

Quarterly Financial Information as of September 30, 2015  
IFRS - Regulated Information - Audited

## **Cegedim: Higher profits at end of September against a background of significant investment**

- Revenue up 3.3% and EBITDA, 3.2%
- Rapid development of BPO deals
- Accelerated migration of offerings toward SaaS / cloud models

**Boulogne-Billancourt, November 26, 2015** – [Cegedim](#), an innovative technology and services company, generated consolidated first nine months 2015 revenues from continuing activities of €366.6 million, up 1.0% like for like and 3.3% on a reported basis compared with the same period in 2014. All Group divisions contributed to the reported increase. The like-for-like decline at the [Healthcare Professionals](#) division was more than offset by stability at the [Cegelease](#) division and an increase at [Health Insurance, HR and e-services](#). The [Health Insurance, HR and e-services](#) division made a noteworthy return to strong growth in the third quarter despite the migration of clients towards SaaS and cloud offerings.

EBITDA amounted to €60.3 million over the first nine months of 2015, up 3.2% compared with a year earlier. This EBITDA trend was attributable to the increases at [Health Insurance, HR and e-services](#), [Cegelease](#) and at the [Activities not allocated](#) division, which were partially offset by the decrease at the [Healthcare Professionals](#) division. The EBITDA margin remains virtually stable at 16.4% for the first nine months of 2015 compared to 16.5% a year earlier.

These performances reflect the main development areas the Group is prioritizing for future growth:

- Speeding up the migration of its software offerings from a perpetual license model to SaaS / cloud models
- The rapid deployment of its BPO offering (Business Process Outsourcing)
- Strengthening its businesses through targeted acquisitions

During this transition period, revenue and profitability are being negatively impacted by the significant investment needed in human resources and innovation. Furthermore, the change in revenue and costs recognition induced by the migration to SaaS is leading to an unfavorable base effect during the transition year.

Over the longer term, [Cegedim](#) will increase its customer loyalty and forge closer relationships, simplify its operating processes, and strengthen its offering and its geographic footprint. This move will simultaneously increase the share of recurring revenues, make growth stronger and more predictable, and increase the Group's profitability.

The Group reiterates, as announced on October 27, its target of 2015 like-for-like revenue growth of 1.0% for continuing activities, and a 5.0% increase in EBITDA.

Net financial debt fell by €327.3 million to €176.9 million, mainly as a result of the sale of the [CRM and Strategic Data](#) division to IMS Health on April 1.

- **Simplified income statement**

	9M 2015		9M 2014		Δ
	€M	%	€M	%	
<b>Revenue</b>	<b>366.6</b>	<b>100%</b>	<b>355.0</b>	<b>100%</b>	<b>+3.3%</b>
EBITDA	60.3	16.4%	58.4	16.5%	+3.2%
Depreciation	(32.0)	—	(28.4)	—	+13.0%
<b>Operating income before special items</b>	<b>28.2</b>	<b>7.7%</b>	<b>30.1</b>	<b>8.5%</b>	<b>(6.0)%</b>
Special items	(5.0)	—	(8.1)	—	(37.9)%
<b>Operating income</b>	<b>23.2</b>	<b>6.3%</b>	<b>22.0</b>	<b>6.2%</b>	<b>+5.7%</b>
Cost of net financial debt	(32.7)	—	(38.2)	—	(14.3)%
Tax expenses	(2.7)	—	(1.5)	—	+85.1%
<b>Consolidated profit from continuing activities</b>	<b>(10.8)</b>	<b>(2.9)%</b>	<b>(16.3)</b>	<b>(4.6)%</b>	<b>+34.0%</b>
Net earnings from activities sold	34.1		3.5	-	n.m.
<b>Consolidated profit (loss) Group Share</b>	<b>23.3</b>	<b>6.4%</b>	<b>(12.8)</b>	<b>(3.6)%</b>	<b>n.m.</b>

Over the first nine months of 2015, Cegedim generated consolidated revenue from continuing activities of €366.6 million, up 3.3% on a reported basis compared with the same period in 2014. Currencies and acquisitions had positive impacts of respectively 1.9% and 0.3%. Like-for-like revenue grew by 1.0%.

