2013 Registration Document

CRM & Strategic Data

Healthcare Professionals

Insurance & services

cegedim

Annual Financial Report Included

This is a free translation into English of the Document de Référence 2013 issued in French and is provided solely for the convenience of English speakers readers. This document should be read in conjunction with, and construed in accordance with, French law professional auditing standards applicable in France.

WARNING

Certain information other than historical contained in this Registration Document may concern objectives, projected data or unaudited financial projections. This information is sometimes identified by the use of the future or conditional tense and terms such as “expect”, “may”, “assume”, “intend to”, “consider”, “anticipate”, as well as other similar terms. This data is subject to risks and contingencies that may subsequently be expressed by actual data that is substantially different. By nature, it is possible that these objectives will not be achieved, and the prospective items on which they are based may prove partially or completely erroneous.

REGISTRATION DOCUMENT 2013

ANNUAL FINANCIAL REPORT INCLUDED

Copies of the Registration Document are available for free from Cegedim SA
at 127-137 rue d'Aguesseau, 92100 Boulogne-Billancourt, France,
and on the website: **www.cegedim.com/finance**

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Registration Document was filed with the Autorité des Marchés Financiers (AMF) on March 12, 2014 in accordance with the provisions of article 212-13 of AMF general regulations.

This document was prepared by the issuer and is binding on its signatories.

It may be used in support of a financial transaction if supplemented by a transaction note that has received approval from the Autorité des Marchés Financiers.

SUMMARY

OVERVIEW

SDR

FINANCE

Annual Financial Report items are clearly identified in this summary with the aid of the AFR pictogram.

2013 Overview

Extract of Registration Document

cegedim

Digest

This section provides an overview of our activities, key performance and an overview of Cegedim on the Capital Market.

Chairman's Statements

Jean-Claude LABRUNE,
Chairman & CEO

2013 results show our investments over the last few years to support the transformation of the pharmaceutical industry are beginning to bear fruit.

With specialties products being developed at the expense of primary care products, the decline of blockbusters and the generalization of generics, the CRM Pharma market is now under the management of specialist teams, which are larger in number and more scientific in nature.
Knowledge-base management plays a vital role in this and it has become critical for the medical and scientific teams within pharmaceutical companies to have all of a doctor's available data according to the nature of the diseases being treated. The requirements are being rewritten and call for new technology better known under the generic name of big data.
At the same time, while the primary care market for patent-protected products or brand names is in sharp decline, the sales market for generic or OTC medicines by networks of representatives is expanding through different sales systems. It may involve, as for example in France, pharmacy-to-pharmacy or group-to-group sales systems, or even sales systems based on chains as is the case in the United States and the United Kingdom. Similarly, the device market is rapidly expanding, and our new CRM solutions are meeting these new needs. In fact, today the number of representatives for devices and OTC is fast approaching the number of traditional reps.
With the pharmaceutical industry currently joining forces against orphan diseases and new highly specialized molecules, medical representatives are gradually being replaced by scientific doctors. The scientific doctor helps the prescribing doctor to better understand the drug, answers his or her questions, handles the studies, takes care of the entire complex medical process of prescribing these new products and satisfies the tremendously extensive requirements set by authorities regarding safety, compliance and effectiveness.
This medicalization of medical information represents an extraordinary opportunity for Cegedim. We have the chance to provide databases and tools to support this shift. I even think that we are way ahead of our competitors. This shift allows us to replace the old model, which is based on the number of medical representatives, with a new model based on the number of doctors and the quality of information gathered from OneKey.

We have taken action to achieve this transformation, which has already shown initial signs of success.

Cegedim is also supporting the changes in the business of Healthcare Professionals through, for example, our software advances that moving away from the fee-for-service model towards the pay-for-performance model.
The new operating methods of the medical practice and in particular the boom in multidisciplinary healthcare facilities represent a new challenge that we are meeting through our innovative and tailored services in France and in other countries where we are present.
Innovation in mobile tools is proving to be very beneficial, as we have seen with the successful launch of the Simply Vitale service for nurses in France, for example.
The growing need for sharing information is opening up new opportunities that have already led to successes as regards e-prescription, dedicated portals for doctor-patient and pharmacist-patient communication, and remote healthcare services.

Another key growth driver is the Insurance and Services business. Cegedim has supported key order placers by meeting their needs for interconnection and computerization as well as by offering support in the area of their changing relationships with healthcare professionals, particularly in France with the announced generalization of the third-party payment system and supplementary healthcare services for all employees.
We are also proud of the success of our outsourced human resource management services and electronic data exchange offerings with, among other things, the development of payment services like the SEPA procedures.

The Group boasts strong growth potential in France and abroad based on its specialized knowledge of the healthcare sector and the converging needs of organizations, pharmaceutical companies, insurers and healthcare professionals.
Cegedim is continuing the strategy that has always made it strong: investing in innovation and offering new tools for healthcare businesses.

« By leveraging its key strengths, notably its efficient and motivated teams, maintaining its investment and adapting its products to new requirements, Cegedim aims to remain a leader in its field. »

Jean-Claude LABRUNE,
Chairman & CEO

Corporate Governance

Boards of Directors

The Board of Directors is composed of ten Directors including an independent member as defined by the Afep-Medef Code of Corporate Governance.

In 2013, three of its members are women. During fiscal year 2013, the Board of Directors met six times on written invitation from the Chairman, sent to each Director at least one week before the date of the meeting.

The Board approved financial statements and deliberated on the overall direction and strategic decisions of the Group.

Audit Committee

The main missions of the Audit Committee are to examine the financial statements, to monitor the preparation process of financial information and the efficiency of the internal control systems, oversee risk management, the rules of independence and objectivity of the Auditors. It is composed of four members including one independent member. The Audit Committee met five times during the 2013 fiscal year. The Auditors, the CFO and the Director of Investment also attended the meetings.

Appointments Committee

The main missions of the Appointments Committee are to create proposals for the selection of Directors and to elaborate a plan for the succession of the Corporate Officers in the event of unplanned vacancies. It is composed of three members including one independent member. The committee met once during the 2013 fiscal year.

Compensation Committee

The main missions of the Compensation Committee are to examine and to make recommendations to the Board of Directors concerning the compensation of the Cegedim Directors, the Chairman & CEO and the Deputy Managing Director, and to examine the policy of free share allocation and variable compensation. It is composed of three members including one independent member. The committee met twice during the 2013 fiscal year.

Strategy Committee

The main missions of the Strategy Committee are to propose directions for the Company's growth and to identify potential targets. It is composed of three members appointed by the Board of Directors. The committee met twice during the 2013 fiscal year, with all its members in attendance.

Management Bodies

Boards of Directors

Jean-Claude Labrune
Chairman

Laurent Labrune

Aude Labrune-Marysse

Jean-Louis Mery

Pierre Marucchi
Representative of FCB

Valérie Raoul-Desprez
Appointed by Bpifrance Participations

Anne-Sophie Hérelle
Representative of Bpifrance Participations

Philippe Tcheng
Representative of GERS GIE

Anthony Roberts
Representative of Alliance Healthcare France

Jean-Pierre Cassan
Independent Board Director

Audit Committee

Valérie Raoul-Desprez, Chairman
Aude Labrune-Marysse
Pierre Marucchi
Jean-Pierre Cassan, Independent Board Director

Appointments Committee

Jean-Claude Labrune, Chairman
Valérie Raoul-Desprez
Jean-Pierre Cassan, Independent Board Director

Compensation Committee

Jean-Pierre Cassan, Chairman, Independent Board Director
Aude Labrune-Marysse
Jean-Louis Mery

Strategy Committee

Jean-Claude Labrune, Chairman
Laurent Labrune
Anne-Sophie Hérelle

Statutory Auditors

Grant Thornton, Represented by Solange AÏACHE

Mazars, Represented by Jérôme de PASTORS

Cegedim Skills

The Cegedim expertise is broken down into 3 operating divisions according to proposed services and types of customers

For the life sciences industry

1. CRM & Strategic Data

around 200,000
users of Cegedim's solutions

Onekey the world leading healthcare professional database

50%
of 2013 revenue

For general practitioners, paramedics and pharmacists

2. Healthcare Professionals

more than 217,000*
healthcare professionals

more than 84,000*
pharmacists

* workstations

32%
of 2013 revenue

For healthcare insurance players & companies in all business sectors

3. Insurance & Services

40 million
policyholders managed

350 million
electronic payments

18%
of 2013 revenue

CRM & Strategic Data

The *CRM and Strategic Data* division supports the marketing and service operations of pharmaceutical, biotech, other healthcare companies and other businesses by providing them with software, data and analysis.

The range of products and services includes (i) databases containing information on medical practitioners and prescribers, including Cegedim *OneKey* database, (ii) sales and marketing management systems, including Cegedim CRM software, (iii) strategic marketing and medical research, (iv) software and analytical systems for assessing the effectiveness of advertising and promotional activity and (v) business intelligence services.

Additionally, the Group provides compliance services which allow pharmaceutical, biotech and other healthcare companies to better communicate the correct usage of drugs and help them ensure that their marketing activities comply with applicable laws and regulations. In particular, the Group believes its *OneKey* database, which contains information on more than 13.7 million healthcare professionals worldwide, is the most comprehensive database of healthcare professionals currently available. It allows Cegedim users to obtain accurate information on healthcare professionals in various sectors and helps them strengthen their relationships with customers.

The clients of the CRM and Strategic Data division include all of the global top 25 pharmaceutical companies as measured by revenue in the year ended December 31, 2011. The CRM software, databases and market research are also used by several companies.

Healthcare Professionals

The *Healthcare Professionals* division provides (i) software for the management of day-to-day practices to pharmacists, physicians, healthcare networks and paramedical professionals located in the EMEA region and the United States and (ii) databases that are useful for such healthcare professionals.

Cegedim software and databases include electronic patient records, e-prescriptions software and a medication database, the scope and content of which are tailored to the healthcare regulations and prescription processes of the various countries in which its clients operate. Cegedim also provides administrative services, including installation, maintenance and hosting, as well as training and call center services related to its products. Furthermore, through its subsidiary *Cegelease*, the Group arranges financings for pharmacists and healthcare professionals in France for computer equipment (e.g., software, hardware and maintenance) and pharmacy fixtures (e.g., signs, automatic devices and furniture). In such financings, the Group primarily acts as a broker between its customers and established financial institutions. Lastly, Cegedim offers marketing and point-of-sale services to pharmacies in France.

Insurance & Services

The *Insurance and Services* division includes all of the Group's products and services for insurers, mutual and contingency companies and intermediaries predominantly in France. This division groups all competencies along the entire chain of information sharing between healthcare professionals and insurance organizations and mandatory and supplemental insurers.

Its offering includes (i) IT for healthcare insurers, (ii) flows and electronic payment, and (iii) management services.

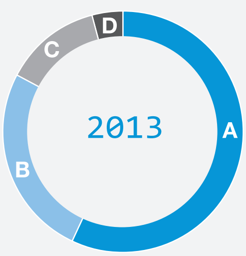
Furthermore, through the Insurance and Services division, the Group provides solutions and services to its many customers in all business sectors concerned with issues related to hosting, outsourcing (notably for HR and payroll management with *Cegedim SRH*) and *Cegedim e-business* services.

Key figures

A breakdown on 4 divisions was implemented with effect from 4th quarter of 2013, in order to provide more relevant information by divisions and internal reporting. The new distinction will help to clarify the impact that this unit has on the Group's accounts.

Cegedim

Geographical Breakdown of 2013 Revenue



A	France	57%
B	EMEA excluding France	26%
C	Americas	13%
D	APAC	4%

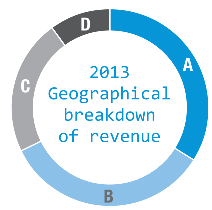
Key Figures

Revenues in millions of €	2013	902.3	(2.1)%			
	2012	921.8				
EBITDA in millions of €	2013	155.7	+1.3%	margin	17.3%	+59bps
	2012	153.6			16.7%	
EBIT* in millions of €	2013	92.1	+2.2%	margin	10.2%	+43bps
	2012	90.1			9.8%	

* Before special items

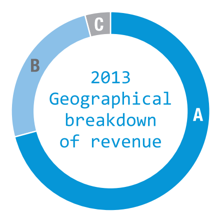
Group Revenue decreased by €19.5 million, or 2.1%, from €921.8 million in 2012 to €902.3 million in 2013. Excluding the positive net impact of acquisitions/disposals of 0.2%, and impact of unfavorable foreign currency translations of 1.8%, revenue decreased by 0.5%.
EBIT before special items (Operating income before special items) increased by €2.0 million, or 2.2% from €90.1 million in 2012 to €92.1 million in 2013. Thus the operating margin came to 10.2% compared with 9.8% a year before.

1 CRM & Strategic Data



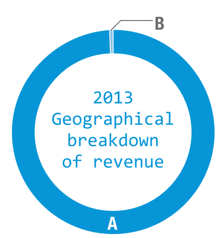
A	France	33%
B	Europe excluding France	36%
C	Americas	22%
D	APAC	9%

2 Healthcare Professionals



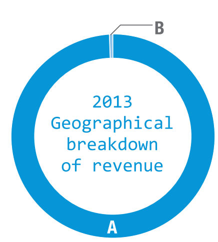
A	France	72%
B	Europe excluding France	24%
C	Americas	4%

3 Insurance & Services



A	France	100%
B	Europe excluding France	0%

4 Reconciliation



A	France	100%
B	Europe excluding France	0%

CRM & Strategic Data

Revenues in millions of €	2013	452.8	(6.2)%				
	2012	482.9					
EBITDA in millions of €	2013	62.7	(2.0)%	margin	2013	13.8%	+59bps
	2012	64.0			2012	13.2%	
EBIT* in millions of €	2013	38.3	+1.8%	margin	2013	8.5%	+67bps
	2012	37.6			2012	7.8%	

Revenue decreased by €30.0 million, or 6.2 %, from €482.9 million in 2012 to €452.8 million in 2013. Excluding the negative impact of 0.4% of disposals and impact of unfavorable foreign currency translations of 2.9%, revenue decreased by 3.0%.
EBIT before special items (Operating income before special items) increased by €0.7 million, or 1.8%, from €37.6 million in 2012 to €38.3 million in 2013. Thus the operating margin came to 8.5% compared with 7.8% a year before.

Healthcare Professionals

Revenues in millions of €	2013	288.8	+0.6%				
	2012	287.3					
EBITDA in millions of €	2013	59.7	+0.5%	margin	2013	20.7%	(2)bps
	2012	59.4			2012	20.7%	
EBIT* in millions of €	2013	35.5	(0.4)%	margin	2013	12.3%	(12)bps
	2012	35.6			2012	12.4%	

Revenue increased by €1.6 million, or 0.6%, from €287.3 million in 2012 to €288.8 million in 2013. Excluding the positive impact of 1.3% of acquisitions and impact of unfavorable foreign currency translations of 1.1%, revenue increased by 0.4%.
EBIT before special items (Operating income before special items) decreased by €0.1 million, or 0.4%, from €35.6 million in 2012 to €35.5 million in 2013. Thus the operating margin came to 12.3% compared with 12.4% a year before.

Insurance & Services

Revenues in millions of €	2013	160.0	+5.8%				
	2012	151.2					
EBITDA in millions of €	2013	38.6	+11.7%	margin	2013	24.1%	+127bps
	2012	34.5			2012	22.8%	
EBIT* in millions of €	2013	24.7	+10.3%	margin	2013	15.5%	+63bps
	2012	22.4			2012	14.8%	

Revenue increased by €8.7 million, or 5.8%, from €151.2 million in 2012 to €160.0 million in 2013. There were no disposals or acquisitions and there was minimal impact from foreign currency translations.
EBIT before special items (Operating income from recurring operations) increased by €2.3 million, or 10.3%, from €22.4 million in 2012 to €24.7 million in 2013. Thus the operating margin came to 15.5% compared with 14.8% a year before.

Reconciliation

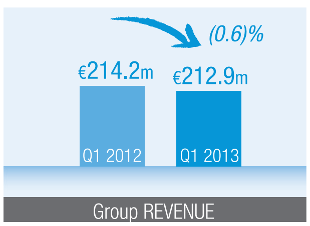
Revenues in millions of €	2013	0.6
	2012	0.4
EBITDA in millions of €	2013	(5.3)
	2012	(4.3)
EBIT* in millions of €	2013	(6.4)
	2012	(5.5)

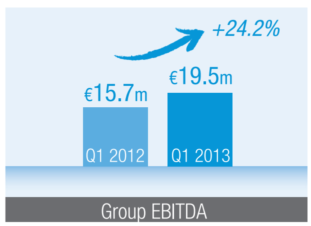
* Before special items

The Reconciliation 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 support activities are invoiced to the client subsidiaries at market prices and notably include bookkeeping, human resources and cash management, legal assistance and marketing. The parent company activities are not billable and notably include managing Group strategy, producing consolidated information and financial communications.

2013 Key Facts

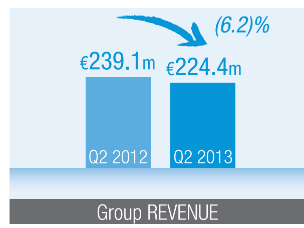
1st Quarter

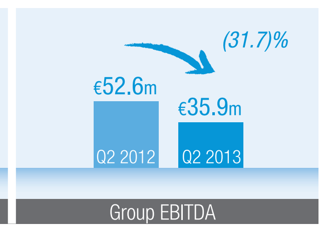




January: Appointment of Valérie Raoul-Desprez as a Board Directors member replacing Jacques-Henri David.
March 20: Cegedim issued a €300 million senior Reg S/144A bond with a coupon of 6.75% maturing April 1, 2020.

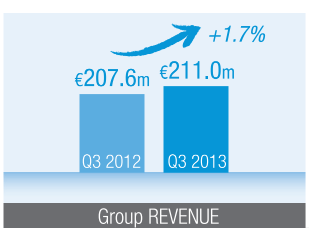
2nd Quarter

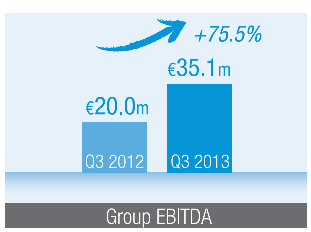




April 26: Standard and Poor's upgraded its rating on Cegedim and its two bonds to "B+ with stable outlook".

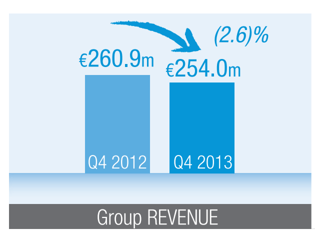
3rd Quarter

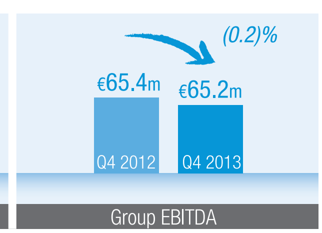




September: Appointment of Anne Sophie Hérelle as a Board Directors member as permanent representative of Bpifrance, replacing Nicolas Manardo.

4th Quarter





November: Acquisition of Webstar Health, the UK leader in health IT consulting and services for pharmacists.
December: Acquisition of certain assets from French company Kadrige, a pioneer in SaaS e-detailing and collaborative solutions.

Significant Post-Closing Transactions and Events

To the best of the company's knowledge, there were no events or changes that would materially alter the Group's financial situation between end of December 2013 and the date of the publication of this document.

Cegedim in the World

cegedim in 2013

7,992 employees

€902m of revenue

Americas

15%

1,204

12%

€112m

EMEA

74%

5,928

83%

€750m

APAC

11%

860

5%

€40m

Strengths

Strong presence along the healthcare value chain

Leading market positions in each division

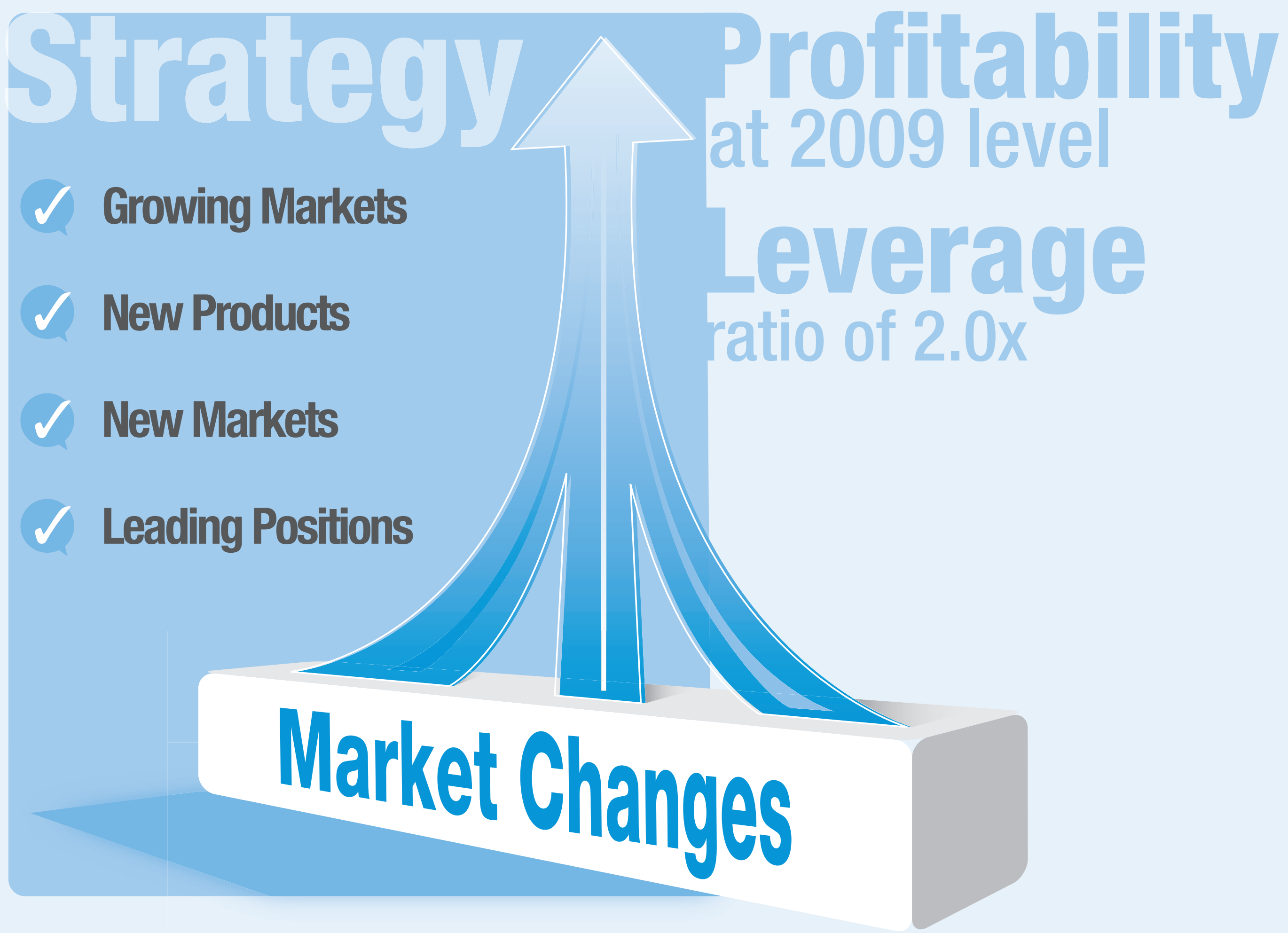
High barrierrs to entry

Recognized portfolio of innovative and integrated solutions

Stable and diversified customer base

Long-standing shareholder support and experienced management

Strategy


Strategy
Growing Markets
New Products
New Markets
Leading Positions
Profitability
at 2009 level
Leverage
ratio of 2.0x
Market Changes

Cegedim
at a glance in 2013

- Cegedim Shares trade up at 23.1% in 2013
- New Bond issued
- Credit rating upgrade

Analysts

Equity

Kepler Cheuvreux: Benjamin Terdjman
CM-CIC Securities: Jean-Pascal Brivady
Gilbert Dupont: Mickael Chane-Du
Natixis Securities: Richard Beaudoux
Société Générale: Patrick Jousseaume
Genesta: Guillaume Nédélec

Debt Securities

Exane: Benjamin Sabahi
Oddo: Carole Braudeau
Imperial Capital: Diego Affo
Société Générale: Priya Viswanathan
BofA Merrill Lynch: Navann Ty
J.P. Morgan: Ela.N. Kurtoglu

Cegedim Share

ISIN code	FR0000053506
Reuters code	CGDM.PA
Bloomberg code	CGM
Market	NYSE Euronext Paris

During 2013 Cegedim shares developed positively. The closing price at the end of 2013 was up 23.1% at €22.89. The closing price reached their high of €26.97 on March 18th, 2013.

In euro	2012	2013
Average for the period	20.47	22.02
High for the period	28.68	26.97
Low for the period	13.43	18.48
Share price (€)	18.60	22.89
Market Capitalization (€m)	260.35	320.40
Outstanding shares (m)	14.00	14.00

Shareholder Structure

As of december 31, 2013	Number of shares	Nomber of voting rights(a)	% of capital	% of voting rights
FCB	7,361,044	14,668,437	52.6%	69.0%
Bpifrance	2,102,061	2,102,061	15.0%	9.9%
Cegedim SA	55,165	0	0.4%	0.0%
Public	4,478,903	4,488,638	32.0%	21.1%
Total	**13,997,173**	**21,259,136**	**100.0%**	**100.0%**

(a) Total member of voting rights that may be exercised at Shareholders' meetings.

Debt Securities

Credit Rating

Cegedim is committed to maintaining a high credit rating. Meetings are held regularly between the rating agency and Cegedim's senior management.

Rating assessed on April 26, 2013

B+
Stable
S&P rating

Market Financing

	7.00% due 2015	6.75% due 2020
Issuer	Cegedim S.A.	Cegedim S.A.
Amount	EUR 168,550,000	EUR 300,000,000
Issue date	July 27, 2010	March 20, 2013
Coupon	7.00% paid semi-annually	6.75% paid semi-annually
Format	RegS	RegS / 144A
Listing	Luxembourg	Luxembourg
ISIN code	FR0010925172	XS0906984272 (RegS) - XS0906984355 (Rule 144A)

“Clarty, Simplicity, Transparency”

Investor Contact

Jan Eryk Umiastowski
Chief Investment Officer
& Head of Investor Relations
janeryk.umiastowski@cegedim.com
Tel: +33 (0)1 49 09 33 36

cegedim

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127-137 rue d'Aguesseau 92100 Boulogne-Billancourt – France
R.C.S. Nanterre: 350 422 622 - NAF code: 6311 Z
Phone: +33 (0)1 49 09 22 00
Email: investor.relations@cegedim.com

www.cegedim.com/finance

2013 SDR

cegedim

Extract of Registration Document

REPORT ON OBLIGATIONS WITH REGARD TO EMPLOYMENT, THE ENVIRONMENT AND SOCIETY IN SUPPORT OF SUSTAINABLE DEVELOPMENT

CEGEDIM'S CORE VALUES

Cegedim's values are based on a permanent desire for innovation and the optimization of the quality of products and data which are adapted to the business needs of its clients' markets.

The demands for innovation, quality, and investment for the future are at the heart of the Group's growth strategy and rest on strong values:

- an agile organization conceived to foster innovation and entrepreneurial spirit

  Cegedim Group is organized around Business Units and autonomous companies, led by responsible entrepreneurs who are able to share and promote the technological excellence of products, in sectors with a strong potential for growth.

  For most of its offers, it looks to provide clients with very complete services that require a high level of professional knowledge and specialization. The technical teams accompany the product from the innovation stage up until the production phase. The product development teams have a perfect knowledge of client needs and of the characteristics of the products offered;
- an entrepreneurial culture resolutely focused on client satisfaction

  Cegedim's objective is to provide clients with the added value they require at the right price. Strong reactivity and large adaptability to change are possible thanks to human-sized teams which foster communication, transmission of skills and sharing of experience. Cegedim relies on the performance of these teams, which are reactive and motivated, and benefit from short information circuits and rapid decision making, and a large adaptability to change;
- compliance

  Cegedim's activities implement sensitive data processing, notably in the pharmaceutical field.

  Compliance is the source of Cegedim's credibility in the health sector, notably with respect to confidential client data and anonymity commitments.

  Respect for the regulations in force and strong ethics are the base of Cegedim's development, and contribute in turn to the evolution of each of its guiding principles.

EMPLOYMENT INFORMATION

1. EMPLOYMENT

Employees

The Cegedim Group's total workforce as of December 31, 2013 was 7,992 employees.

Employees based in France represented 41.8% of the Cegedim Group's total workforce in 2013.

94.0% of employees are employed under open-ended contracts, 97.2% in France and 91.7% abroad.

In 2013, the Cegedim Group hired 1,624 employees. Among these, 887 were hired under open-ended contract (36.2% in France) and 724 employees under temporary contracts, (48.9% in France) and 13 joined the Group via acquisitions.

	12/31/2012	12/31/2013
Total staff in the Group	8,118	7,992
Staff in France	41.2%	41.8%
Employees on open-ended contracts		
as % of total staff	94.5%	94.0%
as a % of staff in France	97.5%	97.2%
as a % of international staff	92.4%	91.7%
Additions	1,911	1,624
New hires on open-ended contracts	1,034	887
portion in France	37.3%	36.2%
New hires on temporary contracts	685	724
portion in France	53.1%	48.9%
Change in consolidation scope	192	13
Subtractions	2,025	1,750

In order to support the Company's plans and initiatives, Cegedim:

- hires several hundred employees in France each year, with an ever-increasing effort to promote diversity among the Company's employees and to help persons with disabilities enter the workforce;
- employs a large number of interns and young people under work-study contracts;
- recruits employees internationally through its presence in over 80 countries around the world.

The Group hires temporary employees when required to meet its needs.

The breakdown of the workforce by region as of December 31, 2013 is as follows:

	France	EMEA excluding France	Americas	APAC
% of employees at December 31, 2012	41.2%	31.5%	15.6%	11.7%
% of employees at December 31, 2013	41.8%	32.4%	15.1%	10.7%

In 2013, based on legally available data (1), 56.6% of the Group's employees were men, with an average age of 39, and 43.4% were women, with an average age of 40.

In 2013 the Cegedim Group saw 1,750 reductions in staff, 679 in France and 1,071 internationally. Reductions in staff include completed temporary employment contracts, completed assignments, completed trial periods, resignations, changes in consolidation (entities sold), mutually-agreed terminations, layoffs and deaths.

In France, layoffs accounted for 11.5% of all causes for staff departures.

With regard to the procedures around staff departures in France, 26 disputes were heard in 2013.

Compensation and evaluations

The Group's compensation policy aims to recognize talent by rewarding both individual and group-wide performance, with greater weight accorded to individual performance.

A fixed and variable compensation policy is in place for certain employees to incentivize high performance:

- the variable portion of operational managers' compensation is objectives-based, reflecting the Company's overall strategic direction in terms of the Group's growth, profitability and cash flow;
- the compensation paid to salespeople, consultants, Project Directors, and certain operational employees includes a variable component. It is based on achieving yearly objectives established by senior management; these are for the most part individual and to a lesser degree group-wide.

Each year, the Cegedim Group's managers meet with their team members one-on-one to evaluate them and to discuss the targets that have been set. An evaluation meeting guide is provided to participants to ensure that discussions take place under the best possible conditions. The evaluation takes place in the first quarter using the internal software tool known as "*Evaluadim*".

(1) This information is not legally available for Russia and Poland.

Semi-annual Meetings are held within certain entities of the Group, and others, at the end of trial periods, are held in order to examine the work done by employees.

Under the Senior Plan that has been in place since 2011 one of the commitments made by the Group has been to work on the later-phase careers of employees over 45 years old, by giving them support in the form of guidance about their professional growth.

A Compensation Committee was formed in 2010. Its main duties are to review and make proposals to the Board of Directors on the compensation of Cegedim's Directors, Chairman & CEO and deputy managing director, and to examine the policies on the attribution of free shares and variable compensation. It consists of three Directors of the Board, including one Independent Member. In the year just closed, the Compensation Committee met twice, on March 4 and June 4, 2013.

Payroll costs

Payroll costs include net salaries, benefits in kind, variable compensation, bonuses and incentives, as well as payroll taxes and contributions to social welfare programs for employees. The fluctuation in these costs over the past three years is as follows:

In thousands of euros	12/31/2011	12/31/2012	12/31/2013
Payroll costs	442,231	449,821	433,458

Employees make up the Group's main resource and represent one of the most significant expenses. Cegedim adapts its wage policy appropriately in order to motivate talent, ensure training and recruiting while maintaining salary costs within a reasonable growth level.

There are employment benefits (at minimum health insurance, which can be supplemented with other benefits plans) and retirement benefits for employees in all countries where such are required by law. The Group intends to gradually broaden such plans into those countries where they are not required by law. As a practical matter nearly all Group employees have been offered health insurance.

2. WORK ORGANIZATION

Organization of work hours

For employees in France, who represent 41.8% of the Cegedim Group's total workforce, work hours are organized based on an annual total of 216 work days with a contractual work week of 35 hours, in exchange for reduced work hour ("RTT" for "*réduction du temps de travail*") days. There are 13 RTT days per year.

Employees receive 25 days of paid vacation, plus any paid vacation time for legal holidays or established under Company agreements.

The provisions applied for overtime comply with the collective bargaining agreements applied within each entity.

Outside of France, the national regulations governing work hours are observed in each respective country. If there are no regulations, the Cegedim Group applies work hour requirements that are considered reasonable by the Human Resources Department of that region, in consultation with the head office.

There were 153 employees working under part-time contracts in France and 236 part-time employees abroad.

In 2013, absenteeism (absence due to sickness, family events such as maternity, marriage, etc., and unjustified absences) totaled 8.9 days per employee in France (including 14.9% for maternity and 64.1% for sickness) and 13.9 days per employee abroad. Paid leave and reduced work hour days are not included in time worked.

Professional relations and collective bargaining agreements

The Cegedim Group works to maintain good relations with its employees and their representatives and fosters regular dialogue between the parties.

In the French subsidiaries and in the Group as a whole, there are a very large number of collective bargaining agreements in place. It is not possible to provide a detailed list of all of them. Since the employee representatives and trade unions have not questioned the Group concerning the existing collective agreements, the Group believes that the agreements overall are judged to be satisfactory. The dialogue was enhanced in 2013 at the Group level by the regular attendance of a member of top management at the monthly works Committee meetings.

In France, in 2000, the Group signed the 35-hour workweek agreement (see the section entitled "Organization of work hours" above).

In 2013, the following major agreements were signed:

- the early release of funds allocated to profit-sharing plans pursuant to the Law of June 28, 2013;
- gender equality in the workplace;
- the generational contract, extending the Senior Plan and the Group's commitment to continue employing seniors and young people.

In addition, in the UES (*Unité Economique et Sociale*, a legal grouping of similar companies to represent employees) of Boulogne-Billancourt, France, the value of restaurant vouchers was renegotiated.

Lastly, incentives and profit-sharing have been discussed regularly.

Within the French entities, and in the Group as a whole, there are employee representatives, Works Committees and a Central Works Committee elected under legal frameworks. The topics covered in employee-employer discussions are not always the same from entity to entity, but major topics, such as work hours, health and safety, wages, and training, are recurring themes.

In addition, two members of the Works Committee are members of the Cegedim SA Board of Directors.

In every country, the Group upholds its obligations, in terms of frequency, procedure, and topics, to hold meetings with various bodies regarding employee well-being within the Company (organization, scheduling, safety, health, resignations, etc.).

Works Committee

It is impossible to report the activities of all the Works Committees in the Group. It can be noted, however, that no local Works Committee brought to the Group HR Department a major question that was not handled successfully at the local level.

With respect to the Works Committee at the parent company, Cegedim SA, pursuant to article L. 432-4 of the French Labor Code, it should be noted that this Works Committee made no comment on the Company's economic and employment situation in 2013. The Works Committee of the UES of Boulogne-Billancourt, France, met 7 times in 2013.

Information and communication

Within the Company, information is disseminated via the following communication tools:

- an Intranet, launched in 2013, one purpose of which is to collect a set of documents including: the welcome packet, which provides information specific to each country and what is available to employees there;
- an in-house newsletter;
- Intranet news messages for employees;
- a presentation at least once a year by the Deputy Managing Director of the Group's performance and highlighted events, for employees in the Paris region and, starting in 2013, in the United States. This presentation is also relayed to the rest of the Group through internal media;
- half-yearly individual interviews;
- the site of the UES of Boulogne-Billancourt, France, which disseminates a transcript to employees;
- the welcome packet given to every new hire, containing the Company rules, the Cegedim Group security charter, the business conduct charter, the ethical charter, the social media usage charter, together with documents about the schedule of benefits and France's 1% housing program;
- a personal, secure electronic lockbox (www.arkevia.com), where Group employees can find their pay stubs and store personal documents without cost;
- various other initiatives have been launched locally within different Group entities.

Health and safety

In France, health and safety conditions are addressed during meetings of the Health, Safety, and Working Conditions Committee (CHSCT). These meetings are held regularly in the Group's various entities.

The updating of the Cegedim SA Company rules strengthened the provisions concerning personal safety.

In France in 2013 there were 63 job-related accidents that forced employees to take leave from work, of which 50.8% occurred during work-related travel. Such accidents did not affect temporary personnel or service providers. These accidents did not result in any case of permanent disability. Further information about the measurement of workplace accidents is provided in the paragraph about methodological limits.

One case of an occupational disease was declared to the French social security system in 2013. This occupational disease was neither recurrent nor contagious in nature.

Additionally, in France the *Accord National Interprofessionel* has since 2012 allowed supplementary private health insurance to be paid for former employees looking for a new job. The assumption of this cost by the Group, except in the case of resignation, is available for nine months after the employee has left the Company.

Outside of France, the Group adheres to any local regulations in relation to health and safety conditions.

In general, the Group considers the situation regarding agreements relating to health and safety at work to be satisfactory.

Training

Training, which gives employees a foundation on which the build their skills and maximize their potential, is a cornerstone of the Cegedim strategy. The Group works to help employees define and achieve their individual development goals. Requests for training may be expressed during the annual evaluation meeting or at any other time. Requests may be placed through a central management system for employees connected to the Group Intranet, which also allows them to consult their individual right to training in real time.

For the year 2013, 0.8% of the Cegedim Group's payroll was allocated to training, representing a total budget of 3,442 thousand euros. This amount went primarily toward outside training hours. Internal training was also organized for the employees of the Group.

In France 37.5% of employees received training within the Company. This training represents a total of 24,762 hours.

Training costs are paid for either by each entity of the Cegedim Group or by collecting bodies, depending on the payments made.

Consolidation/France	12/31/2012	12/31/2013
Employees receiving training	1,547	1,251
Number of hours of training	31,268	24,762

Gender equality in the workplace

The Group does not discriminate when hiring and assigning positions. Job offers provide wages without discrimination; raises depend on criteria linked to the performance and experience of each worker.

Any person who is a victim of or a witness to discrimination has several means of calling attention to it. They can among other things contact the Group Ethics Committee (see following page) or any employee forum, which will act with complete independence.

