

Half-yearly Financial Information as of June 30, 2012

IFRS – Regulated Information – Not audited

Cegedim: First half on a par with the second half of 2011 Business stabilizing following the sharp decline in mid-2011

- Fine performance from “healthcare professionals’ software” and “third-party payment” activities
- Ramp-up of “CRM and Strategic Data” in China
- Extension of the Performance Improvement Program

Paris, August 1, 2012 – [Cegedim](#), a global technology and services company specializing in the healthcare field, generated consolidated half-year 2012 revenues of €452.5 million, down 1.3% on a reported basis and 2.8% like-for-like* over the first six months of 2011.

Second quarter 2012 revenues were up 11.3% sequentially versus the first quarter of 2012, resulting in half-year revenues close to those of second half 2011.

After a broadly satisfactory first quarter, in line with internal objectives, the second quarter was hit by weaker economic conditions and an economic slowdown in many developed countries. This was particularly pronounced from June onwards (at end-May, revenue growth was similar to that at the end of the first quarter). Against this backdrop, more clients adopted a wait-and-see position, which directly affected revenues.

The drop in sales in H1 will negatively impact H1 EBITDA. In this tough climate, Cegedim maintained its focus on innovation and deleveraging, and extended its Performance Improvement Program. Thus, the Group is aiming for a second half 2012 performance on a par with that of 2011 and keeping full year 2011 in its sights as a benchmark of achievement.

Moreover, given the level of activity at end of June, the Group considers it is able to meet its covenants and has a satisfactory level of liquidity.

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

€ thousands	HY 2012	HY 2011	HY 2012/2011 change	
			Reported	L-f-L*
CRM and strategic data	237,112	249,206	-4.9%	-6.7%
Healthcare professionals	143,144	140,233	+2.1%	+0.3%
Insurance and services	72,269	69,144	+4.5%	+4.5%
Group	452,525	448,584	-1.3%	-2.8%

First half 2011 like-for-like* revenues fell 2.8% compared with the same period in 2011. Acquisitions and divestments had a negative impact of 0.2% and currencies had a positive impact of 1.7%.

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

€ thousands	2 nd quarter 2012	2 nd quarter 2011	Q2 2012/2011 change	
			Reported	L-f-L*
CRM and strategic data	126,020	136,091	-7.4%	-9.7%
Healthcare professionals	75,848	74,732	+1.5%	-0.8%
Insurance and services	36,453	36,251	+0.6%	+0.6%
Group	238,321	247,073	-3.5%	-5.5%

Like-for-like* growth in the second quarter of 2012 was down 5.5%. Acquisitions and divestments had a negative impact of 0.4%, and currencies boosted revenues by 2.4%.

Analysis of business trends by sector

- **CRM and strategic data**

Q2 2012 sector revenues were €126.0 million, down 7.4% on a reported basis. Currencies had a positive impact on revenues of 3.2%. The Pharmapost divestment had a negative impact on revenue growth of 0.9%. As a result, H1 like-for-like* revenue was down by 9.7%.

First half 2012 like-for-like* revenues fell 6.7% compared with the same period in 2011. Acquisitions and divestments had a negative impact of 0.5% and currencies had a positive impact of 2.3%.

Mature countries face rising healthcare costs that pose new challenges in an already difficult economic climate. As a result, countries are employing cost-curbing initiatives such as requiring doctors to prescribe generic drugs. Consequently, the number of medical sales representatives is decreasing. Emerging markets are partially offsetting this downsizing.

Life sciences companies need to better understand decision-makers' new circumstances, meticulously track interactions and map stakeholder influence networks with a solution that provides seamless flexibility and robust cross-functionality. Cegedim's solutions meet these needs by enabling, for example, better targeting and segmentation strategies that optimize commercial productivity. Cegedim continues to deliver a steady stream of innovation on these topics (Compliance, CRM on iPad, Multi-channel, etc.).

The situation in Southern European countries (representing 11% of sector revenue) remains difficult, especially in Greece and Portugal. Conversely, emerging countries are still rapidly expanding, with a notable ramp-up in China. In the 12 months ended March 2012, pharmaceuticals sales force levels in that country were up over 17% to 80,000, surpassing the US (72,000 medical reps) for the first time. The Cegedim Group is benefitting from this situation, especially in its market research division, where revenues have increased significantly.

- **Healthcare Professionals**

In second quarter 2012, sector revenues rose 1.5% on a reported basis to €75.8 million. The 2011 acquisition of Pharmec boosted revenues by 0.1%. Currencies had a positive impact of 2.2%. Like-for-like* revenues fell by 0.8% over the period.