The decline in like-for-like revenues at the *Healthcare Professionals* division was more than offset by growth at the *Health Insurance, HR and e-services; Cegelease*; and *Activities not allocated* divisions.

EBITDA increased by €1.9 million, or 3.2%, to €60.3 million; the margin remained virtually stable at 16.4% for the first nine months of 2015, compared to 16.5% for the first nine months of 2014. This EBITDA trend was attributable to the drop at the *Healthcare professionals* division being more than offset by EBITDA improvements at *Health Insurance, HR and e-services; Cegelease*; and *Activities not allocated*.

Depreciation increased by €3.7 million, from €28.4 million for the first nine months of 2015 to €32.0 million for the first nine months of 2015. Special items at the end of September 2015 amounted to a charge of €5.0 million, compared with a charge of €8.1 million one year earlier. Most of these charges are linked to reorganizational costs tied to the computerization of doctors in the UK and fees related to the sale of the *CRM and Strategic Data* division to IMS Health.

EBIT before special items decreased by €1.8 million, or 6.0%, to €28.2 million, with a decrease in margin from 8.5% for the first nine months of 2014 to 7.7% for the first nine months of 2015.

The cost of financial debt decreased by €5.5 million, from €38.2 million at the end of September 2014 to €32.7 million at the end of September 2015. This decrease reflects the gain on financial investments and the positive impact of the restructuring of bond debt in 2014 and 2015.

Tax expense increased by €1.2 million, from a charge of €1.5 million over the first nine months of 2014 to a charge of €2.7 million over the first nine months of 2015.

Thus, the consolidated net profit from continuing activities amounted to a loss of €10.8 million at the end of September 2015, compared with a €16.3 million loss a year earlier. The loss per share from continuing activities before special items was €0.4 at the end of September 2015, compared with a €0.6 loss at the end of September 2014. The consolidated net profit attributable to the Group amounted to a profit of €23.3 million at the end of September 2015, compared to a €12.8 million loss at the end of September 2014. This profit came from the adjustment of the result on disposal (see note 13 of the consolidated financial statements).

## Analysis of business trends by division

 • **Key figures by division**

in € million	Revenue		EBIT before special items		EBITDA	
	3 <sup>d</sup> Quarter		3 <sup>d</sup> Quarter		3 <sup>d</sup> Quarter	
	2015	2014	2015	2014	2015	2014
Health Insurance, HR and e-services	55.9	51.4	4.5	6.2	8.6	10.0
Healthcare professionals	36.5	36.9	3.6	6.3	6.4	8.8
Cegelease	27.2	27.3	1.3	1.6	4.6	4.1
Activities not allocated	0.8	0.7	(0.4)	(1.5)	0.4	(1.0)
<b>Cegedim</b>	<b>120.4</b>	<b>116.4</b>	<b>9.1</b>	<b>12.5</b>	<b>20.0</b>	<b>21.9</b>

in € million	Revenue		EBIT before special items		EBITDA	
	9M		9M		9M	
	2015	2014	2015	2014	2015	2014
Health Insurance, HR and e-services	167.5	158.0	16.2	15.7	28.1	26.9
Healthcare professionals	113.0	111.5	10.5	16.5	18.9	24.0
Cegelease	83.3	83.1	3.0	3.6	12.7	12.2
Activities not allocated	2.8	2.3	(1.4)	(5.8)	0.6	(4.6)
<b>Cegedim</b>	<b>366.6</b>	<b>355.0</b>	<b>28.2</b>	<b>30.1</b>	<b>60.3</b>	<b>58.4</b>

 • **Health Insurance, HR and e-services**

Over the first nine months of 2015, division revenues came to €167.5 million, up 6.0% on a reported basis. The acquisition of *Activus* in July 2015 in the UK made a positive contribution of 0.7%. Currencies had virtually no impact. Like-for-like revenues grew 5.2% over the period.