The Group's senior staff – senior in terms of both age and seniority – provides a mentoring system to support new employees for whom joining the Company requires particular attention. This commitment is written into the Senior Plan.

Jobs and assignments given to workers with disabilities

It is the goal of the Cegedim Group to ease the way into the Company for workers with disabilities and to lessen instances of discrimination. The Group is making efforts to improve access to buildings for handicapped people. Furthermore, in France, special five-day paid leave is offered to employees with disabilities to allow them to take care of their medical and administrative needs.

In France in 2013, 54 handicapped persons, recognized as such by the MDHP (Departmental institute for persons with disabilities) were counted towards the contribution program for workers with disabilities.

In 2013 human resources managers at the headquarters received training on disabilities in the workplace. A brochure is being produced to list the assistance available to the disabled.

Also, a disabilities steering Committee was convened in May and September 2013 to discuss hiring requirements, non-discrimination and compensating the disabled. A mediator handles, among other issues, the interface between occupational healthcare and workers with disabilities. This Committee consists of a Director of the Operational Excellence unit, the manager of sales analysis and administration of the CRM division, of the communications director, the GERS customer base director, a project leader from Cegedim Strategic Data, a systems and networks engineer, a technician from the CRM Division and the manager of the central services office.

Outside of France, the Group enforces the regulations in force with regard to the employment of people with disabilities and, in general, works to combat any form of discrimination.

Ethical charter and Ethics Committee

In March 2011, an ethical charter was drawn up to remind employees of the Group's objectives in the areas of sustainable development and social equity, with respect to its employees and the communities with which the Group interacts. Rules for proper conduct were developed based on this charter. These rules make up the core of the standards and responsibilities that the Group wishes to emphasize.

This charter is accessible to every Cegedim employee, and every new hire has to read it. These provisions basically state one's obligation to always be attentive to Cegedim's values and to adhere to ethics scrupulously.

Internationally, headquarters sees to it that this charter is known and observed by all the Group's subsidiaries.

The Cegedim Group's Management is responsible for ensuring compliance with the values and principles set forth in the ethical charter with respect to its customers and employees. It is aided in this endeavor by an independent Ethics Committee.

Since 2011 this Committee has consisted of three members: a representative of the employees (the secretary of the UES works Committee in Boulogne-Billancourt, France), the CEO of Cegedim and the Cegedim Director of Human Resources. Requests may be sent directly by mail to each member of the Ethics Committee or to a Committee-specific email address. No obvious violations of the provisions of the Charter have been reported to the Committee since its creation.

Our code of ethics seeks to:

- apply the laws and regulations in force in the countries where the Group does business to all relevant areas;
- ensure that business is conducted in a way that has a positive impact on each country in which we operate;
- put the men and women of Cegedim at the core of the Group's development strategy and offer all employees the opportunity to put their full operational and intellectual potential to use;
- apply and respect the 12 commitments set forth in the "Cegedim Compact", which draws on the United Nations' "Global Compact". The implementation of these commitments is coordinated by a dedicated team that is responsible for quality, safety and environmental policies within the Operational Excellence Unit:
    1. eliminate all forms of forced or mandatory labor,
    2. prohibit the employment of children under the age of 15 to the exclusion of training,
    3. eliminate all discrimination in the areas of employment and professional occupation,
    4. promote individual success,
    5. ensure a favorable working environment on all sites,
    6. promote local employment and respect the laws in effect,
    7. undertake initiatives to promote greater environmental responsibility,
    8. act against corruption in all forms,
    9. ensure the safety of property belonging to the Group and its clients,
    10. ensure the confidentiality of client information,
    11. respect the laws in effect governing the protection of personal data worldwide,
    12. reduce travel;
- conduct business in accordance with the highest standards of honesty, integrity, and fairness in every country served by the Group;
- give vendors, partners, and sub-contractors the chance to succeed, in keeping with the spirit of fair competition as well as a spirit of collaboration, partnership, and mutual benefit;
- communicate information openly and transparently with shareholders, stakeholders, and the financial community, while ensuring that the information provided to them is relevant.

As part of their duties, the men and women of Cegedim strive to follow the following rules of conduct:

- protect the confidentiality of the information and data to which they have access as part of their job;
- ensure that any gifts and invitations received or offered are merely symbolic in nature and that they do not violate acceptable use policies, any relevant regulations, or ethics in general;
- use the equipment and office supplies made available to perform their duties with respect for the Group's interests;
- express themselves on behalf of the Cegedim Group, such as to journalists and analysts, in strict compliance with the Group's communication rules;
- ensure that there is no confusion between personal opinions and interests and the interests of the Cegedim Group;
- notify supervisors of potential conflicts of interest or circumstances that could possibly be seen as influencing one's judgment or behavior;
- refrain from holding any position or job or from holding a financial interest in an organization that is a competitor, customer, vendor, or business partner of the Cegedim Group, if the duties performed allow one to have an influence on the relationship, unless the interest is acquired through the purchase of listed securities as part of the management of a portfolio of securities and in compliance with the rules prohibiting the use of insider information;
- refrain from selling, transferring, or assigning any property belonging to the Cegedim Group without the proper authorizations and documentation;
- protect the confidential information and data to which any employee may have access as part of his or her job, by using such information strictly for his or her professional duties and by upholding the commitment to keep such information confidential with regard to third parties.

ENVIRONMENTAL INFORMATION

In keeping with the code of ethics described above, the Cegedim Group works to protect the environment. Nevertheless, it should be mentioned that the Group's activities do not, by nature, generate pollution, since its products are essentially intangible. Cegedim relies first and foremost on its human capital, as it provides service activities that do not directly require the use of industrial processes or raw materials.

Operating in the sector of technologies and services relating to information and databases, the Cegedim Group's priority is to satisfy its clients and partners concerning systems and data security. The best precautions are taken to guarantee that our customers receive the highest standards of quality and protection of the data and traffic they entrust to us, and in this area, Cegedim's Information Systems Division obtained ISAE 3402 and SSAE 16 certification in 2012 for the Group's data hosting and services.

Thus, the reduction of risks and impacts that can affect the assets and the image of the Group, relating in particular to fire, floods or other natural disasters, power outages, computer viruses and sabotage is a constant and primary concern for the Group.

The Group implements strategies for activity and service continuity, drawing on the global distribution of its five IT centers and the state of the art of information technologies. The Chairman's Report on internal control details the information system security measures implemented in the Cegedim Group. Some industrial risks are also covered by suitable insurance policies.

Nevertheless, the Group is careful to follow best practices and promote processes that minimize its impact on the environment, especially as regards the day-to-day organization of work activities.

Given their essentially intangible nature, the activities of the Cegedim Group have no significant environmental impact. The main levers for environmental responsibility are based on:

- reducing energy consumption, mainly at the level of the data centers through the use of latest generation equipment;
- the purchase of recycled products;
- optimizing the life cycle of manufactured goods by managing certain products' end of life (paper, cardboard, IT equipment, cartridges, etc.);
- controlling the Group's vehicle fleet;
- controlling movements.

Within the framework of Cegedim Compact and in order to meet these objectives, the Cegedim Group has continued to develop global and local initiatives to reduce its environmental impact in accordance with local laws and regulations.

Cegedim Compact's main efforts are aimed at:

- the virtualization of the data centers and reducing their energy consumption;
- equipping people with new generation computers that consume less;
- the drawing up of an ethics charter and a non-discrimination charter;
- the creation of an Ethics Committee involving senior management and employee representatives;
- the implementation of best HR practices for managing key positions, spreading the Group's values and carrying out employee awareness campaigns;
- introducing a travel policy more respectful of the environment;
- developing remote communication tools.

Additionally, the subsidiaries abide by local laws and regulations relating to hygiene, safety and the environment.

Considering the environmental impact in the day-to-day management of IT equipment

For over thirty years, Cegedim has designed, built and run its data centers and technological platforms with a view to optimizing energy efficiency, in order to respond to both the economic demands of a highly competitive market and the objectives of sustainable development.

When deploying these data centers worldwide (in Europe, the Americas and Asia), environmental, energy and economic constraints specific to each country have been considered throughout the design, deployment and operation stages. These constraints have been integrated into every dimension of information systems hosting.

In 2013, Cegedim's technical and IT teams pursued its program to continuously improve the energy efficiency of the Group's IT hosting services. This program is structured around three main areas:

- Optimizing the use of IT resources

  Virtualization continues to bring about a series of optimizations. In 2013, the number of physical servers dropped by 14%, while the number of virtual machines was up by 2.2%. Unit resources are constantly increasing and each virtual machine has more CPUs and RAM (Random Access Memory). The virtualization rate, which is defined as the total number of servers divided by the total number of physical servers, rose from 79% to 81% in 2013, with slightly more than four virtual servers to one physical server.

The use of these oversized servers thus increases the sharing rate of services and optimizes energy consumption during periods of low activity;

- Reducing the energy consumption of servers and IT equipment

  The Group selects high energy efficiency equipment for equivalent or superior capabilities. The capacity of the network infrastructure thus increased tenfold at constant energy needs.

  In addition, at the Boulogne-Billancourt site in France, the "MI Box" solution enabled higher energy efficiency for the platforms with the most consumption, by using specific servers the consumption of which was 30% lower than that of the solutions in the same generation, at equal processing power. In practice, the deployment of "MI Box" reduced energy consumption by 64.5%, at an equivalent core/performance ratio and a memory capacity that was 64% larger. Apart from the reduction in the number of servers from 42 units to 10 units, this solution also resulted in less network equipment required for connecting the servers, which in turn contributed to an estimated 10% drop in energy consumption compared to previous solutions;

- Optimizing the efficiency of air conditioning systems at hosting centers

  Simultaneously with the efforts mentioned above, in 2013 a project was launched to replace air conditioning equipment that uses R22 (which is harmful to the environment) with a system that is more environmentally friendly.

  Cegedim also plans to gradually partition the cold aisles at all of its hosting facilities in France.

  The Group's carbon footprint regarding greenhouse gas is measured in terms of the electricity consumption necessary to carry out its business activities.

  The figures below show the Group's annual electricity and gas consumption in kilowatt hours in 32 countries, including the six major countries (France, the UK, Germany, Spain, the US and Singapore), representing 91% of the Group's employees. These countries accounted for 97% of the Group's consolidated revenue and 98% of the Group's consolidated EBIT in 2013.

	31/12/2012	31/12/2013*
Annual electricity consumption (in kWh)	31,922,022	39,033,817*

* *2013 figures include additional countries compared with 2012 and annual gas consumption, see methodology for more details.*

The Group has hosting centers in Boulogne-Billancourt, Toulouse, Bedminster and Singapore. The figures given above include the electricity consumption required to operate these centers and that attributable to other premises (offices, other administrative sites, etc.). The Group is currently striving to more precisely identify the consumption of its hosting centers and IT equipment. In 2013, Cegedim established a PUE-based (Power Usage Effectiveness) system for measuring consumption at its data center in Boulogne-Billancourt.

Considering the environmental impact in the business travel policy

The Company has been making a special effort to reduce work-related travel. This item represents a large expense, as well as a large source of CO_2 emissions. The Group clearly encourages employees to cut back on their travel and use alternative solutions while maintaining the quality of the services offered to customers. Announced by the Chairman, this encouragement to reduce travel is available on the Group's Internet site. In addition, each new employee is made aware of the Cegedim Compact, presented in the Employment information section of this document.

Regarding the business travel policy, the Group has measured its impact in terms of CO_2 emissions in its main countries of operation.

The figures below show the Group's annual CO_2 emissions in kilograms in eleven countries, including the six major countries (France, the UK, Germany, Spain, the US and Singapore). In 2013, these six countries represented 74% of the Group's total employees, 84% of the Group's consolidated revenue and 82% of the Group's consolidated EBIT. At constant scope, the Group reduced its CO_2 emissions by 20.6% between 2012 and 2013.

	12/31/2012	12/31/2013
Annual CO_2 emissions (in kg)	2,231,592	1,954,091*

* *2013 figures include additional countries compared with 2012, see methodology for more details.*

These figures only concern emissions from work-related travel by plane in the calendar year 2013 in the six countries listed previously.

Since September 8, 2009, Cegedim's US headquarters in Bedminster, New Jersey have been powered entirely by green power from renewable energy resources, i.e., energy from non-fossil fuel and non-nuclear natural resources. These sources include hydroelectricity and power generated by the wind, the sun, the rain or the tides. The use of green power at our Bedminster site is a testament to our long-term commitment to the environment, in accordance with the Cegedim Compact.

In the US, for instance, the Group participates in a local green transportation program (New Jersey Community Program for Ridewise). Through this program, Cegedim offers employees parking spaces in exchange for car-pooling or the use of cleaner fuels. In reward for all of these actions, in 2012 Cegedim received a gold medal from the New Jersey Community Program.

In France, the size of the Company car fleet remained constant compared with last year. Apart from a few acquisitions of commercial vehicles, Cegedim opts for categories with lower CO_2 emissions when renewing Company vehicles. Thus, in 2013 in France, 58 new Category A vehicles with CO_2 emissions of less than 100 g per kilometer replaced older, more polluting vehicles. In 2013, 61% of the French fleet consisted of vehicles emitting less than 120 g of CO_2 per kilometer and 84% of that fleet emitted less than 140 g of CO_2 per kilometer.

Abroad, the subsidiaries have also been making efforts to move the fleet toward less polluting vehicles. For example, in the Netherlands, all new vehicles are hybrid.

Considering the environmental impact in the day-to-day management of business activities

The Cegedim Group's sustainable development program, the "Cegedim Compact", was launched on the initiative of Group Management and is based on the United Nations' "Global Compact". As such, the Group complies with the fundamental conventions of the International Labour Organization.

In most countries, Cegedim promotes and deploys actions regarding the items that have a large impact on the environment throughout the entire Group. Since the Group's activities do not generate pollution, there are no specific training programs in environmental protection. The Group however is implementing certain preventive initiatives in waste recycling and disposal.

Reducing the number of documents printed by employees is an important goal for the Group. On a day-to-day basis, teams are encouraged to consider whether or not they truly need to print out their work or whether there are simple alternatives at their disposal (e.g., projecting information for a meeting on a screen rather than printing it out, only printing out emails when necessary, two-sided printing, etc.). There are less and less individual printers being used among employees, who instead send their documents to a shared printing station. This limits printouts made simply out of convenience and helps to save consumables by encouraging black-and-white printing over color printouts.

Regarding reducing printing, since 2007, the Group has promoted electronic dissemination of the information it is required to provide under French regulations. The Group has cut the number of printed copies of its Registration Documents by almost 83% between 2009 and 2013. Furthermore, electronic greeting cards sent to customers and providers have been gradually replacing paper cards.

Other actions revolve around more responsible individual behaviors and various initiatives by local teams in charge of general services. For instance, ink cartridges are recycled throughout almost the entire Group, and the recycling of paper is increasing within many subsidiaries.

The purchase of green office supplies is encouraged when the price-to-quality ratio is reasonable ("Ecolabel" recycled paper or paper from sustainably managed plantations), especially for certain initiatives requiring mass printouts. For example, since 2007, the Group's Registration Document has been published on 100%-recycled, European Ecolabel-certified paper.

Simple ways to reduce energy use have been implemented on a case-by-case basis, such as automatically turning off lights and air conditioning in the offices after a certain time, encouraging car-pooling, etc.

Environmental indicators not applicable to the Cegedim Group

Considering the Group's business, the following indicators are not considered to be applicable:

- measures to prevent, recycle and eliminate waste;
- resources set aside for the prevention of environmental risks and pollution;
- measures to prevent, reduce or repair air, water or soil pollution having a serious effect on the environment;
- noise pollution;
- water supply;
- land use;
- the measures taken to preserve or develop biodiversity;
- adapting to the consequences of climate change.

As a service provider, the Group does not consume water other than for its regular day-to-day needs.

In addition, Cegedim does not have insurance to specifically protect it against environmental risks. However, the Group does benefit from an accidental pollution clause under its professional liability insurance policies.

Lastly, considering that its business activities do not generate pollution, the Group established no provision for environmental risks.

SOCIETAL INFORMATION

As part of its international expansion, Cegedim is naturally involved in sustainable development, which puts human capital and, particularly, social equity for its employees as well as its communities, at the forefront of the Group's concerns.

Societal commitments to Group employees

In 2013, Cegedim's employment policy supported the Group's business activities. Cegedim considers human resources as the main asset of the Company and it is committed to strengthening this human capital. The Group hired 1,624 employees, mainly employed under open-ended contracts and as managerial personnel, or the equivalent abroad.

The Group also gives preference to the hiring of upcoming graduates under apprenticeship contracts thanks to partnerships with schools and universities in India, France, Belgium, and Germany, among others.

For instance, in 2012, Cegedim created a promotional film in France with the ESGI School of Computer Science to promote work-study programs and employment opportunities for students in the business world. In 2013, after this film, the Group continued its collaboration with the school and:

- signed work-study contracts for Bachelor's or Master's degrees with five students from this school;
- on March 14, 2013, held a conference on "working abroad" for all school graduates;
- on May 30, 2013, participated to an afternoon interview coaching session;
- on September 24, 2013 participated in a Speed Meeting day for work-study contracts;
- contributed to the preparation of the submission file for the establishment of a new work-study program;
- paid a portion of the Group's apprenticeship tax;
- posted the video that presents the Cegedim/ESGI partnership on the "Students and graduates" page of the cegedim.fr site.

Expertise and potential for advancement are top priorities when hiring employees. The people hired as Managers all have advanced degrees. Most employees have a scientific or business-oriented educational background.

As an international service provider, Cegedim encourages its employees to work as a group-wide team and to collaborate with teams in other geographic regions. The Group aims to consistently provide high quality services to its international customers, wherever they are based.

For Cegedim, opportunities for internal promotion to different geographic areas allow employees to broaden their skills and their business knowledge and help the Group guarantee the transfer of knowledge among entities.

The Group applies an ambitious HR policy for training and internal mobility and uses professional advancement as a tool to motivate employees and drive their success. To this end, an international mobility department serves managers, salespeople, and technicians to manage their requests for international placement (generally on assignments lasting three years), for transfer or for short-term assignments from France abroad, from abroad to France, or between different locations outside of France. The Cegedim Group offers its employees international assignments both from France abroad and from abroad to France.

As a major proponent of the "win-win" principle, the Cegedim Group seeks to create an environment in which its employees are able to fully develop their talents while actively contributing to the Company's performance. The diversity of business activities and the international presence of Cegedim in 80 countries give employees opportunities to enrich their skills and personal experience with a view to taking on new responsibilities. When there is a vacancy, priority of consideration is given to the Group's employees.

Societal commitments to organizations interested in the Group's business

IMPACT ON REGIONAL EMPLOYMENT AND DEVELOPMENT

Cegedim consistently bears in mind the regional impact of its activities, in terms of both employment and development. The Group is active in 80 countries. New employees are typically hired locally, which helps to boost the local economy.

The international mobility policy ensures that employees are able to retain their health and pension benefits and offers the necessary return and repatriation provisions.

In December 2011, Cegedim made a promise to Bpifrance to prioritize three goals for progress:

1. take the full scope of the Company into consideration and treat human resources as the Company's most valuable asset;
2. put a greater focus on people;
3. continue efforts to support transparent, effective governance.

SUBCONTRACTING

In 2013, subcontracting represented 48,701 person-days in France and 98,696 abroad. This amount pertains to external vendors of the Cegedim Group.

For sub-contracting in France, agreements are centralized. In other countries, it is a local responsibility. Cegedim's subcontracts part of its activities to its own subsidiaries. The Group has created its own subcontracted IT subsidiaries, for example in India and Morocco.

Cegedim works with vendors who apply responsible practices and strives to apply the same treatment to the employees of external subcontractors as to Group employees.

As discussed in the context of the Ethics Charter (see the "Employment information" section), the Group aims to offer its suppliers, partners and subcontractors opportunities for success in a competitive, open and fair environment but also in the spirit of cooperation, partnership and mutual benefit.

GENERAL COMMITMENTS REGARDING CONSUMER HEALTH AND SAFETY

The Group is fully aware of the fact that it operates in a sensitive sector, that of life science industries, and it ensures the anonymization of health data, secure hosting and the carrying out of studies in line with standards that are regularly audited by customers.

Cegedim is approved as a health data host ("*Hébergeur de Données de Santé*" – HDS) and is ISAE 3402 and SSAE 16 certified. The Group has extensive expertise in data management, as well as in the management of financial flows and electronic documents. Due to their highly strategic and sensitive nature, these activities have led the Group's IT teams to devise and implement resources and architectures with very high availability that meet the most stringent security requirements and, in particular, standards governing the hosting of health records. Cegedim thus offers its customers a complete private Cloud service, based on hosting capacities and knowledge distributed around the world across three regions: the Americas, Europe and Asia. The locations of these Tier III+ level sites allow, on the one hand, for services to be provided continuously, and, on the other, for the implementation of Service Continuity Plans or Disaster Recovery Plans within the same region or between regions.

The Group offers a secure electronic safe service (www.arkevia.com) for storing personal documents.

As part of the Group's Ethics Charter described in the Employment information section, Cegedim seeks to ensure that its employees protect the confidentiality of the information and data to which they have access as part of their job.

PHILANTHROPY AND OTHER INITIATIVES OF THE GROUP

The Group commits to developing initiatives to support social causes around the world.

At the Group's headquarters in France, grants are given to employees as part of their extra-professional activities (sports, recreational and cultural activities). In addition, various actions have been undertaken in connection with the holidays at the end of the year (gift vouchers, Christmas tree, etc.), school breaks (vacation vouchers) and for other important events.

The Aguesseau art gallery, located at the Group's headquarters, regularly exhibits and promotes young local artists. The artwork is visible from the building's exterior. In 2013, the works of seven artists were shown there, of which four live near the Group's headquarters.

Other initiatives are organized at the discretion of Group subsidiaries. For example, one of the Group's French subsidiaries sponsored a participant in a sailing race in 2013.

ACTIONS UNDERTAKEN TO PREVENT CORRUPTION

As mentioned in the Group's Ethics Charter (see the "Employment information" section), the Group is committed to act against corruption in all forms. In 2013, no evidence was submitted or reported to the Ethics Committee.

GOING EVEN FURTHER

Awards & recognition

In the past three years, Cegedim received the following awards for its corporate social responsibility program:

- first prize in 2012 from financial newspaper AGEFI for "mid-cap corporate governance", an award that distinguishes stock issuers that demonstrate the level of excellence demanded by investors in the areas of both transparency and corporate governance: operations of governing bodies, composition of the Board of Directors, organization of General Shareholders' Meetings, corporate social responsibility, risk management and transparency in reporting. This prize is awarded based on the results of a perception survey conducted among finance professionals. Its methodology is qualified and approved by a steering Committee responsible for its integrity and for ensuring that it meets the expectations of industry players;
- grand prix de la transparence (first prize for transparency) in the SBF 250 category in 2011, which recognizes best practices in the area of regulated financial information. This prize is awarded to French publicly traded companies with top-notch financial reporting systems in a contest where the number of regulatory requirements and players in the financial markets continues to multiply. Companies are ranked by a Scientific Committee made up of representatives from key financial players and opinion leaders in the field of financial reporting in France (such as the AMF);
- trophée leader de la finance (financial leadership trophy) in 2011 "Financial Management: services sector". Cegedim was recognized for its strong revenue growth over recent years (with excellent support from its Financial Division), its development and rapid improvement of management tools, its strategic acquisitions in the US, and the quality of its work with respect to its Audit Committee. This trophy was awarded in the presence of over 400 CFOs and CEOs, business bankers, French and international investment bank executives, financial experts, and members of the financial press.

Certification and quality system

Cegedim has positioned itself as a service provider in particular to the pharmaceutical industry and healthcare professionals. The Group has developed its own quality system based on the principles of ISO 9001, ITIL (Information Technology Infrastructure Library) and CMMI (Capability Maturity Model Integration) standards. This model, called the Cegedim Maturity Model (CgMM), is structured around four areas, among others: project, service, development and organization. Processes that govern services are based on ITIL, development processes are based on CMMI and those pertaining to the organization draw on ISO 9001.

In 2012, Cegedim began a certification process for SSAE 16 (Statement on Standards for Attestation Engagements No. 16, which is suitable for the US market) and ISAE 3402 (International Standard on Assurance Engagements No. 3402, which covers all countries except for the US). Both certifications stem from the US Sarbanes-Oxley Act (SOX) of 2002. They imply that suppliers of these companies must also be audited on financial risks. The assessment is conducted by an independent auditor recognized by the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA).

As a provider to large groups listed on the US market, Cegedim needs the two certifications and will maintain them in the coming years for the scope of the security of its hosting services.

Acknowledging the importance of certifications for its customers, the Group obtained the following certifications:

- the updates of the *OneKey* database are based on processes certified ISO 9001 in France;
- the data center located in Chesapeake (USA) is ISO 9001 certified;
- ISAE 3402 and SSAE 16 Type II for the data hosting services and Cegedim DSI, Monde applications;
- personal health data hosting certification for DSI and CHS (France);
- ISO 27001 for CRM security at GSC in Bangalore (India);
- ISO 27001 for Cegedim Rx (UK);
- ISO 9001 for the *OneKey* database at Amix (France);
- ISO 9001 and ISO 13485 for RM Informatique (France);
- ISO 9001 for the datacenter and CRM support services (USA);
- ISAE 3402 Type II for Cegedim SRH (France);
- ISAE 3402 Type I for Cegedim Activ (France).

Useful links

Cegedim Group website links

- sustainable development

http://www.cegedim.fr/groupe/Developpement-durable/Pages/default.aspx

- Group Ethics Committee

http://www.cegedim.com/Docs_Communiques/Cegedim%20Ethics%20Committee%20appendix%20-%202011.03.08_EN.pdf

- Group Ethics Charter

http://www.cegedim.com/Docs_Communiques/Cegedim Ethics charter – 2011.03.08_EN.pdf

- Group Professional Conduct Charter

http://www.cegedim.com/Docs_Communiques/Cegedim Business charter – 2011.03.08_EN.pdf

- Group Non-discrimination Charter

http://www.cegedim.com/Docs_Communiques/Cegedim Non-discrimination policy – 2011.03.10_English.pdf

METHODOLOGICAL NOTE

Scope of consolidation

The information contained in the present report concerns the whole Cegedim Group, that is to say the parent company and all its consolidated subsidiaries using the full consolidation method, unless a different scope is expressly stipulated.

In general terms, the comments are more detailed and the illustrations more numerous for the French companies, which represent 41.8% of the total Group workforce.

The figures relating to employment information, unless otherwise specified, are consolidated for all fully consolidated companies worldwide, i.e. 145 companies.

The figures discussed in the environmental report (notably CO_2 emissions and electricity consumption in kilowatt hours) concern all the Group's subsidiaries present in the 32 countries considered to be the most representative for these indicators, including France, the UK, Spain and Germany, as well as the US and Singapore. The employees in these countries represent 91% of the Group's workforce.

Information sources

In order to ensure the homogeneity and reliability of the indicators monitored in all its entities, the Group has developed common employment and environmental reporting tools. These are accompanied by methodological instructions and definitions that ensure the clarity of the questions asked and guarantee the comparability of the responses.

The collection of employment figures has been carried out by the HR Teams worldwide database, developed by the Group. This database enables workforce data as well as other employment information to be monitored in each country. It meets the security and confidentiality requirements and, more generally, the legal constraints specific to each country, which are systematically respected for data collection and processing.

It is updated on a daily basis by the Human Resources teams in the different regions around the world.

The other quantitative data has been collected by means of a questionnaire that is included in the annual consolidation package and is completed by each of the consolidated subsidiaries. Data relating to external suppliers is also used, notably statistics from travel agencies relating to CO_2 emissions or invoices and annual reports prepared by energy suppliers relating to the energy consumption expressed in kilowatt hours.

The qualitative information contained in this report results from interviews with the managers responsible for the matters dealt with, either at the Group's headquarters or in the Group subsidiaries (notably in the Human Resources, IT, Quality and Finance Departments).

Most of these declarations have been corroborated by a survey sent to each country where the Group is established and completed under the responsibility of the local financial director. This survey, which is integrated in the consolidation software but follows a different procedure from the annual financial consolidation process, can be completed, on the basis of one survey per country, from the beginning of the fourth quarter until the closing of the annual financial statements. It aims to test the knowledge and application of the key measures contained in the Cegedim Compact charters, and also to report qualitative information on the practices and/or actions of foreign subsidiaries regarding social, environmental and societal issues.

Reporting period

The information contained in this report covers a period of 12 months, from January 2013 to December 2013. The exception is that a 12-month rolling calendar may have been used exclusively for the energy consumption indicator, with a maximum difference of two months with regard to the previous fiscal year.

Methodological precisions and limits

The methodologies relating to certain indicators can be limited by the following:

- the absence of definitions that are recognized at a national and/or international level (for example, concerning the different types of employment contracts);
- the need to make estimations, the representativity of the measurements carried out or the limited availability of the external data necessary to make calculations;
- practical or legal methods for collecting and inputting data (for example, storing information regarding the age or gender of employees may be prohibited).

The reporting scope and coverage of the measurements relating to certain indicators have, if necessary, been adapted. This is indicated in the report, notably:

- information pertaining to the calculation of the rates of frequency and severity of work accidents could not be collected across the Group. The number of work accidents is nonetheless provided;
- CO_2 emissions only relate to emissions from work-related travel by plane in 2013 in the eleven contributing countries (France, Belgium, Italy, Sweden, Poland, Spain, Germany, Singapore, Australia, United States and United Kingdom);
- electricity consumption in kilowatt hours covers all the establishments for which the data is available in the same six countries. Certain premises have been excluded since bills are included in the rent, but these cases are minimal. The Group considers that these omissions do not significantly affect the published information;

- in view of the low polluting nature of its activities, waste prevention, recycling and elimination measures do not apply to the Group. Nonetheless, actions in favor of responsible environmental practices are being taken, and are detailed in the “Environmental information” chapter.

The Group intends to continue to expand the scope of these indicators to a greater number of countries and to other sources of emissions.

Non-applicable indicators

Considering the Group’s activities, the following indicators are not considered to be applicable:

- resources set aside for the prevention of environmental risks and pollution;
- measures to prevent, reduce or repair air, water or soil pollution having a serious effect on the environment;
- the consideration of noise pollution and all other forms of pollution specific to an activity;
- the water supply in accordance with local constraints;
- land use;
- the measures taken to preserve or develop biodiversity;
- adapting to the consequences of climate change;
- other actions undertaken in favor of human rights.

Consolidation and internal controls

The data is consolidated under the responsibility of the Human Resources and Finance Departments at the headquarters of the consolidating entity.

A preliminary validation of the data is carried out by the persons responsible for its collection. Coherence checks on the data are then carried out by the Human Resources and Finance Departments when consolidation takes place. These checks include comparisons with the data from previous fiscal years, with any differences considered to be significant being systematically analyzed. They also include ratio analysis when data can be related to the workforce, to a business activity or to another relevant indicator used to compare entities.

External controls

In order to obtain an external opinion on the reliability of the data and the robustness of the reporting process, the Statutory Auditors of Cegedim SA have been asked to attest on the information required by article R. 225-105.1 of the French Code of Commerce, and issue an opinion on their fair presentation. In this context, specific checks have been carried out on certain information reported by the Company and considered to be key indicators of the Group’s Employment and Environmental policy. It covers the workforce, CO_2 emissions and energy consumption in kilowatt hours. The Statutory Auditors’ Assurance Report detailing the work carried out together with their comments and conclusions is included in the Group’s Registration Document.

cegedim

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Email: investor.relations@cegedim.com

www.cegedim.com/finance

2013 Finance

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Extract of Registration Document

1

PERSONS RESPONSIBLE

1.1 NAME AND TITLE OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Jean-Claude Labrune

Chairman & CEO

Cegedim SA

1.2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

I certify, after having taken all reasonable steps to this end, that to my knowledge, the information contained in this Registration Document is consistent with reality and does not comprise any omissions likely to alter its scope.

I hereby certify that, to the best of my knowledge, the financial statements have been established in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and earnings of the Company and all of the companies included in the consolidation scope. I hereby certify that, to the best of my knowledge, the items of the Corporate Management Report present a true image of the changes in the business, earnings and financial position of the Company and of all the companies included in the scope of consolidation as well as a description of the main risks and uncertainties that they are faced with.

I received a final letter from the legal Auditors indicating that they had audited the information regarding the financial position and the information given in this Registration Document and that they had read the entire Registration Document.

The Auditors' Report on the 2013 annual financial statements in chapter 20.3.1 of this Registration Document contains the following observation: "Without qualifying the above opinion, we draw your attention to Note 1 'Characteristics of the 2013 fiscal year - Paragraph E), Impairment of Cegedim USA Shares' and Note 2 'Accounting policies - Paragraph C), Equity Investments and Other Investments' in the appendix, which describe the factors that led the Company to recognize an impairment loss on its Cegedim USA shares."

The Auditors' Report on the 2013 consolidated annual financial statements in chapter 20.3.2 of this Registration Document contains the following observation: "Without qualifying the above opinion, we draw your attention to the Note 'Accounting Policies' and to Note 7 'Goodwill on acquisition' appended to the consolidated financial statements, which mainly explain the circumstances in which an impairment of the goodwill of the cash generating unit CRM and strategic data was recognized at December 31, 2013."

The Auditors' report concerning the statutory financial statements for fiscal year 2012 (which appear in the Registration Document filed with the "Autorité des Marchés Financiers" on March 5, 2013 under the number D. 13-0105) contains the following comment: "Without modifying the opinion expressed above, we draw your attention to note 1 'Characteristics of the 2012 fiscal year - paragraph Cegedim USA shares depreciation' and note 2 'Accounting rules and methods - paragraph C) Equity investments and other investments' to the annual financial statements setting out the elements that led Cegedim to record an impairment charge on the Cegedim USA shares."

The Auditors' report concerning the statutory financial statements for fiscal year 2012 (which appear in the Registration Document filed with the "Autorité des Marchés Financiers" on March 5, 2013 under the number D. 13-0105) contains the following comment: "Without modifying the conclusion expressed above, we draw your attention to note 7 "Goodwill on acquisition" to the consolidated financial statements setting out the circumstances under which the impairment of goodwill in the CRM and strategic data division was recognized as at June 30, 2012."

The Auditors' report concerning the statutory financial statements for fiscal year 2011 (which appear in the Registration Document filed with the "Autorité des Marchés Financiers" on April 6, 2012 under the number D. 12-0301) contains the following comments: "Without modifying our opinion, we wish to draw your attention to the accounting principles and methods paragraph, Retirement benefits, and note 13, Retirement commitments, which explain the change in accounting method made during the fiscal year in relation to the application of the option offered by IAS 19 (revised), as well as note 7, Goodwill, which states that the difficult economic environment in which the Group operated in 2011 has been factored into the assumptions and business plans underlying the impairment tests for goodwill Moreover, the Group's management emphasizes that there will be no lasting or long-term impact on forecasts for the CRM division and strategic data division".

The Auditors' report concerning the statutory financial statements for fiscal year 2011 (which appear in the Registration Document filed with the "Autorité des Marchés Financiers" on April 6, 2012 under the number D. 12-0301) contains the following comment: "Without modifying the opinion expressed above, we draw your attention to note 2 'Accounting rules and methods - paragraph C) Equity investments and other investments' to the annual financial statements which stated that the difficult economic environment in which the Group operated in 2011 has been factored into the assumptions and business plans underlying the valuation of equity investments. Moreover, the Group's management emphasizes that there will be no lasting or long-term impact on forecasts for the CRM and strategic data division".

Drawn up in Boulogne-Billancourt, on March 11, 2014.

Jean-Claude Labrune

Chairman & CEO

Cegedim SA

2

LEGAL AUDITORS OF THE FINANCIAL STATEMENTS FOR THE PERIOD COVERED BY THE HISTORICAL FINANCIAL INFORMATION

2.1 PERMANENT AUDITORS

Cabinet Mazars, represented by Jérôme de Pastors
Exaltis, 61 rue Henri Regnault – 92400 Courbevoie

Renewal during the 2013 General Meeting approving the 2012 financial statements for a term of six years until the 2019 General Meeting approving the 2018 financial statements.

Cabinet Grant Thornton represented by Ms. Solange Aïache
100, rue de Courcelles – 75017 Paris

Renewal during the 2013 General Meeting approving the 2012 financial statements for a term of six years until the 2019 General Meeting approving the 2018 financial statements.

2.2 ALTERNATE AUDITORS

Mr. Thierry Colin
Exaltis, 61 rue Henri Regnault – 92400 Courbevoie

Renewal during the 2013 General Meeting approving the 2012 financial statements for a term of six years until the 2019 General Meeting approving the 2018 financial statements.

IGEC – Institut de Gestion et d'Expertise Comptable, represented by Mr. Victor Amselem
3, rue Léon Jost – 75017 Paris

Renewal during the 2013 General Meeting approving the 2012 financial statements for a term of six years until the 2019 General Meeting approving the 2018 financial statements.

2.3 AUDITORS' FEES

The fees paid to each Auditor in 2013 and 2012 are set out in chapter 20.1 note 33 of this Registration Document.

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SELECTED FINANCIAL INFORMATION

The following selected financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, excluding where stated otherwise.

In millions of euros (except for per share data)	12/31/2013	12/31/2012	12/31/2011
Revenues	902	922	911
Operating income from recurring operations	92	90	84
Profit (loss) for the period	(59)	(85)	33
Profit (loss) for the period attributable to the owners of the parent	(59)	(85)	33
Number of shares outstanding	13,997,173	13,997,173	13,997,173
Average number of shares excluding treasury shares	13,948,887	13,964,700	13,955,940
Net earnings per share (*in euros*)	(4.2)	(6.1)	2.3
Net current earnings per share (*in euros*)	0.4	2.7	2.8

In millions of euros	12/31/2013	12/31/2012	12/31/2011
Total balance sheet	1,221	1,288	1,393
Goodwill on acquisition	528	614	725
Net financial debt	462	476	453
Shareholders’ equity, Group share	346	425	516
Cash flow	67	89	96

4

RISK FACTORS

The risks stated below, as well as others of which Cegedim is not yet aware or which the Group considers to be insignificant to date, could have a negative impact on its activity and results. After examination of these risks, the Group does not believe that it is exposed to any significant risks, apart from those described below.

In order to understand how the Group evaluates risks and what procedures are in place to monitor risk control, it is also necessary to consult the report prepared by the Chairman of the Board on the preparation and organization of the Board's work and on Management Control, both of which are attached to this Registration Document.

4.1. FINANCIAL RISKS

4.1.1. CEGEDIM INDEBTEDNESS COULD ADVERSELY AFFECT ITS FINANCIAL SITUATION AND PREVENT IT FROM FULFILLING ITS OBLIGATIONS UNDER THE NOTES AND WITH RESPECT TO ITS OTHER INDEBTEDNESS

In May 2007, Cegedim raised 50.0 million euros, the FCB Loan, from its largest shareholder, FCB. The shareholder loan agreement between Cegedim SA and FCB was signed on May 7, 2007. The FCB Loan Agreement was amended on September 5, 2008 and September 21, 2011 to extend the maturity date and modify the applicable interest rate. In December 2009, FCB subscribed for 4.9 million euros equivalent in shares as a redemption of a portion of debt that decreased the balance of the FCB Loan to 45.1 million euros.

