" Sunshine Act. French Parliament is expected to take up the proposed law in the fall.

Other new solutions, such as Organization ManagerTM, a tool for organizing global sales forces, country by country and product by product, has been a great success. July saw the signing of a contract with a leading pharmaceutical company covering 70 countries.

After being penalized in the first quarter by the postponement of orders from Japan, the *strategic data* activity succeeded in making up half of the shortfall in the second quarter. Over the full year, this activity is expected to grow faster worldwide than the Group average.

- **Healthcare Professionals**

In second quarter 2011, sector revenues rose 0.6% on a reported basis to €74.7 million. The acquisition of Pulse in the USA boosted revenues by 4.7%. Currencies had a negative impact of 0.6%. Like-for-like* revenues fell 3.5% over the period.

Sector business lines include:

- CHS (*Cegedim Healthcare Software*), which houses software activities catering to pharmacists, physicians, paramedics and medication databases;
- Point-of-sale advertising in pharmacies and health & personal care shops with the RNP company;
- Financial leasing with the Cegelease company.

Like the first quarter, second quarter revenues were negatively affected by the significant decline – of around 13% – in Cegelease's activity. This decline was expected due to the return of bank competitors to the market.

Conversely, CHS's revenue grew by more than 13% (on reported bases on first half year 2011), driven principally by:

- A good performance in the computerization of healthcare professionals (pharmacists and physicians) in the UK. The Group expects strong growth across the Channel in the years ahead as a result of the ongoing reorganization of the healthcare system.
- Significant growth in the computerization of physicians in France. This growth is likely to accelerate even more in the medium term following the announcement of a new performance bonus for physicians.

Cegedim has been chosen to create and roll out the test phase of a medical data sharing platform for the European epSOS project. Twelve countries are participating in the project, which aims to deliver cross-border services that ensure safe and effective medical treatment to citizens of the European Union traveling outside their home country.

Following the strategic acquisition of Pulse, Cegedim is in a position to profit fully from the excellent outlook for growth in the field of Electronic Healthcare Records (EHR) in the USA.

Pulse's revenues rose more than 16% over the first half, including a substantial acceleration in the second quarter that is likely to continue in the months ahead. A significant boost is expected after mid-August, when the first physician using certified Pulse software receives the subsidy stipulated under the federal government's HITECH plan.

- **Insurance and services**

In the second quarter of 2011, sector revenues rose 15.6% on a reported basis to €36.3 million. Acquisitions boosted revenues by 13.6%. Like-for-like* revenues rose 1.8% over the period.

Hampered by a tough year-on-year comparison, Cegedim Activ, the leader in software and services dedicated to personal insurance, saw its revenues fall substantially over the first half. Even so, its commercial successes in recent months are likely to ensure renewed growth in the months ahead.

At the same time, platforms for managing complementary health insurance payment flows continue to grow at a brisk pace. Demonstrating the business' strong sales momentum, Mutuelle Familiale decided to entrust Cegedim with all of its direct payment flows starting July 1, 2011.

Cegedim SRH, the specialist in outsourced payroll and HR management services, continues to notch up numerous commercial successes and posted revenue growth of more than 15% over the period, including a particularly dynamic second quarter.

Financial resources – 2nd quarter highlights

To the best of the company's knowledge, there were no events or changes of the sort to significantly alter the Group's financial situation during the period. The Group is in compliance with all its bank covenants.

- **Acquisition**

Cegedim seized the opportunity to develop a strategic activity in the market for computerization of pharmacists and physicians in Romania by acquiring the Pharmec company on April 15. Pharmec has a 40% share of the market for pharmacist computerization in that country and generates revenues of around €1 million. In addition, the acquisition enhances Cegedim's data offering in Romania for pharmaceutical companies.

Created in January 2011 for the purposes of this transaction, following a spin-off from a large Romanian industrial group, Pharmec houses all of the computer and services activities catering to pharmacists and physicians.

The transaction was financed with internal financing. Under the agreement signed between the parties, all other terms of the deal are confidential.

- **Refinancing the bank credit used in the May 2007 acquisition of Dendrite**

Cegedim successfully negotiated a 5-year, €280 million credit (term loan and revolving credit) on June 10. This refinancing allowed the Group to repay the bank credit it arranged in May 2007. The security package for the initial credit facility has been entirely released. The €250 million syndicated portion of the credit was oversubscribed. This brings the facility to €280 million and all banks have been significantly scaled-back.

This facility is split into a medium-term amortizing loan of €200 million and a revolving credit of €80 million.

As a result, Cegedim's debt is composed principally of:

- A medium-term loan of €200 million with a maturity of June 2016,
- An undrawn revolving credit of €80 million with a maturity of June 2016,
- A €300 million bond maturing in July 2015.

Significant post-closing transactions and events

To the best of the company's knowledge, there were no events or changes of the sort to significantly alter the Group's financial situation.

2011 outlook

To reflect budget revisions affecting the second half, Cegedim is lowering its guidance for full year 2011 revenue growth to 2% on a reported basis excluding currency impacts and 0% like for like*.

However, thanks to rigorous cost management relative to revenue trends, the Group remains confident in its ability to generate 2011 EBIT close to that of 2010 in real terms. That said, margin trends will be markedly less favorable in first half 2011 than in first half 2010.

Financial calendar

The Group will hold a conference call this evening, August 3, 2011, at 6:15 pm in French and at 7:00 pm in English (Paris time). The call will be hosted by Jan Eryk Umiastowski, Cegedim Chief Investment Officer and Head of Investor Relations.

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September 23, 2011 (after the stock market closes)

- First half 2011 results announcement, followed by a conference call

September 26, 2011 at 10:00 am

- SFAF meeting, 24 Rue de Penthièvre, 75008 Paris (France)

November 9, 2011 (after the stock market closes)

- 2011 Q3 revenues

Additional information

Complete financial information is available on our website: www.cegedim.fr/finance.

A presentation on Cegedim's second quarter revenues is also available on the website.

Appendices

- Revenues by sector and by quarter[#] :

Figures rounded to the nearest unit
* at constant scope and exchange rates

Year 2011

€ thousands	Q1	Q2	Q3	Q4	Total
CRM and strategic data	113 116	136 091			249 206
Healthcare professionals	65 502	74 732			140 233
Insurance and services	32 893	36 251			69 144
Group	211 510	247 073			458 584

Year 2010

€ thousands	Q1	Q2	Q3	Q4	Total
CRM and strategic data	111 532	137 575	122 531	154 874	526 513
Healthcare professionals	64 461	74 278	57 822	74 441	271 002
Insurance and services	29 627	31 364	30 802	37 366	129 159
Group	205 620	243 217	211 157	266 681	926 674

- By sector of activity and geographic zone, the distribution of revenues for the 1st half of 2011 is as follows:

	France	EMEA ex France	Americas	APAC
CRM and strategic data	32%	35%	23%	10%
Healthcare professionals	72%	24%	4%	0%
Insurance and services	99%	1%	0%	0%
Group	55%	26%	14%	5%

- By sector of activity and currency, the distribution of revenues for 1st half of 2011 is as follows:

	Euro	USD	GBP	Others
CRM and strategic data	51%	19%	4%	26%
Healthcare professionals	74%	4%	22%	0%
Insurance and services	99%	-	-	1%
Group	65%	12%	9%	14%

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 around 8,500 people in more than 80 countries and generated revenue of €927 million in 2010. Cegedim SA is listed in Paris (EURONEXT: CGM). To learn more, please visit: www.cegedim.com

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