The *Health Insurance, HR and e-services* division represented 45.7% of consolidated revenues from continuing activities, compared with 44.5% during the same period a year earlier.

EBITDA came to €28.1 million for the first nine months of 2015, up €1.2 million or 4.6%. The margin came to 16.8%, compared to 17.0% a year earlier.

These positive performances stem chiefly from:

- *Cegedim Health Insurance*, driven mainly by the third-party payments processing and BPO activities. Others activities were impacted in the short term by the transition from a perpetual license model to an SaaS / Cloud model. Finally, the acquisition of health and personal insurance software publisher *Activus* gave *Cegedim Health Insurance* access to new markets (UK, US, Middle East, APAC, etc.).
- *Cegedim SRH*, the SaaS HR management platform, which got a boost from numerous commercial successes and from the successful development of its BPO activities. This last element initially had a negative impact on margin.
- Digital communication activities, following the successful transition to digital

 • **Healthcare Professionals**

Over the first nine months of 2015, division revenues came to €113.0 million, up 1.4% on a reported basis. Currency effects made positive contributions of 6.0%. Acquisitions had virtually no impact. Like-for-like revenues fell 4.7% over the period.

The *Healthcare Professionals* division represented 30.8% of consolidated revenues from continuing activities, compared with 31.4% during the same period a year earlier.

EBITDA came to €18.9 million for the first nine months of 2015, down €5.1 million or 21.3% compared to a year earlier. Thus, the margin came to 16.7%, compared to 21.5% a year earlier.

These performances stem chiefly from:

- Weaker trends in the computerization of UK doctors following the market's migration to cloud-based offerings. However, the investments the Group is now making in order to get a cloud offering in 2016 should allow this segment to gradually return to growth.
- The impact of rolling out Revenue Cycle Management (RCM) products in the US. This product range allows doctors to manage reimbursements from multiple US insurers. This is a BPO-like offering that required the size of the RCM team to be doubled before requested work could begin with clients. This significantly increased costs. As business with clients gradually ramps up over Q4 2015 and H1 2016, this activity should return to growth and improve its profitability. Revenues related to RCM offerings are recognized over the life of the contract, unlike EHR products.
- The definitive adoption in October of the ICD-10 standards in the United States, which means we can expect a gradual pick-up in EHR sales momentum following a period in which doctors have been hesitant to invest.
- Lastly, the September 2015 acquisition of Nightingale's US assets gives the Group product ranges that use both client-server and cloud models.
- Growth in the computerization of doctors in Spain, Belgium and Romania, and the computerization of nurses and physical therapists in France.
- Growth in the *Base Claude Bernard (BCB)* medication database.

Cegedim is strengthening its *SoCall* remote medical receptionist offering by launching *Docavenue*, an innovative online appointment scheduling solution. This platform connects patients directly to their healthcare professional's calendar so they can request an appointment. Patients then receive a text message confirming the appointment. The service also gives patients access to information on diseases and on medications, via the *BCB* database. It meets a growing need, both before and after consultations, for vetted information on treatments, indications, side-effects and contraindications. The Group plans to expand the *Docavenue* offering to other countries.

- **Cegelease**

Over the first nine months of 2015, division revenues came to €83.3 million, up 0.3% on a reported basis and like for like. There were no acquisitions or divestments, and currencies had no impact.

The *Cegelease* division represented 22.7% of consolidated revenues from continuing activities, compared with 23.4% during the same period a year earlier.

EBITDA came to €12.7 million for the first nine months of 2015, up €0.5 million or 4.1% compared to a year earlier. Thus, the margin came to 15.2%, compared to 14.6% a year earlier.

The increased use of self-financing for financial lease contracts, principally in the second quarter, negatively affected revenues and EBITDA. Favorable financing conditions are leading the Group to reduce the share of self-financed contracts.

As a reminder, margins are higher on self-financed contracts than on resold contracts, but the margin on resold contracts is recognized when the contract is signed, whereas in the case of self-financed contracts, the margin is recognized over the duration of the contract.