On June 10, 2011, Cegedim entered into a 280.0 million euros term loan and multi-currency revolving credit facilities agreement. The Term loan amounts to a notional of 200 million euros. The Revolving Credit Facility amounts to a notional of 80 million euros. The Term Loan and Revolving Credit Facility Agreement terminate on June 10, 2016.

On July 27, 2010, the Group issued a 300.0 million euros 7.0% senior bonds due July 27, 2015, in an offering that was not subject to the registration requirements of the US Securities Act. The bond is listed on the Luxembourg stock exchange and its ISIN code is FR0010925172. In November 2011, on the open market, Cegedim proceeded to a 20 million euros bond buy back and cancelled it. As a result, the aggregate principal amount of bonds outstanding was 280.0 million euros.

On March 20, 2013, Cegedim issued a 300 million euros senior Reg S/144A bond with a coupon of 6.75% maturing April 1, 2020. The bond is listed on the Luxembourg stock exchange and its ISIN code is XS0906984272 and XS0906984355. The issue price was 100% of the nominal value. Cegedim used the proceeds to:

- redeem 7% bonds maturing in 2015 as part of a redemption offer at a price of 108% on a principal amount of 111.5 million euros. Including accrued unpaid interest, the total amount was 121.5 million euros. There are 168.6 million euros in bonds still outstanding;
- repay the full term loan;
- repay amounts drawn on the revolving credit facility;
- pay fees and charges related to these transactions.

The structure of debt at December 31, 2013 was as follows:

- 168.6 million euros bond debt at 7.00% maturing July 27, 2015;
- 300 million euros bond debt at 6.75% maturing April, 1 2020;
- 80 million euros revolving credit, undrawn as of December 31, 2013; expiring June 10, 2016;
- 45.1 million euros FCB Loan maturing June 2016;
- 46.5 million euros overdraft facility; 12.7 million euros was drawn at December 31, 2013.

Interest rate

The 168.6 million euros bond debt maturing July 27, 2015 bears interest at a rate of 7.0% per annum, payable semi-annually.

The 300 million euros bond debt maturing April 1, 2020 bears interest at a rate of 6.75% per annum, payable semi-annually.

The interest payable on the Credit Revolver Facility is the aggregate of the applicable margin, EURIBOR (or LIBOR in the case of USD-denominated loans) and certain mandatory costs (Non-use fee of 40% of the margin, and a use fee of 25 basis points applies if the amount drawn down exceeds 50% of the total amount of the revolving credit). The applicable margin is based on the consolidated leverage ratio and the currency in which the loan is denominated. The table below provides the schedule of applicable margins for the Revolving Credit Facility.

Leverage Ratio	Applicable Margin (% per annum)	
	Euro-denominated	USD-denominated
> 3.00	3.25	3.75
≤ 3.00 and > 2.50	3.00	3.50
≤ 2.50 and > 2.00	2.50	3.00
≤ 2.00	2.25	2.75

As of December 31, 2013, the applicable margin on drawn amounts under Revolving Credit Facility was 3.25%.

The FCB Loan bears interest at a rate of 200 basis points above the rate applicable under the Revolver Credit facility Agreement. The interest is payable semi-annually on June 30 and December 31 of each year.

Repayment of Borrowings

Date	Bonds 7.00%	Bonds 6.75%	FCB Loan
07/21/2015	€168.6m	-	-
06/30/2016	-	-	€45.1m
04/01/2020	-	€300.0m	-

The Revolving Credit Facility Agreement terminates on June 10, 2016.

Cegedim may be able to incur substantial additional debt from time to time to finance working capital, capital expenditures, investments or acquisitions or for other purposes. If the Group does so, the risks related to its level of indebtedness could intensify. Specifically, a high level of indebtedness could have important consequences to the holders of the debt and equity securities, including:

- limiting the Group ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements;
- requiring a substantial portion of its cash flows to be dedicated to making debt service (principal and interest) payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- making it more difficult for the Group to satisfy its obligations with respect to its debt;
- increasing the Group vulnerability to general adverse economic and industry conditions;
- exposing the Group to the risk of increased interest rates as certain of its borrowings are at variable rates of interest;
- limiting the Group flexibility in planning for and reacting to changes in the industry in which it competes;
- negatively impacting credit terms with its creditors;
- placing the Group at a disadvantage relative to competitors that have lower leverage or greater financial resources;
- increasing the Group cost of borrowing.

In addition, Cegedim has restrictive covenants that limit its ability to engage in activities that may be in its long-term best interest. The Group failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of a significant portion of its debt. Any of these or other consequences or events could have a material adverse effect on its ability to satisfy its debt obligations. The Group ability to make payments on and refinance its indebtedness, to fund future working capital, capital expenditures, acquisitions and other general corporate requirements will depend on its future operating performance and ability to generate cash from operations. Cegedim ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond its control. The Group may not be able to generate sufficient cash flow from operations or obtain enough capital to service its debt, fund its future acquisitions or other working capital expenditures. If new debt is added to its current debt levels, the risks that the Group now faces could intensify. For a discussion of its cash flows and liquidity, see chapter 9 and 10 of this document.

4.1.2. CEGEDIM VARIABLE RATE INDEBTEDNESS SUBJECTS THE GROUP TO INTEREST RATE RISK, WHICH COULD CAUSE ITS DEBT SERVICE OBLIGATIONS TO INCREASE SIGNIFICANTLY

Borrowings under the Revolving Credit Facility Agreement, overdraft facilities, shareholder loan from FCB and factoring agreement are at variable rates of interest and expose Cegedim to interest rate risk. If interest rates increase, its debt service obligations on the variable rate indebtedness that is not hedged would increase even though the amount borrowed remained the same, which would require that the Group uses more of its available cash to service its indebtedness. While Cegedim intends to manage its exposure to fluctuations in interest rates, if interest rates increase dramatically, the Group could be unable to service its indebtedness, which could have a material adverse effect on its business, financial condition, results of operations and cash flows. See chapter 10 and other interest rate risk in this chapter for more information.

To limit the effects of rising interest rates on its financial expenses, the Group has implemented a risk hedging policy to limit the maximum interest expense for the duration of its debts. Only Cegedim SA has implemented interest hedging, when necessary. Interest rate hedges are monitored centrally in order to measure the overall interest rate risk exposure and to control the market instruments used under hedging strategies in place.

The Group hedges interest rate risk on the basis of both current debt and probable future debt levels, namely accounting for changes in the use of its revolver lines of credit and changes in the composition of its debt profile. Depending on the position to be managed and the benchmark rate upheld, a hedging strategy is implemented. The aim of such a strategy is to protect the benchmark rate and leverage, at least in part, on any positive changes. These hedging strategies mainly involve futures or forwards derivatives and options derivatives. There is no guarantee as to the Group's capacity to effectively hedge against interest rate risks.

Description of hedges put in place by the Group

The euro debt's exposure to variations in the euro rate is hedged. The notional amount hedged is 60.0 million euros for a euro debt on floating rates of 57.7 million euros at December 31, 2013. The hedge is made up, as of December 31, 2013, of three no premium one month Euribor pre-set receivers, fixed rate payer as follows:

- rate of 4.565% on a notional hedged amount of 20.0 million euros, until December 29, 2017;
- rate of 4.57% on a notional hedged amount of 20.0 million euros, until December 29, 2017;
- rate of 4.58% on a notional hedged amount of 20.0 million euros, until December 29, 2017.

The amount of debt exposed to adverse changes in interest rate risk at December 31, 2013 was null.

Assessment of the interest rates risk

At December 31, 2013, a 1% increase in interest rates applied to the non-hedged debt would have an impact of approximately 0.0 million euros on the Group's earnings before income tax since all the debt at variable interest rate is hedged.

4.1.3. RESTRICTIONS IMPOSED ON CEGEDIM EXISTING DEBT AGREEMENTS MAY LIMIT ITS ABILITY TO FINANCE ITS CAPITAL NEEDS OR ITS EXTERNAL GROWTH

The debt agreements contain a number of restrictive covenants that impose significant operating and financial restrictions on the Group and may limit its ability to engage in acts that may be in there long-term best interest, including restrictions on its ability to:

- incur additional indebtedness;
- pay dividends or make other distributions or repurchase or redeem capital stock;
- prepay, redeem or repurchase certain debt;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;
- alter the Group businesses;
- enter into agreements restricting the Group subsidiaries' ability to pay dividends;
- consolidate, amalgamate, merge or sell all or substantially all of the Group assets.

These restrictions are subject to a number of qualifications and exceptions. Complying with the restrictions contained in some of these covenants requires Cegedim meets certain ratios and tests. The requirement that the Group complies with these provisions may materially adversely affect its ability to react to changes in market conditions, take advantage of business opportunities the Group believes to be desirable, obtains future financing, finds needed capital expenditures, or withstands a continuing or future downturn in its business.

In addition, the Revolving Credit Facility Agreement requires Cegedim to comply with a semi-annual maximum leverage ratio test and a minimum coverage ratio test, which financial covenant becomes more restrictive over time. The Group ability to comply with this financial covenant can be affected by events beyond the Group control, and Cegedim may not be able to satisfy it.

A breach of the covenants under the existing debt agreements and future debt agreement, from time to time could result in an event of default under the applicable indebtedness agreements. Such a default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In the event holders of the Cegedim debt securities or other creditors accelerate the repayment of its borrowings, the Group and its subsidiaries may not have sufficient assets to repay that indebtedness. As a result of these restrictions, the Group may be:

- limited in how it conducts its business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns;
- unable to compete effectively or to take advantage of new business opportunities.

These restrictions may affect the Group ability to grow in accordance with its strategy.

The Group liquidity risk is caused primarily by the maturity, amortization and payments of interest of the Revolving Credit Facility, the FCB Loan, the overdraft facilities and the two Bonds. Borrowing is monitored centrally.

Net financial debt as of December 31, 2013 decreased by 8.8% and 2.8% compared to September 30, 2013 and December 31, 2012, respectively.

Net Financial Debt	In millions of euros
12/31/2012	475.6
03/31/2013	480.3
06/30/2013	495.1
09/30/2013	506.4
12/31/2013	462.0

4.1.3.1. Revolver Credit Facility

STRUCTURE

The Revolving Credit Facility Agreement consists of a multi-currency revolving credit facility of 80.0 million euros. The Revolver Credit Facility can be denominated in either euros or USD.

The facilities Revolving Credit Facility Agreement are unsecured and not guaranteed by any subsidiaries of the Group. Its payment obligations under the Revolving Credit Facility Agreement is ranked pari passu with all of the Group other unsecured and unsubordinated obligations.

REPAYMENT

Each loan drawn under revolver credit facility is payable at the end of its interest period.

FINANCIAL COVENANTS

Cegedim is subject to two maintenance covenants under the terms of the Revolving Credit Facility Agreement. Its compliance with these financial covenants is determined according to IFRS.

On October 3, 2012, Cegedim obtained the consent from its lenders to amend the financial covenants under the Revolving Credit Facility Agreement to reduce the restrictiveness of those covenants. Pursuant to the amendment, the Group must ensure that, for any relevant 12-month period until the termination date, its leverage ratio is less than and its interest cover ratio does not fall below the ratios set forth below.

12-month period ending	Leverage Ratio	Interest Cover Ratio
12/31/2012	3.60	3.00
06/30/2013	3.60	3.00
12/31/2013	3.50	3.00
06/30/2014	3.50	3.00
12/31/2014	3.25	3.25
06/30/2015	3.25	3.25
12/31/2015	3.00	3.50

Net financial debt in the calculation does not include employee profit sharing debt or FCB's loan.

The bank covenants are tested semi-annually (June and December). The leverage and Interest cover ratio for the Cegedim Group are set below.

12-month period ending	Leverage Ratio	Interest Cover Ratio
13/31/2012	2.80	4.95
06/30/2013*	3.20	3.25
12/31/2013	2.68	3.38

* *Non-audited covenants.*

The Group complied with all its bank and bond covenants as of December 31, 2013.

NON-FINANCIAL COVENANTS AND OTHER PROVISIONS

Under the Revolving Credit Facility Agreement, Cegedim is subject to negative pledges with respect to granting security over any of its assets and to disposing of any of its assets as part of a transaction to raise financial indebtedness or to consummate an acquisition.

The Revolving Credit Facility Agreement also contains general undertakings, including a prohibition against incurring additional indebtedness, subject to limited exceptions, and disposal of assets and restrictions on providing loans and credits, guarantees, dividends and mergers.

The Revolving Credit Facility Agreement also includes provisions for standard affirmative covenants, representations and warranties and undertakings.

In addition to the foregoing and in further consideration for the amendments to the financial covenants under the Revolving Credit Facility Agreement consented to on October 3, 2012, Cegedim agreed to amend certain of the non-financial covenants. These amendments include the following:

- a prohibition against dividends distribution while the leverage ratio is greater than 2.50;
- a reduction in the amount the Group is permitted to invest in joint ventures from 200.0 million euros to 50.0 million euros;
- limitations on acquisitions (i) to 5.0 million euros per fiscal year while the leverage ratio is greater than 3.00 and (ii) to 25.0 million euros per fiscal year while the leverage ratio is between 2.00 and 3.00;
- an aggregate limit to payments made to the FCB Loan of 5.0 million euros while the leverage ratio is greater than 2.00;
- a permission to fully repay the FCB Loan if the ratio is less than 2.00.

Under the Revolving Credit Facility Agreement, any repayment Cegedim makes of the FCB Loan constitutes an event of default, unless (i) its leverage ratio is greater than 2.00 but less than 3.00 and the Group repays at most 50% of the outstanding amount as at the signing date of the FCB Loan Agreement and such repayment neither raises its leverage ratio to greater than 3.00 nor results in an event of default or (ii) its leverage ratio is less than 2.00 and the Group repay up to 100% of the outstanding amount of the FCB Loan and such repayment neither raises its leverage ratio to greater than 2.00 nor results in an event of default.

The Revolving Credit Facility Agreement also contains other standard events of default.

GOVERNING LAW

The Revolving Credit Facility Agreement is governed by French law.

4.1.3.2. 2015 Bond

STRUCTURE

The 2015 Bond is unsecured and not guaranteed by any of Cegedim subsidiaries. Payment obligations under this bond are ranked pari passu with all of the Group present and future unsecured and unsubordinated obligations.

REDEMPTION

The 2015 bond is redeemable at its maturity date. The 2015 bond may not be redeemed prior to maturity date, save in the cases of a change in tax treatment, a change of control or an event of default. However, Cegedim may at any time and from time to time purchase the 2015 bond in the open market or otherwise.

COVENANTS AND OTHER PROVISIONS

The Group is subject to three incurrence covenants under the 2015 Bond: (i) a limitation on the incurrence of financial indebtedness, (ii) a limitation on the disposal of assets and (iii) a limitation on the financial indebtedness of subsidiaries. Under the limitation on financial indebtedness, Cegedim may incur indebtedness if its senior leverage ratio does not exceed 3.60 or if the indebtedness constitutes permitted indebtedness. Under the limitation on subsidiary financial indebtedness, no subsidiary may incur indebtedness if, following such incurrence, the total indebtedness of all subsidiaries would exceed 15.0% of its consolidated indebtedness.

The above covenants will be suspended if and for so long as the 2015 Bond achieves an investment grade rating and no event of default has occurred and is continuing.

The 2015 Bond also imposes a negative pledge with respect to granting security over any of the Group assets.

The 2015 Bond is subject to standard events of default.

GOVERNING LAW

The 2015 Bond is governed by French law.

4.1.3.3. 2020 Bond

STRUCTURE

The 2020 Bond:

- is senior unsecured obligations of Cegedim SA;
- is ranked pari passu in right of payment with all existing and future unsecured Indebtedness that is not subordinated in right of payment to the 2020 Bond;
- is effectively subordinated to any existing and future secured Indebtedness of Cegedim SA to the extent of the value of the assets securing such Indebtedness;
- is ranked senior in right of payment to any existing and future unsecured Indebtedness of Cegedim SA that is subordinated in right of payment to the notes;
- is structurally subordinated to any existing and future indebtedness of the Cegedim SA's Subsidiaries, whether or not secured.

REDEMPTION

The 2020 bond is redeemable at its maturity date. At any time on or prior April 1, 2016, Cegedim SA may at any one or more occasions, redeems up to 35% of the aggregate principal amount of outstanding 2020 Bond at a redemption price equal to 106.750% plus accrued and unpaid interest. On or after April 1, 2016 Cegedim SA may on any one or more occasions, redeems all or part of the 2020 Bond at the redemption prices (expressed as percentage of principal amount) set forth below, plus accrued and unpaid interest.

Year	Redemption Price
2016	105.0625%
2017	103.3750%
2018	101.6875%
2019 and thereafter	100.0000%

The 2020 bond may be redeemed prior to maturity date in the cases of a change in tax treatment, a change of control or an event of default.

Cegedim may at any time and from time to time purchase the 2020 bond in the open market or otherwise.

COVENANTS AND OTHER PROVISIONS

Standard high Yield covenant package.

GOVERNING LAW

The 2020 Bond is governed by the laws of the State of New York.

4.1.3.4. FCB Loan

STRUCTURE

The FCB Loan is unsecured and not guaranteed by any of Cegedim's subsidiaries. The payment obligations under the FCB Loan Agreement are ranked pari passu with all of Cegedim present and future unsecured and unsubordinated obligations.

NON-FINANCIAL COVENANTS AND OTHER PROVISIONS

Under the terms of the FCB Loan Agreement, the Group may fully or partially repay the FCB Loan in advance of June 10, 2016.

FCB may accelerate the payment obligation under the FCB Loan Agreement in the event Cegedim SA (a) ceases activity or is dissolved, (b) fails to perform an obligation under the FCB Loan Agreement or (c) is subject to a suspension of bank check writing privileges.

GOVERNING LAW

The FCB Loan Agreement is governed by French law.

4.1.3.5. Overdraft Facilities

The Group has in place certain overdraft facilities with various banks in France for an amount of up to 46.5 million euros. These facilities have indefinite terms and are terminable at will by either party. The interest rates under these overdraft facilities are variable rates indexed to EURIBOR. As of December 31, 2013, the Group had 12.7 million euros outstanding under these overdraft facilities.

4.1.3.6. Factoring Arrangements

The Group has in place factoring arrangements for the sale of receivables on a non-recourse basis with a bank in France for an aggregate balance of up to 38.0 million euros. The factoring arrangement of Cegedim SA has been in place since December 2011, and has been extended once in March 2012, and the factoring arrangements of three of the Group subsidiaries have been in place since March 2012. These arrangements are for an indefinite term and are terminable at will by either party subject to a three-month notice period.

The factoring arrangements cover the sale of any of the Group receivables, except that receivables relating to maintenance bills cannot exceed 5% of the aggregate outstanding balance. The balance of such receivables sold under these arrangements amounted to 21.0 million euros, 15.2 million euros, 12.8 million euros and 15.8 million euros as of end of December 2012, end of June 2013, end of September 2013 and end of December 2013 respectively.

PRINCIPAL FINANCING ARRANGEMENTS

The table below sets out Cegedim's principal financing arrangements as of December 31, 2013:

In million of euros	Total	1 year	Less Than 1-5 years	More than 5 years
Bond 2020	300.0	-	-	300.0
Bond 2015	168.6	-	168.6	-
Revolving credit facility	0.0	-	0.0	-
FCB Loan	45.1	-	45.1	-
Overdraft Facilities	12.7	12.7	-	-
TOTAL	**526.4**	**12.7**	**213.7**	**300.0**

As of December 31, 2013, the Group's confirmed credit lines amounted to 80.0 million euros of which 80.0 million euros is undrawn.

4.1.4. CEGEDIM IS EXPOSED TO FOREIGN EXCHANGE RISKS THAT COULD IMPACT ITS FINANCIAL SITUATION

67.0% of the Group's activities are conducted by subsidiaries in the euro zone, Cegedim is then expose to foreign exchange risk. In fact, exchange rate effects accounted for a 1.8% loss of revenue in 2013. These effects come mainly from the US dollar (10.7% of revenue), the Japanese Yen (2.3% of revenue) and from the pound sterling (9.1% of revenue). The Group has not established a policy for exchange rate hedging.

Because of the substantial number of currencies involved, exposure to variations in currencies and the volatile nature of exchange rates, the Group cannot predict the impact of exchange rate fluctuations on its future operating earnings. However, Group subsidiaries mainly deal in their local currencies.

The breakdown of the Group's consolidated balance sheet by currency used to prepare the financial statements of subsidiaries that are part of the Group's consolidated scope at December 31, 2013, is as follows:

Consolidated Balance Sheet at 12/31/2013	GBP	USD	EUR	Other currency	Total
Amount (in thousands of euros)	84,386	198,785	890,773	47,235	1,221,179
Share in %	**6.9%**	**16.3%**	**72.9%**	**3.9%**	**100.0%**

The table below allows the loss risk on the net global foreign currency position to be calculated on the basis of unfavorable currency effects or consistent 1% growth being experienced by a currency used to prepare financial statements in comparison to the total number of foreign currencies concerned. The impact of an unfavorable and consistent currency change of 1% of the:

- euro-dollar parity on the 2013 financial statements of the subsidiaries whose currency used in preparation of their financial statements is the USD would have a negative impact of 3.5 million euros on the Group's shareholders' equity;
- euro-sterling parity on the 2013 financial statements of the subsidiaries whose currency used in the preparation of their financial statements is the GBP would have a negative impact of 0.7 million euros on the Group's shareholders' equity.

In thousands of euros	GBP	USD
Total balance sheet	(886)	(5,988)
Off-balance sheet positions	-	-
Net position after management	**(886)**	**(5,988)**

Should the revenue/costs structure remain similar, any appreciation in the euro against the pound sterling would bring about a reduction in earnings expressed in euro. On the basis of the 2013 fiscal year, all other currencies remaining at the same level against the pound sterling, a theoretical 1% appreciation in the euro against the pound sterling would have a negative impact of 815 thousand euros on Cegedim's revenue, and 213 thousand euros on its operating income before special items.

Should the revenue/costs structure remain similar, any appreciation in the euro against the US dollar would bring about a reduction in earnings expressed in euros. On the basis of the 2013 fiscal year, all other currencies remaining at the same level against the US dollar, a theoretical 1% appreciation in the euro against the US dollar would have a negative impact of 952 thousand euros on Cegedim's revenue and 67 thousand euros on its operating income before special items.

Exchange rate effects had a negative impact of 17.0 million euros on 2013 revenue. It should be noted notably that the US dollar had a negative impact of 3.4 million euros, the Japanese Yen had a negative impact of 5.6 million euros and the pound sterling had a negative impact of 3.8 million euros. The amount of exchange gains or losses on revenue is determined by recalculating the 2012 revenue based on the 2013 exchange rate. The currency exchange rates used are the average rates over the fiscal year.

4.1.5. IN CONNECTION WITH THE PAST AND FUTURE ACQUISITION, A SIGNIFICANT AMOUNT OF THE ACQUISITION PRICE WAS AND COULD BE ALLOCATED TO GOODWILL AND TO ACQUIRED BRANDS. AN UNFAVORABLE CHANGE IN BUSINESS ACTIVITY FORECASTS IT COULD LEAD TO A RECOGNITION OF IMPAIRMENT CHARGES

In connection with the Group past and future acquisitions, a significant amount of the acquisition price was and could be allocated to goodwill and to acquired brands with an indefinite useful life. In particular, a significant amount of the purchase price was allocated to goodwill and to acquired brands with an indefinite useful life in connection with the Dendrite acquisition in 2007, and to a lesser extent, in connection with the SK&A and Pulse acquisition in 2010.

Goodwill and indefinite useful life brands are not amortized. They are subject to an impairment test at least once a year and whenever events or circumstances indicate that a reduction in value might have occurred.

An unfavorable change in business activity forecasts and assumptions used in the projection of cash-flows for the purpose of the impairment tests, in particular with respect to goodwill could result in the recognition of impairment charges. These charges could then have significant impacts on the Group's results.

For more information, please see note 7 of the consolidated annexes presented in the present Registration Document and to the Auditor's Report.

4.1.6. A LOWERING OR WITHDRAWAL OF THE RATINGS ASSIGNED TO CEGEDIM AND/OR ON ITS DEBT SECURITIES BY RATING AGENCIES MAY INCREASE ITS FUTURE BORROWING COSTS AND REDUCE ITS ACCESS TO CAPITAL

Cegedim has been rated by Standard & Poor's since May 2010. At the date this Annual Financial Report was published, and since April 26, 2013, Cegedim has had the B+ grade, with a stable outlook. Please also read risk factor 1.41 "A rating downgrade".

Cegedim and its debt securities currently have a non-investment grade rating, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Consequently, real or anticipated changes in the Group credit rating will generally affect the market value of the Debt securities. It may impact the Group ability to access debt markets in the future or increase its cost of future debt which could have a material adverse effect on its operations and financial condition, which in return may adversely affect the trading price of shares of its stock. Credit ratings are not recommendations to purchase, hold or sell the Debt securities.

4.1.7. HOLDERS OF THE DEBT SECURITIES MAY NOT BE ABLE TO DETERMINE WHEN A CHANGE OF CONTROL GIVING RISE TO THEIR RIGHT TO HAVE THE DEBT SECURITIES REPURCHASED HAS OCCURRED FOLLOWING A SALE OF "SUBSTANTIALLY ALL" OF CEGEDIM ASSETS

The definition of change of control in the debt agreements includes a phrase relating to the sale of "all or substantially all" of the Cegedim assets and its restricted subsidiary. There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, the ability of a holder of the debt securities to require the Group to repurchase the debt securities as a result of a sale of less than all of the Group assets and its restricted subsidiary may be uncertain.

4.1.8. CEGEDIM MAY NOT BE ABLE TO REPURCHASE THE DEBT SECURITIES UPON A CHANGE OF CONTROL

Upon the occurrence of specific kinds of change of control events (as set in the debt agreements), Cegedim will be required to offer to repurchase in cash all outstanding debt securities at 101% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the purchase date. The source of funds for any purchase of the debt securities would be available in cash or from cash generated from the Group subsidiaries' operations or other sources, including borrowings, sales of assets or sales of equity. Cegedim may not be able to repurchase the debt securities upon a change of control because the Group may not have sufficient financial resources to purchase all of the debt securities that are tendered upon a change of control and repay any of its other indebtedness that may become due. The Group may require additional financing from third parties to fund any such purchases, and the Group may be unable to obtain financing on satisfactory terms or at all. Cegedim failure to repurchase debt securities when due would result in a default under the debt agreements. Furthermore, the Group ability to repurchase the debt securities may be limited by law. In order to avoid the obligations to repurchase the debt securities, the Group may have to avoid certain transactions that constitute a change of control under the debt agreements even though such transactions may be beneficial to the Group.

In addition, some important corporate events, such as leveraged recapitalizations, may not constitute a "change of control" under the debt agreements and therefore would require Cegedim to offer to repurchase the debt securities, even though those corporate events could increase the level of its indebtedness or otherwise adversely affect its capital structure, credit ratings or the value of the debt securities.

4.1.9. CEGEDIM SA IS LARGELY A HOLDING COMPANY AND ITS SUBSIDIARIES MAY BE RESTRICTED FROM DISTRIBUTING CASH TO IT FOR PURPOSES OF MEETING ITS OBLIGATIONS UNDER EXISTING DEBT AGREEMENTS

Cegedim SA is largely a holding company and conducts its operations principally through, and derives its revenues principally from, its subsidiaries. Repayment of the Group indebtedness, including the debt securities, may depend on the generation of cash flow by its subsidiaries and their ability to make such cash available to the Group, by dividend, debt repayment or otherwise. Cegedim subsidiaries do not have any obligation to pay amounts due on the debt securities or to make funds available for that purpose. The ability of the Group's subsidiaries to pay dividends or make other distributions or payments to parent company will be subject to the availability of profits or funds for such purpose which, in turn, will depend on the future performance of the subsidiary concerned which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond its control.

Each subsidiary is a distinct legal entity, and, under certain circumstances, legal and contractual restrictions may limit Cegedim SA ability to obtain cash from the Group subsidiaries. While its existing debt agreements limit the ability of its subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments to the Group, these limitations are subject to qualifications and exceptions. If its subsidiaries do not distribute cash to make scheduled payments on the debt securities, Cegedim SA will be dependent only on its own assets in order to make such payments and may be unable to make required principal and interest payments on the Group indebtedness, including the debt securities.

Applicable tax laws may also subject such payments to further taxation. Applicable law may also limit the amounts that some of Cegedim subsidiaries will be permitted to pay as dividends or distributions on their equity interests, or even prevent such payments.

Limitations on the Group inability to transfer cash among and within its group may mean that even though Cegedim, in aggregate, may have sufficient resources to meet its obligations, the Group may not be permitted to make the necessary transfers from one entity in its group to another entity in its group in order to make payments on its obligations, including the debt securities.

4.1.10. CEGEDIM MAY NOT BE ABLE TO GENERATE SUFFICIENT CASH TO SERVICE ALL OF ITS INDEBTEDNESS AND MAY BE FORCED TO TAKE OTHER ACTIONS TO SATISFY ITS OBLIGATIONS UNDER ITS INDEBTEDNESS, WHICH MAY NOT BE SUCCESSFUL

Cegedim ability to make scheduled payments on or to refinance its debt obligations and to fund its planned capital expenditures, acquisitions and other ongoing liquidity needs depends on its financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond its control. There can be no assurance that Cegedim will maintain a level of cash flows from operating activities or that future borrowings will be available in an amount sufficient to permit the Group to pay the principal, premium, if any, and interest on its indebtedness and fund its planned capital expenditures, acquisitions and other ongoing liquidity needs. If the Group cash flows and capital resources are insufficient to fund its debt service obligations, Cegedim may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance the Group indebtedness. Cegedim ability to restructure or refinance its debt will depend on the condition of the capital markets and its financial condition at such time. Any refinancing of its debt could be at higher interest rates and may require the Group to comply with more onerous covenants, which could further restrict its business operations. The terms of existing or future debt instruments may restrict the Group from adopting some likely result in a reduction of its credit rating, which could harm its ability to incur additional indebtedness. In the absence of such operating results and resources, Cegedim could face substantial liquidity problems and might be required to dispose of material assets or operations to meet its debt service and other obligations. The debt agreements governing its outstanding debt restrict its ability to dispose of assets and use the proceeds from any such disposition. Cegedim may not be able to consummate those dispositions or to obtain the proceeds that the Group could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit the Group to meet its debt service obligations.

4.1.11. THE INTERESTS OF CEGEDIM SHAREHOLDERS MAY BE INCONSISTENT WITH THE INTERESTS OF HOLDERS OF THE DEBT SECURITIES

The interests of Cegedim various shareholders could conflict with the interests of the holders of the debt securities, particularly if the Group encounter financial difficulties or are unable to pay its debts when due. Cegedim shareholders could cause the Group to pursue acquisitions, divestitures, financings, dividend distributions or other transactions (subject to the limitations set forth in the debt agreements) that, in their judgement, could enhance their equity investments, although such transactions might involve risks to holders of the debt securities. Furthermore, no assurance can be given that its principal shareholders will not sell all or any part of their respective shareholdings at any time nor that they will not look to reduce their holding by means of a sale to a strategic investor, an equity offering or otherwise. Such divestitures may not trigger a change of control under the debt agreements.

4.2. MARKET RISK

4.2.1. SINCE CEGEDIM HAS NO CURRENT PLANS TO PAY REGULAR CASH DIVIDENDS ON ITS STOCK, EQUITY INVESTORS MAY NOT RECEIVE ANY RETURN ON INVESTMENT UNLESS THEY SELL THEIR STOCK FOR A PRICE GREATER THAN THAT WHICH THEY PAID FOR IT

Although Cegedim has previously distributed dividends to its stockholders, the Group does not anticipate paying any regular cash dividends on its stock. Any decision to distribute and pay dividends in the future will be made at the discretion of Cegedim Board and will depend on, among other things, the Group results of operations, financial condition, cash requirements, contractual restrictions and other factors that its Board may deem relevant. In addition, the Group ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness the Group or its subsidiaries incur.

Therefore, any return on investment in the Group stock is solely dependent upon the appreciation of the price of its stock on the open market, which may not occur. See chapter 20.7 “Dividend distribution policy” for more details.

4.2.2. CEGEDIM QUARTERLY RESULTS MAY FLUCTUATE SIGNIFICANTLY, WHICH COULD ADVERSELY IMPACT THE VALUE OF ITS EQUITY AND DEBT SECURITIES

Cegedim quarterly results of operations, including its revenues, gross margin, profitability and cash flows, may vary significantly in the future, and period-to-period comparisons of the Group operating results may not be meaningful. Accordingly, the Group quarterly results should not be relied upon as an indication of future performance. Cegedim quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of its control. Fluctuation in quarterly results may adversely impact the value of its equity and debt securities. Factors that may cause fluctuations in the Group quarterly financial results include, without limitation, those listed elsewhere in this “Risk Factors” section and those listed below:

- the addition or loss of large customers, including through acquisitions or consolidations of such customers;
- the amount and timing of operating expenses related to the maintenance and expansion of the Group business, operations and infrastructure;
- network outages or security breaches;
- conditions within the life sciences industry and more broadly in the healthcare sector;
- general economic, industry and market conditions;
- the Group ability to attract new customers;
- amount of professional services purchased by its customers;
- customer renewal rates and the timing and terms of customer renewals;
- increases or decreases in the number of users of the Group solutions or pricing changes;
- changes in the Group pricing policies or those of its competitors;
- the mix of solutions and services sold during a period;
- variations in the timing of the sales of the Group solutions;
- the timing and success of introductions of new solutions by the Group or its competitors or any other change in the competitive dynamics of its industry, including consolidation among competitors, customers or strategic partners;
- the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill from acquired companies.

4.2.3. INVESTORS MAY FACE FOREIGN EXCHANGE RISKS BY INVESTING IN THE DEBT CEGEDIM AND THE EQUITY SECURITIES

The debt and equity securities are denominated and payable in euros. If investors measure their investment returns by reference to a currency other than euros, an investment in the debt and equity securities entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which such investors measure the return on their investments. These changes may be due to economic, political and other factors over which Cegedim has no control.

Depreciation of the euro against the currency by reference to which such investors measure the return on their investments could cause a decrease in the effective yield of the debt securities below their stated coupon rates and could result in a loss to investors when the return on the debt securities is translated into the currency by reference to which such investors measure the return on their investments. Investments in the notes by US investors may also have important tax consequences as a result of foreign exchange gains or losses, if any.

Depreciation of the euro against the currency by reference to which such investors measure the return on their investments could result in a loss to investors when the return on the equity securities is translated into the currency by reference to which such investors measure the return on their investments. Investments in the equity securities by US investors may also have important tax consequences as a result of foreign exchange gains or losses, if any.

4.2.4. IN ORDER TO PREPARE THE FINANCIAL STATEMENT CEGEDIM HAS TO MAKE ESTIMATES, USES CERTAIN ASSUMPTIONS AND METHODS THAT COULD ADVERSELY IMPACT ITS FINANCIAL RESULTS, AND INEFFECTIVE MANAGEMENT CONTROLS COULD ADVERSELY IMPACT ITS BUSINESS AND OPERATING RESULTS

The methods, estimates and assumptions that Cegedim uses in applying accounting policies have a significant impact on its results. For more information, see note 2 to the Group consolidated financial statements included elsewhere in this document. These methods, estimates and assumptions are subject to significant risks, uncertainties and interpretations, and changes could affect the Group results. In addition, Cegedim Management Control over financial reporting may not prevent or detect misstatements because of the inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Even effective Management Controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Group fails to maintain the adequacy of its Management Controls, including any failure to implement required new or improved controls, or if the Group experiences difficulties in their implementation, its business and operating results could be harmed and the Group could fail to meet its reporting obligations.

4.2.5. IF SECURITIES OR INDUSTRY ANALYSTS DO NOT PUBLISH RESEARCH OR REPORTS ABOUT CEGEDIM BUSINESS, IF THEY ADVERSELY CHANGE THEIR RECOMMENDATIONS REGARDING ITS EQUITY OR DEBT SECURITIES OR IF ITS RESULTS OF OPERATIONS DO NOT MEET THEIR EXPECTATIONS, ITS EQUITY AND DEBT SECURITIES PRICE AND TRADING VOLUME COULD DECLINE

The trading market for Cegedim shares and debt securities is influenced by the research and reports that industry or securities analysts publish about the Group or its business. Cegedim does not have any control over these analysts. If one or more of these analysts cease coverage of its company or fail to publish reports on the Group regularly, Cegedim could lose visibility in the financial markets, which in turn could cause its share and or debt securities price or trading volume to decline. Moreover, if one or more of the analysts who cover the Group downgrade its stock and or debt securities, or if the Group results of operations do not meet their expectations, Cegedim share and or debt securities price could decline. Furthermore, financial markets worldwide experience significant fluctuations in share and or debt securities prices. The Cegedim share and debt securities price could be sensitive to financial market changes and to general economic, political and market conditions.

4.2.6. CEGEDIM DEBT SECURITY MAY NOT BECOME, OR REMAIN, LISTED ON THE LUXEMBOURG STOCK EXCHANGE

Cegedim uses its reasonable efforts to maintain the listing of the Debt securities on the Official List of the Luxembourg Stock Exchange as long as the Debt securities are outstanding. The Group cannot assure that the Debt securities will remain listed. If the Group determines that it can no longer reasonable comply with the requirements for listing the Debt securities on the Official List of the Luxembourg Stock Exchange or it becomes unduly onerous to maintain such listing or it will not otherwise maintain such listing, the Group may cease to maintain such listing on the Official List of the Luxembourg Stock Exchange, provided that it will use commercially reasonable efforts to obtain and maintain the listing of the Debt securities on another stock exchange, although there can be no assurance that the Group will be able to do so.

4.3. OTHER RISKS

4.3.1. THE NUMBER OF MEDICAL REPRESENTATIVES EMPLOYED BY PHARMACEUTICAL COMPANIES MAY CONTINUE TO DECREASE

The principal users of the databases, software and services published and offered by Cegedim CRM and Strategic Data division are life sciences companies and their medical representatives. Consequently, the revenues from the division are, in part, based on the number of medical representatives using its products, and the reduction in recent years by life sciences companies in the number of medical representatives has had a direct and negative impact on the Group business, financial condition and results of operation. Although life sciences companies have started to employ greater numbers of medical representatives in emerging pharmaceutical markets, this may not be sufficient to offset the overall reduction of medical representatives. If the number of medical representatives employed by life sciences companies continues to decline, Cegedim business, financial condition and results of operations could be materially and adversely affected.