First half 2011 like-for-like* revenues grew 0.3% compared with the same period in 2011. Acquisitions and currencies had positive impacts of 0.3% and 1.5% respectively.

The sector was driven by very fine performances from software for pharmacists in UK and for doctors in France. Along the lines of the first quarter, Cegelease's revenue was up; however, RNP's revenues reflect the current difficult advertising market.

Although it is not possible to extrapolate from these figures, and even though the economic environment remains uncertain, these early months have reinforced management's expectation of solid growth in full year sales.

In France, four of the six computer-assisted prescription software programs for ambulatory care that have been certified according to the reference of the HAS¹ were developed by Cegedim.

In the US, Pulse has achieved EHNAC² HNAP³ certification. This accreditation recognizes excellence in health data processing and transactions, and ensures compliance with industry-established standards and HIPAA⁴ regulations.

- **Insurance and services**

In the second quarter of 2012, sector revenue was €36.5 million, up 0.6% year on year on both a reported and like-for-like basis.

Over the first six months of 2012, revenues were up 4.5% on a reported and like-for-like basis.

Revenue was hampered by personal insurance companies' hesitancy in the second quarter due to the French election and weaker economic conditions. At the same time, online third-party payer management services and payroll and HR management services continue to grow at a brisk pace.

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. Given the level of activity at end of June, the Group considers it is able to meet its covenants and has a satisfactory level of liquidity.

- **Divestment**

Cegedim sold its Pharmapost subsidiary, one of France's leading printers of drug information sheets, to the Chesapeake group on April 30, 2012 ([see Press Release sent on May 4](#)). Pharmapost, whose synergies with the Group were limited, contributed €5.9 million to Group consolidated revenues in 2011; its contribution to consolidated EBITDA was close to zero.

Significant post-closing transactions and events

On July 3, Cegedim announced the acquisition of ASP Line, France's fourth-largest publisher of pharmacist software, serving more than 1,300 pharmacies present around the country, thus strengthening Cegedim's leadership position in the pharmacy computerization market in France ([see Release sent on July 3](#)). Generating synergies with other Group's activities, this acquisition brings with it significant development potential for the years ahead.

Financed by internal financing, these activities represent annual revenues of around €9 million and will be part of the consolidation scope of Cegedim Group from July 1, 2012.

¹ HAS : Haute Autorité de Santé

² EHNAC Electronic Healthcare network Accreditation Commission

³ Healthcare Network Accreditation Program

⁴ HIPAA: Health Insurance Portability and Accountability Act

2012 outlook

After a second quarter dampened by the deteriorating economic climate, especially in Europe, the Group expects the economic environment to remain tough overall in the second half of the year.

Against this backdrop, the Group is extending its Performance Improvement Program into the second half of the year, while continuing to prioritize innovation and deleveraging. The Group also confirms that it does not plan to make further acquisitions by the end of the year.

As a result, the Group is now expecting a decline in EBITDA in the first half compared to the same period of 2011. The target for the second half of 2012 is to achieve a revenue and EBITDA level on a par with that of the second half of 2011.

Financial calendar

The Group will hold a conference call on August 1, 2012, 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 Q2 2012 revenue will also be available on the website:

<http://www.cegedim.com/finance/documentation/Pages/presentations.aspx>

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September 19, 2012 (after the stock market closes)

- 2012 HY Results release

September 20, 2012

- SFAF Meeting for 2012 HY Results

November 8, 2012 (after the stock market closes)

- 2012 Q3 Revenue release

Additional information

Complete financial information is available on our website: www.cegedim.com/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 2012

€ thousands	Q1	Q2	Q3	Q4	Total
CRM and strategic data	111,092	126,020			237,112
Healthcare professionals	67,296	75,848			143,144
Insurance and services	35,817	36,453			72,269
Group	214,205	238,321			452,525

Year 2011

€ thousands	Q1	Q2	Q3	Q4	Total
CRM and strategic data	113,116	136,091	111,982	149,443	510,631
Healthcare professionals	65,502	74,732	53,724	65,837	259,795
Insurance and services	32,893	36,251	31,337	40,557	141,037
Group	211,510	247,073	197,043	255,837	911,463

- By sector of activity and geographic zone, the distribution of revenues for the 1st half of 2012 is as follows:

	France	EMEA ex France	Americas	APAC
CRM and strategic data	32%	34%	24%	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 2012 is as follows:

	Euro	USD	GBP	Others
CRM and strategic data	51%	20%	4%	25%
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 8,200 people in more than 80 countries and generated revenue of €911 million in 2011. Cegedim SA is listed in Paris (EURONEXT: CGM). To learn more, please visit: www.cegedim.com

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