- **Activities not allocated**

Over the first nine months of 2015, division revenues came to €2.8 million, up 18.5% on a reported basis and like for like. There were no acquisitions or divestments, and currencies had no impact.

The *Activities not allocated* division represented 0.8% of consolidated revenues from continuing activities, compared with 0.7% during the same period a year earlier.

EBITDA improved by €5.3 million to a €0.6 million profit for the first nine months of 2015 compared with a €4.6 million loss a year earlier. The margin came to 22.2% at the end of September 2015.

This favorable EBITDA trend reflects cost-containment efforts and the impact of invoicing for IT services that are being provided to IMS Health.

## Financial resources

*Cegedim*'s total consolidated balance sheet at September 30, 2015, was €783.8 million, a 31.8% decrease over December 31, 2014.

Goodwill on acquisition came to €184.9 million at September 30, 2015, compared to €175.4 million at the end of 2014. This €9.5 million increase is chiefly attributable to the acquisition of Activus in July 2015 in the UK and to the appreciation of some foreign currencies against the euro, chiefly the UK pound, for €1.7 million. Goodwill on acquisition represented 23.6% of total assets on September 30, 2015, compared to 15.3% at December 31, 2014.

Cash and cash equivalents came to €218.1 million at September 30, 2015, an increase of €174.0 million compared to December 31, 2014. This increase was principally due to the recognition of the selling price of the *CRM and Strategic Data* business to IMS Health, i.e. €324 million net of the cash positions of the divested companies, partly offset by the redemption of a total of €87.9 million of the 6.75% bond maturing in 2020 on the market, and by an increase in WCR.

Shareholders' equity fell €34.5 million to €183.6 million at the end of September 2015 compared to €218.1 million at the end of December 2014. This decrease stems from the decline in the group exchange gains/losses following the deconsolidation related to the disposal of the *CRM and Strategic Data* division to IMS Health. Shareholders' equity came to 19.0% of total balance sheet on December 31, 2014, compared to 23.4% at the end of September 2015.

Net debt came to €176.9 million at the end of September 2015, down €327.3 million compared with end of 2014. This represented 96.4% of equity as of September 30, 2015.

Before the cost of net financial debt and taxes, operating cash flow was €61.3 million at the end of September 2015, compared to €77.3 million as of September 30, 2014.

## Period highlights

- **Disposal of the “CRM and Strategic Data” division to IMS Health**

On April 1, 2015, Cegedim announced that it had completed the disposal of its CRM and Strategic Data division to IMS Health. The estimated selling price, determined in accordance with October 2014 agreements, amounts to €396 million. This estimated amount is subject to joint review over a period of 180 business days from March 31, 2015.

- **S&P has upgraded Cegedim's rating to BB- with positive outlook**

Following the announcement of the transaction, rating agency Standard and Poor's upgraded Cegedim's rating to BB-, with positive outlook, on April 13, 2015.

- **Redemption of the 7.0% 2015 bond**

*Cegedim* redeemed the full amount of the €62.6 million of the 7.0% 2015 bond remaining in circulation upon maturity on July 27, 2015 (ISIN: FR0010925172).

- **Cancellation of factoring agreements**

In the first half of 2014, the Group cancelled factoring agreements covering the divestment of client receivables, with no possibility of recourse, for a total of €38.0 million. These agreements amounted to €14.2 million at end-December 2014. The agreements dealt chiefly with companies sold to IMS Health.

- **Redemption of Cegedim Bonds**

Between May 6, 2015, and September 30, 2015, *Cegedim* redeemed on the market its 6.75% bond, maturing April 1, 2020, ISIN code XS0906984272, for a total principal amount of €79,504,000. The company then cancelled these bonds. As a result, a total principal amount of €345,496,000.00 remains in circulation.

- **Acquisition in the UK of Activus**

On July 20, 2015, *Cegedim* announced the acquisition of 100% of *Activus*, one of the UK's leading suppliers of health and protection insurance software. This deal gives *Cegedim Health Insurance* access to new markets (UK, US, Middle East, APAC, Africa, etc.) and strengthens its software offering for international clients. *Activus* generated revenue of around €7 million in 2014.