4.3.2. CONSOLIDATION AMONG CEGEDIM CUSTOMERS COULD CAUSE THE GROUP TO LOSE CUSTOMERS, DECREASE THE TARGET MARKET FOR ITS SOLUTIONS AND ADVERSELY AFFECT ITS BUSINESS

Consolidation in the life sciences industry has accelerated in recent years, and this trend could continue. Cegedim may lose customers due to industry consolidation, and the Group may not be able to expand sales of its solutions and services to new customers to replace lost customers. In addition, new companies or organizations that result from such consolidation may decide that the Group solutions are no longer needed because of their own internal processes or the use of alternative solutions. As these entities consolidate, competition to provide solutions and services to industry participants will become more intense and the importance of establishing relationships with large industry participants will become greater. These industry participants may try to use their market power to negotiate price reductions for the Group solutions. Also, if consolidation of larger current customers occurs, the combined company may represent a larger percentage of business for Cegedim and, as a result, the Group are likely to rely more significantly on the combined company's revenues to continue to achieve growth. Industry consolidation or consolidation among current customers or potential customers could adversely affect the Group business.

4.3.3. CEGEDIM MAY FAIL TO EXPAND ITS BUSINESS WITH EXISTING CUSTOMERS OR LOSE ONE OR MORE OF ITS MAJOR CUSTOMERS

Maintaining existing customers is central to Cegedim business model across its divisions, and its success depends on its ability to continue selling its products and services, including follow-on and incremental products and services, to its existing customers. Certain of the Group existing customers initially purchase one or a limited number of its products and services. These customers might choose not to expand their use of, or purchase, additional modules or new software and services. If the Group fails to generate additional business from its current customers, its revenue could grow at a slower rate or even decrease.

Cegedim may also lose one or more of its major customers. The global life sciences industry is highly concentrated, and leading pharmaceutical companies represent a substantial portion of revenues in its CRM and Strategic Data division. If one or more of its major customers, particularly pharmaceutical companies, decide to discontinue using its products and services, the Group may suffer from loss of revenue, adverse consequences to its reputation and loss of potential customers. If Cegedim loses a number of major customers in a limited period of time, it may be difficult to find new customers to replace the loss of revenue.

None of the Group's clients represent more than 2.2% of the Group's revenue in the fiscal year ended December 31, 2013. With the exception of a single client who represented 4.5% of revenue in the fiscal year ended December 31, 2013. The top five and the top ten of the Group's clients respectively amount to 11.9% and 17.2% of the Group's revenue in the fiscal year ended December 31, 2013.

4.3.4. CEGEDIM MAY BE UNABLE TO SUCCESSFULLY INTRODUCE NEW PRODUCTS OR SERVICES OR FAIL TO KEEP PACE WITH ADVANCES IN TECHNOLOGY

The successful implementation of Cegedim business model depends on its ability to adapt to evolving technologies and increasingly demanding industry standards and introduce new products and services accordingly. The Group cannot assure that it will be able to introduce new products on schedule, or at all, or that such products will achieve market acceptance. In addition, the Group must obtain compliance certifications from various authorities in connection with the development of software and medication databases to ensure that its products meet the regulatory requirements of these authorities. Cegedim cannot assure that it would be able to obtain all relevant compliance certifications. Even if it is able to do so, it may incur significant costs and encounter delays. Moreover, competitors may develop competitive products that could be more successful than those of the Group and lead to a loss of market share. If it cannot adapt to changing technologies, its products and services may become obsolete, and its business could suffer. Because the health information technology market is characterized by rapid technological change, it may not be unable to anticipate changes in its current and potential customers' requirements that could limit its competitiveness or make its existing technology obsolete. Its success and continued competitiveness will depend, in part, on its ability to continue to enhance its existing products and services, develop new technology that addresses the increasingly sophisticated and varied needs of its prospective customers, license leading technologies and respond to technological advances and emerging industry standards and practices on a timely and cost-effective basis. The development of its proprietary technology entails significant technical and business risks. Cegedim may not be successful in using new technologies effectively or adapting its proprietary technology to evolving customer requirements or emerging industry standards, and, as a result, its business could suffer. If it fails to introduce planned products on schedule, enhance its current products and services or fail to develop new products in light of emerging technologies and industry standards, the Group could lose clients to current or future competitors, which could have a material adverse effect on its business, financial condition and results of operations.

4.3.5. CEGEDIM BUSINESS DEPENDS ON THE ADEQUATE AND EFFECTIVE PROTECTION OF ITS INTELLECTUAL PROPERTY RIGHTS

Cegedim business plan relies on technology products and its intellectual property rights in those products. Accordingly, protecting its intellectual property rights is critical to its continued success and its ability to maintain its competitive position. In addition to existing trademark, trade secret and copyright law, the Group protects its proprietary rights through confidentiality agreements and technical measures. It generally does not rely on patents to protect its technology. It customarily enters into non-disclosure and assignment agreements with its employees and consultants and limit access to its trade secrets and technology. Typically, its employment contracts also include clauses requiring its employees to assign all of the inventions and intellectual property rights they develop in the course of their employment and to agree not to disclose its confidential information even beyond the duration of the employment agreement. Despite its efforts, its source code, know-how and trade secrets could potentially be disclosed to third parties, causing the Group to lose any competitive advantage resulting from such source code, know-how or trade secrets.

Cegedim also minimizes the need for disclosure of its source code to users or other third parties. It cannot be certain, however, that these measures will adequately prevent third parties from accessing its software, source code or proprietary information. Furthermore, its use and distribution of open source software and modules in connection with its business also present risks to its intellectual property. Open source commonly refers to software whose source code is subject to a license allowing it to be modified, combined with other software and redistributed, subject to restrictions set forth in the license. Under certain conditions, the use of some open source code to create derivative code may obligate the Group to make the resulting derivative code available to others at no cost. Cegedim monitors its use of open source code carefully in an effort to avoid situations that would require to make parts of its core proprietary technology freely available as open source code and it generally uses only code licensed under open source licenses that allow it to freely redistribute and sell the resulting products without restriction. Cegedim cannot guarantee, however, that it will not use code governed by more restrictive licenses or that a court will not interpret a license to require certain of its technology to be made available as open source code. The Group cannot assure that the steps it has taken have prevented or will prevent misappropriation of its technology. It has been involved in legal proceedings in the past for what it suspected as misappropriations of its intellectual property. Misappropriation of its intellectual property could have an adverse effect on its competitive position. In addition, Cegedim may have to engage in litigation in the future to enforce or protect its intellectual property rights or to defend against claims of infringement, misappropriation or other violations of third-party intellectual property rights. If it is unable to adequately protect its intellectual property or if, in doing so, it incurs substantial costs, including from the diversion of management's time and attention, its business, financial condition and results of operations could be materially and adversely affected.

4.3.6. CEGEDIM MAY BE LIABLE FOR THE IMPROPER USE OF ITS PRODUCTS AND SERVICES OR OF THE INFORMATION PROVIDED

Cegedim products and services may be used contrary to their intended use, including in ways that may cause harm, constitute fraud or any other criminal or civil offense or attract negative public attention. Although the Group may not be responsible for any misuse of its products and services or any wrongdoing perpetrated through the use of its products and services, it may becomes the subject of investigations, inquiries or legal proceedings and suffer damage to its reputation. For example, in recent years, there have been incidents in France of pharmacists who were prosecuted for preparing fake accounting records for tax evasion purposes and for submitting fraudulent reimbursement claims to the French social security administration by misusing certain features of its Alliadis software. Although the Group was not party to any of these legal proceedings, there were suggestions in the French press that its software contained features that facilitated such conduct by pharmacists and failed to incorporate sufficient controls to prevent user fraud or error. If any legal or regulatory actions arise from these incidents, Cegedim may be subject to fines and damages to its reputation.

Cegedim provides information that healthcare providers use in treating patients. If any information is incorrect or incomplete, it may be subject to product liability and other claims as a result of adverse consequences, including death of patients. The Group also provides software that contains patient clinical information. A court or government agency may rule that the delivery of health information exposes the Group to liability for personal injury, wrongful delivery or handling of healthcare services or erroneous health information. Although Cegedim maintains product liability insurance coverage in an amount that management believe is sufficient for its business, the Group cannot assure that this coverage will prove to be adequate or will continue to be available, if at all, on acceptable terms. A claim that is brought against Cegedim that is uninsured or under-insured could harm its business, financial condition and results of operations and unsuccessful claims may still result in substantial costs and diversion of management resources.

4.3.7. DATA PROCESSING ERRORS, DELAYS IN DELIVERING OR DIFFICULTIES IN IMPLEMENTING CEGEDIM PRODUCTS AND SERVICES COULD RESULT IN LOSS OF CLIENT CONFIDENCE

Data processing errors or significant defects in Cegedim products may result in loss of revenue, issuance of credits to clients, re-performance of work, payment of damages, future rejection of its products, including new versions and updates, and services by current and prospective customers and irreparable harm to its reputation. Such monetary penalties, lost revenue or increase in service and support costs may also result from difficulties in implementing its products and services, the failure to deliver products and services according to requirements or the failure to meet specified goals within contractual timeframes. Cegedim cannot assure that it will not encounter difficulties or delays in delivering or implementing future products and services that could materially and adversely affect its business, financial condition and results of operations.

4.3.8. IF CEGEDIM SECURITY IS BREACHED, THE GROUP COULD BE SUBJECT TO LIABILITY, AND CUSTOMERS COULD BE DETERRED FROM USING ITS PRODUCTS AND SERVICES

Cegedim business relies on securely transmitting, storing and hosting sensitive information, including protected health information, financial information and other sensitive information relating to its customers, company and workforce. As a result, the Group faces the risk of unauthorized access to its computer systems, both deliberate and unintentional, that may disrupt its business, such as through misappropriation or loss of sensitive information and corruption of data. Similarly, Cegedim faces the risk of denial-of-service and other Internet-based attacks ranging from mere vandalism of its electronic systems to systematic theft of sensitive information and intellectual property. The Group cannot guarantee that its programs and controls will be adequate to prevent all possible security threats. Cegedim believes that any compromise of its electronic systems, including the unauthorized access, use or disclosure of sensitive information or a significant disruption of its computing assets and networks would (i) adversely affect its reputation and its ability to fulfill contractual obligations, (ii) require Cegedim to devote significant financial and other resources to mitigate such problems and (iii) increase its future cyber-security costs, including through organisational changes, deploying additional personnel and protection technologies, further training employees and engaging third-party experts and consultants.

Moreover, unauthorized access, use or disclosure of such sensitive information could result in civil or criminal liability or regulatory action, including potential fines and penalties. Recently, other companies have experienced many high-profile incidents involving data security breaches by entities that transmit and store sensitive information. Lawsuits resulting from these security breaches have sought very significant monetary damages, although many of these suits have yet to be resolved. Although the Group maintains some insurance to cover these types of damages and costs, if it is sued for this type of security breach it is uncertain whether this coverage would be sufficient to cover the costs or damages assessed in this type of lawsuit against the Group.

Any real or perceived compromise of its security or disclosure of sensitive information may result in lost revenues by deterring customers from using or purchasing its products and services in the future. If its security is breached, its business, financial condition and results of operations could be materially and adversely affected.

4.3.9. COMPLEX SOFTWARE MAY CONTAIN DEFECTS

Complex software may contain defects. The Group continually introduces new software, including enhancements to its existing software, which may contain defects. If Cegedim detects any defects before it introduces new software, the Group might have to delay its deployment for an extended period of time and lose the revenue that it otherwise could earn, while it addresses the problem and incur additional costs. If Cegedim does not discover defects that affect its software until after they are deployed, it could suffer harm to its reputation, lost sales, delays in commercial releases, product liability claims, delays in or loss of market acceptance of its applications, license terminations or renegotiations, unexpected expenses and diversion of resources to remedy defects and privacy and/or security vulnerabilities.

Cegedim customers may also use its software together with products from other companies or those that they have developed internally. As a result, when problems occur, it may be difficult to identify the source of the problem. Even when Cegedim software does not cause these problems, the existence of these defects may cause the Group to incur significant costs, divert the attention of its technical personnel from its software development efforts, impact its reputation and cause significant customer relations problems. Any of these could materially and adversely affect its business, financial condition and results of operations.

4.3.10. SYSTEM DISRUPTIONS AND FAILURES MAY RESULT IN CUSTOMER DISSATISFACTION AND CUSTOMER LOSS

Cegedim systems may form an integral part of its customers' business operations as they are used to manage customer data, plan marketing and sales strategies and process payments. The continued and uninterrupted performance of its systems is critical to the Group success, as its customers may become dissatisfied by any system failure that interrupts its ability to provide services to them. Cegedim continued ability to satisfy its customers depends on its ability to protect its computer systems against damage from fire, power loss, water, telecommunications failures, earthquake, terrorism attack, vandalism and similar unexpected adverse events. Despite its efforts to implement network security measures, Cegedim systems are also vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering. Major weather and pandemic event could also harm the Group ability to conduct normal business operations. Although the Group maintain insurance that it believes is appropriate for its business and industry, such coverage may not be sufficient to compensate for any significant losses that may occur as a result of any of these events. A prolonged system-wide outage or frequent outages could cause harm to its reputation and could cause Cegedim customers to make claims against the Group for damages allegedly resulting from an outage or interruption. Any damage or failure that interrupts or delays its systems or sustained or repeated damage or failures could reduce the attractiveness of its services significantly and result in decreased demand for the Group products and services, which could materially and adversely affects its business, financial condition and results of operations.

4.3.11. DATA SUPPLIERS MAY WITHDRAW DATA THAT CEGEDIM HAS PREVIOUSLY COLLECTED, WITHHOLD DATA FROM THE GROUP IN THE FUTURE OR FAIL TO ADHERE TO DATA QUALITY STANDARDS, LEADING TO DIFFICULTY IN PROVIDING PRODUCTS AND SERVICES TO ITS CLIENTS

In addition from proprietary data and those derived from public record sources, Cegedim uses data purchased from third-party data suppliers and relies on them to provide the necessary data licenses on commercially reasonable terms. Its ability to continue providing products and services to its clients would be affected if its data suppliers were to withhold their data, whether as a result of its failure to maintain sufficient relationships with them or as a result of legal, contractual, privacy, competition or other economic concerns. For example, data suppliers could withhold their data if there is a competitive reason to do so, if Cegedim breaches its contract with them, if they are acquired by one of its competitors, if legislation is passed restricting the use of the data they provide or if judicial interpretations are issued restricting use of such data. Its data suppliers may also fail to adhere to its data quality standards and cause the Group to terminate its relationship with them. If a substantial number of data suppliers were to withdraw or withhold their data or fail to adhere to Cegedim data quality standards, its ability to provide products and services to its clients could be negatively impacted, which could materially and adversely affect its business, financial condition and results of operations.

4.3.12. CHANGES IN EXISTING LEGISLATIVE, JUDICIAL, REGULATORY, CULTURAL OR CONSUMER ENVIRONMENTS RELATING TO CONSUMER PRIVACY OR INFORMATION COLLECTION AND USE MAY LIMIT CEGEDIM ABILITY TO COLLECT AND USE DATA

In many of the jurisdictions in which Cegedim operates, changes in existing legislations restricting the collection and use of personal data have been passed or are being contemplated, due to changes in legislative, judicial, regulatory, cultural or consumer environments relating to consumer privacy or information collection and use. In particular, governments and the public are increasingly concerned with the collection and use of healthcare and medical data and the Group therefore faces the risk of further limitations on its ability to collect and use the data which is the basis of its products and services. For example, Cegedim provides products and services in the United States that involve the license, use and transfer of prescriber-identifiable information for commercial purposes. Some states have restricted such activities and other states may enact similar restrictions, as seen in a number of state legislative initiatives over the past several years. The Group is unable to predict the states that would enact such restrictions, what forms they would take, or whether the United States would also enact such restrictions. A restriction on the license, use and transfer of prescriber-identifiable information could cause a material increase in the cost of collecting data or decrease the availability of information, making it more difficult to meet its clients' requirements.

4.3.13. CEGEDIM IS SUBJECT TO A NUMBER OF EXISTING LAWS, REGULATIONS AND INDUSTRY INITIATIVES IN A CHANGING REGULATORY ENVIRONMENT

Cegedim business and the business of its customers are regulated by a number of governmental entities in multiple jurisdictions. These regulations may impact the Group directly through their application, or indirectly through their application to its customers, as its products must be capable of being used by its customers in a manner that complies with those laws and regulations. The inability of its customers to do so could affect the marketability of its products or its compliance with its customer contracts. In the case of regulations that apply only to its customers, Cegedim may nevertheless be subject to liability under the theory that it assisted its customers in a violation of healthcare laws or regulations.

Because the healthcare information technology industry as a whole is relatively young, the application of many regulations to its business and to the business of its customers is uncertain. There are laws in many jurisdictions that may apply directly or indirectly to its business and the business of its customers, including anti-kickback laws, limitations on physician referrals and laws relating to distribution and marketing, including off-label promotion of prescription drugs. In addition, these laws and regulations differ from one country to another and its products and services have to be customized to satisfy the legal and regulatory regimes of each country, adding to the complexity of legal and regulatory compliance. It is possible that a review of its business practices or those of its customers by courts or regulatory authorities could result in a determination that could adversely affect the Group.

The healthcare regulatory environment may also change in a way that restricts Cegedim existing operations or its growth. For example, in France, pharmacy chains are not permitted, but the European Union is exerting pressure to change the law to allow pharmacy chains to operate. If the law does change, Cegedim negotiating power with the pharmacies in France could be negatively impacted. The Group may not be able to retain its current strength in making commercial arrangements with chains of pharmacies in France, notwithstanding the potential benefit of having fewer parties with which to transact business. If its negotiating power were reduced or if reduced operational costs were not sufficient to offset the negative impact on its negotiating power, its business, financial condition and results of operations could be materially and adversely affected.

The healthcare industry generally and the healthcare information technology industry specifically are expected to continue to undergo significant legal and regulatory changes for the foreseeable future. If the Group is unable to comply with changes in existing legislation or regulations, or if the healthcare regulatory environment adversely impacts its operating environment, its business, financial condition and results of operations could be materially and adversely affected.

4.3.14. GOVERNMENT-IMPOSED PRICE RESTRICTIONS ON PHARMACEUTICAL COMPANIES COULD REDUCE DEMAND FOR CEGEDIM PRODUCTS AND SERVICES

In the countries in which Cegedim operates, pharmaceutical companies are facing increased pressure from governments, Social Security systems and private insurers on reimbursement level and the price that they may charge for drugs. The Group believes that such cost containment measures will cause pharmaceutical companies to seek more effective means of marketing their products, which Cegedim expects will benefit in the medium and long-term as it supplies them with cost-effective marketing products and services. However, such governmental regulation may cause pharmaceutical companies to revise or reduce their marketing programs in the near term, which may lead to a further decrease in medical representatives that may, in turn, reduce the demand for certain of its products and services.

4.3.15. THE MARKET FOR CEGEDIM PRODUCTS AND SERVICES IS COMPETITIVE

The market for Cegedim products and services is competitive and is characterized by rapidly evolving technology and product standards, user needs and the frequent introduction of new products and services. Some of its competitors may be more established, benefit from greater name recognition and have substantially greater financial, technical and marketing resources. Moreover, the Group expects that competition will continue to increase as a result of consolidation in both the information technology and healthcare industries. If one or more of its competitors or potential competitors were to merge or partner with another of its competitors, the change in the competitive landscape could adversely affect its ability to compete effectively. Cegedim competes on the basis of several factors, including the breadth and depth of services, reputation, reliability, accuracy and security, client service, price and industry expertise and experience. The resources allocated to each market in which the Group competes vary, as do the number and size of its competitors across these markets. In any given market, its competitors may be in a better position to develop new products and pricing strategies that more quickly and effectively respond to changes in customer requirements in these markets and achieve greater market acceptance than its products and services. Due to competition, Cegedim may be subject to pricing pressures with respect to its future sales and be forced to reduce its prices, causing its business to be less profitable. There can be no assurance that the Group will be able to compete successfully against current and future competitors or that the competitive pressures that it faces will not materially and adversely affect its business, financial situation and results of operations.

4.3.16. CEGEDIM IS EXPOSED TO GENERAL GLOBAL ECONOMIC AND MARKET CONDITIONS, PARTICULARLY THOSE IMPACTING THE HEALTHCARE AND TECHNOLOGY INDUSTRIES

A significant majority of Cegedim revenue is generated from the sale of its products and services to the life sciences and healthcare industries. The demand for its products and services or the price that it can charge to its clients may decline if the businesses that it serves, particularly in the pharmaceutical healthcare industries, become subject to financial pressures, such as further price controls or reduced reimbursement levels, increased costs or reduced demand for their products. The recent worldwide recession has had, and the European sovereign debt crisis and the continuing uncertainty as to global economic recovery may have, adverse consequences on its customers and its business, including financial pressures on industry participants to cut expenses and limit investment in capital intensive projects. Adverse market conditions may have a negative impact on its business by decreasing its new customer engagements and the size of initial spending commitments under those engagements, as well as decreasing the level of discretionary spending by existing customers. In addition, a longer buying decision-making may limit its ability to forecast its flow of new contracts. Any of these circumstances could have a material adverse impact on its business, financial condition and results of operations.

4.3.17. ENGAGEMENTS WITH CERTAIN CLIENTS, PARTICULARLY THOSE WITH LONG-TERM AGREEMENTS, MAY PROVE TO BE MORE COSTLY THAN ANTICIPATED

The pricing and other terms of Cegedim client contracts are based on estimates and assumptions the Group makes at the time it enters into these contracts. These estimates and assumptions reflect its best judgement regarding the nature of the engagement and its expected costs to provide the contracted services, but such estimates and assumptions may differ from the actual nature of the engagement and costs. Any increased or unexpected costs or unanticipated delays in connection with the performance of these engagements, including delays caused by factors outside its control, could make these contracts less profitable or unprofitable, which would have an adverse effect on its profit margin. Its exposure to this risk increases generally in proportion to the scope of the client contract and is higher in the early stages of the contract. In addition, a majority of its information technology outsourcing contracts contain some incentive-based or other pricing terms that condition its fee on its ability to meet defined goals. The Group failure to meet the expectations of a client in any type of contract may result in an unprofitable engagement.

4.3.18. CEGEDIM BUSINESS MAY BE ADVERSELY AFFECTED BY PROLONGED SALES CYCLES

Cegedim business is directly affected by the length of its sales cycle, which is the amount of time it takes a customer to ultimately purchase a product or service. The duration of the sales cycle depends on a number of factors that are difficult to predict, including the nature and size of the potential customer and the extent of the commitment being made by the potential customer. Information technology systems are complex, and their purchase generally involves a significant commitment of capital, with frequent delays in connection procurement procedures for large capital expenditures. The procurement procedures may require coordination and agreement across many departments. If potential customers take longer than Cegedim expects to decide to purchase, its selling expenses could increase and the recognition of its revenues could be delayed. In periods of economic downturn, its typical sales cycle is particularly subject to prolongation. Any of these situations could have a material adverse effect on its business, financial condition and results of operations.

4.3.19. CEGEDIM INTERNATIONAL PRESENCE EXPOSES THE GROUP TO RISKS ASSOCIATED WITH VARIED AND CHANGING POLITICAL, CULTURAL, LEGAL, FINANCIAL AND ECONOMIC CONDITIONS WORLDWIDE

Cegedim is affected by risks associated with conducting business internationally. The Group have active operations in over 70 countries on five continents. Although more than half its revenue for 2013 was derived from customers in France, it obtains significant revenue from customers in the European region, excluding France, and North America. Cegedim strategy is to continue to broaden its existing customer bases and to expand into international markets, including emerging markets, such as Brazil, India, Russia and China. Conducting business internationally exposes the Group to certain risks inherent in doing business in international markets, including:

- lack of acceptance of non-localized products and competition from products already present;
- legal and cultural differences in the conduct of business;
- difficulties in staffing and managing foreign operations;
- longer payment cycles;
- difficulties in collecting accounts receivable and withholding taxes that limit the repatriation of earnings;
- trade barriers;
- fluctuations in foreign currency exchange rates;
- difficulties in complying with varied legal and regulatory requirements across jurisdictions;
- difficulties in complying with applicable sanctions regulations, anti-money laundering and anti-corruption laws, which may include the US Department of Treasury Office of Foreign Assets Control sanctions, the US Foreign Corrupt Practices Act and the UK Bribery Act;
- difficulties in complying with tax laws in multiple international jurisdictions, as well as changes in tax laws or their application;
- insufficient legal protections of property rights and against crime;
- immigration regulations that limit its ability to deploy its employees;
- economic and political instability and threats of terrorism;
- variations in effective income tax rates among countries where Cegedim conducts business.

One or more of these factors could have a material adverse effect on its international operations, which could harm its business, financial condition and results of operations.

4.3.20. CEGEDIM MAY SEEK TO ACQUIRE COMPANIES OR TECHNOLOGIES THAT CAN BE MORE DIFFICULT TO INTEGRATE THAN INITIALLY ESTIMATED AND REQUIRE MOORE ATTENTION OF ITS MANAGEMENT

Cegedim pursues acquisitions and other initiatives in order to offer new products or services, improve its market position and enhance its strategic strengths. The Group has completed numerous acquisitions, including the acquisitions of Dendrite International in 2007, SK&A Information Services, Inc. ("SK&A") in 2010, Pulse Systems, Inc. ("Pulse Systems") in 2010 and ASP Line in 2012, all of which have expanded its global position and enhanced its offerings. In the future, Cegedim may acquire other companies that will advance its strategy. The Group cannot assure that suitable future acquisition candidates can be found, acquisitions can be consummated on favorable terms or otherwise favorable acquisitions may not be subject to antitrust or other regulatory concerns. Cegedim also cannot assure that the acquisitions that it has completed, or any future acquisitions that it may make, will be successful in realizing revenue improvements, cost savings and other intended benefits. The Group may face unexpected difficulties in incorporating the technology or systems of an acquired company with its own. It may also fail to identify all material issues relating to the integration of its acquisitions, such as significant defects in the Management Control policies and unknown liabilities associated with the acquired companies. Even if it obtains indemnification from the seller of an acquisition, the indemnification may be insufficient or unavailable for the particular liabilities that it incurs in association with the acquisition. Cegedim may also face difficulties in integrating acquired personnel and operations and in retaining and motivating key personnel from these businesses. Acquisitions may also disrupt its ongoing operations, divert management from day-to-day responsibilities, increase its expenses and harm its results of operations or financial condition. The occurrence of any of these events could have a material and adverse effect on its business, financial condition and results of operations.

4.3.21. IF CEGEDIM IS DEEMED TO INFRINGE, MISAPPROPRIATE OR VIOLATE THE PROPRIETARY RIGHTS OF THIRD PARTIES, THE GROUP COULD INCUR UNANTICIPATED EXPENSE AND BE PREVENTED FROM PROVIDING ITS PRODUCTS AND SERVICES

Cegedim has been in the past and may become in the future subject to intellectual property infringement, misappropriation or other intellectual property violation claims as the functionality of its software overlaps with competitive products and third parties may claim that the Group does not own or have rights to use all intellectual property rights used in its software. It does not believe that it has infringed or is infringing on any valid or enforceable proprietary rights of third parties. However, claims are occasionally asserted against the Group, and management cannot assure that infringement, misappropriation or claims alleging intellectual property violations will not be successful, or that they would not be asserted against the Group in the future. Cegedim could incur substantial costs and diversion of management resources defending any such claims. Furthermore, a party making a claim against the Group could secure a judgment awarding substantial damages, as well as injunctive or other equitable relief that could effectively block its ability to provide products or services. In addition, it cannot assure that licenses for any intellectual property of third parties that might be required for its products or services will be available on commercially reasonable terms, or at all. Such claims also might require indemnification of its clients at significant expense. If required licenses cannot be obtained, or if existing licenses are not renewed, litigation could result. Litigation is inherently uncertain and any adverse decision could result in a loss of its proprietary rights, subject to significant liabilities, require the Group to seek licenses from others and otherwise materially and adversely affect its business, financial condition and results of operations.

4.3.22. THE SKILLED AND QUALIFIED WORKFORCE THAT CEGEDIM NEED TO DEVELOP, IMPLEMENT AND MODIFY ITS PRODUCTS AND SERVICES MAY BE DIFFICULT TO HIRE, TRAIN AND RETAIN, AND THE GROUP COULD FACE INCREASED COSTS TO ATTRACT AND RETAIN ITS SKILLED WORKFORCE

Cegedim business operations depend in large part on its ability to attract, train, motivate and retain highly skilled information technology professionals, software programmers and communications engineers, with a deep understanding of the healthcare and health information technology industries, on a worldwide basis. Because its products and services are complex and are generally used by its customers to perform critical business functions, the Group depends heavily on skilled technology professionals. Skilled technology professionals are often in high demand and short supply. If Cegedim is unable to hire or retain qualified technology professionals to develop, implement and modify its products and services, it may be unable to meet the needs of its customers.

Cegedim invests significant time and expense in training its employees, which increases their value to clients and competitors who may seek to recruit them and also increases the costs of replacing them. In addition, serving several new customers or implementing several new large-scale projects in a short period of time may require to attract and train additional IT professionals at a rapid rate. Although the Group heavily invests in training its new employees, it may not be able to train them rapidly enough to meet the increasing demands of its business. If Cegedim fails to retain its employees, the quality of its services could diminish. Its inability to hire, train and retain the appropriate personnel could increase its costs of maintaining a skilled workforce and make it difficult to manage its operations, meet its commitments and compete for new customer contracts. Any of these could have a material adverse effect on its business, financial condition and results of operations.

4.3.23. MANAGEMENT AND KEY EMPLOYEE TURNOVER OR FAILURE TO ATTRACT AND RETAIN QUALIFIED MANAGEMENT COULD ADVERSELY AFFECT CEGEDIM OPERATIONS

Cegedim success depends on the skills, experience, efforts and policies of its management and the continued active participation of a relatively small group of senior management personnel, including its Chairman and Chief Executive Officer, Mr. Jean-Claude Labrune and its Deputy Managing Director, Mr. Pierre Marucchi. The loss of the services of all or some of these executives could harm its operations and impair its efforts to expand its business. If one or more of its key employees leaves its employment, Cegedim will have to find a replacement with the attributes necessary to execute its strategy. Because competition for skilled employees is intense, and the process of finding qualified individuals can be lengthy and expensive, it believes that the loss of the services of key personnel could materially and adversely affect its business, financial condition and results of operations. The Group cannot assure that it will continue to retain such personnel.

4.3.24. CEGEDIM MAY FACE ADVERSE JUDGMENTS OR SETTLEMENTS IN LEGAL DISPUTES OR GOVERNMENT INVESTIGATIONS

Cegedim has been and may become a party to a variety of claims and lawsuits that may arise in the ordinary course of its business or in the course of government inquiries, investigations or audits into its business. The Group is currently subject to an enquiry by the French Competition Authority following an allegation of anti-competitive practices in the healthcare professionals database market in France made by a former distributor of a Dendrite database. This enquiry was terminated end 2013 and Cegedim is expecting the final decision by the French Competition Authority to be issued during the first semester 2014.

The results of any proceedings brought against the Group are inherently uncertain and adverse judgments or settlements may result in materially adverse monetary damages or injunctive relief against it. Any claims or litigation, even if fully indemnified or insured, could damage its reputation and make it more difficult to compete effectively or obtain adequate insurance in the future, and could thereby materially and adversely affect its business, financial condition and results of operations.

4.4. INSURANCE

Cegedim SA has established an insurance program with recognized insurance companies covering it and all the companies belonging to the Group against all professional and civil liability risks inherent in its operations. These contracts provide the following cover:

- civil liability for operations: 25 million euros per claim;
- professional civil liability and civil liability for products or after delivery: 15 million euros per claim, and per year insured.

Cegedim has also taken out, inter alia, with the same companies a policy covering buildings and/or all tenant risks for all the sites occupied by it or by the companies belonging to the Group. This contract includes computer all risk coverage up to a limit of 14.6 million euros excluding events relating to the overall limit and theft relating to the “theft limit”.

In June 2013, Cegedim established a worldwide insurance program for its risks related to employment, with a maximum limit of 10 million euros guarantee per year of insurance.

The US subsidiaries have renewed their policies covering risk related to vehicle risk and general liability. The insurance policies covering risks relating to civil liability include several levels of cover:

- 10 million dollars per year of insurance for professional civil liability;
- 32 million dollars per year of insurance for operations civil liability and/or liability after delivery.

The insurance program entered into by Cegedim SA comes into play when there are different conditions and as a complement to or after exhaustion of the US coverage.

5

INFORMATION CONCERNING THE ISSUER

5.1 HISTORY AND DEVELOPMENT OF THE COMPANY

5.1.1 REGISTERED NAME AND TRADE NAME OF THE ISSUER

The issuer's registered company name is: Cegedim.

The trade names of the issuer are: Cegedim - TVF Division, Cegedim - Santesurf Division, Cegedim Pharma CRM Division, Cegedim Relationship Management, Cegedim Relationship Management France, Cegedim Relationship Management Corp., Deskom and Cegers.

5.1.2 ISSUER'S PLACE OF REGISTRATION AND NUMBER

Registered in the Nanterre Trade and Companies Register, under number: 350 422 622, APE code 6311Z.

5.1.3 DATE OF INCORPORATION AND TERM OF THE ISSUER

Cegedim SA was incorporated on August 27, 1969.

On April 18, 1989, FCB was incorporated for a term of ninety-nine years.

On December 26, 1994, the holding company at that time merged with Cegedim SA and took on its corporate name.

5.1.4 REGISTERED OFFICE AND LEGAL FORM OF THE ISSUER, LAWS GOVERNING ITS BUSINESS ACTIVITIES, COUNTRY OF ORIGIN, ADDRESS AND TELEPHONE NUMBER OF THE HEAD OFFICE

Cegedim SA

A public limited company with a Board of Directors and capital of 13,336,506.43 euros.

Corporate headquarters: 127 - 137, rue d'Aguesseau, 92100 Boulogne-Billancourt, France.

Telephone: +33 (0)1 49 09 22 00

Fax: +33 (0)1 46 03 45 95

Country of origin: France.

Laws governing the business activities of Cegedim: Code of Commerce.

5.1.5 SIGNIFICANT EVENTS IN THE DEVELOPMENT OF THE ISSUER'S BUSINESS ACTIVITIES

Cegedim is a global technology and services company specializing in the healthcare field. Cegedim supplies services, IT tools, specialized software, data flow management services and databases.

The world leader [(1)] in life sciences CRM (Customer Relationship Management), its historical core business, Cegedim provides the world's largest pharmaceutical companies with vital support for successful CRM and helps to measure the effectiveness of their sales and marketing. The Cegedim Group's CRM tools, with its value-added strategic databases, provide its customers with an informed view of their market and their targets so that they can optimize their strategies and their returns on investments. These activities are now consolidated in the "CRM and strategic data" division.

Cegedim has also positioned itself as one of Europe's leading publishers [(2)] of medical and para-medical management software. Structured, scalable, and communicative, this software adapts to the needs of healthcare professionals while meeting the latest technical and regulatory requirements. These activities are now consolidated in the "Healthcare professionals" division.

Capitalizing on its expertise in publishing professional software and processing complex information, the Group also offers solutions dedicated to health insurance players as well as high value-added management solutions to its many customers concerned with issues related to outsourcing and computerized exchanges. These activities are now consolidated in the "Insurance and services" division.

Cegedim Group's expertise is currently divided into three operational divisions:

- "CRM and strategic data";
- "Healthcare Professionals";
- "Insurance and Services".

5.1.6 HISTORY

1969 Jean-Claude Labrune founds Cegedim (standing for Centre de Gestion, de Documentation, d'Informatique et de Marketing) with the initial purpose of pooling pharmaceutical companies' know-how and IT resources in document research fields.

1972 Innovation with the first computerized database of doctors.

1979 Launch of CRM activities in France.

1990 International expansion begins.

1991 Innovation with the first electronic data interchange platform.

1994 Launch of computerization offers for doctors in France and promotional activities dedicated to doctors and pharmacists. Launch of human resources management activities.

1995 The Cegedim security is introduced in the Second Market of the Paris Stock Exchange. It is now listed on the NYSE Euronext Paris Exchange, Compartment B.

1996 CRM innovation with the *TEAMS* suite in SaaS mode.

1997 Innovation with the BCB, the first computerized drug database.

1999 Computerization of health insurance and mutual companies.

2006 Cegedim revenue exceeds 500 million euros.

2007 With the acquisition of Dendrite International, Cegedim becomes the world leader in CRM for the pharmaceutical industry. With the broadest and best R&D structure dedicated to this highly specific sector, Cegedim shows a unique ability to optimize promotional investments for its customers.

2009 180.5 million euro capital increase to relaunch a strategy for dynamic external growth and entry of Bpifrance (formerly FSI - Fonds Stratégique d'Investissement) in the Group's capital.

2010 Cegedim strengthens its positions in the American market with the acquisition of SK&A and Pulse.

2010 Cegedim employs 8,470 people in more than 80 countries. International activities represent more than 50% of full-year revenue. OneKey, the database of choice for healthcare professionals around the world, is available in 73 countries.

2010 Cegedim carries out a bond issue for 300 million euros.

2011 Refinancing of a 200 million euro loan and a revolving credit facility of 80 million euros with a pool of banks.

2012 Innovation is an ongoing process for OneKey, the global database for healthcare professionals.

2013 Cegedim carries out a bond issue for 300 million euros to refinance its debt.

(1) Cegedim, via its subsidiary Cegedim Relationship Management, is the world leader in terms of the number of users of its CRM solutions for the pharmaceutical industry, according to in-house estimates.

(2) Cegedim is one of the leading european publishers of software for healthcare professionals in terms of the number of workstations installed.

5.1.7 COMPANY DEVELOPMENT

Revenue for the “CRM and strategic data” division is more than four times the level it was in 2000 and represents 50% of the Group’s revenue at December 31, 2013. This increase was particularly marked by the acquisition of Dendrite in 2007 which represented a significant strategic step for the Group allowing it to enter a new growth phase. Sustained internal and external growth presently allows Cegedim to cover over 80 countries with an extensive line of products and services.

The computerization of “Healthcare professionals,” initiated in French doctors’ offices, was extended to the United Kingdom in 1999 and to French pharmacists in 2001. It continued through the acquisition of software publishing companies specializing in applications for doctors in Belgium (2003), in Italy (2006), in Spain (2006) and the United States (2010) and software publishing companies specializing in applications for pharmacists in the United Kingdom (2004).

The “Insurance and services” division, historically devoted to managing direct billing and direct payment health insurance flows, has, since 2000, included computerization services and software packages for members of the healthcare insurance and pension industries. This division has grown steadily since 2003, and in 2008 in particular with the marketing of the new range of “ACTIV’Insurance Suite” solutions and the acquisition of Protectia, a French publisher of health software packages aimed at personal insurance, particularly well-established on the middle market, and in 2010 with the acquisition of Hosta and Deskom.

5.2 INVESTMENTS

5.2.1 ISSUER’S MAIN INVESTMENTS DURING THE PERIOD COVERED BY THE HISTORICAL FINANCIAL INFORMATION UNTIL THE REGISTRATION DATE OF THE DOCUMENT

Growth operations concerning business activities earning less than ten million euros in revenue are generally financed internally. For more extensive operations the group studies on a case-by-case basis whether, or not, to use debt financing. Transactions in excess of 20 million euros must be approved by the Board of Directors with a qualified majority of 6/10 including at least one Director representing Bpifrance (formerly Fonds Stratégique d’Investissement). The other growth operations (launch of new business activities, opening of a new country, etc.) are internally financed.

The table below summarizes the investments made during the past three years:

In millions of euros **Year of acquisition**	**Price of acquisitions excluding earn-outs**	**Amount of earn-outs paid**	**Total price of acquisitions**
2011	1.5	0.0	1.5
2012	13.1	9.8	22.9
2013	1.3	2.6	3.9

The acquisition prices and other financial terms are protected by confidentiality agreements.

In 2013, the acquisition of companies and businesses were self-financed for an amount of €1.3 million. The Group did not sell any significant entities.

The main acquisition concerns Webstar Health, an English company. The Group also took over the French business Kadrige.

As mentioned in chapter 20 of this Registration Document, all calculable earn-outs were recorded and there is no minority shareholder buyback commitment.

Earn-outs of €2.6 million were paid in 2013.

Main Investments in 2011

"HEALTHCARE PROFESSIONALS"

April 2011: acquisition of Pharmec, the leader in computerization of pharmacies in Romania with more than one third of the market. Formed in January 2011 for the purposes of this transaction, following a spin off from a large Romanian company, Pharmec brings together all IT and services activities for pharmacies and doctors. This acquisition also builds on Cegedim's data offering for pharmaceutical laboratories in Romania.

In 2011, the acquired activities represented annual revenue of just under one million euros.

Main Investments in 2012

"CRM AND STRATEGIC DATA";

May 2012: Cegedim sold to Chesapeake Pharmaceutical and Healthcare Packaging its entity Pharmapost, a leading French manufacturer of pharmaceutical leaflets. Pharmapost perfectly complements Chesapeake's existing three French healthcare-focused facilities and further extends its extensive global production capability.

Pharmapost, an ISO 9001 certified company, is a printing business dedicated to printing and processing different types of paper. In 2011, it produced 470 million pharmaceutical patient information leaflets, which ranks it among France's leading manufacturers. The company also produces other printed medical related products including booklets and questionnaires. Based in Amilly near Montargis, Pharmapost employs 60 people and supplies both global pharmaceutical and prestigious French companies.

The business activities sold to Chesapeake represent annual revenue of approximately 6 million euros for a full year.

November 2012: acquisition of Longimetrica, an Italian entity which created the HOST information platform (Hôpital de suivi des ventes). This platform includes sales pharmaceutical companies information into regional healthcare institutions. It presents a great innovation in the database marketing and sales domain.

The acquired activities represent non-significant annual revenue of less than 0.1 million euros for a full year.

"HEALTHCARE PROFESSIONALS"

July 2012: acquisition of ASP Line, the fourth-ranking publisher of pharmacy management software in France, well implemented throughout the country. This acquisition has strengthened Cegedim's leading position in France on the pharmacy computerization market. It also offers, in addition to numerous opportunities to benefit from synergies with the Group's other activities, excellent prospects for growth going forward.

The acquired activities represent annual revenue of approximately 9 million euros for a full year.

Main investments of 2013 and up to March 10, 2014

November 2013: acquisition of the company Webstar Health, leader in the United Kingdom in consulting and IT health services for pharmacists. Cegedim thus strengthens its expertise and experience in managing primary care services in the pharmacy sector in the United Kingdom.

The acquired businesses represent annual revenue of approximately one million euros.

December 2013: acquisition of some assets of the French company Kadrige, pioneer of e-detailing and collaborative solutions in SaaS mode. Cegedim thus strengthens its multi-channel offering with reliable and flexible solutions that are fully integrated with its CRM platform, Mobile Intelligence.

The acquired businesses represent annual revenue of 2.5 million euros.

5.2.2 CURRENT MAIN INVESTMENTS

Investments are primarily made through external growth as well as internal growth with a particular focus on the international development of activities intended for pharmaceutical companies, physicians, and pharmacists, as well as opportunities for expanding the line of services offered.

With respect to external growth, the strategy of the Cegedim Group is to pursue growth in its historical core business: services for healthcare players and strategic data.

The desire to support the Group's customers in their markets is the main driver of international expansion. The Group regularly looks into possible acquisitions that are consistent with this strategy. There is no active, systematic search for targets. However, the Group constantly monitors potential targets in-house in order to seize the best opportunities when the time comes.

5.2.3 INVESTMENTS THAT CEGEDIM PLANS TO UNDERTAKE IN THE FUTURE AND FOR WHICH ITS MANAGERS HAVE ALREADY MADE FIRM COMMITMENTS.

As of the date of filing of this Registration Document, no firm undertakings have been made by the Cegedim Group.

5.2.4 ACQUISITIONS OF DIRECT AND INDIRECT EQUITY INVESTMENTS AND SALES OF EQUITY INTERESTS BY CEGEDIM SA.

Cegedim SA's investments are linked to its activities and logically involve the IT infrastructure and equity investments. Net intangible and tangible assets increased by €7.0 million in 2013.

The direct and indirect equity investments of Cegedim SA are the following:

Companies involved	% owned during the year	% owned during the previous year	Consolidation method during the year	Consolidation method during the previous year	Comments
Cegedim Kazakhstan	100.00%	-	FC	-	Creation
Cegedim Support Montargis	100.00%	-	FC	-	Creation
Tech Care Solutions	50.00%	-	EM	-	Creation
Webstar Health Limited	100.00%	-	FC	-	Acquisition

5.2.5 CHANGES IN TANGIBLE AND INTANGIBLE ASSETS

In 2013, net consolidated tangible assets decreased by €9.4 million, while consolidated net intangible assets increased by €13.8 million.

6

BUSINESS OVERVIEW

6.1 THE CEGEDIM GROUP

6.1.1 INTRODUCTION

Founded in 1969, Cegedim is a leading provider of technology and services to the healthcare industry, with customers in over 70 countries across five continents.

Cegedim SA has been listed for trading on NYSE Euronext since 1995. It is a subsidiary of FCB, the active holding company of the Cegedim Group.

Cegedim designs, develops, implements, markets and provides technical support for a wide range of solutions and services, including specialized software applications and database management. Its business targets various healthcare players, such as (i) the pharmaceutical, biotechnology and other healthcare industries, (ii) healthcare professionals and (iii) health insurance companies.

Given the services offered and customers targeted, Cegedim's business is structured around three operating divisions:

- CRM and strategic data

  Share of the Group's consolidated revenue in 2013: 50%.

  Geographic presence: more than 80 countries across five continents.

  Main customers: Sales & Marketing, IT and Compliance departments in the pharmaceutical, biotechnology and life sciences industries.

- Healthcare professionals

  Share of the Group's consolidated revenue in 2013: 32%.

  Geographic presence: Belgium, Spain, the United States, France, Italy, the United Kingdom, Romania, Tunisia and Chile.

  Main customers: physicians, pharmacists and paramedical professionals.

- Insurance and services

  Share of the Group's consolidated revenue in 2013: 18%.

  Geographic presence: France, French-speaking Africa (Insurance, in particular through a partnership with the Moroccan Saham Group); Great Britain and Switzerland (Payroll and HR).

  Main customers: insurance companies and mutual health insurance companies, companies in all sectors including businesses related to the healthcare sector.

Cegedim is involved in an ongoing process of developing and synergizing its activities, and its stated ambition is to become one of the chief intermediaries for healthcare sector partners and position itself at the heart of their information needs.

A fourth division named Reconciliation brings together the activities inherent to the parent company of a listed group and support activities for the Group's three operating divisions. Support activities, which are rebilled at market price to the subsidiaries that use them, notably include accounting, HR and treasury management, legal assistance and marketing. The activities as the Group's parent company, which cannot be rebilled, include in particular the Group's strategic management, the production of consolidated information and financial reporting.

This breakdown into four divisions occurred in the fourth quarter of 2013, in order to provide relevant information by division and internal reporting.

6.1.2 THREE OPERATING DIVISIONS

CRM and strategic data

This division assists companies in the pharmaceutical, biotechnology and other healthcare industries in their activities, specifically those related to marketing, by providing software solutions, databases and research reports.

Its product and service range includes (i) databases (such as *OneKey*) for healthcare professionals and other prescribers; (ii) sales and marketing management solutions (in particular CRM platforms); (iii) strategic medical and marketing research; (iv) software and other tools for measuring promotion and advertising efficiency; and (v) business intelligence services.

In addition, the Group offers compliance solutions that enable companies in the life sciences and healthcare industries to better communicate on the proper use of drugs and help ensure that their marketing activities meet regulatory requirements.

For the Group, the *OneKey* database, which contains information on more than 13.7 million healthcare professionals from around the world, is the most comprehensive database of its kind. It provides Cegedim's customers with relevant information on healthcare professionals in various fields and helps them strengthen their relations therewith.

The customers[1] of CRM and strategic data include the 10 largest global pharmaceutical companies (based on revenue as of December 31, 2012).

CRM solutions, databases and market research reports are also used by companies in other industries, such as agribusinesses or automobiles.

Healthcare professionals

This division provides (i) software that meets the daily needs of pharmacists, physicians, healthcare and paramedical networks in the U.S. and EMEA, and (ii) medical databases. Its offering specifically covers solutions for the electronic management of patient records and prescriptions, as well as drug databases adapted to the local regulations and practices in the various countries in which Cegedim operates.

Cegedim also provides installation, maintenance, hosting, training and support services to the users of its products.

In addition, to pharmacists and healthcare professionals in France, the Group offers financing options for computer equipment (software, hardware and maintenance) and outfitting of pharmacies (signs, robotics, furniture, etc.) through its Cegelease subsidiary. In this context, the Group operates primarily as a broker between its clients and leading financial institutions. Lastly, in France, Cegedim also offers marketing and retail space management services to pharmacies.

Insurance and services

The Insurance and services division consolidates all Group's products and services dedicated to insurers, mutual insurers, provident institutions and health insurance intermediaries primarily located in France. This division groups all competencies along the entire chain of information sharing between healthcare professionals, insurance organizations and mandatory and supplemental insurers. Its offering includes (i) computerization solutions for health insurers and mutual health insurers; (ii) healthcare and third-party payment flow management; and (iii) management services.

Through this division, the Group also targets companies across all industries that are interested in issues related to hosting, outsourcing (in particular payroll and HR with Cegedim SRH) and electronic data interchange (Cegedim e-business).

6

6.1.3 DEGREE OF DEPENDENCY

Cegedim does not depend on either patents or licenses. The Group owns its operating resources.

The portion of revenue received in 2013 from the largest customer was 4.5%, with the top five customers 11.9%, and with the top ten customers 17.2%. Furthermore, none of the Group's customers, with the exception of the largest one, accounted for more than 2.2% of revenue in 2013.

Due to its activity as a service provider, the Group has no particular dependency with respect to its suppliers.

For further details, see chapter 4 of this Registration Document, which describes the main risks.

6.2 STRENGTHS

As detailed below, Cegedim's main strengths are:

- leading market positions in each business line;
- high barriers to entry;
- recognized portfolio of innovative and integrated products and services;
- strong, stable and diversified customer base;
- presence at the heart of the healthcare ecosystem;
- long-term shareholder support, experienced senior management team and qualified personnel.

(1) *In the 2013 financial year.*

6.2.1 LEADING MARKET POSITIONS IN EACH BUSINESS LINE

Cegedim has established itself as a leading provider of technology and information services to the healthcare industry through the quality and diversity of its products and services and its continued investment in research, development and innovation. In each of its business lines, Cegedim holds significant market positions in most of the countries in which the Group operates.

CRM and strategic data

With this division, Cegedim is among the global leaders serving the needs of the healthcare industry in terms of databases, market research, CRM software and compliance solutions. With nearly 200,000 medical sales representatives and other users in over 70 countries, Cegedim has global market shares of almost 36% for pharmaceutical CRM and almost 44% for healthcare professionals databases (as of December 31, 2013 according to internal half-year market share research, excluding internal databases for pharmaceutical companies). Cegedim serves many of the leading pharmaceutical companies[1], including the 10 largest global pharmaceutical groups by revenue for the fiscal year ended December 31, 2012.

Healthcare professionals

Through this division, Cegedim holds either the #1 or #2 position in seven Western European countries for medical management and electronic health record software publishing. Over 217,000 physician and paramedical workstations, and over 84,000 pharmaceutical workstations have installed Cegedim's healthcare software across nine countries (according to internal estimates).

Insurance and services

With this division, Cegedim is the leading provider in France of software for managing personal insurance policyholder information and third-party payments, measured by the number of policyholders and the number of transactions conducted annually. The software published by this sector is used to manage approximately 40 million policyholders and more than 350 million electronic data interchange flows each year.

Cegedim's leading market positions, global reputation, and comprehensive product and service offerings provide the Group with a number of competitive advantages, including the ability to attract new customers, to broaden the scope of products sold to existing clients and to expand into new markets.

6.2.2 HIGH BARRIERS TO ENTRY

There are considerable barriers to entry into the healthcare technology and information services industry. These include (i) creating databases with sufficient breadth and depth of information, (ii) building longstanding customer relationships, (iii) offering innovative integrated products and services, and (iv) managing large amounts of data and transactions.

Creating a database in a new market is a long, difficult and costly process. Cegedim collects the information contained in its databases using a variety of methods and sources, including phone calls to its large network of physicians, surveys of healthcare professionals, user updates and physician panels. The *OneKey* database, with information on more than 13.7 million healthcare professionals, is the benchmark in the pharmaceutical industry in terms of the number of countries covered, volume of data entered and the number of users. The length of time Cegedim has offered *OneKey*, the geographic reach of *OneKey* that allows customers who operate in various countries to easily coordinate their cross-border operations, and its large network of physicians and medical sales representatives who contribute to updating the information in the *OneKey* database, provide the Group with a distinct advantage over new entrants in the market.

Additionally, the success of its *OneKey* database has provided Cegedim with access to decision makers at top pharmaceutical companies and has given opportunities to cross-sell its software, which is easily connected to the *OneKey* database and can be tailored to the specific needs of each company.

(1) *In the 2013 financial year.*

Cegedim has also established long-term relationships with its clients. Because of the complexity and costs associated with a change of provider, the Group believes that they would not be easily persuaded to switch to a competitor. Its clients need a partner that they can trust to provide accurate and high-quality data, products and services. In addition, the market players are generally much more specialized and provide either software or databases, whereas Cegedim is not only able to offer both to address the many needs of its customers, but its software and databases are also well connected, allowing users to avoid delays in tailoring other software to operate with the Group's database.

Customers prefer to do business with a "one-stop shop" instead of working with various different providers which often causes integration difficulties across platforms.

In the case of the Healthcare professionals business line, Cegedim's main customers are physicians and pharmacists who, as a traditionally conservative customer base, are less likely to entrust new market entrant.

Lastly, Cegedim is able to manage large amounts of data and transactions. Its healthcare flow management services process over 350 million electronic data interchange flows per year. Building such a robust processing infrastructure is very costly and may be cost prohibitive to new entrants in the market.

6.2.3 RECOGNIZED PORTFOLIO OF INNOVATIVE AND INTEGRATED PRODUCTS AND SERVICES

In the fiscal year ended December 31, 2013, Cegedim dedicated 12% of its workforce to R&D.

The payroll expense for its R&D workforce amounted to 6% of Group revenue and represented the majority of total R&D costs. Its extensive offerings provide Cegedim with multiple avenues for strengthening and expanding its ongoing customer relationships. Its ability to provide a broad and integrated suite of products and services positions the Group as a strategic long-term partner for its customers by allowing it to respond to a variety of customers' needs.

CRM and strategic data products and services

The sustained high level of investment in innovation for this activity in recent years has had a direct effect on product quality, praised by observers such as Frost & Sullivan (for example, *Mobile Intelligence* received the Frost & Sullivan prize for Customer Value Enhancement in Mobile Sales Force Automation.)

In 2013, Cegedim Relationship Management launched version 9 of *Mobile Intelligence*, the Cloud version of its flagship CRM solution for life sciences companies. Available for Windows 8 Pro® and Apple iOS, *Mobile Intelligence 9* has new features for CLM (Closed Loop Marketing) multimedia presentations: a new contact center feature for better tracking of interactions with healthcare professionals and integration with *OneKey* Digital, allowing to identify the activity and influence of health professionals in social networks.

This offer is based on Cegedim Group's infrastructures that obtained ISAE 3402 compliance certification and SSAE 16 Type II certification in 2013 for all of its application and data hosting services for all of its international offices. Obtained following a successful audit in 2012, this accreditation provides Cegedim's customers and those of its subsidiaries with proof of the relevancy and efficiency of its internal risk control procedures and certifies full mastery of the activities managed on behalf of its customers.

With respect to compliance, Cegedim Relationship Management continued to improve AggregateSpend360, its expense consolidation solution for life sciences industries in accordance with new local regulations. AggregateSpend360 integrates native data export as required by the French National Health Directorate, making it easier for French companies to comply with the "French Sunshine Act."

Cegedim Relationship Management moreover announced a worldwide partnership with Concur, the aim of which is to integrate the solution of the world leader in expense and travel management with its compliance offerings, for better expense management for healthcare professionals.

Cegedim also continued developing *OneKey*, its worldwide database of healthcare professional and core of the Group's business activities. Available in more than 70 countries, *OneKey* now counts more than 13.7 million validated healthcare professionals.

Cegedim has also continued deploying Docnet, a social network used by doctors to view or distribute medical information, publish links and news, invite colleagues to conferences and exchange messages. Docnet is now available notably in France and the United States and should be available soon in the United Kingdom.

In France, Cegedim Communication Directe was chosen by the Leem (Organization that represents pharmaceutical companies operating in France), the Afipa (French Association of Self-medication Manufacturers) and the Gemme (French Association of Generic Drug Manufacturers), with the approval of the ANSM (French National Agency for Drug and Health Product Safety), for distributing Patient Safety Information to healthcare professionals (doctors, pharmacists, nurses, physical therapists, midwives, etc.).

Healthcare professionals products and services

In 2013, Cegedim Healthcare Software continued to reinforce international synergies among its different entities as well as strengthen its leading position in health-related data exchange in all countries where its Business Unit operates (Belgium, Chile, Spain, the United States, France, Italy, Romania, Tunisia and the United Kingdom).

For example:

- **in the United Kingdom:**

In 2013, INPS completed a full technical refresh of its data centers in both England and Wales which has led to improved performance of its core Vision product set. INPS was also at the vanguard of enabling patients to book appointments and request repeat medications from their GP Practice – a product that has been adopted by well over 1,000 practices.

Cegedim Rx continued to deploy the government's Electronic Prescriptions scheme in England which now has nearly 4.5 million patients using the system, almost 8% of the population. Development was centered on the governments'drive to deliver more clinical services through pharmacies with the development of a clinical portal delivering a platform for the recording and management of such services.

- **in Belgium:**

In 2013, HDMP passed the certification tests that verify the quality of general practice software in order to allow its users to benefit from public grants managed by the Belgian social security agency ("Institut national d'assurance maladie-invalidité" – INAMI).

In addition, HDMP enjoyed broad commercial success particularly in the fields of user support (by becoming the operator of the hotline for Lifescan's Diabscan software and One Touch blood glucose meter) and after-hours services (with the signature of a contract with the Brussels regional government), which firmly established its position in this market.

- **in Spain:**

In 2013, Stacks continued to expand mispacientes.es, its Cloud platform for the private sector and insurance companies. With more than 800 workstations connecting daily to its platform, Stacks is well-positioned as a leading online services provider in the health sector in Spain.

2013 was also a big year for Canal Paciente, another Cloud-based online service for which Stacks received two awards for innovation this year. Canal Paciente simplifies the lives of patients by allowing them to stay in contact with their healthcare professionals (nurses and generalist physicians) from home. It allows instant access to medical files via the Cloud. Eight healthcare centers in Catalonia are currently connected to it, representing a population of approximately 200,000 patients and more than 80,000 online actions.

The OMlap Cloud solution was also extended to five healthcare centers in Catalonia, and the Murcia region used this solution for its network of emergency centers and nursing homes.

In addition, Stacks launched new operations in Chile enabling it to expand in this market and deploy a Cloud system for the first time in Latin America.

- **in the US:**

The Pulse EHR, version 4.2, is compliant with the ONC 2014 Edition criteria and was certified as a Complete EHR on August 7, 2013, by the Certification Commission for Health Information Technology (CCHIT®), an ONC-ACB, in accordance with the eligible provider certification criteria adopted by the Secretary of Health and Human Services. The ONC 2014 Edition criteria support both Stage 1 and Stage 2 meaningful use measures required to qualify eligible providers and hospitals for funding under the American Recovery and Reinvestment Act (ARRA).

Pulse is eligible to submit quality data to the CMS (Center for Medicare and Medicaid Services) and is an officially recognized member of the PQRS (Physician Quality Reporting System) Registry. As a result, Pulse is able to benefit its clients, as it enables them to submit their data to the CMS and to receive PQRS subsidies in 2013.

Development and implementation of key programs called “Pulse CAST” and “Pulse POD’s”, to maximize the support of our clients with outstanding service and as result advocacy by Pulse clients to prospective clients.

Continued to expand and enhance the Pulse marketing and sales presence in the United States with strategic enhancements in all phases of strategically selected medical specialties.

- **in France:**

In 2013, Cegedim Logiciels Médicaux launched monLogicielMedical.com for multidisciplinary healthcare facilities and clusters: a 100% web-based medical and paramedical management software system, it is the result of a collaborative effort with Stacks, RM Ingénierie, Resip and other subsidiaries of CHS. The year was also notable for the introduction of new versions of MédiClick, a prescription assistance application certified by the HAS ("Haute autorité de Santé", the French national health agency), and Crossway (more modern look and continued functional improvements). Both new versions are very popular with users.

CLM applications have also regularly integrated electronic services of the French mandatory health insurance system: payment history, family physician statements, leave from work notices and a module for calculating performance indicators in accordance with the new healthcare collective agreement. In this way Crossway became the first software in France to combine Electronic Health Records (EHR), the electronic services of the mandatory health insurance system, HAS certification and the ROSP (compensation on public health objectives) indicators calculation module.

In 2013, Resip continued to expand the capabilities of BCB Dexther, its fully web-based solution for healthcare facilities, hospitals and clinics. Also made available in mobile versions for iOS and Android, BCB Dexther now offers synchronization with the preferred drug lists of the facilities and enables healthcare professionals to access all drugs (filtered by facility if necessary) at any time via their smartphones.

In addition, the application was integrated into the software developed by RM Ingénierie for physician assistants, physiotherapists, nurses and podiatrists and is now part of the standard package of the new tablet-based mobile solution for nurses, Simply Vitale, whose new version was a tremendous success in 2013.

BCB also continued to expand abroad: after its introduction in the United Kingdom and Tunisia, several projects are notably underway in Belgium, Romania, Saudi Arabia and Morocco.

In 2013, Alliadis created a joint venture with the Giphar group (1,300 pharmacies) for the development of a new business application whose design makes use of state-of-the-art technologies.

Insurance and services products and services

REGARDING IT FOR HEALTHCARE INSURERS AND MUTUAL FUNDS

In 2013, Cegedim Activ implemented structural changes to its software suites:

- Significant developments were made to *Activ’Infinite* to manage large collective agreements and meet market expectations in the context of the ANI law (the French law on securing employment) and the development of industry-wide agreements.

  On the commercial front, new contracts were signed with companies from outside the traditional customer base of mutual insurers, such as the introduction of *Activ’Infinite* to VIA SANTÉ (which is in the process of merging with AG2R La Mondiale) and ADP Courtage Plus, a broker (which became the first company with *Activ’Infinite* in SaaS mode). Among the highlights for the year, it is worth noting that the MSA (Mutualité Sociale Agricole, the second largest mandatory insurer in France) chose to use *Activ’Infinite* for its delegation of management business.

- The deployment of *Activ'Premium* outside France continued. In addition to the partnership with Saham for Africa and the Middle East, new Moroccan customers have chosen this solution, in particular the ONEE (National Water and Electricity Board) and the CMIM (the Moroccan interprofessional mutual insurer). In terms of functionality, this solution benefited from very significant innovations developed in partnership with other Cegedim Group entities, such as the setup of an online prescription server with Resip. The solution helps third-party administrators and healthcare network operators manage their activities and has become an undeniable asset for international growth.
- New offerings related to electronic hospital billing were also introduced and retained by market leaders such as Groupama, Génération and Henner.
- Lastly, Cegedim Activ is continuing its efforts towards ISAE 3402 Type II certification, confirming the appropriateness of its internal risk control system and attesting to its total reliability in operations it manages on behalf of its customers.

REGARDING FLOWS AND THIRD-PARTY PAYMENT

New service offerings were developed in 2013, in particular Visiodroits which was deployed for pharmacists in order to currently enable their online search for rights and in the future propose diversified guarantees and value-added services in the fields of reimbursement and prevention, independently of mandatory plans.

Changes were also made to solutions for third-party payer certification, which can now be accessed via mobile phones, smartphones or patient portals.

Lastly, work started on offering Cetip's customers the ability to experiment with solutions for third-party payer physicians, in collaboration with Cegedim Group entities in charge of medical software.

New market leaders joined the third-party payer iSanté, notably MCDef, La Médicale de France and GFP for outpatient care, in addition to others that joined the third-party payers SP santé and ADP Courtage Plus on all segments.

Long-standing customers also reaffirmed their confidence in Cetip, such as Unéo or MNH who decided to enter the third-party payer hospitals segment, in addition to existing segments.

Lastly, the registration efforts continued and now more than 170,000 healthcare professionals are registered with iSanté and 150,000 with SP santé.

DELEGATION OF MANAGEMENT

The year 2013 helped to strengthen the services offering to meet the challenges of managing collective agreements, by leveraging the components and know-how of Cegedim Assurances (*Activ'Infinite*, Midiway and third-party payment operators SP santé and iSanté) and thus attract new market leaders such as Banque Postale Prévoyance and ADP Courtage Plus.

This delegation of management offering is particularly well positioned to meet the challenges of the ANI law, which will disrupt the supplemental health insurance market in the coming months.

REGARDING OUTSOURCED PAYROLL AND HR

In 2013, Cegedim SRH announced the launch of two new modules: SmartRH Portal (an HR collaborative tool for company employees and managers) and SmartGTA (a time and activity management system).

Completely integrated into Cegedim SRH's payroll management and human resources platform, these new products help HR departments achieve greater agility, flexibility and performance levels.

Cegedim SRH showed very solid growth throughout 2013. Its base of well-known customers further extended during the period. Altran, Adecco and General Electric are some of the new market leaders that started using Cegedim SRH's products during this period.

REGARDING PAPERLESS EXCHANGES

Cegedim e-business brought out a new integrated Business Intelligence application based on Reportive: GIS Business Report. This application is for the users of its GIS (Global Information Services) electronic data interchange platform. This solution enables the use of all data managed by GIS: usage and performance indicators, financial data, business data (analytical data, consumption, statistics, etc.).

This offering is of particular interest in terms of energy consumption. As most energy providers are Cegedim's customers, the users of GIS Business Report benefit from a reliable solution which, by using actual consumption data, enables them to prepare their greenhouse gas emissions assessment and implement an eco-efficient management strategy of their property portfolio.

2013 was also marked by the introduction of MA€A, the corporate suite that manages SEPA payment orders and associated cash flows (transfers and direct debits), which strengthened Cegedim's position in this area.

Over 150 direct debit issuers from all fields (credit institutions, media, services, insurers and mutual insurers, asset managers, etc.) adopted MA€A, under license or in SaaS mode. The system is already in production for the vast majority of these issuers and in 2014 will generate more than 350 million direct debit transactions across Europe, representing tens of billions of euros.

With regards to hospital facilities, the Hospitalis platform broadened its billing-related services by proposing scanning and video-coding of all supplier invoices received by hospital centers.

Drawing on its extensive experience with healthcare facilities, Hospitalis was chosen by some regional buying groups to implement electronic procurement platforms.

6.2.4 STRONG, STABLE AND DIVERSIFIED CUSTOMER BASE

Cegedim's long-standing customer relationships and its significant expertise provide the Group with a reliable and loyal customer base. Most of its ongoing contracts with its customers are concluded for a multi-year initial term (typically three to five years) and are then automatically renewable for a shorter contract term (typically one year) or do not provide for a contract term and can be terminated at will after a notice period of several months. These contracts enjoy a high overall renewal rate. Cegedim believes that these long-standing customer relationships are due in large part to: (i) the fact that for over 40 years, Cegedim has produced top-quality, innovative and award-winning products that enable the Group to deliver consistent performance to its customers, (ii) its customers' confidence in the company through transparent corporate governance and visibility over the Group's financial situation, (iii) the substantial investment in time and money that its clients make when installing a connected software and database system such as Cegedim's and (iv) the technical issues, high startup and implementation costs and time commitments that would be involved in migrating from one provider to another.

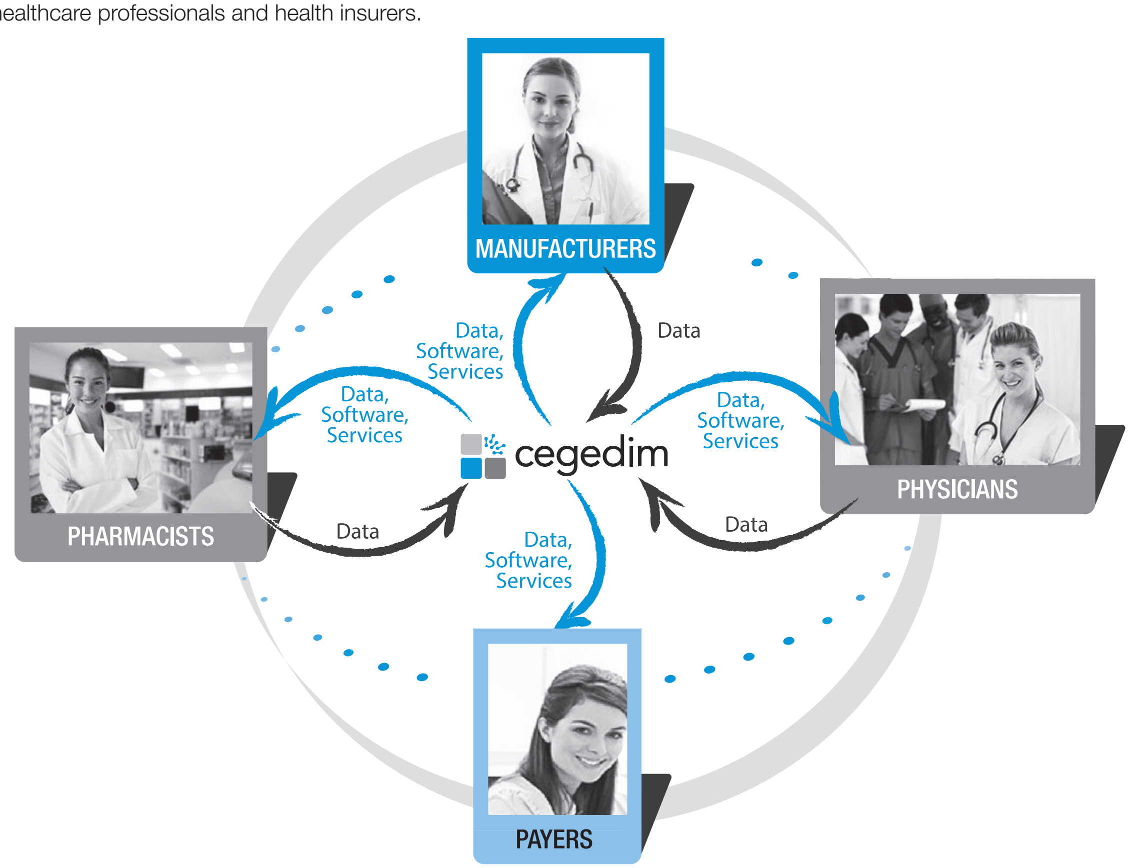
Cegedim also benefits from a diverse customer base, both by type of customer (pharmaceutical, healthcare and other companies, physicians, pharmacists and health insurers) and geographic region, as shown by the analysis of revenues by sector and by geography.

Cegedim is not only focused on large companies with large marketing budgets, but also on the medium and small companies that would benefit from the increased trend in the development of specialty drugs.

Due to this extensive and diversified network of clients, Cegedim benefits from low customer concentration, and its business is not dependent on any single client, as shown in chapter 6.1.3.

6.2.5 PRESENCE AT THE HEART OF THE HEALTHCARE ECOSYSTEM

Cegedim provides products and services to various participants in different segments of the healthcare industry, including pharmaceutical companies, healthcare professionals and health insurers.



6.2.6 LONG-TERM SHAREHOLDER SUPPORT, EXPERIENCED SENIOR MANAGEMENT TEAM AND QUALIFIED PERSONNEL

Cegedim is a family-controlled and operated business which has enjoyed strong and ongoing support from its largest shareholders, FCB S.A.S., the holding company controlled by the Labrune family (52.6% of the share capital and 69.0% of voting rights were ultimately controlled by the Labrune family as of December 31, 2013), and Bpifrance Participations formerly FSI, or Fonds Stratégique d'Investissement (15.0% of the shares capital and 9.9% of voting rights). Each of whom have shown their support for Cegedim's organic and external growth strategies through significant capital contributions.

The Group also has an experienced, strong and dynamic senior management team, led by Jean-Claude Labrune, the founder, Chairman and Chief Executive Officer, and Pierre Marucchi, the Deputy Managing Director, who both have significant experience in the technology, information services and healthcare industries.

Group's staff expertise and potential for advancement are highlighted when hiring employees. The people hired as Managers all have advanced degrees. Most employees have a scientific or business-oriented educational background.

The Group applies an ambitious HR policy for training and internal mobility and uses professional advancement as a tool to motivate employees and drive their success.

6.3 THE MARKET: TRENDS BY DIVISION

6.3.1 CRM AND STRATEGIC DATA

The performances of this division, which mainly targets the life sciences industries, are impacted by changes in the drug market and promotional investments (among others by the number of medical visitors and the regulatory framework).

Major trends in the global market

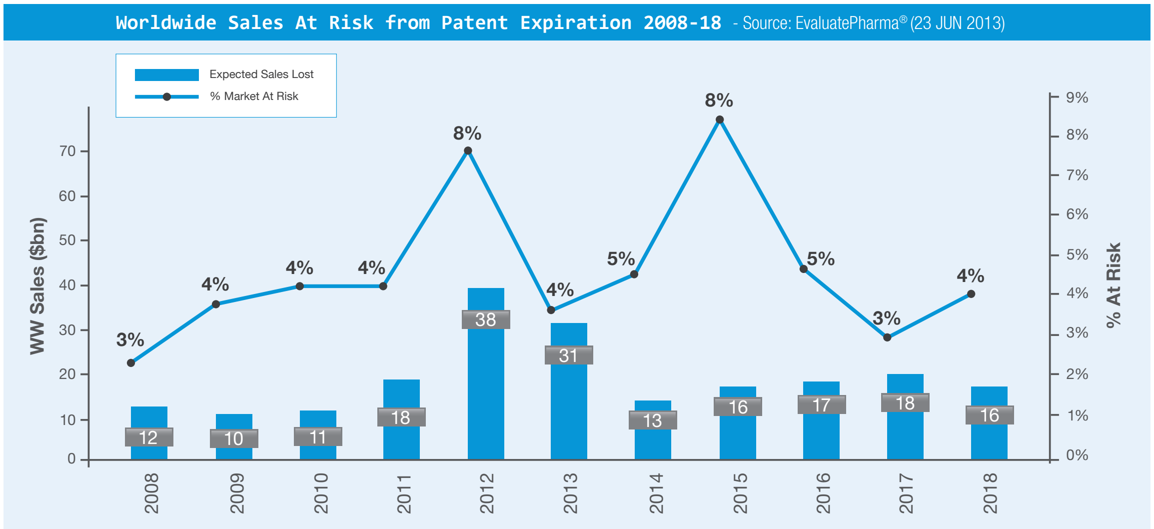
CHANGES IN THE DRUG MARKET

The world drug market should continue to grow in upcoming years. According to the 2013 results of the IMS "Intelligence 360" Annual Report, the world drug market should reach 1145-75 billion US dollars in 2016, compared to 955 billion US dollars in 2011, in spite of the unfavorable economy, the growth of generic drugs and government regulatory attempts.

This study highlights very different regional growth rates. The emerging countries, in particular the BRIC, continue to see growth with estimated increases of 15-18% in China from 2012 to 2016 and 10-15% in Brazil, Russia and India over the same period.

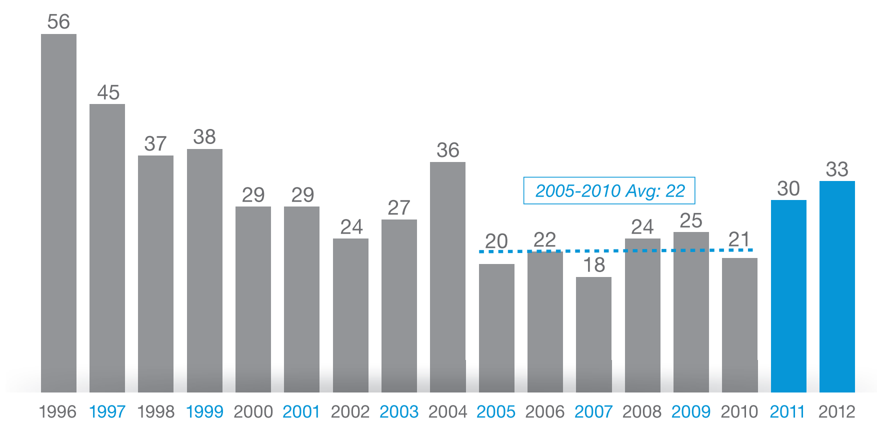
There has been zero growth in developed countries and growth has even been negative in United States, France and Spain: the United States represented 55% of the market in 2008 and will not exceed 30% in 2016.

The loss of originator drug patents is one reason for the shrinkage in these markets, but the risk seems to have peaked in 2012.



In parallel, after a slowdown in the number of new products launched up to 2010 (partly due to heightened regulatory approval requirements), the trend seems to have reversed from 2011, as shown in the FDA (Food and Drug Administration) estimate for drugs in phase 3.

Sales Potential of Projects with Positive Phase III *(in bn. $)*



Source: FDA

CHANGES IN PROMOTIONAL INVESTMENTS

Sales and promotion functions, along with R&D, are the main areas of differentiation in the healthcare sector.

Particular attention is also being paid to personalizing customer relations, informing of all stakeholders in drug listing decisions, new forms of advertising, including the Internet, and the concept of a return on investment (ROI) in promotional tools.

According to surveys published by Cegedim Strategic Data (CSD), which serve as a benchmark [(1)] in the healthcare sector, the amount set aside for promotional spending worldwide in 2013 was 84.3 billion dollars broken down as follows: 59% related to medical rep visits, 10% on samples distributed, 10% on so-called DTC (Direct To Consumer) expenses and lastly 21% on other promotional resources such as public relations, the press and the Internet. These trends have not impacted all pharmaceutical companies equally.

Large pharmaceutical companies have most acutely felt the effect of the increased competition from generic drugs and have reduced their marketing budgets. In contrast, medium to small pharmaceutical companies, including biotech research companies tended to maintain their marketing budget.