This move is part of the Group's strategy of making bolt-on acquisitions to expand its international positions. The deal was financed with internal financing. It began contributing to *Cegedim* consolidated results starting from the acquisition date.

- **Favorable exchange rate movements**

At end-September, movements in exchange rates were positive, contributing €6.8 million to consolidated nine month revenues from continuing activities.

- **Competition Authority**

On September 24, 2015, the Paris Court of Appeal rejected *Cegedim's* request and upheld the Competition Authority decision of July 8, 2014. Because the fine was paid in full in September 2014, this decision has no impact on *Cegedim's* accounts. *Cegedim* has appealed this decision to the Court of Cassation.

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

- **Acquisition of Nightingale's US assets**

In early October 2015, *Cegedim* announced that its US subsidiary, *Pulse Systems, Inc.*, had acquired the US healthcare management activities of Nightingale Informatix Corporation, including Medrium, Ridgemark, Secure Connect and Northern Health Products.

*Pulse* will now be able to offer its clients healthcare and EHR management products in client-server and cloud formats.

- **Redemption of Cegedim Bonds**

On October 1, 2015, *Cegedim* redeemed on the market its 6.75% bond, maturing April 1, 2020, ISIN code XS0906984272, for a total principal amount of €2,150,000. The company is canceling these bonds. As a result, a total principal amount of €343,346,000 remains in circulation.

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

#### Outlook

In light of the rapid development of its BPO and SaaS / cloud businesses, which require personnel investments to get clients up and running, and given the investments necessary for migrating all of its software products from perpetual license models to cloud / SaaS formats, *Cegedim* is expecting for 2015 like-for-like revenue growth of 1% and a 5% increase in EBITDA.

The Group does not anticipate any significant acquisitions for 2015 and does not disclose profit projections or estimates.

Financial calendar

The Group will hold a conference call today, November 26, 2015, 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 2015 First Nine Months Results will also be available on the website:

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

<b>Contact numbers:</b>	France: +33 1 70 77 09 44	<b>No access code required</b>
	US: +1 866 907 5928	
	UK and others: +44 (0)20 3367 9453	

**December 17, 2015** at 1:45pm CET

- 6<sup>th</sup> Investor Summit

Auditorium Cegedim, 17 rue de l'Ancienne Maire, Boulogne-Billancourt

**January 28, 2016** after market closing

- 2015 Revenue

**March 23, 2016** after market closing

- 2015 Earnings

**March 24, 2016** at 10am CET

- Analyst meeting (SFAF meeting)

**May 26, 2016** after market closing

- Q1 2016 Earnings

**July 26, 2016** after market closing

- Q2 2016 Revenue

**September 15, 2016** after market closing

- 2016 Half-year Earnings

**September 16, 2016** at 10am CET

- Analyst meeting (SFAF meeting)

**November 29, 2016** after market closing

- Q3 2016 Earnings

Additional Information

The Audit Committee met on November 24, 2015. The Board of Directors met on November 26, 2015, to review the 2015 first nine months consolidated financial statements.

The first nine months 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 as of September 30, 2015

**Assets**

<i>In thousands of euros</i>	<i>09/30/2015</i>	<i>12/31/2014</i>
<b>Goodwill on acquisition</b>	<b>184,891</b>	<b>175,389</b>
Development costs	30,268	12,059
Other intangible fixed assets	82,372	92,979
<b>Intangible fixed assets</b>	<b>112,640</b>	<b>105,038</b>
Property	389	389
Buildings	3,285	3,637
Other tangible fixed assets	18,752	16,006
Construction work in progress	1,799	697
<b>Tangible fixed assets</b>	<b>24,224</b>	<b>20,727</b>
Equity investments	1,064	704
Loans	2,618	2,684
Other long-term investments	6,424	8,834
<b>Long-term investments - excluding equity shares in equity method companies</b>	<b>10,105</b>	<b>12,222</b>
Equity shares in equity method companies	9,292	8,819
Government - Deferred tax	9,347	10,625
Accounts receivable: Long-term portion	15,648	15,162
Other receivables: Long-term portion	1,256	1,812
<b>Non-current assets</b>	<b>367,403</b>	<b>349,793</b>
Goods	8,424	8,563
Advances and deposits received on orders	89	77
Accounts receivable: Short-term portion	144,675	127,264
Other receivables: Short-term portion	27,900	21,931
Cash equivalents	165,000	2,416
Cash	53,081	41,619
Prepaid expenses	17,223	12,708
<b>Current assets</b>	<b>416,394</b>	<b>214,579</b>
<b>ASSETS OF ACTIVITIES HELD FOR SALE</b>		<b>584,857</b>
<b>Total assets</b>	<b>783,797</b>	<b>1,149,229</b>