While medical visits remain the most widely used promotional channel, the number of medical visitors in general medicine has notably decreased in recent years in mature economies. On the other hand, medical visits are growing strongly in specialized medicine (such as cancer, diabetes, cardiovascular disease) and in emerging economies.

According to a study conducted by Cegedim Strategic Data (CSD), the number of medical visitors worldwide in 2013, estimated at 423,759, was down by 1.2% when compared with 2012. The growth in the number of medical visitors in emerging countries such as China did not compensate for the decline in the number in the European top five (-7.1%) and in North America (-7.4%) for the period under review.

The worldwide healthcare sector is restructuring to cope with changes in its model and the slow erosion of its profitability. The number of merger-acquisition transactions should continue to grow in the healthcare industry and this could have consequences on their marketing budgets. Ratings agency Fitch, which believes that “the economic transition of the pharmaceutical industry should end in 2015”, indicates that pharmaceutical companies should now favor modest but strategic acquisitions, particularly in biotechs.

CHANGES IN REGULATIONS

Furthermore, following the lead of the US Sunshine Act adopted in 2010 by Congress, many European countries are stepping up their regulations for greater transparency on expenses to healthcare professionals. These regulations are disrupting the operating mode of pharmaceutical companies, but signal an opportunity to improve the image of the life sciences industry and restore confidence in the players in the sector. France has recently adopted legislation similar to the US Patient Protection and Affordable Care Act (which includes the Sunshine Provisions), compelling pharmaceutical companies operating in France to implement full transparency regarding payments to healthcare professionals.

(1) CSD est un acteur majeur en matière d’études de marchés dédiées à l’industrie de la santé aux vues de la diversité et de l’étendue des études proposées.

Major trends in the French market

With its 224 industrial sites, France is the fourth-largest European producer and one of the main exporters of drugs worldwide. French drug exports represent over 25 billion euros, making this sector the 7th largest in terms of trade surplus and the 2nd largest exporting sector (Source: Leem, June 2013, "Contribution globale du médicament en France" (Overall Drug Contribution in France)).

In 2012, the French healthcare market shrank for the first time by 2.3% in prices and will shrink by 3.4% in 2013 according to IMS.

Promotion is the main leveraging tool to optimize pharmaceutical company marketing and sales. Despite government attempts to regulate the sector, it still has considerable resources: 3.7 billion dollars in 2013 (versus 3.8 billion in 2012).

For example, the promotional budgets of French pharmaceutical companies in 2013 may be broken down as follows: 48% related to sales force promotion, approximately 25% on public relations type promotions, the press, the Internet, almost 27% on so-called DTC expenditure and less than 0.5% on samples distributed (Source: CSD 2013, Cegedim Group).

6.3.2 HEALTHCARE PROFESSIONALS

Cegedim strives to provide all healthcare professionals with effective tools for managing their day-to-day practices. Physicians and pharmacists, particularly in France and the United Kingdom, constitute a prime example in this sector of activity. The number of staff employed in these professions gives a good estimate of Cegedim's potential market. On the other hand, the constantly changing US market offers attractive growth prospects.

Major trends in the US market

PHYSICIAN SOFTWARE IN THE UNITED STATES

Solutions for the EHR market continue its rapid growth. According to a Bloomberg Government study of November 2012, it is estimated that the EHR market was $20.9 billion in 2012 and is projected to reach $35.4 billion by 2016.

This steady growth offers opportunity for Pulse, acquired by Cegedim in 2010.

The growth stems partly from physicians adopting new electronic healthcare management solutions due to a variety of factors including adoption of EHR solutions for the first time as well as the replacement of previously acquired EHR solutions. The continuing growth in PM solutions is driven by physicians increasing focus on maximizing their cash flow, revenue and operating efficiencies from revenue cycle management services, government mandates such as the conversion from ICD-9 to ICD-10 and other solutions to complex requirements. The robust Practice Management and Complete EHR provide a desirable solution to physicians.

The medical computerization incentive program offers financial incentives including grants for adoption by qualifying "eligible professionals" who implement an EHR that has been certified according to "best practices" criteria established by the US government and use the Complete EHR in a "meaningful way" in accordance with US government requirements. Conversely, the US government will penalize "eligible providers" that fail to implement a Complete EHR and use it in a "meaningful way" in accordance with US government requirements

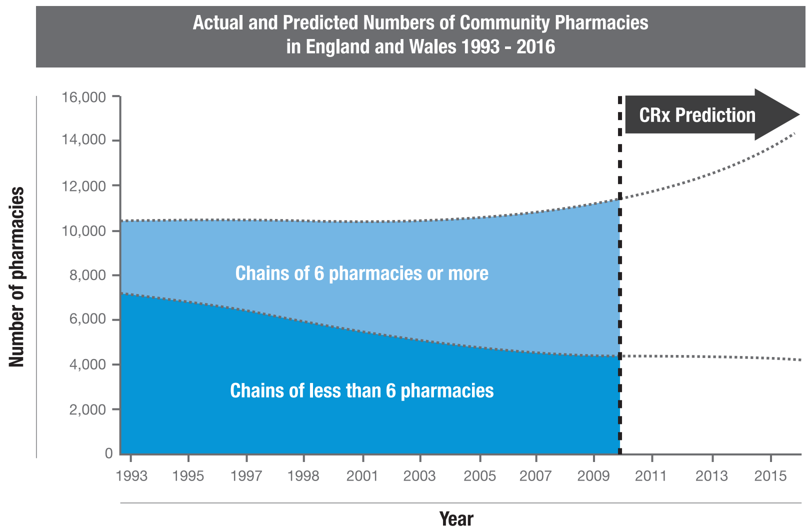
The Federal payments program has several steps to it. Phase 1, which began in 2011, consists of making payments to professionals who have a program that complies with the criteria.

Thus many Pulse clients have received such payments. To allow more health professionals to obtain accredited software applications, the second phase of the project was deferred by the government until 2014.

Pulse continues to deliver certified products to its clients and to assist them with the successive phases. Doctors who practice out-patient care must come into compliance with the governmental criteria before 2015 or face penalties.

Major trends in the UK market

UK POPULATION



Source: Historical Data: NHS England Prescription Pricing Authority

Number of physicians	Registered in the LRMP [1]	%	Licensed	%
Generalists	78,873	30.4	72,703	30.5
Specialists	63,778	24.6	60,263	25.3
TOTAL	**259,675**	**100.00**	**238,063**	**100.00**

Source: General Medical Council – data January 6, 2014.
(1) LRMP: List of Registered Medical Practitioners. Physicians that can be registered both as generalists and specialists.

COMPUTERIZATION OF PHYSICIANS AND PHARMACISTS IN UNITED KINGDOM

All medical practices are computerized in the United Kingdom.

This is encouraged by the National Health Service (NHS), which maintains a constantly evolving and ambitious programme to introduce IT reforms aimed at improving the provision of patient care in the United Kingdom.

The NHS in England has government approval to continue with a programme that allows GPs to choose an accredited clinical system developed by any of the 4 core suppliers to this program, which has already brought results. Negotiations are at a very advanced stage to set the agenda for IT advancement for the next few years.

Cegedim SA will continue to benefit from these measures, through its subsidiaries INPS and Cegedim Rx, which supply computer programs to general practitioners and pharmacists.

Its products have been given total interoperability with the national systems in order to improve the management and processing of patients and their records. The security and privacy of data are guaranteed by a private network known as N3. For GP systems, the interoperability agenda covers the following topics:

- compliance with NHS standards (accreditation with a series of ongoing updates);
- electronic appointments system between GP Practices and hospital consultants;
- electronic transmission of prescriptions (ETP) from GPs to pharmacists;
- electronic transmission of patient records when a patient changes GP practice (called GP2GP record transfer);
- summary of patient medical data (called SCR), which are transferred to a central national system and continually updated for access by other healthcare professionals;
- automated creation of medical certificates and transmission to a central agency;
- centralized hosting of GP IT systems according to the NHS accreditation standards.

INPS has successfully incorporated all of these technical features into its software. All these functional areas are also regularly reviewed and adjusted in light of users' needs. INPS must take them into account in accordance with the changes demanded by the NHS.

For GP systems, adherence to the standards and the commercial arrangements are administered by a department of the NHS called GP Systems of Choice (GPSoC). INPS has also been involved in a large number of smaller scale projects as part of the Change Control Notices required of general practitioners.

The overall program remains ambitious and demanding for all of the players in the British market. Cegedim, through its subsidiaries INPS (GP Systems) and Cegedim Rx (Pharmacy Management Systems), has stayed at the forefront of all of these projects. Take-up for the new developments is ensured through government financial incentives and targets, which pay for the roll-out of new functionality and the ongoing technical support for GP Systems.

Pharmacists are also reimbursed for implementing systems that have been accredited for ETP and for connection to the national secure N3 network.

The Group is convinced that over the coming years it can continue to take part in new opportunities stemming from the re-organization of the British healthcare system into newly formed Clinical Commissioning Groups.

Major trends in the French market

FRANCE POPULATION

Physicians	In regular practice (1)	In general medicine (1)	In general medicine and independent (1)	Generalist services transmitted electronically (2)	Specialist services transmitted electronically (2)
	199,418	91,539	54,044	56,456	48,538
Pharmacists	Practicing (3)	Holding a pharmacy license (3)	Assistant pharmacists (3)	Number of pharmacies (3)	Services transmitted electronically (2)
	73,892	27,594	22,084	21,939	22,700
Physiotherapists	Practicing (4)	Individual practices (4)	Group practices (4)	Independent or mixed practices (4)	Services transmitted electronically (2)
	75,304	35,193	21,773	59,360	53,991
Nurses	Practicing (4)	Individual practices (4)	Group practices (4)	Independent (4)	Services transmitted electronically (2)
	579,866	51,588	31,679	92,803	70,810

Sources:
(1) French National Council of Physicians – Atlas of Medical Demography – Situation as of January 1st, 2013.
(2) GIE SESAM-Vitale, December 2013 data.
(3) Statistics from the French National Council of Pharmacists (l'Ordre National des Pharmaciens) as of January 1st, 2013.
(4) DREES, data as of January 1st, 2013.

COMPUTERIZATION OF DOCTORS IN FRANCE

The large majority of French medical practices, almost 90% according to Cegedim's estimates, are computerized. However, until now this level of computerization essentially concerned electronic care sheet management. With the new healthcare collective agreement, which incorporates compensation on public health objectives (known in French as ROSP), the electronic handling of patient records has become nearly obligatory, in terms of diagnostics, prescriptions, pathologies, allergies, family history, test results, etc. This is a new market.

In addition, in order to be paid, physicians will need to use certified software, especially a secure prescription module with a medication database. So this is a time for the software market to tighten up. Cegedim Logiciels Médicaux has seen its growth driven by this regulatory impetus, such that 80% of its sales involves recovering data from competing software.

COMPUTERIZATION OF PHARMACISTS IN FRANCE

Today all French pharmacies are computerized. The pharmacy software market is therefore a replacement market. Despite undergoing major changes, it offers attractive growth prospects.

The new regulatory challenges such as pharmaceutical records, substitution goals, product traceability and coding, abolition of the pharmaceutical vignette requirement, unit dose dispensing, prescription scanning (SCOR), new pharmacist responsibilities from the HPST law (law on hospitals, patients, health and territories) etc., are some of the issues that encourage short- or medium-term changes in IT tools.

6.3.3 INSURANCE AND SERVICES

Through this division, Cegedim mainly targets players in health insurance and companies in all sectors that are interested in outsourcing and on-line exchanges.

Major trends in the insurance market in France

French insurance revenue in 2013 totaled more than €189 billion (source FFSA), up 4%, regaining its 2011 level. This general market trend is carried by personal insurance (including health insurance) that represents 73% of 2013 revenue and shows 5% growth to 139.1 billion euros for the year.

In view of the continued economic crisis, the health market remains an important strategic stronghold for insurance companies. For this reason revenue in this area grew by 4% to 19.5 billion euros and expenditures by health insurers continued to grow as well (up 4% from 2012 to 2013). This inevitable growth in healthcare spending and the program for withdrawal or reduction of reimbursements for certain treatments currently covered by Social Security, which is already underway, signal an increase in the market's value which will increase competitiveness. This situation demands ever more productivity gains from supplemental health insurers and causes them to raise their premiums and contributions.

The increased pressure on underwriting balances, the requirements of Solvability 2 and lower revenues from financial investments call for changes in health insurance products, both for individuals and for groups.

Insurance companies must rework their offers: increased segmentation, regulation of services through the use of healthcare platforms and healthcare networks, rate negotiations with healthcare professionals, control of all management costs.

The year 2013 was marked by the signing of the National Interprofessional Agreement ("Accord National Interprofessionnel" – ANI), described by some experts as a "tsunami" for the supplemental health insurance market. The agreement, signed on January 11, 2013, includes a paragraph on the obligation for companies to provide supplemental health insurance to all employees, which was later incorporated into the Law on securing employment.

A major consequence of this obligation will be the redistribution of market shares between individual and collective health insurance providers, together with an even stronger need to control management expenses.

Further to this reform, insurers will also have to consider the developments in the regulation of responsible contracts.

The market consolidation trend is continuing, with groups of mutual insurers and provident institutions that emerge with several million people covered: the creation of a strong mutual insurance entity through the union of Malakoff Médéric and UMC, the merger of the mutual insurer ViaSanté with AG2R La Mondiale, the merger of the mutual insurer SMI and APGIS with the Covéa Group, etc.

Major trends in the electronic data processing market in France

The electronic data processing market continues to expand rapidly, driven by a major move towards the outsourcing of invoice processing, the increased targeting of rapid productivity gains and the support of French and European public authorities.

A key aim of a new European Directive introduced in 2010 (transposed into French law in 2013) is to make the rules relating to electronic data interchange more flexible, particularly for SMEs.

In addition, the "radical simplification" initiative presented in July 2013 by the French Ministry for the Economy and Finance promotes the use of electronic invoicing and plans to gradually make it mandatory for government suppliers.

According to a study published by SerdaLAB in March 2013, the electronic data interchange market (software and services) was valued at €2.45 billion in 2013. The segment of SaaS platform publishers/operators has been experiencing strong growth, at a rate of 41% since 2007.

With regard to payment flows, the abolition of interbank payment instruments and online payments combined with the capabilities of the new SEPA payment instruments have enabled the emergence of new payment forms for creditors and their debtor customers (B2C and B2B), which are cheaper, safer, simpler and faster than the use of a check, card or bank transfer. This is the second phase of SEPA implementation, while the first phase had been scheduled to start on February 1, 2014.

6.4 STRATEGY

Cegedim's strategy is to strengthen its leading market position as a provider of technology and services specializing in healthcare and increase its global presence.

The key elements of this strategy are:

6.4.1 PURSUE GROWTH OPPORTUNITIES

Cegedim will grow over the long term in both mature and emerging markets, both organically and through synergistic acquisitions.

The Group will continuously invest in R&D to support that growth and will focus on strategic opportunities which may arise from the changing product, market and regulatory environments in the countries in which Cegedim operates.

In order to pursue organic growth, Cegedim will take advantage of its existing assets and key strengths.

The Group's CRM and strategic data division provides more specialized data and more sophisticated and diversified products and services that meet the needs of mature markets, which are transitioning from the mass marketing of blockbuster drugs towards the more targeted marketing of specialty drugs.

In the United States, the *OneKey* database will enable the Group to increase its market share and margins.

Cegedim also intends to take advantage of the growth potential offered by emerging markets such as China, Russia, India and Brazil, where healthcare spending is rising, driven by population growth and progressively higher standards of living.

Within the Healthcare professionals division, the Group continues to enhance its product and service offerings for healthcare professionals. The Group benefits from the reforms and cost reduction measures put in place by governments, which should lead healthcare professionals to work more efficiently, including through the use of software that manages health and pharmacy records.

For the Insurance and services division, the Group leverages its infrastructure and market position in France in order to meet the changing needs of the participants in the health insurance sector in terms of efficiency and cost reduction. In the context of its partnership with the Moroccan group Saham, Cegedim could benefit from development opportunities in the Middle East and Africa.

While focused on generating cash, Cegedim is always on the lookout for acquisition opportunities, particularly companies operating in new markets or offering new products and services which would enable the Group to enhance its business or expand its product and service offerings.

6.4.2 CONTINUE TO ENHANCE EXISTING PRODUCTS AND SERVICES, INVEST IN FUTURE PRODUCTS THROUGH INNOVATION AND CREATE NEW, INTERNET-BASED SERVICES

Cegedim believes that in a dynamic technology-driven industry with demanding customers, its introduction of innovative software and services on an ongoing basis is critical to retain its competitiveness.

For example, Cegedim is continuously enhancing *Mobile Intelligence*, its CRM platform, by developing online features and real-time data analysis capabilities for various mobile devices.

In many instances, *Mobile Intelligence* also provides first time users in emerging markets with a means to efficiently and economically upgrade from paper-based to high-tech computerized operations.

Cegedim also develops digital marketing applications for physicians.

For further details, see chapter 6.2.3 of this Registration Document, which describes the main product innovations.

6.4.3 MAINTAIN AND DEVELOP LONG-TERM CUSTOMER RELATIONSHIPS

Cegedim has developed an interactive business model, which is based on a mutually beneficial relationship with its customers.

Much of the data collected is provided by its customers (physicians, medical sales representatives and other healthcare professionals), which, in turn, allows the Group to compile, verify, update and make such information collectively available to all customers.

The Group has developed offerings for medical device manufacturers and intends to boost its marketing efforts toward this market segment, which is less dependent on developments that affect the marketing budgets of major pharmaceutical companies in mature markets.

6.4.4 IMPROVE ITS OPERATING LEVERAGE

While continuing to offer high quality products and services, Cegedim is seeking to improve its operating leverage, generate more cash and reduce its debt.

In November 2011, Cegedim implemented its first Performance Improvement Plan intended to reduce costs. This plan applies to all operations and aims to reduce operating expenses and take advantage of synergies between various Group activities, in particular through productivity improvements, enhanced process efficiency, cost sharing among operating units, staff reductions and lower real estate costs.

In November 2012, the Group put in place a second Performance Improvement Plan. The combined effects of the two plans contributed to a €20 million reduction in the costs of the CRM and strategic data division in 2012. The costs are defined as the difference between revenue and operating income from recurring operations.

In 2013, the Group continued its efforts to control costs.

6.5 DETAILS OF BUSINESS ACTIVITIES

This chapter describes in detail the issuer’s business activities and main products.

6.5.1 TABLE OF BUSINESS ACTIVITIES AND MAIN PRODUCTS

CRM & Strategic Data — For the Life Sciences Industry

Cegedim Relationship Management
CRM Platform
• *MI-Mobile Intelligence™*
• *Organization Manager™*
Data Optimization, Customer Insights
• *OneKey™* • *Icomed™ / Docscan™*
• *Physician Connect™*
E-detailing
Regulatory Transparency
• *AggregateSpend360™*
Social Networks
• *Docnet™*

Reportive
Business Intelligence

Cegedim Strategic Data
Market Research Studies

Itops Consulting
Sales Force Optimization

GERS SAS - Cegedim Analytics InfoSanté - Santestat
Sales Statistics for Pharmaceutical Products

Cegedim Communication Directe
Corporate Databases and Associated Services

Pharmastock
Medical Sample Management

Healthcare Professionals — For General Practitioners, Specialists, Paramedics & Pharmacists

Cegedim Healthcare Software
Software for Pharmacists
• *Alliadis* • *Cegedim Rx*
• *Next Software* • *Pharmec*
Software for Doctors
• *Cegedim Logiciels Médicaux*
• *INPS* • *HDMP*
• *Millennium* • *Stacks* • *Pulse*
Software for Paramedics
• *RM Ingénierie*
Medication Database
• *Base Claude Bernard - RESIP*

Medexact
Digital Promotion

RNP
Promotional Information

Cegelease
Medical Financial Leasing

Insurance & Services — For Major Healthcare Insurance Players & Clients in All Business Sectors

Cegedim Insurance
IT for Healthcare Insurers
• *Cegedim Activ* • *Midiway*
Flows and Electronic Payment
• *Cetip (iSanté - SP santé)*
Management Services
• *iGestion*

Cegedim e-business
Digitalization
• *Cegedim EDI*
• *Global Information Services™*
• *Cegedim Global Payments*
• *Hospitalis*
• *Qualitrans-Telepharma*

Cegedim SRH
Outsourced Payroll and Human Resources Management

Cegedim Hébergement
Healthcare Data Hosting

Cegedim Outsourcing
Integration and Services

6.5.2 BUSINESS ACTIVITIES OF THE CRM AND STRATEGIC DATA DIVISION

CRM

CEGEDIM RELATIONSHIP MANAGEMENT

With about 200,000 users of its solutions worldwide, and global market share of around 36% in pharmaceutical CRM and 44% in databases of healthcare professionals (excluding pharma in-house databases), Cegedim Relationship Management is a leading[1] provider of technology solutions specifically tailored for the Life Sciences industry.

Cegedim Relationship Management enables companies to improve their customer relationships, sales force performance and marketing initiatives; optimize the quality of their data; and mitigate risk related to regulatory constraints. With solutions offered in 80 countries around the world, Cegedim Relationship Management clients benefit from the company's global experience and in-depth knowledge of local, regional and global issues, helping them promote and market their products as efficiently and profitably as possible.

Based on its experience and knowledge of the healthcare industry and related commercial and regulatory issues, Cegedim Relationship Management offers Life Sciences companies a targeted approach to optimize growth in a constantly changing global sector. Its large portfolio of integrated products and services applies to all stages of the product life cycle, and offers real value to the various functions and organizations of Life Sciences companies.

Mobile Intelligence

Mobile Intelligence is the most advanced CRM platform in Life Sciences combining powerful and ever evolving digital capabilities, designed to enable cross-functional collaboration of medical, marketing, compliance and commercial teams (KAMs, Sales, Market Access, etc) to share insights, business development and risk management in their relationships with their respective stakeholders. The *Mobile Intelligence* platform features:

- a full suite of CRM functionalities available under license or Cloud/SaaS mode for all types of customer facing functions and roles (regardless of role: medical reps, account executive or area, whether IT, medical or sales);
- open model that allows clients and partners to easily configure, administer and interface with other systems;
- advanced Closed Loop Marketing functions to improve interactions with different partners;
- implementation and support tools and services adapted to local needs/issues and business intelligence solutions;
- powerful administration and back-end capabilities to enable companies to manage their businesses cost efficiently and to minimize their time to market in shifting commercial and communication strategies;
- Cegedim's hosting centers worldwide, with ISAE 3402 and SSAE 16 certification;

Available on iPad® and iPhone® since 2010, Mobile Intelligence also operates on Windows 8 Pro® tablets.

Mobile Intelligence CRM is an intricate piece of the Cegedim's Life Sciences solutions ecosystem and is natively integrated with solutions to manage resource allocation, master data management, customer insight data, transparency and disclosure solutions.

Organization Manager

Organization Manager is a CRM agnostic Pharmaceutical-specific roster and territory alignment solution that enables Sales Operations to simulate and review every day and exceptional territory alignments without impacts on field users'CRM systeMs. As Life Sciences companies need to quickly and effectively respond to change, Organization Manager enables them to perform sales force analysis for optimized alignment and targeting, streamline systems integration for greater efficiency and resolve post-alignment questions through its comprehensive historical view.

Kadrige

Kadrige is the leading provider of state-of-the-art e-detailing and remote collaborative solutions.Kadrige has been pioneering remote detailing communications between Life Sciences companies and Healthcare Professionals (HCPs) since 1998. The solutions are device-agnostic, so there is no time wasted trying to configure whatever device the HCP is using. In addition, Kadrige remote collaborative solutions can run on very low-bandwidth connections, so representatives can be confident in their ability to connect and present from wherever they want, whenever they want. Kadrige solutions will remain CRM platform-agnostic.

Docnet

Docnet is a "one-stop-shop" online physician community, delivering on all of the needs of an HCP. It facilitates peer-to-peer networking, much like Facebook or LinkedIn, with HCPs being able to create connections and private groups with other HCPs in *OneKey*'s HCP database. The portal creates a secure way for HCPs to share important information with each other, and handle such things as patient referral management. When HCPs log in they will see a newsfeed of network activity, similar to other social networks, so they can easily view important news; and HCPs can receive proactive email notifications about the information that matters to them most. The portal is available anywhere on any device making interactions and updates easier.

(1) According to in-house estimates.

Docnet also connects HCPs with manufacturers, which creates more meaningful physician-to-brand interactions, and provides opportunities for Life Sciences manufacturers to target and engage HCPs with such things as samples, co-pay assistance, surveys, private discussion forums and digital marketing prograMs. HCPs are able to customize their settings so that they receive targeted medical and clinical information based on their preferences, making each interaction even more valuable to both the HCP and manufacturer.

Nucleus 360

Life sciences companies need an accurate, consistent, up-to-date master view of customers across the entire enterprise to optimize sales and marketing initiatives, as well as to establish a foundation for regulatory compliance. *Nucleus 360* is an end-to-end customer master data management solution that captures, centralizes and manages this critical data.

Data optimization and customer insights offerings

OneKey

With more than 13.7 million entries, Cegedim Relationship Management's *OneKey*(1) database solution is the world's most comprehensive database of healthcare professionals enabling global data management in 73 countries. Cegedim's in-depth knowledge of local healthcare and compliance regulations in combination with our proven update methodology and unique data structure guarantees that the *OneKey* database is in full in compliance with ISO 9001 certified procedures and always up-to-date. This solution is based on an advanced data integration model and a proven data refresh methodology managed by over 700 Research Associates on a daily basis.

Used by medical representatives and healthcare players, the *OneKey* database allows users to obtain specific in-depth information on any category of healthcare professional; ranging from business addresses, telephone numbers and emails, to prescription behavior or influence mapping insights – and combine all the different activities of the HCP within one unique ID

Every year, 12% of the data linked to HCPs that work independently changes – and it becomes 20% when we consider hospital-based HCP's. It is therefore essential to work with a specialized vendor that can ensure that all the data is continuously up-to-date to optimize all commercial, marketing and compliance activities. With more than 1,5 million updated contacts proactively updated every month, *OneKey* provides a unique added value service.

OneKey facilitates the optimization of operations, marketing and analytical initiatives in many healthcare sectors. This includes pharmaceutical, medical equipment, medical management, direct marketing, publishing, education, insurance, health IT and public companies.

New insights are regularly collected to meet Life Sciences companies'emerging needs, such as data relating to Key Opinion Leaders, Market Access, and healthcare professionals'Internet and digital usage. This data is essential to the execution of multichannel strategies.

Cegedim Relationship Management delivers specific nominative data powered by *OneKey*, providing our customers with key indicators for segmentation and targeting: prescription behavior, number of patients, therapeutic strategies, "early adopters", digital profile and all experts and their network.

Market Access

Our Market Access offering enables the identification of all stakeholders and specific organizations that play a role within the process of launching new products. In addition, it helps identify reimbursement stakeholders such as scientific experts, patient associations and other key players that may be involved in decision making. Market Access enables companies to have a complete view of all the key stakeholders and their connections.

OneKey Digital

OneKey Digital enables the identification of the HCP's that are publicly present on the Internet, those that are active and those that have an audience. Thanks to the different indicators of OneKey Digital, our customers can better understand their customer's behavior and preferences so that they can adapt their digital strategy in order to stimulate "traffic" on those different communication channels.

Icomed/Docscan (also known as "prescriber" in Germany)

Each year, Icomed conducts syndicated surveys on the activities and prescribing preferences of general and specialist physicians, with a significant response rate of 30-50%, depending on specialty and country. The information obtained is mainly used to implement or optimize the segmentation and targeting of pharmaceutical companies'commercial teaMs. These surveys are carried out in France (on 44 specialties), as well as in Germany, Italy, Spain, the Benelux and Nordic countries, Russia, Poland, Turkey and Romania.

Docscan is an ad hoc survey used to meet the needs for additional targeting and segmentation. Specifically, predictive targeting, market modeling and other related activities in any specific therapeutic area in all the countries in which the *OneKey* database is present.

Physician Connect

Physician Connect identifies experts and their networks of influence in a particular pathology using a unique and robust peer-to-peer nomination methodology. This survey responds to the needs of different departments (medical, marketing, sales and SFE) to optimize their relationships with networks of influence throughout the product life cycle.

Physician Connect can also be used for specific requests from pharmaceutical companies in a specific therapeutic area in all the countries in which the *OneKey* database is present.

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(1) THe OneKey database is the pharmaceutical industry berchmark in terms of number of countries and data ertered.

Performance Indicators for the Quality of Medical Rep Visits

To take account of the emergence of a new need expressed by pharmaceutical companies, a new survey has been developed to measure the quality of the medical information delivered by medical reps. This new survey offers indicators of sector measures adapted to the needs of pharmaceutical companies, and enables them to carry out, at the most relevant level of granularity, customized analyses on company-specific territory alignments and activity.

The results obtained are used to rank the various sectors of a network; thus, favoring the distribution of a quality bonus based on objective and external quality.

Transparency and Disclosure

To help Life Sciences companies comply with complex regulatory requirements, Cegedim Relationship Management offers specialized experts, support, and leading technology solutions to assist customers in meeting local, regional and global policies, requirements and regulations.

The spread of transparency and disclosure requirements across the world is requiring Life Sciences companies to monitor and notify their financial interactions with healthcare professionals. Cegedim Relationship Management's AggregateSpend360 solution meets these evolving needs, The first solution of its kind, it was launched in 2006. Cegedim Relationship Management continues to invest through constant research and development, and is now the world leader in this area, according to a 2011 IDC survey.

AggregateSpend360 has tools that enable users to monitor exceptions and automatically generate reports adapted to each jurisdiction's requirements. The latest version of the solution includes numerous enhancements such as compliance with the US and French "Sunshine" laws, pre-disclosure to healthcare practitioners and conflict management, as well as additional enhancements aimed at enabling reporting around the world, including the imminent transparency disclosure requirements governed by the European Federation of Pharmaceutical Industries and Associations (EFPIA). Cegedim is committed to ensuring that AggregateSpend360 is maintained in accordance with global transparency and disclosure requirements as they evolve at a country level and regional level. This commitment goes beyond technology in that Cegedim supports these solutions through local subject matter experts through its offices worldwide.

Business Intelligence

REPORTIVE

Reportive publishes a self-service business intelligence software package, acknowledged as one of the best on the market. This software can be used to create and automatically distribute personalized reports and interactive dashboards (sales force, marketing, finance, human resources, etc.) aimed at improving the competitiveness, productivity and efficiency of organizations.

The flexibility of the solution makes it possible to adapt to the needs of the profession and provides the responsiveness necessary to integrate changes. It is easy to use and has advanced data validation capabilities, allowing experts in the field to develop their own applications whilst guaranteeing the reliability of results.

The use of a component library and "Plug and Play" interface generates significant productivity gains thanks to low TCO (Total Cost of Ownership) and quick implementation.

Reportive is a significant player on the decision software publishing market, with more than 200 customers across all business sectors, including 16 of the world's 20 largest pharmaceutical companies.

Many Cegedim solutions also include Reportive to provide indicators, dashboards and trend charts.

Market research studies

CEGEDIM STRATEGIC DATA

Cegedim Strategic Data (CSD) is one of the leading[(1)] market research companies dedicated to the healthcare industryCSD offers a unique combination of real-world databases, primary market research and clinical research based on the integration of its numerous data sources (promotion and patient databases, communication tracking).

Many state organizations are now using CSD data as benchmark data for their studies and particularly for their medico-economic studies. CSD data enables users to optimize and adjust their commercial strategies throughout the product life cycle, particularly in terms of Market Access, market maintenance, Sales Force Effectiveness and launch excellence.

This information is collected from general practitioners, specialists (office- and hospital-based), pharmacists and patients.

CSD is present worldwide and counts over 370 pharmaceutical companies among its clients. Its international expertise enables it to provide its clients with comparable analyses between different countries.

Promotional Audit

Each year more than 200,000 healthcare professionals worldwide participate in CSD's studies. Data collected on promotional investment of pharmaceutical companies makes it possible to track & benchmark the pharmaceutical industry's marketing and promotional activities: multichannel analysis (medical rep visits, press advertising, samples, direct mailings, meetings, clinical trials, Internet and DTC,

(1) CSD is a leading player in market research for the healthcare industry in terms of the variety and coverage of the research available.

social media, etc.), investment trends for different targets (general practitioners, specialists and pharmacists), usefulness and impact of medical rep visits, Sales Force Effectiveness, communication tracking and monitoring of the competition.

Patient database

CSD has two sources for patient and prescription information:

- longitudinal patient databases with anonymized observational data;
- a panel of specialists (office- and hospital-based) that ensures constant monitoring market by market: PDS (Patient Database Survey).

The patient data collected offers a wide range of surveys: market trends, product performance tracking particularly during the launch phase, monitoring of patient cohorts, changes in prescribing behavior for a particular therapeutic class or product, etc.

Medical research

In addition to studies conducted with CSD's patient databases, CSD's offer also includes CRO (Contract Research Organization) activities. With its patient management software installed in physicians' practices and its Web-based data collection tool (INES), CSD can respond to any pharmaceutical company's or health authority's medical research needs: post-marketing studies, pharmaco-epidemiology, health economics, regulatory affairs, clinical studies or registries.

Primary market research

CSD offers a wide range of both qualitative and quantitative primary market research surveys to provide customized strategic recommendations to its clients: recall tests, prescribing behavior, analyses of rep visits, brand assessment, advertising overview, etc.

Sales force optimization

ITOPS CONSULTING

Itops Consulting offers its customers support in their strategic thinking on promotional issues.

Itops Consulting's expertise covers projects relating to organization, recommendation, performance, strategic analysis, compliance and support.

Sales statistics for pharmaceutical products

GERS SAS

GERS SAS processes and establishes sales statistics for all pharmaceutical products by geographic analysis units (GAUs) on behalf of GERS (an economic interest group of pharmaceutical companies operating in France) using data collected from wholesale distributors, pharmaceutical companies and pharmacists.

Since 1999, these statistics have been available online on a weekly basis. The most recent geographic segmentation (746 geographic units divided into 4,565 Sales Points Aggregates or SPAs, each containing three to eight pharmacies) is much more homogeneous in terms of activity volume, allowing pharmaceutical companies to develop true micro-marketing strategies. In order to provide an even more precise targeting and measure the return on promotional efforts, GERS SAS launched PharmInside. In addition, in 2012, GERS SAS introduced GERS ORIGIN, an application that helps pharmaceutical companies measure the performance of medical representatives by linking sales with prescription sites.

France is one of the few countries in the world where the industry has joined forces to produce its own statistics, which have become regulatory data for agreements between LEEM[(1)] and CEPS[(2)].

CEGEDIM ANALYTICS

A data processing specialist, Cegedim Analytics also offers calculation and reporting of performance criteria and indicators (KPIs, etc.), business software and project support.

Its offering includes solutions for the pharmaceutical industry, such as Click Pharma, or suitable for all business sectors: MATCH (My Analytic TouCH: a solution for iPad® and Windows 8®), Reportive (a self-service business intelligence solution) and CAStore (Cube Analytic Store). Cegedim Analytics services range from complete outsourcing (from data integration to distribution) to insourcing (through full customization capabilities offered to users), including semi-outsourcing.

Cegedim Analytics has over 300 corporate clients.

INFOSANTÉ

With its subsidiaries InfoSanté in Romania and Gers Maghreb in Tunisia, the Cegedim Group provides sales statistics on pharmaceutical products. In both countries, Cegedim is now the market leader[(3)] in regional and national sales data, and offers a full range of products and services for the pharmacy and hospital segments.

(1) LEEM is a professional organization that unites and represents pharmaceutical companies operating in France.

(2) CEPS is the Healthcare Products Pricing Committee, an inter-ministerial body under the joint authority of the Ministers for Health, Social Security and the Economy, whose main task is to set drug prices and rates for medical equipment for individual use paid for by France's mandatory health insurance scheme.

(3) InfoSanté is the leader in terms of revenue on the Romanian and Tunisian sales data markets.

SANTESTAT

Using sales data collected from a range of pharmacies, Santestat compiles a statistics database that is continuously enriched. Thanks to Santestat, pharmacists and their groups have the tools they need in order to optimize pharmacy management, monitor pricing policy and have an overview of their purchasing market.

These statistics provide pharmaceutical companies with the data necessary to better understand drug distribution channels.

Corporate databases and associated services

CEGEDIM COMMUNICATION DIRECTE

Specializing in professional databases and promotional tools throughout the world and backed by its expertise in these fields[1], Cegedim has developed a specific department for its direct marketing business in France, Cegedim Communication Directe (Cegedim CD), which offers:

Specific databases

- Business & Management: 281,818 companies, classified by revenue, with telephone and fax numbers, and more than 634,800 skilled positions;
- 3,824,248 corporate headquarters with details of the main executive, telephone and fax;
- Insee: 6,146,682 organizations (comprehensive directory of companies);
- LaMég@baseB2B: a multichannel BtoB repository with more than 3,600,000 email addresses;
- Company Car Fleets: 1,446,500 active organizations for 5,153,316 vehicles;
- Businesses: self-employed professionals, elected officials and local authorities.

Data processing/data quality management

- Database audit, standardization, restructuring and clearing;
- Merge and purge, reconciliation and data consolidation;
- Reconciliation with the Sirene database;
- Data cleaning and enrichment;
- Customer data maintenance using updates specific to Cegedim CD;
- Analysis of data and customer profiles, segmentation and marketing scores.

Online services

- GlobalDataControl is a secure place to exchange information along with automated controls and data enrichment and reliability processes;
- GlobalDataDistri is a web-based solution for counting and extracting BtoB data;
- SirWebAnnuaire provides access to Insee's Sirene repository, which is enhanced by Cegedim CD in the form of a directory;
- SirWebServices are web-based services for connecting customer solutions (CRM, ERP, Web form, etc.) to Cegedim CD's BtoB repository and provide them with relevant inputs;
- GlobalDataReport is a report generation solution (using the Reportive software suite) to enhance customer knowledge;
- GlobalDataValid is a web-based solution for manual reconciliation and validation of duplicate entries online.

To offer all of these services, Cegedim CD relies on software applications and tools, a number of which are unique in France, such as the *Source* database logging all establishment transfers and changes of domicile since 1993.

Products and services dedicated to press and web publishers

Cegedim Communication Directe offers SIGA to news publishers, a set of solutions to optimize their knowledge about customers.

SIGA meets the requirements of press publishers in the fields of subscription management, direct marketing, distribution and business intelligence.

Management of medical samples and promotional material

PHARMASTOCK

Medical promotion requires the implementation of logistics capabilities for preparing and distributing promotional material to the sales forces of pharmaceutical and cosmetics companies.

Cegedim offers its partners the possibility of outsourcing this capability via its Pharmastock subsidiary, a pharmaceutical pre-wholesale specialist. On behalf of pharmaceutical and cosmetics companies, Pharmastock stores, prepares and dispatches:

- documentation for medical reps working in the field to meet their occasional needs or as part of their usual allowances;
- samples for physicians.

To comply with pharmaceutical companies' traceability obligations in respect of sample distribution, Pharmastock, backed by the Cegedim Group's knowledge of healthcare professional record management, can meet the specific needs of sales personnel and health professionals through its Tracere® package.

(1) The OneKey database is the pharmaceutical industry benchmark in terms of number of countries covered, data entered, and number of users.

Overview of the division's main products and services

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
OneKey	Database	Contains contacts and other information on over 13.7 million healthcare professionals, in over 70 countries and is used to facilitate canvassing of and marketing to these professionals	Healthcare companies, including pharmaceutical and biotech companies	User subscriptions and pay per usage	Global
Cegedim Strategic Data	Services	Offers market research, including customized studies, in various areas, including consumer demand, competition and market trends based on multiple proprietary data sources	Healthcare companies, including pharmaceutical and biotech companies	Fees charged per research study	Global
Mobile Intelligence	Software	Provides CRM platform with a comprehensive suite of tools available on desktop and mobile devices	Healthcare companies, including pharmaceutical and biotech companies	Sales, administration and training fees and fees for subsequent upgrades and enhancements	Global
AggregateSpend360	Software	Tracks company expenditures and generates expenditure reports which can be customized for the purpose of meeting the regulatory requirements of specific jurisdictions	Healthcare companies, including pharmaceutical and biotech companies	Sales, administration and training fees and fees for subsequent upgrades and enhancements	United States and Europe
Reportive	Software	Publishes business intelligence software for the creation and automatic distribution of customized reports and interactive trend charts on sales, marketing, finance and human resources	Healthcare companies, including pharmaceutical and biotech companies, and other companies in enhancements various sectors	Sales, administration and training fees and fees for subsequent upgrades and enhancements	Global
Itops Consulting	Services	Provides consulting services covering items such as internal promotional strategies and performance evaluation, product portfolio analysis and estimates, strategic planning, risk assessment and regulatory compliance, among others	Healthcare companies, including pharmaceutical and biotech companies	Fees charged per consulting project	France
GERS SAS	Services	Collects, compiles and presents sales statistics for pharmaceutical products in France	GERS Healthcare companies, including pharmaceutical and biotech companies	Sales of these statistics	France
Cegedim Analytics	Software	Offers software for developing, reformatting and distributing sales trend charts that are used to monitor sales trends	Healthcare companies, including pharmaceutical and biotech companies	Sales, administration and training fees and fees for subsequent upgrades and enhancements	France
InfoSanté	Services	Offers pharmaceutical products sales statistics	Healthcare companies, including pharmaceutical and biotech companies	Sales of these statistics	Romania

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
Santestat	Database	Contains sales statistics collected and compiled from a range of pharmacies, which are used to improve the operations management, monitor pricing policies and identify consumer demand	Healthcare companies, including pharmaceutical and biotech companies and pharmacists	Access fees	France
Icomed	Services	Contains information obtained annually by a survey of general and specialized practitioners regarding their activities, prescription preferences and gauging the size and profile of their clientele, that used to optimize market segmentation and to target sales efforts	Healthcare companies, including pharmaceutical and biotech companies	Access fees	France, Germany, Italy, Spain, Belgium, the Netherlands, Luxembourg, Sweden, Norway, Finland, Denmark, Russia, Poland, Turkey, Romania
Physician Connect	Services	Contains information on and assessments of existing links between key opinion leaders and prescribers that identifies influence networks among physicians within specific fields, thereby helping users enhance their connection to leading physicians in given fields and better understand how their medical products are being prescribed	Healthcare companies, including pharmaceutical and biotech companies	Access fees	France, Italy, Spain, Germany, United Kingdom, Belgium, the Netherlands, Luxembourg, United States, Canada
Cegedim Communication Directe	Database and services	Offers multiple databases containing contact and other information on millions of healthcare and other companies and professionals and services for analyzing these data, including data exchange and verification, helping users to bolster their direct marketing efforts	Businesses from various sectors	Access and service fees	France
Pharmastock	Software and services	Offers software and services for the management and shipment of pharmaceutical samples and documentation	Physicians and medical representatives	Sales, administration and training fees, fees for subsequent upgrades and enhancements and service fees	France
MedExact	Services	Displays advertising and promotions to users of our server-connected software	Healthcare companies, including pharmaceutical and biotech companies	Access fees	France
Docnet	Services	Networks physicians, enabling them to consult or share medical questions, post links and updates, invite colleagues to events and send messages to other users	Healthcare companies, including pharmaceutical and biotech companies	Access fees	Europe, United States

6.5.3 BUSINESS ACTIVITIES OF THE HEALTHCARE PROFESSIONALS DIVISION

CEGEDIM HEALTHCARE SOFTWARE (CHS)

The Cegedim Healthcare Software (CHS) Business Unit coordinates and consolidates all Group activities aimed at boosting the computerization of healthcare professionals. It has over 217,000 physician and paramedical workstations and 84,000 pharmaceutical workstations, using its solutions in nine countries (Belgium, Chile, Spain, the United States, France, Italy, Romania, the United Kingdom and Tunisia).

CHS operates in four areas:

- software for pharmacists (Alliadis, Cegedim Rx, Next Software and Pharmec);
- medical software (CLM, INPS, HDMP, Millennium, Stacks, Pharmec and Pulse Systems);
- software for paramedical professions (RM Ingénierie);
- medication database (Resip/Claude Bernard Database).

Software for pharmacists

ALLIADIS

Specializing in pharmacy computerization, the Alliadis Group (Alliance Software, Alliadis, PGInformatique and ASPLine) has been providing support to pharmacists since that sector began to be computerized.

Alliadis has a range of comprehensive and integrated business solutions (Alliance Premium, OPUS and Périphar) that address the needs of all types of pharmacies:

- independent pharmacists and pharmacists with mutual health insurer agreements;
- pharmacies organized as SELs (independent professional companies), with different products that allow colleagues to network;
- pharmacist groups for whom, to date, the Alliadis solutions are the most popular, indeed the sole solution of some.

Since 40% of French pharmacies are equipped with and 50% of drug flows are managed through its software applications, the Alliadis Group is the preferred partner of the leading pharmaceutical companies for implementing information and promotional systems designed for pharmacists.

In a dynamic regulatory environment (pharmaceutical records, substitution goals, traceability, abolition of the vignette, unit dose dispensing, SCOR (prescription scanning), the HPST law[(1)]) that require continuous changes in the information systems, Alliadis engages very early on with professional organizations. For example, Alliadis was the first IT services company to deploy pharmaceutical records and SCOR to its customers.

Likewise, anticipating the new pharmacy collective agreement which gives pharmacists a major role in patient management inside the pharmacy, Alliadis has developed a full web-based application called MSP (for Mon Suivi Patient, or "My patient follow-up"), which enables the pharmacies to monitor chronic patients.

MSP will provide access to a treatment record in which all the health data on individual patients can be collated, and to a library of pharmacist consultation protocols, such as the follow-up of patients taking oral anti-coagulants, the monitoring of asthmatic patents, etc. This IT solution helps to perform consultations according to required protocols and fully monitor them on a regular basis. The ability to access it in Cloud mode means that a group of pharmacies can share patient data, which is a first step towards coordination between healthcare professionals.

In 2013, this pragmatic development strategy convinced the Giphar group (1,300 pharmacies) to create a joint venture with Alliadis, to develop a new business software based on their respective strengths: business expertise and vision for Giphar, mastery of technology and multidisciplinary healthcare management solutions for Alliadis. This combination of skills is unique in the pharmacy microcosm and will help Alliadis to disrupt the market by launching a highly scalable software solution designed to use state-of-the-art technologies.

More broadly, the Alliadis Group aims to meet all pharmacists' needs, particularly through NTPharm, its Sales division devoted to keeping retail space attractive and secure by offering various high-tech tools ranging from signs to video surveillance, including dynamic communication and anti-theft gates.

CEGEDIM RX

Cegedim Rx is the leading supplier of Pharmacy software solutions and computer services in the United Kingdom, with over 50% of the pharmacy market which incorporates in excess of 12,200 pharmacies.

Its product line includes Nexphase and Pharmacy Manager Patient Medication Record systems, which process over 300 million prescriptions every year. Cegedim Rx has ISO 27001 certification and now has over 150 employees who are based in two main sites in the UK. The majority of leading pharmacy cooperatives such as: Asda, Alliance Boots, the Co-operative Group, Sainsburys, Tesco, Morrisons and Superdrug all use one of Cegedim Rx's solutions.

Cegedim Rx is heavily involved in the development and provision of electronic prescriptions and minor ailment software in the UK.

Cegedim Rx also provides its customers with government sponsored broadband communications (N3) within pharmacies as well as providing its own Message Handling service which will eventually handle up to 60% of the English prescriptions managed by its own Network Operating Centre.

(1) HPST: Hôpital, Patients, Santé, Territoires (the Hospital, Patient, Health & Territories Law).

Cegedim Rx also offers products for:

- hardware distribution and engineering;
- support and training for users;
- sale of consumables.

NEXT SOFTWARE

Next Software is a company specialized in publishing and distributing solutions for healthcare professionals in Tunisia. A leader in pharmacy computerization with a 25% market share, Next Software is one of the most important players in the market, with a presence across the Tunisian territory. Already heavily involved in IT support for reimbursement systems installed by the healthcare authorities, Next Software will quickly benefit from the experience of Cegedim's other "pharmaceutical" publishers, enhancing its offering in therapeutic databases (Claude Bernard Database) and electronic information exchange.

Next Software plans to launch an integrated solution for the computerization of physician practices, a package that will help physicians manage their business, learn about new products and electronically share information with peers, the scientific community and pharmaceutical companies.

An interconnection platform for the pharmaceutical industry is also under development. This platform will establish and disseminate a unified drug code system, while promoting trade flows between pharmaceutical companies, distributors and pharmacies.

PHARMEC HEALTHCARE SOFTWARE

Specialized in publishing and supporting solutions for healthcare professionals in Romania, Pharmec Healthcare Software is the leader in the pharmaceutical software industry, capitalizing its product and market experience of 15 years, with almost 40% market share. Pharmec is also one of the up and coming players in the physician computerization market in the country, being the leading private provider in GPs area. Pharmec Healthcare Software's offering is going to rapidly grow in the medicinal database and online medical software fields thanks to Cegedim experience in this area.

Software for doctors

CEGEDIM LOGICIELS MÉDICAUX (CLM)

Cegedim Logiciels Médicaux designs solutions for office-based physicians (general and specialist), multidisciplinary healthcare facilities and clusters, and other healthcare centers:

- for independent physicians: the applications Crossway, Doc'Ware, MédiClick and monLogicielMedical.com, hosted in the Cegedim HADS environment (certified for health data hosting), all provide simple, effective management of patient records;
- for multidisciplinary healthcare facilities and clusters: a special version of monLogicielMedical.com has been tailored to data sharing needs between healthcare professionals (physicians and paramedics) within a single building. This version received ASIP's e-santé label for healthcare facilities and centers;
- for healthcare centers: Crossway CDS provides medical management software for healthcare centers. This is combined with a solution for third-party payment management.

The Resip FSE and e-FSE software programs, used alone or integrated with medical software, allow electronic care sheets to be prepared in compliance with the latest regulations in force.

Cegedim Logiciels Médicaux professional software changes over time in accordance with regulatory requirements—such as HAS accreditation (risk management), integration of electronic services and tracking ROSP indicators (remuneration based on public health objectives)—and to users'needs, particularly in their interactions with medical data sharing platforms.

INPS

INPS is maintaining its leading[(1)] position in the "Primary Care" sector in the United Kingdom with its Vision offer. The national IT projects, driven by the the National Health Service require INPS to continually develop and adapt Vision to meet the requirements for interoperability between healthcare professionals.

The Vision clinical application is used by approximately 10,000 doctors at more than 2,200 primary care centers in the United Kingdom.

HDMP

With over 25 years of experience, HDMP is one of the largest players in the Electronic Health Record market for general practitioners in Belgium. With operations in both the Dutch-speaking and the French-speaking regions, HDMP enjoys a unique positioning. Its Health One solution is used in the fields of occupational medicine, prevention centers, healthcare centers, with more than 2,500 users. Since 2010, HDMP has also been present in the market for after-hours services with the Health Guard solution.

MILLENNIUM

Based in Florence, Millennium, 49% owned by Cegedim, is Italy's leading[(2)] medical software publisher, with Millewin installed on nearly 16,500 workstations. Millennium strengthened its regional presence and became a strong shareholder of two other publishers, one focused on general practitioners and the other on pediatricians (Mediatec with 2,600 Gps and Sosepe with 3,700 Gps). Millennium now directly or indirectly equips more than 24.000 physicians (GPs and Pediatricians), representing a 43% market share with Italian general practitioners and 45% with pediatricians.

STACKS

The leader[(3)] in physician software in Spain with more than 30,000 users, Stacks specializes in the analysis, design, and development of information systems dedicated to the healthcare sector. Stacks also offers consulting and technical services for identifi cation, adaptation, and integration of solutions in order to meet the needs of healthcare professionals. The primary market for Stacks is the Spanish public

(1) INPS is the leader in terms of the number of physicians'software workstations installed in the Windows environment in the UK.

(2) Millennium is the leading publisher of physicians'software in terms of the number of workstations installed in Italy.

(3) Stacks is the leader for physicians' software in terms of the number of workstations installed in Spain.

sector, which represents more than 60% of its sales. The company has its own commercial network throughout the country. It is also present in South America through its establishment in Chile.

PULSE SYSTEMS, INC.

Pulse provides market leading electronic healthcare management solutions with its fully integrated suite of products and service solutions. These solutions successfully address the requirements of President Obama’s healthcare reform and is being developed to manage electronic patient files EHRs[1], in the United States. The incentive programs undertaken by the US Department of Health and Human Services encouraged adoption of these healthcare technologies beginning in 2011. Additionally, Pulse Systems continues to develop and adapt its software solutions in order to meet continuing government mandates as well “best practices” to remain at the forefront of these technologies. Pulse applications are utilized by over 20,000 healthcare users in locations throughout the United States.

Software for paramedics

RM INGÉNIERIE

RM Ingénierie offers a full range of software (the "+4,000" suite) for the paramedical professions: nurses, physiotherapists, speech therapists, orthoptists, podiatrists and midwives.

Designer of France’s first practice management software for physiotherapists in 1984, RM Ingénierie has positioned itself as one of the leading providers in France of management software solutions for paramedical practices, with over 36,000 users.

In 2013, RM Ingénierie launched a new version of its highly innovative mobile solution for touch-screen tablets, Simply Vitale, which is aimed at independent nurses. In synergy with other Group subsidiaries specializing in their field, in 2014 RM Ingénierie will offer a full management solution for multidisciplinary healthcare facilities, which will run in hosted mode and will be able to communicate with Simply Vitale.

RM Ingénierie also develops innovative analysis and movement rehabilitation tools designed for physiotherapists and functional medicine customers.

Medication database

RESIP’S CLAUDE BERNARD DATABASE

Resip (Research and Studies in Professional Information Systems) provides healthcare professionals with a scientific database to assist them in prescribing and issuing medications: the Claude Bernard Database (French acronym BCB).

The BCB was the first drug database certified as of 2008 by the French national health authority ("Haute Autorité de Santé" – HAS) as a prescription assistance software. Resip now meets the requirements of the version 2 of the HAS certification, which takes into account future certifications of hospital and pharmacy software.

The BCB is integrated into the pharmacy management software marketed by the Alliadis network, which comprises more than 8,500 subscribing pharmacies. The BCB is also to be found in applications for physicians: over 22,500 medical offices subscribe to it. The BCB will be more and more present on all computerized physicians’ workstations owned by the Cegedim Group in France and is also distributed by other medical software publishers.

As the leading[2] player in the web-based market, the BCB is integrated into healthcare sites and portals.

The technology used by the BCB makes it easy for hospitals to incorporate the database into their Intranet systems for Web consultation through BCB Dexther. APIs (Application Program Interface) also make it possible to interface with the hospital management software. More than 400 hospitals (including six teaching hospitals) integrated the BCB into their prescription or dispensation software, while 55 of them (including three teaching hospitals) use BCB Dexther for web consultation.

(1) EHR : Electronic Health Record.

(2) BCB is the leading player on the web-based database market in France, regarding the extent of its deployment on the tools used daily by healthcare professionals (software, Intranets, portals, etc.).

OTHER SERVICES

Digital promotion

MEDEXACT

MedExact works in synergy with Cegedim Group companies involved in promotion, with the exception of medical rep visits.

Its ScreenPub application is for doctors who have Cegedim Logiciels Médicaux medical software interconnected to the Cegedim server. It allows information exchange and the downloading and distribution of advertising campaigns.

MedExact also offers the emailing applications MailExact for targeted campaigns to disseminate scientific or environment information about products (through expert interviews, press clippings or surveys) and Flash Thérapeutique for the dissemination of product news (launch, new indication, etc.) to the email addresses of over 120,000 general and specialist practitioners.

MedExact also markets Docnet, a professional social network to help physicians find peers or organizations, establish contacts, search the online drug database BCB Dexther and use an e-mail module called Docbox that provides marketing information.

Promotional information

RÉSEAU NATIONAL DE PROMOTION (RNP)

RNP is the benchmark[(1)] in France for pharmacy and para-pharmacy intervention regarding:

- dynamic display;
- structural and opportunistic marketing (linear, counter, etc.);
- retail space organization;
- point-of-sale surveys.

Equipped with Android tablets, RNP promoters and merchandisers transmit their activity with supporting digital photos in real time. Pharmaceutical companies can, at the same time, monitor the roll-out of their campaigns online. RNP also makes auxiliary merchandising and sales teams available to its customers. Furthermore, becoming the exclusive partner of major groups, RNP manages all of their promotional activities.

After installing customized LED screens in strategic shop windows, RNP is accelerating the deployment of dynamic screens in pharmacies, at key points of sale, thereby creating a significant network.

Medical financial leasing

CEGELEASE

Cegelease, with its Pharmalease and Médilease brands, is a financial leasing company that offers financing options to retail pharmacies and healthcare professionals.

(1) RNP is the French benchmark for point-of-sale advertising in terms of the number of pharmacies covered by its display network.

OVERVIEW OF THE DIVISION'S MAIN PRODUCTS AND SERVICES

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
Alliadis Cegedim Rx Next Software Pharmec Webstar	Software for pharmacists	Facilitates general business and operations management for pharmacies, including managing drug dispensing and facilitating intracompany communications	Independent pharmacists, SELs, pharmacist groups and partnerships and chains of pharmacies	Sales, administration and training fees and fees for subsequent upgrades and enhancements	France United Kingdom Tunisia Romania
Cegedim Logiciels Médicaux INPS HDMP Millennium Stacks Pulse Systems Pharmec	Software for physicians and healthcare networks	Aids in practice management, including with respect to patient records e-prescriptions, workflow, electronic third-party payments (electronic reimbursements), secure data sharing between healthcare professionals	Physicians, hospitals, after- hours services, prevention centers and healthcare centers	Sales, administration and training fees and fees for subsequent upgrades and enhancements and pay per transaction fees	France, United Kingdom, Belgium, Italy, Spain, Chile, United States Romania
RM Ingénierie	Software for paramedical professionals	Aids in practice management, including with respect to e-prescription revenue cycle management and electronic healthcare records	Nurses, physiotherapists, speech therapists, podiatrists, midwives and other paramedical professionals	Sales, administration and training fees and fees for subsequent upgrades and enhancements	France
Banque Claude Bernard (Resip)	Medication database	Contains information on medications (uses, contraindications, etc.) to assist in prescription	Hospitals, physicians and pharmacists	User subscriptions	France
Cegedim Logiciels Médicaux Stacks Cegedim Rx	Patient portal	Facilitates communication between patients and physicians using a secure channel, sets appointments Stacks and alerts, develops a healthcare plan and follows up on progress of treatment	Patients and physicians	User subscriptions	Spain, France
Cegelease RNP	Other services	Includes lending products, marketing services and applications	Retail pharmacies and healthcare professionals	Broker and service fees	France

6.5.4 BUSINESS ACTIVITIES OF THE INSURANCE AND SERVICES DIVISION

CEGEDIM INSURANCE

The Cegedim Assurances Business Unit includes all of the Group's products and services for insurers, mutual insurers, provident institutions and intermediaries through its subsidiaries Cegedim Activ, Midiway, Cetip and iGestion. This Business Unit brings together all competencies across the entire chain of information sharing between healthcare professionals, insurance organizations and mandatory and supplemental insurers.

IT for healthcare insurers

CEGEDIM ACTIV

With more than 40 million policyholders managed with its solutions, Cegedim Activ is now the leader[1] of software and services dedicated to personal insurance (supplementary health plans, mandatory health plans, provident plans, life insurance and retirement plans).

Its product line is aimed at all market operators: insurers, mutual insurers, provident institutions and intermediaries.

To do this Cegedim Activ brings unique know-how to bear: the business expertise of its employees, the availability and integration of its technological solutions, outsourcing solutions in IaaS, PaaS and SaaS modes using a private Cloud, and lastly, healthcare flow management services, with more than 350 million EDI flows per year.

MIDIWAY

Midiway designs and implements online services on the Internet and on mobile devices for healthcare professionals, personal insurers and their customers (policyholders and companies): online sales with electronic signature, extranet in responsive design on mobile devices, and applications for smartphones and tablets.

Flows and electronic payment

CETIP

Historically ranked among the best-performing third-party payment operators in the market, Cetip consolidated this position in 2013 by becoming the leading[2] third-party payer management platform with its SP santé and iSanté brands. The Cetip platform is now used on behalf of over 200 clients and manages third-party payments for more than 19 million policyholders, with more than 2.2 billion services paid for each year.

In 2013, Cetip's flow receipt and management platform processed nearly 150 million invoices for third-party payment by insurers, 98% of which were transmitted electronically, with the highest rate of secure electronic claim submissions ("Demandes de Remboursement Electroniques" – DRE) on the market, also including transfers with hospitals.

Management Services

IGESTION

iGestion offers supplemental health and provident insurance management services to third parties, for insurers, provident institutions, mutual insurers, and intermediaries.

This offer enables supplemental insurers to outsource all or part of their business processes.

CEGEDIM E-BUSINESS

Specialized in electronic data interchange since 1989, Cegedim designs, develops and markets e-invoicing, evidential value-based archiving, EDI, and SEPA payment instrument management software through its Cegedim e-business Business Unit. This Business Unit also manages solutions from GIE Edipharm, GIE Diagdirect, Hospitalis and Qualitrans-Telepharma.

CEGEDIM EDI

Dedicated to Electronic Data Interchange (EDI), the Cegedim EDI department offers electronic management of all documents circulating between companies. Born from a partnership struck with GIE Edipharm in 1991, which enabled the creation of an EDI system between wholesale distributors and pharmaceutical companies, this operation quickly spread to all of the players in the healthcare industry, as well as medical analysis laboratories and the animal health sector.

Backed by its experience, Cegedim EDI is now able to offer customers an industrial solution for electronic exchanges that adapts to their specific requirements and integrates the constraints of their particular trade. With more than 1,000 EDI projects, Cegedim EDI was also the first company, in 1992, to obtain approval for electronic billing from the French tax authority.

(1) Cegedim Activ's customers manage more than 40 million policyholders, making the company the market leader (health insurance, death and disability insurance, savings).

(2) Cetip is the leader in France in terms of the number of third-party payment flows handled per year.

Edipharm, operated by Cegedim EDI, enhanced its solution through:

- developing the Purchase Order Response Message (ORDRSP) in collaboration with the nonprofit organizations CIP and ACL, pursuant to Decree No. 2012-1096 of September 28, 2012 on the supply of medicinal products for human use;
- offering a new electronic catalog service aimed at all customers of the pharmaceutical companies and large retailers;
- combining the direct order transmission service for pharmacies (via the Pharma ML standard) with the deployment of product catalogs from pharmaceutical companies (logistics and pricing information) which are integrated into the pharmacy management software.

GIS: GLOBAL INFORMATION SERVICES

Cegedim e-business operates, in SaaS mode, the GIS (Global Information Services) platform. GIS is a modern and robust platform that handles all types of documents (paper, structured files and images) and communication protocols, and includes interfaces with all information systeMs. It provides unlimited access (24/7 availability) via a secure Internet connection. GIS handles over 300 million data flow exchanges every year, and has over 100,000 customers connected to its service.

It can meet all electronic data exchange needs via its range of complementary services:

GIS e-invoicing

Cegedim's GIS e-invoicing service can be used for electronic and automated processing of invoices in Europe and the rest of the world through:

- the GIS platform;
- the Cegedim network, the European leader which puts suppliers and purchasers in contact and enables them to exchange invoices easily with all the companies connected via a unique connection, irrespective of the electronic data systems, formats and solutions used;
- the expertise of the Cegedim e-business team, which assists customers in implementation, deployment with their partners and support services, both in France and abroad.

The GIS e-invoicing service includes two comprehensive and modular offers, which are proven and optimized, thanks to hundreds of successful projects:

- suppliers e-invoicing, for handling all supplier invoices electronically, receiving them in electronic format and integrating them automatically into the company's ERP system;
- clients e-invoicing, for handling all client invoices electronically and issuing them in electronic format using invoicing systems.

GIS EDI

With this product Cegedim e-business offers local or outsourced EDI and WebEDI solutions (SaaS mode) to handle all the EDI flows in the supply chain, whether commercial, logistic or financial.

Cegedim is active in all sectors, and particularly in health, mass-market retailing, automobiles, manufacturing, transportation and services.

These proven and secure solutions are based on international standards and regulations and are certified by GS1.

Most clients are large international groups to whom Cegedim e-business provides expertise and offers standard and collective solutions, as well as solutions tailored to their needs.

GIS Workflow

The GIS workflow offering is the combination of:

- a collaborative workflow system that can be customized in line with the company processes and organizations;
- a multi-services platform that can process all types of electronic documents;
- a unified portal that can convey consistent information to everyone in the company and to the company's commercial partners;
- an electronic signature and archiving service, Sign & Archive. The documents are signed, time-stamped and archived in a highly-secure electronic safe;
- available in SaaS mode, GIS Workflow allows an electronic solution to be rapidly deployed for handling management processes and carrying out electronic data interchange.

CEGEDIM GLOBAL PAYMENTS

Cegedim Global Payments offers a software and services suite that facilitates and optimizes the management of payment instruments including:

- management of SEPA payment instruments[(1)] (SCT & SDD) and associated transfer orders;
- complete electronic management of contracts and payment transfer orders;
- electronic payment of invoices (B2C and B2B);
- implementation of new payment methods.

HOSPITALIS

Hospitalis is a shared portal between healthcare organizations and their suppliers, allowing customers to facilitate supply chain commercial exchanges for the pharmaceutical, medical and diagnostic fields.

The scope of what Hospitalis offers includes product repositories, purchase orders, orders, logistics information and invoices.

With 1.9 million orders in 2013, and over 1,000 major healthcare organizations, 26 of which are regional teaching hospitals, Hospitalis contributes to the traceability of data and product exchanges by centralizing all information on its Web portal. Moreover, this solution ensures the interoperability between the different software applications used by order placers, their suppliers or their service providers.

(1) SEPA: Single Euro Payments Area.

Hospitalis interfaces with portals from the main principals in the public and private hospital sector, for which it routes purchase order data flows.

Hospitalis is also integrated into the e-procurement solutions for Cancer Research Institutes to provide a repository of drugs, medical equipment, and laboratory products and to make the necessary infrastructure available for the electronic exchange of all procurement flows.

QUALITRANS-TELEPHARMA

Qualitrans-Telepharma is a Technical Centralizing Body ("Organisme Concentrateur Technique" – OCT) that centralizes the claims for electronic care sheets ("Feuilles de Soins Électroniques" – FSE) from healthcare professionals and allocates them to the appropriate mandatory and supplemental health insurers. This is crucial to the acceptance of third-party payments by healthcare professionals. Qualitrans-Telepharma is fully compatible with SESAM-Vitale 1.40 standards and, with a high level of responsiveness, can integrate legislative and regulatory changes (LOI, RPPS, etc.).

It also offers value-added services such as the monitoring of claims and payments via its Web portal. With over 84 million electronic care sheets routed per year for over 7,000 healthcare professionals, Qualitrans-Telepharma is the second-largest[1] French OCT.

OTHER SERVICES

Outsourced payroll and HR management

CEGEDIM SRH

Cegedim SRH operates in the HR outsourcing market, offering innovative, high value-added solutions, from payroll management to HR management.

A major player in this market[2], Cegedim SRH provides its SmartRH service, which is based on TEAMS^{RH}, its own HRIS[3] solution, and offers value-added solutions that are tailored to the needs, environment and size of its customers.

In a changing and complex economic and legislative environment, Cegedim SRH makes its HR expertise available to its clients to meet the need for a flexible and effective HR function.

TEAMS^{RH} is an innovative, comprehensive and modular HRIS solution designed for outsourcing. Its design method gives it flexibility and ease of use. It is particularly adapted to manage companies with varying sizes and structures; from tens to tens of thousands of employees, multi-companies and multi-entities, multiple collective labor and regulatory agreements.

TEAMS^{RH} offers broad functionality, with a wide range of modular and customizable functions that can meet the needs of every organization:

- payroll and personnel administration;
- HR portal;
- HR management and decision-making;
- GPEC[4];
- training;
- time and activity management;
- Global HR.

Cegedim SRH differentiates itself on the market by offering a wide range of service and support offerings, which can be tailored to requirements at any time.

In addition, this offering stands out due to its approach, which provides, as standard, a payroll applications platform that takes into account changes in the law and the key provisions of collective labor agreements.

Cegedim SRH is committed to ensuring that payroll and HR management is reliable and sustainable, irrespective of its customers' structures or related legislative changes.

Cegedim SRH's services are as follows:

- SaaS+ (Software as a Service+): data management, corrective maintenance and application updates following changes in the law and collective labor agreements;
- Processing Outsourcing – partial outsourcing: customer relations management. Payroll processing, operating activities, production and publishing;
- Total BPO outsourcing: complete management of all payroll operations (ISAE 3402 certification);
- BPO on Demand option – for customized service: in addition to the service.

(1) Qualitrans-Telepharma is the second OCT (Technical Centralizing Body) in the market in terms of the number of electronic care sheets processed each year and the number of users among healthcare professionals.

(2) Cegedim SRH is number two in the payroll outsourcing market in France according to research published by the CXP in 2013.

(3) HRIS: Human Resource Information System.

(4) GPEC: Gestion Prévisionnelle des Emplois et des Compétences (Projected Employment and Skills Management).

Hosting, services and Internet

CEGEDIM HOSTING

Cegedim has extensive expertise in data management for pharmaceutical companies, health insurers, mutual health insurers and healthcare networks (e.g. Electronic Health Records trials), as well as in managing financial flows and electronic documents, and in outsourcing HR processes and payroll.

Due to their highly strategic and sensitive nature, these activities have led the Group's IT teams to devise and implement processes and architectures with very high availability that meet the most stringent security requirements and, in particular, standards governing the hosting of medical records or the banking sector.

Cegedim is accredited as "private healthcare data hoster" by the French Ministry of Health.

Cegedim also renewed its ISAE 3402 and SSAE 16 Type II certification, first obtained in 2012, for all of its hosting offers worldwide.

Cegedim thus offers its customers a complete private Cloud service, based on hosting capacities and knowledge distributed around the world across three regions: USA (Chesapeake site), Europe (Boulogne-Billancourt campus and Toulouse site) and Asia-Pacific (Singapore site).

The locations of these Tier III+ level sites allow, on the one hand, for services to be provided continuously, and, on the other, the implementation of Service Continuity Plans or Disaster Recovery Plans within the same region or between regions.

CEGEDIM OUTSOURCING

Cegedim Outsourcing provides infrastructure solutions to companies, allowing them to secure, administer, and supervise information systems, data management and electronic data interchange.

Cegedim Outsourcing's offer is centered on three main business areas:

- integration: this involves designing and implementing all or part of the IT systems and networks requiring the integration of assorted elements: company directories, collaborative messaging, migrations, virtualization, storage, security and supervision;
- data management: this regroups services linked to managing IT infrastructures: distribution, asset leasing, on-site technical assistance, fleet management, and outsourcing backups;
- electronic data interchange: this is aimed at supporting customers through the overall process of managing assorted content (forms, inbound documents, invoices, etc., in paper or electronic format): receipt, digitalization, recognition, extraction, verification, validation through the establishment of workflows via an EDM[(1)] system.

OVERVIEW OF THE DIVISION'S MANY PRODUCTS AND SERVICES

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
Cegedim Activ Midiway	Software for healthcare insurers	Facilitates policyholder management	Insurance companies, mutual healthcare, companies, provident, institutions and insurance brokers	Sales, administration and training fees and fees for subsequent upgrades and enhancements	France
Cetip (iSanté, SP santé)	Software and services for electronic third-party payments (electronic reimbursements)	Processes electronic third-party payments (electronic reimbursements) as well as aids regulatory compliance verification	Healthcare providers and healthcare insurers	Sales, administration and training fees and fees for subsequent upgrades and enhancements and pay per transaction fees	France
iGestion	Management services	Offers outsourced administrative and other back-office services	Insurance companies, mutual healthcare companies and insurance brokers	Service fees	France
EDI *Global Information Services* Cegedim Global Payments Qualitrans-Telepharma	e-Business software and services	Provides electronic data interchange, document digitization, digital filing and other services, as well as payment sorftware for migration to SEPA DD	Companies in various sectors	Service fees	France
Cegedim SRH Cegedim Hosting Cegedim Oursourcing	Other outsourced services	Includes outsourced administrative services, including with respect to human resources and IT	Healthcare companies and other companies in various sectors	Service fees	France

(1) *Electronic Data Management.*

6.5.5 COMPETITORS

CRM and strategic data

Cegedim's main competitors in this division's areas of business include:

CRM

- **Veeva Systems:** building a life sciences specific customization using salesforce platform; Listed on New York Stock Exchange since October 2013;
- **Oracle (Siebel):** horizontal solution, mostly implemented in perpetual licenses mode;
- **Salesforce.com:** cross industry generalist offering via SaaS only;
- **Update:** Austrian software publisher specializing in general CRM with a Life Sciences offering. Mainly present in Europe, and primarily targets the European market;
- **Microsoft:** CRM generalist platform;
- **SAP:** ERP provider with generalist CRM modules.

DATA/MARKET RESEARCH/CUSTOMER KNOWLEDGE

- **IMS Health:** life Sciences data and market research provider now also investing in CRM. IMS is Cegedim's main international competitor on the market for strategic studies in the health sector;
- **Taylor Nelson, Sofres plc** and **GFK:** primary market research in the medical field;
- In-house solutions;
- A few local alternatives with lower levels of information.

Cegedim is able to implement their solution set or complete competition's offering with a modular approach and the variety of products in its portfolio.

Healthcare professionals

There is currently no global competition operating across the countries covered by Cegedim. Therefore, the analysis has been broken down by market and by country.

SOFTWARE FOR DOCTORS

In the United States: with more than 20,000 users across the United States in 36 different specialties, Pulse occupies a leading position in terms of electronic medical document management. Its largest competitors are: Allscripts, Cerner, NextGen, Greenway, eClinicalWorks, McKesson and athenahealth.

In the United Kingdom: Cegedim, with its INPS subsidiary, is one of three large suppliers in terms of user numbers (market share estimated at about 22%), after EMIS (market share estimated at 48%), and TPP (23%).

In France: Cegedim Logiciels Médicaux is one of the market leaders[1]. Its main competitors are the German group CompuGroup (primarily their AxiSanté software), who announced the acquisition of Imagine Editions in France (Hellodoc), and Prokov Editions (MédiStory).

In Belgium: Cegedim is a major player at the forefront of this very fragmented market which has a substantial number of healthcare software publishers including Corilus and CompuGroup Medical.

In Spain: with 35% of the estimated general practitioner market share, Cegedim, with its subsidiary, Stacks, is the leader[2] in this corner of the market. Indra and Siemens are among the main competitors in the healthcare field.

In Italy: Millennium and its subsidiaries have a 43% market share and their competitors include: Compogrup (Profim, Phronesis, FPS, Venere, Bracco), Koinè, Iatros and Perseo.

In Romania: Pharmec is a leading player with a market share estimated at 19%.

SOFTWARE FOR PHARMACISTS

In France: The Alliadis Group (Alliance Software, Alliadis and PGInformatique), which belongs to Cegedim, and Pharmagest Interactive are co-leaders in the pharmacy computerization market in France.

In The United Kingdom: Cegedim entered this market at the end of 2004, with the acquisition of NDC Health and Enigma Health, which today are combined into one entity called Cegedim Rx. With an estimated 50% market share, Cegedim Rx occupies a leading position in terms of the number of computerized retail pharmacies in the UK.

In Romania: Pharmec is the leading player with a market share estimated at 39%.

In Tunisia: Next Software has a 25% share of the pharmacy computerization market in Tunisia. Its main competitors are: 3S, Pharmasoft and EasyPharm. Software applications currently used in Tunisia has limited functionality and suffer from the lack of a Tunisian therapeutic database. Most doctors use software to manage their relationship with the CNAM (Tunisian national health administration). The exchange is carried out in file mode, albeit not through electronic transfers.

SOFTWARE FOR PARAMEDICS

In France: RM Ingéniérie, a leader[3] in supplying physiotherapists, speech therapists, podiatrists and orthoptists is at the forefront of the computerization of the paramedical professions in France. Its main competitor is Epsilog.

Thanks to its Simply Vitale system, RM Ingénierie experienced tremendous growth of its market share with independent nurses in 2013.

(1) Cegedim is one of the leading vendors of software for healthcare professionals in terms of workstations installed.

(2) Stacks is the leader for physicians' software in terms of the number of workstations installed in Spain.

(3) RMI boasts the highest number of electronic care sheets sent by physiotherapists, speech therapists, podiatrists and orthoptists (source GIE SESAM-Vital, data as of December 2013).

Internationally: Sales of the RM Feedback system are also growing, and its future prospects look bright in a market with very little competition.

DRUG DATABASES

In terms of drug databases: Cegedim's BCB (Claude Bernard Database) and its competitor, Vidal, are the main players in the field in France.

In the pharmacy management software sector, the BCB (Claude Bernard Database) has but a single competitor, the Clickadoc database of the pharmaceutical distributor OCP. Although there is no paper version of the BCB, its main competitor in the general practitioner practice and hospital sectors is Vidal, with its Vidal Expert and Vidal Hoptimal products respectively. Then come two other competing databases, sold only on the hospital market, Thésorimed and Thériaque.

OTHER

In terms of promotions, Cegedim is the French leader[(1)], both in terms of advertising at points of sale (POS) in pharmacies, through the numerous pharmacies included in its display network, and of advertising at points of prescription (through its customer base of computerized physicians).

Insurance and services

Cegedim Activ is the leader[(2)] in France with over 40 million insured people managed by its solutions in the personal insurance computerization market. Its main competitors are generalist consulting, engineering and integration firms such as CSC, Sopra Group, Atos, Oracle and Accenture, or software houses such as Linedata and Wyde.

As regards value-added services in third-party payment and registration management, Cetip (through the two brands SP santé and iSanté) holds a leading position[(3)] at the forefront of the market with over 19 million people managed in third-party payment and more than 350 million data flows carried. Viamedis and Almerys (Orange Business Services) are its main competitors in this field.

"Services" operations mainly cover a natural extension of the Group's expertise; notably with electronic data exchange, outsourced IT services, and outsourced payroll and human resources management.