**Liabilities as of September 30, 2015**

<i>In thousands of euros</i>	<i>09/30/2015</i>	<i>12/31/2014</i>
Share capital	13,337	13,337
Group reserves	139,150	340,763
Group exchange gains/losses	7,731	63,577
Group earnings	23,326	(199,757)
<b>Shareholders' equity, Group share</b>	<b>183,544</b>	<b>217,921</b>
Minority interests (reserves)	71	118
Minority interests (earnings)	(10)	24
<b>Minority interests</b>	<b>61</b>	<b>142</b>
<b>Shareholders' equity</b>	<b>183,605</b>	<b>218,063</b>
Long-term financial liabilities	346,791	476,024
Long-term financial instruments	4,198	8,094
Deferred tax liabilities	6,883	7,620
Non-current provisions	20,500	18,680
Other non-current liabilities	2,625	1,123
<b>Non-current liabilities</b>	<b>380,996</b>	<b>511,541</b>
Short-term financial liabilities	48,208	72,192
Short-term financial instruments	5	8
Accounts payable and related accounts	47,474	47,166
Tax and social liabilities	60,771	69,188
Provisions	2,420	2,615
Other current liabilities	60,317	47,808
<b>Current liabilities</b>	<b>219,196</b>	<b>238,976</b>
<b>LIABILITIES OF ACTIVITIES HELD FOR SALE</b>		<b>180,649</b>
<b>Total Liabilities</b>	<b>783,797</b>	<b>1149,229</b>

**Income statement as of September 30, 2015**

<i>In thousands of euros</i>	<i>09/30/2015</i>	<i>09/30/2014</i>
<b>Revenue</b>	<b>366,567</b>	<b>354,969</b>
Other operating activities revenue		
Purchases used	(64,888)	(65,921)
External expenses	(93,322)	(90,799)
Taxes	(7,799)	(8,161)
Payroll costs	(138,000)	(129,537)
Allocations to and reversals of provisions	(2,814)	(1,832)
Change in inventories of products in progress and finished products		
Other operating income and expenses	552	(305)
<b>EBITDA</b>	<b>60,295</b>	<b>58,413</b>
Depreciation expenses	(32,047)	(28,363)
<b>Operating income from recurring operations</b>	<b>28,248</b>	<b>30,050</b>
Depreciation of goodwill		
Non-recurrent income and expenses	(5,010)	(8,062)
<b>Other exceptional operating income and expenses</b>	<b>(5,010)</b>	<b>(8,062)</b>
<b>Operating income</b>	<b>23,239</b>	<b>21,988</b>
Income from cash and cash equivalents	1,202	241
Gross cost of financial debt	(32,775)	(38,230)
Other financial income and expenses	(1,173)	(214)
<b>Cost of net financial debt</b>	<b>(32,746)</b>	<b>(38,203)</b>
Income taxes	(2,247)	(3,013)
Deferred taxes	(448)	1,556
<b>Total taxes</b>	<b>(2,695)</b>	<b>(1,456)</b>
Share of profit (loss) for the period of equity method companies	1,428	1,343
Profit (loss) for the period from continuing activities	(10,775)	(16,328)
Profit (loss) for the period discontinued activities		3,547
Profit (loss) for the period from activities sold	34,091	
Consolidated profit (loss) for the period	23,316	(12,781)
<b>GROUP SHARE</b>	<b>23,326</b>	<b>(12,804)</b>
Minority interests	(10)	23
Average number of shares excluding treasury stock	13,934,479	13,955,780
<b>Current Earnings Per Share (in euros)</b>	<b>(0.4)</b>	<b>(0.6)</b>
<b>Earnings Per Share (in euros)</b>	<b>1.7</b>	<b>(0.9)</b>
Dilutive instruments	none	none
<b>Earning for recurring operation per share (in euros)</b>	<b>1.7</b>	<b>(0.9)</b>

**Consolidated cash flow statement as of September 30, 2015**

<i>In thousands of euros</i>	<b>09/30/2015</b>	<b>09/30/2014</b>
Consolidated profit (loss) for the period	23,316	(12,782)
Share of earnings from equity method companies	(1,470)	(1,346)
Depreciation and provisions	32,532	47,280
Capital gains or losses on disposals	(30,687)	350
<b>Cash flow after cost of net financial debt and taxes</b>	<b>23,691</b>	<b>33,502</b>
Cost of net financial debt	31,758	38,343
Tax expenses	5,811	5,417
<b>Operating cash flow before cost of net financial debt and taxes</b>	<b>61,260</b>	<b>77,262</b>
Tax paid	(9,877)	(8,611)
Change in working capital requirements for operations: requirement	(21,370)	(12,220)
Change in working capital requirements for operations: surplus		
<b>Cash flow generated from operating activities after tax paid and change in working capital requirements (A)</b>	<b>30,013</b>	<b>56,432</b>
<i>OF WHICH NET CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS</i>	<b>6,091</b>	<b>40,858</b>
Acquisitions of intangible assets	(30,615)	(37,790)
Acquisitions of tangible assets	(21,003)	(16,282)
Acquisitions of long-term investments		
Disposals of tangible and intangible assets	1,532	665
Disposals of long-term investments	1,604	1,383
Impact of changes in consolidation scope <sup>(1)</sup>	319,370	(467)
Dividends received from equity method companies	81	941
<b>Net cash flows generated by investment operations (B)</b>	<b>270,969</b>	<b>(51,550)</b>
<i>OF WHICH NET CASH FLOWS CONNECTED TO INVESTMENT OPERATIONS OF DISCONTINUED OPERATIONS</i>	<b>(7,482)</b>	<b>(23,314)</b>
Dividends paid to parent company shareholders	0	0
Dividends paid to the minority interests of consolidated companies	(69)	(73)
Capital increase through cash contribution	0	(53)
Loans issued	0	125,000
Loans repaid	(144,457)	(107,069)
Interest paid on loans	(41,530)	(38,363)
Other financial income and expenses paid or received	(643)	(2,788)
<b>Net cash flows generated by financing operations (C)</b>	<b>(186,699)</b>	<b>(23,347)</b>
<i>OF WHICH NET CASH FLOW RELATED TO FINANCING OPERATIONS OF DISCONTINUED OPERATIONS</i>	<b>(836)</b>	<b>262</b>
<b>Change In Cash without impact of change in foreign currency exchange rates (A + B + C)</b>	<b>114,283</b>	<b>(18,466)</b>
Impact of changes in foreign currency exchange rates	2,850	3,821
<b>Change in cash</b>	<b>117,133</b>	<b>(14,644)</b>
Opening cash	99,715	54,227
Closing cash	216,848	39,582

(1) Selling price net of cash positions of the divested companies of the CRM and strategic data division on April 1, 2015.

• Glossary

**Activities not allocated:** 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.

**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.

About Cegedim:

Founded in 1969, Cegedim is an innovative technology and services company in the field of digital data flow management for healthcare ecosystems and B2B, and a business software publisher for healthcare and insurance professionals. Cegedim employs almost 3,500 people in 11 countries and generated revenue of €494 million in 2014. Cegedim SA is listed in Paris (EURONEXT: CGM).

To learn more, please visit: [www.cegedim.com](http://www.cegedim.com)

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