There are a large number of competitors in these different businesses.

As an example, Cegedim SRH is a major player in the market of services associated to payroll and HR management in France, its main competitor being ADP.

As regards electronic data interchange: after a year of highly significant, new commercial successes in 2013, Cegedim e-business has consolidated its position as the leading European e-invoicing network, with over 100,000 companies connected directly, and over 300 million documents handled each year. Docapost (a subsidiary of La Poste Group), Ariba (acquired by SAP) and OB10 are among the main competitors of Cegedim e-business.

6.6 NON-RECURRING EVENTS

There were no exceptional events that affected the information provided in the previous chapters.

6.7 BASIS FOR ANY STATEMENT MADE BY THE ISSUER REGARDING ITS COMPETITIVE POSITION

The sources of the figures presented in chapter 6 of this Registration Document are generally cited in the text or explained in the footnotes. The topics discussed in the market information in this chapter were gathered from websites, trade publications, market research, and discussions with pharmaceutical industry experts.

(1) RNP is the French benchmark for point-of-sale advertising in terms of the number of pharmacies covered by its display network.

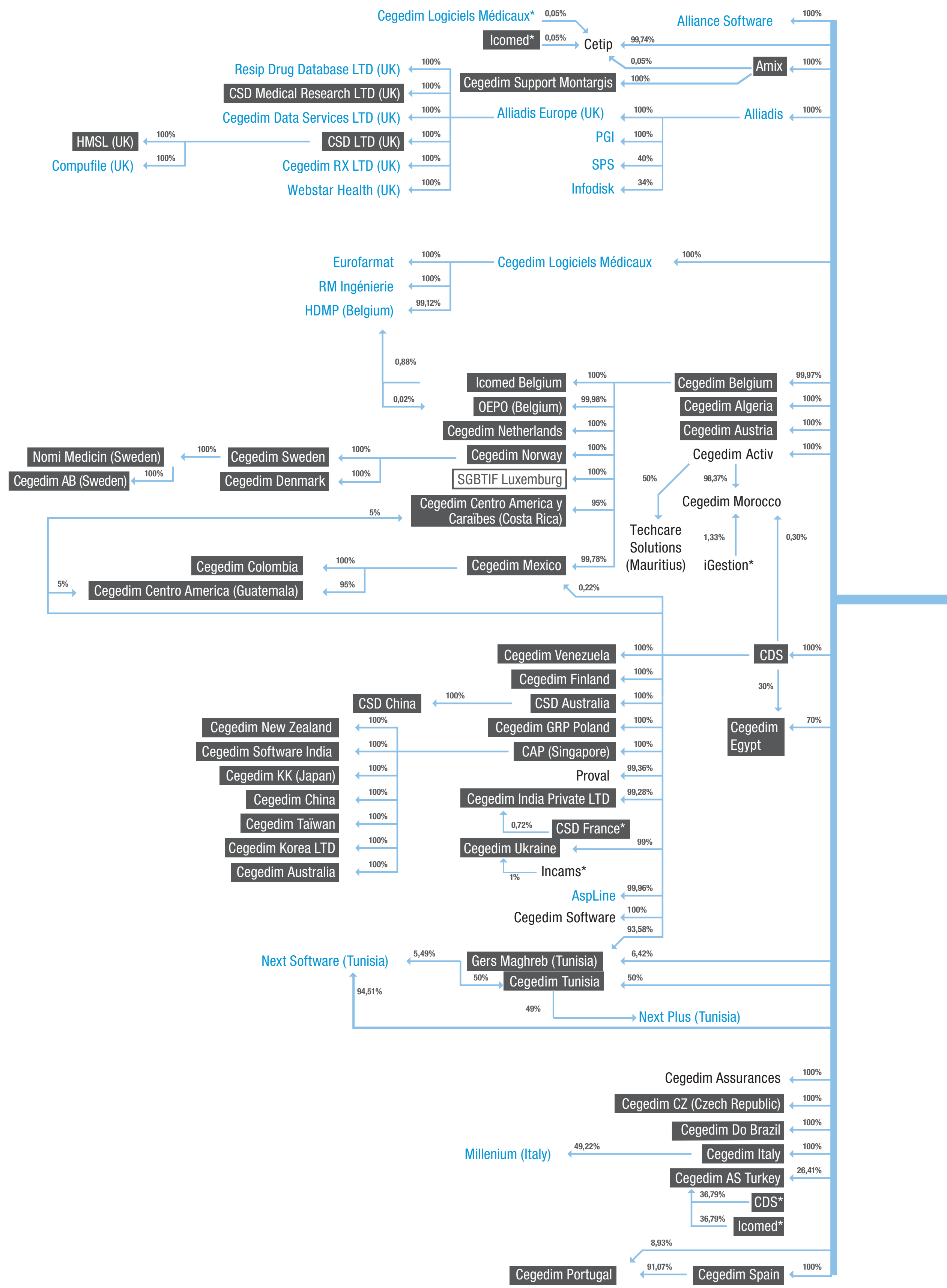
(2) Cegedim Activ's customers manage more than 40 million policyholders, making the company the market leader (health insurance, death and disability insurance, savings).

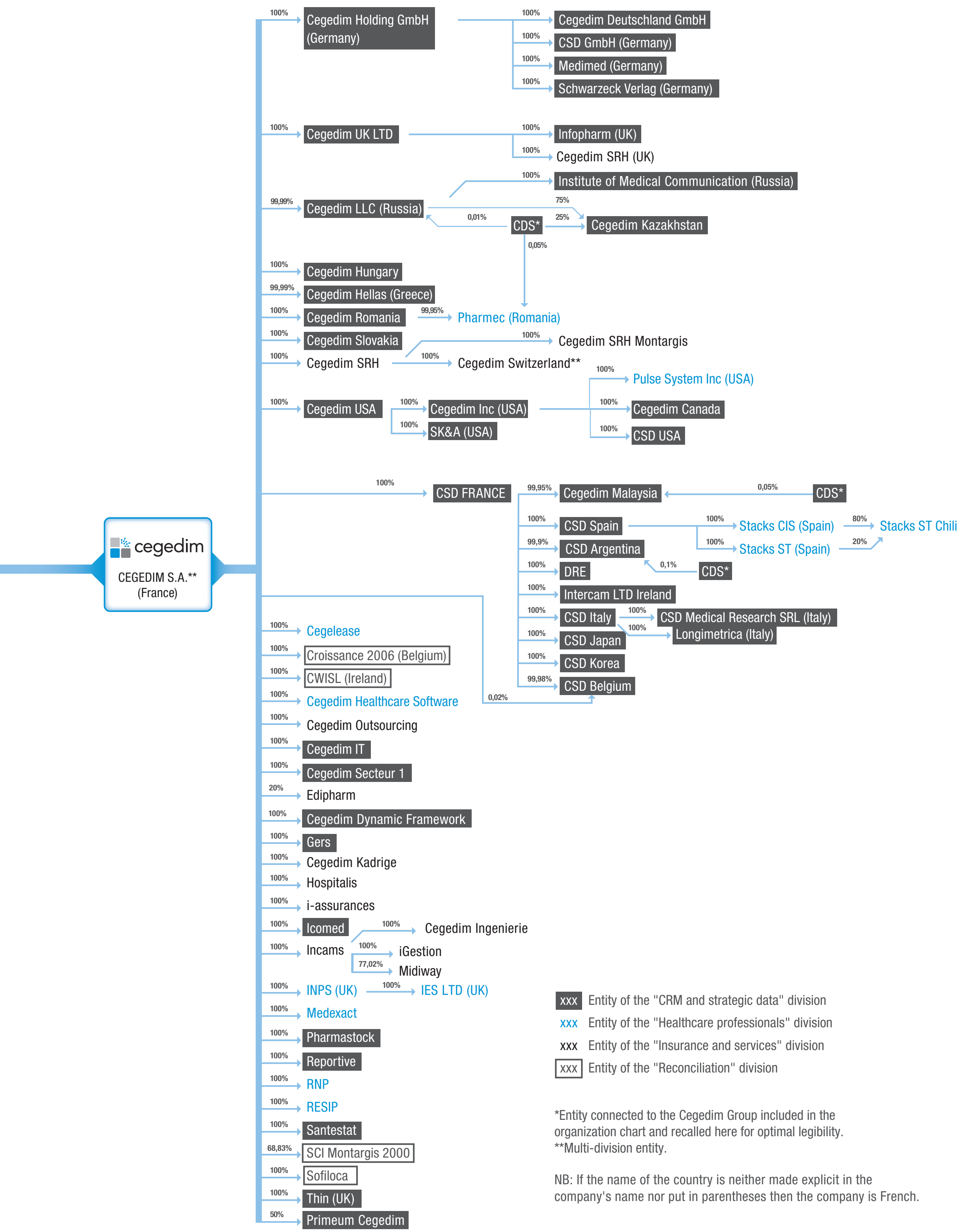
(3) Cetip is the leader in France in terms of the number of third-party payment flows handled per year.

7

ORGANIZATION CHART

Cegedim Group Organization chart as at December 31, 2013





xxx Entity of the "CRM and strategic data" division

xxx Entity of the "Healthcare professionals" division

xxx Entity of the "Insurance and services" division

xxx Entity of the "Reconciliation" division

*Entity connected to the Cegedim Group included in the organization chart and recalled here for optimal legibility.
**Multi-division entity.

NB: If the name of the country is neither made explicit in the company's name nor put in parentheses then the company is French.

7.1 CEGEDIM GROUP AND CEGEDIM'S PLACE WITHIN THE GROUP

Cegedim SA is a subsidiary of FCB, the lead holding company of the Cegedim Group. It is the only Group company listed for trading on NYSE Euronext (since 1995) and does not belong to another group.

Cegedim SA is active in the following fields:

- information technologies: development and upgrading of most of the IT tools used by the other departments and subsidiaries of the Group to supply the services they sell. It is also the Group's IT operations center;
- centralized services: payroll processing, employee management, billing, accounting and monthly reporting. All the security, insurance and confidentiality rules in effect in the IT facilities management fields are obeyed. Centralized services also include handling tax, legal, social and accounting, organization and audit questions, insurance, purchasing, external communication and intellectual property. Based on an annual projected operating budget, these expenses are allocated monthly to the Group's subsidiaries according to the allocation key specific to each family of services.

Cegedim SA plays an operational role with its departments:

- Cegedim Sales Statistics: management of the French pharmaceutical products file, processing and establishment for GERS (GIE uniting all the pharmaceutical companies established in France) of sales statistics for all the pharmaceutical products using data gathered from wholesale distributors and pharmaceutical companies in France;
- Cegedim Communication Directe (CCD): design, management and marketing of different personal databases (business addresses and associated direct marketing services) as well as management and processing of files for third parties;
- Electronic Data Interchange (EDI): data concentrator for the transmission of orders and bills between pharmaceutical companies, wholesale distributors and hospitals (Edipharm system) and the transmission of subrogatory bills between pharmacies and payer agencies (Télépharma). Hosting of application software developed by the Group and information flow management;
- Cegedim Hosting: Cegedim has extensive expertise in data management for pharmaceutical companies, insurance providers and health networks (e.g. Electronic Health Record (EHR) tests, etc.), as well as in the management of capital flows and paperless documents. Due to their strategic and sensitive nature, these activities have led the Group's teams to devise architectures with very high availability that meet the security requirements of its customers and, in particular, standards governing the hosting of medical records.

7.2 LIST OF CEGEDIM SUBSIDIARIES

The list of the Group's subsidiaries, their country of origin and the percentage of control held are given in chapter 20.1 of the consolidated financial statements of this Registration Document. In addition, more detailed information on the activity of the Group's main subsidiaries appears in chapter 25 of this Registration Document.

The Group's organization chart is presented on the previous pages.

8

REAL ESTATE, PRODUCTION PLANTS AND EQUIPMENT

8.1. MAJOR EXISTING OR PLANNED TANGIBLE ASSETS, INCLUDING LEASED PROPERTIES AND ANY SIGNIFICANT RELATED CHARGES

Only 19 companies among the 145 entities in the Group's consolidation scope are owners of buildings or land, for a net book value of 5.2 million euros on December 31, 2013.

The use of tangible assets with respect to the environment does not call for any particular remarks.

In particular, Cegedim SA rents all of the facilities it occupies in Boulogne-Billancourt. Some rent amounts are paid to companies (managing holding company FCB or different real estate holding companies) that have common Directors with Cegedim SA, as indicated in the Auditors' Special Report reproduced and appended to this Registration Document. The total rent amounts involved (premises and parking) amounted to 5.1 million euros, excluding occupancy expenses for FY 2013. Rents are established based on market conditions and will remain so.

8.2. USE OF TANGIBLE ASSETS WITH RESPECT TO THE ENVIRONMENT

Most of the companies belonging to the Cegedim Group therefore rent the buildings in which they carry out their businesses.

The Sustainable Development Report is presented in the second part of this Registration Document.

9

ANALYSIS OF THE FINANCIAL POSITION AND EARNINGS

9.1 CEGEDIM SA

9.1.1 ANALYSIS OF THE FINANCIAL POSITION OF CEGEDIM SA

The annual financial statements for the fiscal year ended December 31, 2013, which we are submitting for the approval of the General Meeting, were prepared in accordance with the presentation rules and valuation methods set forth in the regulations in force.

The presentation rules and valuation methods used are identical to those used for the previous fiscal year.

Revenue

In 2013, Cegedim SA's business grew by 3.7%, with revenue increasing from 184.1 million euros to 191.0 million euros. Cegedim SA's revenue consists primarily of services, and if necessary, any sales of software and hardware. These are relatively mature activities that Cegedim SA has been carrying out for many years. They do not call for any particular comments.

Operating income and expenses

Operating income increased by 5.0%. Operating expenses increased by 5.5%. In particular, the fiscal year saw:

- an decrease in capitalized production of 2.5 million euros compared to 2012;
- an increase in write-backs of depreciation, amortization and provisions of 6.4 million euros compared to 2012;
- an increase in other external purchases and expenses of 7.6 million euros compared to 2012;
- a decrease in charged payroll and benefit-related expenses of 1.3 million euros compared to 2012;
- an increase in allocations to fixed asset depreciation of 8.3 million euros and a decrease in allocations to provisions for current assets of 0.2 million euros, while allocations to provisions for risks and charges decrease by 2.0 million euros.

The impact as an absolute value of the few changes in other operating income and expense items was insignificant.

Operating earnings were a loss of 0.1 million euros, a 0.6 million euros decrease compared to 2012.

To the Company's knowledge, except for the developments presented in chapter 4, there are no specific governmental, economic, budgetary, monetary or political strategies or factors capable of influencing Cegedim's operations directly or indirectly.

Accounts payable aging balance

Cegedim SA accounts payable aging balance, broken down as Group and excluding-Group, is as follows:

In euros	Total accounts payable at 12/31/2012	Total non-expired accounts payable	Total expired accounts payable	Expired debt < 30 days	Expired debt 31-60 days	Expired debt > 60 days
Group suppliers	13,854,190	13,770,093	84,097	3,982	-	80,116
Non-Group suppliers	12,368,378	10,396,229	1,972,149	229,362	1,315,218	427,569
TOTAL ACCOUNTS PAYABLE	**26,222,568**	**24,166,322**	**2,056,246**	**233,343**	**1,315,218**	**507,684**

In euros	Total accounts payable at 12/31/2013	Total non-expired accounts payable	Total expired accounts payable	Expired debt < 30 days	Expired debt 31-60 days	Expired debt > 60 days
Group suppliers	14,253,985	14,250,451	3,534	2,880	-	654
Non-Group suppliers	12,318,461	10,539,156	1,779,304	65,053	1,320,896	393,355
TOTAL ACCOUNTS PAYABLE	**26,572,446**	**24,789,607**	**1,782,838**	**67,933**	**1,320,896**	**394,010**

Financial income and expenses

Financial earnings showed a 60.0 million euros loss, compared with a 91.2 million euros loss in 2012. They comprise 138.5 million euros in financial expenses, including (57.8) million euros in interest and related expenses, foreign exchange losses of 2.4 million euros, and allocations to financial depreciation and provisions of (78.3) million euros. Financial income amounted to 78.5 million euros in 2013, taking into account, in part, 8.6 million euros in other interest and related income, 38.6 million euros in financial income from equity interests and foreign exchange gains of 23.9 million euros mainly due to the unwinding of euro-dollar swap.

Current earnings before tax

Current earnings before tax amounted to (60.0) million euros, compared to (90.5) million euros in 2012.

Non-recurring earnings

Non-recurring earnings were 0.4 million euros in 2013, an increase of 1.3 million euros compared to 2012.

Income taxes

Income taxes in 2013 amounted to a 11.0 million euros gain.

Profit (loss) for the period

Profit (loss) for 2013 showed a 48.9 million euros loss, compared to a 82.3 million euros loss in 2012.

The earnings statement for the last five fiscal years required by article 148 of the decree of March 23, 1967, is attached to chapter 20.2 of this Registration Document.

Balance Sheet

At December 31, 2013, the balance sheet total of Cegedim SA came to 1,031,5 million euros compared to 1,042 million euros for the previous fiscal year, which is a 3.8% increase.

9.1.2 ANALYSIS OF BUSINESS DEVELOPMENTS FOR CEGEDIM SA

The key financial performance indicators at Cegedim SA are the following:

- revenue achieved within the Group and outside the Group;
- dividends collected;
- investments;
- financial structure.

Detailed comments on these are provided above.

In addition, with regard to the key non-financial performance indicators, Cegedim has pooled its IT resources available to its subsidiaries and their clients. It is therefore essential for Cegedim to be on the cutting edge of new technologies, to make sure that these systems are operating optimally, and to handle their maintenance and security (physical security, security of access, information, and administration of systems and developments).

Cegedim considers the training of its teams to be a key factor of success, making it possible to ensure client satisfaction and employee motivation. The general training policy implemented at Cegedim consists primarily of continuously adapting the skills of its research and development teams and assisting its employees in acquiring new skills necessary for their work.

The Cegedim Group’s international expansion, particularly through external growth, relies on its ability to incorporate new activities. Here, the measures taken by Cegedim seek to accelerate the incorporation of new activities, control the risks inherent to growth operations, and track their performance.

9.2 CEGEDIM GROUP

9.2.1 ANALYSIS OF THE FINANCIAL POSITION OF THE CEGEDIM GROUP

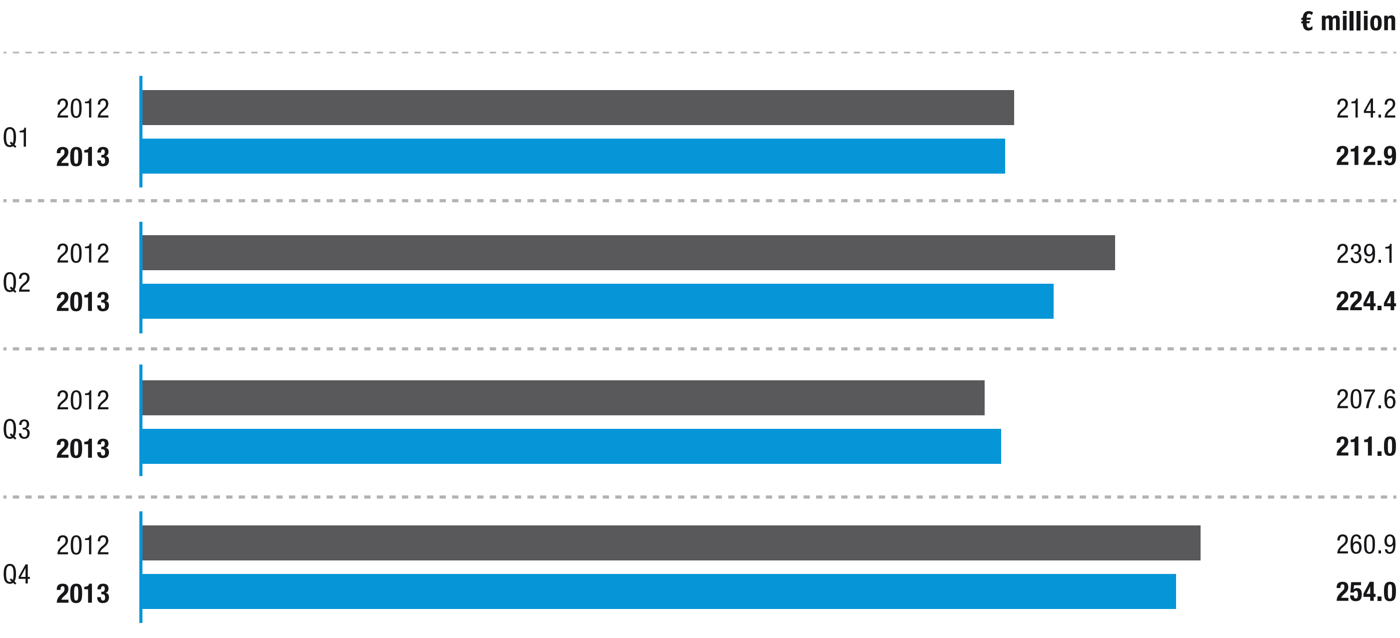
2013 Key points	2013	
	Revenue Change compared with 2012	**EBITDA** Change compared with 2012
■ Revenue decreased by €19.5m ■ EBITDA increased by €2.0m ■ EBITDA increase reflects the positive impact of cost-cutting measures	€902.3m (2.1)%	€155.7 +1.3%

Key Data

		4th Quarter			Full Year		
		2012	2013	Change	2012	2013	Change
Revenue	€m	260.9	254.0		921.8	902.3	
Change in revenue	%	n.a.	(2.6)		+1.1	(2.1)	
Organic		n.a.	(0.5)		(1.0)	(0.5)	
Scope		n.a.	+0.1		0.0	+0.2	
Currency		n.a.	(2.2)		+2.1	(1.8)	
Revenue by geographic region	%						
France		56.0	58.2		55.2	57.1	
EMEA excl. France		26.7	26.2		26.2	26.0	
Americas		12.6	11.3		13.6	12.4	
APAC		4.7	4.4		5.0	4.4	
Revenue by currency	%						
Euro		66.6	69.2		65.3	67.0	
US Dollar		10.5	9.7		11.5	10.7	
Pound sterling		8.6	7.7		9.2	9.1	
Others		14.3	13.4		14.1	13.2	
Purchases used	€m	(28.3)	(27.2)	(4.0)%	(111.5)	(108.3)	(2.9)%
External expenses	€m	(62.7)	(62.7)	0.0%	(234.7)	(232.0)	(1.2)%
Payroll costs	€m	(110.6)	(108.6)	(1.8)%	(449.8)	(433.5)	(3.6)%
EBITDA	€m	65.4	65.2	(0.2)%	153.6	155.7	1.3%
EBITDA margin	%	25.1	25.7	62bps	16.7	17.3	59bps
EBIT before special items	€m	48.3	47.0	(2.7)%	90.1	92.1	2.2%
EBIT	€m	42.7	48.9	14.4%	(34.8)	88.9	n.m.
EBIT margin	%	16.4	19.2	286bps	n.m.	9.9	n.m.
Cost of net financial debt	€m	(11.8)	(12.8)	8.6%	(44.1)	(60.1)	36.1%
Total taxes	€m	(5.0)	(19.0)	278.0%	(7.6)	(25.5)	137.2%
PROFIT (LOSS) FOR THE PERIOD	**€M**	**25.9**	**53.9**	**N.M.**	**(85.3)**	**(58.6)**	**31.2%**

Cegedim Group FY 2013

2013 GROUP REVENUE BREAKDOWN BY QUARTER



Group Revenue decreased by 19.5 million euros, or 2.1%, from 921.8 million euros in 2012 to 902.3 million euros in 2013. Excluding the positive net impact of acquisitions/disposals of 0.2%, and impact of unfavorable foreign currency translations of 1.8%, revenue decreased by 0.5%.

Following acquisitions and disposals, the Group's scope of consolidation has changed as follows: in *CRM and Strategic Data*: divestment of the entity *Pharmapost* (France) on April 30, 2012; in *Healthcare Professionals*: consolidation of the entity *ASP Line* (France) on July 1, 2012. These changes in the scope of consolidation made a positive contribution of 0.2% to revenue growth in 2013.

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 2 point to 67% whereas, the US dollar and others currency fell by 1 point to 11% and 13%, respectively and the sterling remain stable at 9%. Note that the breakdown of revenue by currency and by currency to establish accounts is very similar.

By geographic region, the relative contribution of EMEA (excluding France) remained stable at 26%, and France climbed by 2 points to 57% whereas Americas and APAC fell by 1 point to 12% and 4%, respectively.

This decrease in revenue was primarily due to an decrease of 3.0% in revenue in the *CRM and Strategic Data division* partially offset by a 0.4% and 5.8% increase in revenue in the *Healthcare Professionals* and *Insurance and Services* divisions, respectively (in each case, on a like-for-like basis). The *Reconciliation* division revenue amount to 0.6 million euros and increased by 0.2 million euro.

By division, the breakdown of Group revenue remains relatively stable. The contribution of *CRM and Strategic Data* fell by 2 points to 50%. The contribution of *Healthcare Professionals* and *Insurance and Services* increased by 1 and 2 points, respectively, to 32% and to 18%. The contribution of the *Reconciliation* division to the Group revenue was not significant.

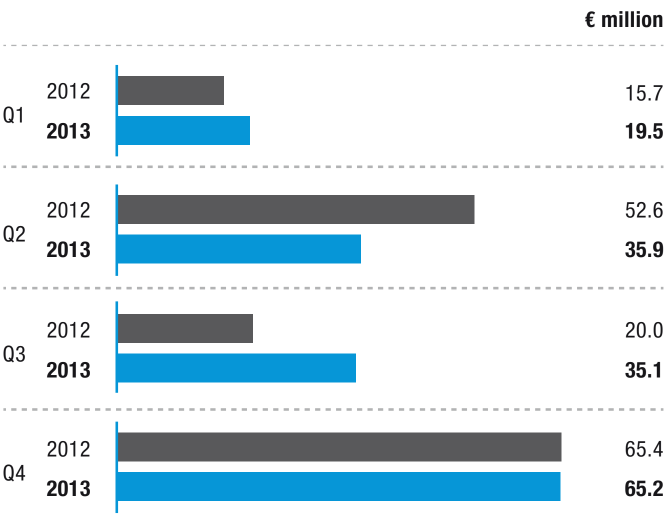
Operational Charges

Purchases used decreased by 3.2 million euros, or 2.9%, from 111.5 million euros in 2012 to 108.3 million euros in 2013. Expressed as a percentage of revenue, purchases used represented 12.1% in 2012, compared to 12.0% in 2013. This decrease in purchases used was primarily due to a reduction in overall operating costs as a result of the introduction of cost control measures since 2011. This decrease by 2.9% in purchases used reflects the decrease in Q1 by 1.8%, an increase in Q2 by 3.4%, a decrease 9.7% in Q3 and a decrease in Q4 by 4.0%.

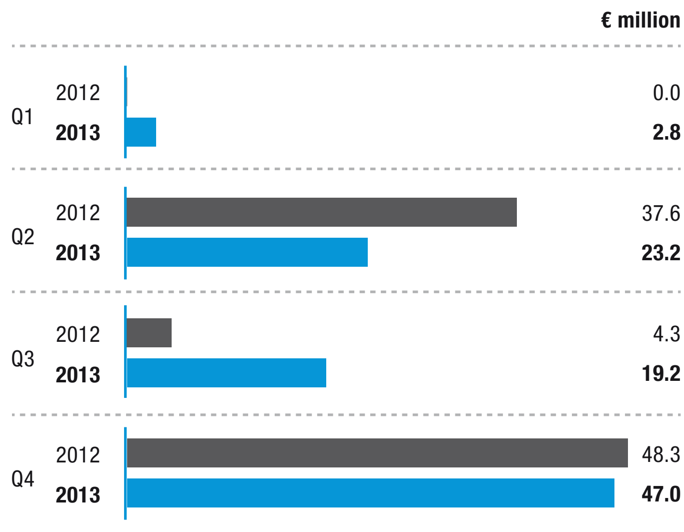
External expenses decreased by 2.7 million euros, or 1.2%, from 234.7 million euros in 2012 to 232.0 million euros in 2013. Expressed as a percentage of revenue, external expenses represented 25.5% in 2012, compared to 25.7% in 2013. This decrease in external expenses was primarily due to a reduction in overall operating costs as a result of the introduction, since 2011, of cost control measures, including a reduction in temporary employees. This decrease by 1.2% in external expenses reflects the decrease in Q1 by 3.0%, the increase by 1.2% in Q2, the decrease by 2.9% in Q3 and a stable level in Q4.

Payroll costs decreased by 16.4 million euros, or 3.6%, from 449.8 million euros in 2012 to 433.5 million euros in 2013. Expressed as a percentage of revenue, payroll costs represented 48.8% in 2012, compared to 48.0% in 2013. The decrease in payroll costs was primarily due to an overall reduction in the number of employees following the introduction of the 2011 & 2012 Performance Improvement Plan and a new hiring policy implemented in 2013, in particular, in the CRM and *Strategic Data* division partly offset by, mainly, an increase in the number of employees in the *Insurance and Services* divisions. Following the introduction of the CICE ("Crédit d'impôt pour la compétitivité et l'emploi" – Tax credit for competitiveness and employment) in France in 2013, the payroll cost in the P&L is reduced by this tax credit. In 2013, the impact on payroll cost is a reduction of 2.3 million euros. This decrease by 3.6% in payroll costs reflects the decrease in Q1, Q2, Q3 and Q4 by 3.5%, 2.1%, 7.2% and 1.8%, respectively.

2013 GROUP EBITDA BREAKDOWN BY QUARTER



2013 GROUP EBIT BEFORE SPECIAL ITEMS BREAKDOWN BY QUARTER



EBITDA increased by 2.0 million euros, or 1.3%, from 153.6 million euros in 2012 to 155.7 million euros in 2013. Expressed as a percentage of revenue, EBITDA represented 16.7% in 2012, compared to 17.3% in 2013. This increase in EBITDA reflected the evolution of revenue, purchases used, external expenses and payroll costs based on the factors set out above.

EBIT before special items (Operating income before special items) increased by 2.0 million euros, or 2.2% from 90.1 million euros in 2012 to 92.1 million euros in 2013. Expressed as a percentage of revenue, EBIT represented 9.8% in 2012, compared to 10.2% in 2013. This increase was due to the increase in EBITDA of 2.0 million euros, as set above, and a stable level between 2012 and 2013 in depreciation expenses at 63.5 million euros.

Special items. Historically, Special items have primarily related to capital gains or losses on disposals, restructuring costs, impairment of goodwill and other non-recurring income and expenses. Special items related to capital gains or losses on disposal, restructuring and other non-recurring income and expenses amounted to charges of 3.2 million euros, compare to charges of 9.9 million euros one year earlier. The major part of this cost is related to the restructuring costs from ongoing cost-containment efforts in 2013. Following an impairment of goodwill of 63.3 million euros in December 2013 and of 115.0 million euros in June 2012, special items amounted to a charge of 66.5 million euros in 2013 compare with a charge of 124.9 million euros in 2012.

BREAKDOWN BY NATURE OF SPECIAL ITEMS

	Full Year	
In millions of euros	**2012**	**2013**
Capital gains or losses on disposals	2.9	-
Restructuring costs	(11.6)	(4.8)
Impairment of goodwill	(115.0)	(63.3)
Other non-recurring income and expenses	(1.3)	1.6
SPECIAL ITEMS	**(124.9)**	**(66.5)**

BREAKDOWN BY DIVISION

	Full Year	
In millions of euros	**2012**	**2013**
CRM and Strategic Data	(125.0)	(68.7)
Healthcare Professionals	(0.8)	2.2
Insurance and Services	(0.6)	0.2
Reconciliation	1.5	(0.2)
SPECIAL ITEMS	**(124.9)**	**(66.5)**

EBIT amounted to a profit of 25.6 million euros, compared to a loss of 34.8 million euros on 2012. The increase was due to the increase of EBIT before special items of 2.0 million euros and a decrease in special items of 58.3 million euros.

Financial Charges

Total cost of net financial debt increased by 15.9 million euros from 44.1 million euros in 2012 to 60.1 million euros in 2013. This increase reflects the premium paid in March 2013 of 8.9 million euros for the partial 2015 bond buyback, an increase of 3.5 million euros in interest paid on debt and an increase of 2.4 million euros from currency effect and hedging instruments.

Tax expense increased by 17.9 million euros from a charge of 7.6 million euros in 2012 to a charge of 25.5 million euros in 2013. This increase results from a disbursement schedule of income tax and from non-activation of deferred taxes on loss-making companies.

Net Profit (Loss)

Consolidated net profit amounted to a loss of 58.7 million euros compared to a loss of 85.3 million euros for the same period last year. This increase in consolidated net profit reflected the evolution of revenue, EBIT, special items, cost of net financial debt and tax expense based on the factors set out above. After taking in account minority interests, the **consolidated net profit attributable to the Group** amounted to a loss of 58.6 million euros, compared to a loss of 85.4 million euros in 2012.

Fourth Quarter 2013

The Group revenue decreased by 6.9 million euros, or 2.6%, from 260.9 million euros in Q4 2012 to 254.0 million euros in Q4 2013. Excluding the marginal impact of acquisitions/disposals and impact of unfavorable foreign currency translations of 3.5%, revenue increased by 0.1%.

This increase in revenue was primarily due to an increase in the *CRM and Strategic Data* and in the *Insurance and Services* division by 0.1% and 2.2%, respectively and a decrease in the *Healthcare Professionals* divisions by 3.5% (in each case, on a like-for-like basis). The *Reconciliation* division revenue amount to 0.3 million euros and increased by 0.2 million euro.

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 2 points to 69%, whereas the sterling and others currency fell by 1 point to 8% and 13%, respectively and the US dollar remain stable at 10%. Note that the breakdown of revenue by currency and by currency to establish accounts is very similar

By geographic region, the relative contribution of France climbed by 2 points to 58% and Americas and APAC fell by 1 point to 11% and 4%, respectively, whereas EMEA (excluding France) remained stable at 26%.

By division, the breakdown of Group revenue remains relatively stable. The contribution of *CRM and Strategic Data* fell by 1 point to 52%. The contribution of *Healthcare Professionals* remains stable at 30%. The contribution of *Insurance and Services* division climb by 1 point to 18%. The contribution of the *Reconciliation* division to the Group revenue was not significant.

Purchases used decreased by 1.1 million euros, or 4.0%, from 28.3 million euros in Q4 2012 to 27.2 million euros in Q4 2013. Expressed as a percentage of revenue, purchases used represented 10.8% in Q4 2012, compared to 10.7% in Q4 2013. This decrease in purchases used was primarily due to a reduction in overall operating costs as a result of the introduction of cost control measures since 2011.

External expenses remain at 62.7 million euros in Q4 2013 and Q4 2012. Expressed as a percentage of revenue, external expenses represented 24.0% in Q4 2012, compared to 24.7% in Q4 2013. This stability in external expenses reflects the like-for-like growth of 0.1% in revenue in Q4-2013 compare to Q4-2012.

Payroll costs decreased by 2.0 million euros, or 1.8%, from 110.6 million euros in Q4 2012 to 108.6 million euros in Q4 2013. Expressed as a percentage of revenue, payroll costs represented 42.4% in Q4 2012, compared to 42.8% in Q4 2013. The decrease in payroll costs was primarily due to an overall reduction in the number of employees following the introduction of the 2011 & 2012 Performance Improvement Plan and a new hiring policy implemented in 2013, in particular, in the CRM and *Strategic Data* division partly offset by, mainly, an increase in the number of employees in the *Insurance and Services* divisions. Following the introduction of the CICE ("Crédit d'impôt pour la compétitivité et l'emploi" – Tax credit for competitiveness and employment) in France in 2013, the payroll cost in the P&L is reduced by this tax credit. For Q4 2013, the impact on payroll cost is a reduction of 0.4 million euros.

EBITDA decreased by 0.2 million euros, or 0.2%, from 65.4 million euros in Q4 2012 to 65.2 million euros in Q4 2013. Expressed as a percentage of revenue, EBITDA represented 25.1% in Q4 2012, compared to 25.7% in Q4 2013. This decrease in EBITDA reflected the evolution of revenue, purchases used, external expenses and payroll costs based on the factors set out above. It is worth noting that the EBITDA generated in the last quarter of 2013 represent 41.9% of the full year EBITDA compare to 42.5% in 2012.

EBIT before special items(Operating income before special items) decreased by 1.3 million euros or 2.7% from 48.3 million euros in Q4 2012 to 47.0 million euros in Q4 2013. Expressed as a percentage of revenue, EBIT represented 18.5% in Q4 2012, compared to 18.5% in Q4 2013. This decrease was due to the decrease in EBITDA of 0.2 million euros, as set above, and an increase in depreciation expenses by 1.1 million euros or 6.7% from 17.1 million euros in Q4 2012 to 18.2 million euros in Q4 2013.

Special items related to capital gains or losses on disposal, restructuring and other non-recurring income and expenses amounted to an income of 1.9 million euros, compare to charges of 5.6 million euros one year earlier. The major part of this special income is related to the award of an indemnity following a commercial dispute with a supplier. Following an impairment of 63.3 million euros in December 2013, special items amounted to a charge of 61.4 million euros in Q4-2013 compare with a charge of 5.6 million euros in Q4-2012.

BREAKDOWN BY NATURE OF SPECIAL ITEMS

	4th Quarter	
In millions of euros	**2012**	**2013**
Capital gains or losses on disposals	0.4	-
Restructuring costs	(5.2)	(1.6)
Impairment of goodwill	-	(63.3)
Other non-recurring income and expenses	(0.8)	3.5
SPECIAL ITEMS	**(5.6)**	**(61.4)**

BREAKDOWN BY DIVISION

	4th Quarter	
In millions of euros	**2012**	**2013**
CRM and Strategic Data	(4.2)	(66.2)
Healthcare Professionals	(0.5)	4.6
Insurance and Services	(0.3)	0.4
Reconciliation	(0.6)	(0.2)
SPECIAL ITEMS	**(5.6)**	**(61.4)**

EBIT amounts to a loss of 14.4 million euros, compared to a profit of 48.3 million euros in Q4 2012. The 57.2 million euros decrease was due to the decrease of EBIT before special items of 1.3 million euros and an increase in special items of 55.8 million euros.

Total cost of net financial debt increased by 1.0 million euros from 11.8 million euros or 8.6%, in Q4 2012 to 12.8 million euros in Q4 2013. This increase reflects the impact of the 2013 March refinancing that translates in higher interest rates.

Tax expense increased by 21.4 million euros from a charge of 5.0 million euros in Q4 2012 to a charge of 26.5 million euros in Q4 2013. This increase results from a disbursement schedule of income tax and from non-activation of deferred taxes on loss-making companies, as the Group considers it is wise.

Consolidated net profit amounted to a loss of 53.9 million euros compared to a profit of 25.9 million euros for the same period last year. This decrease in consolidated net profit reflected the evolution of revenue, EBIT, special items, cost of net financial debt and tax expense based on the factors set out above. After taking in account minority interests, the **consolidated net profit attributable to the Group** amounted to a loss of 53.8 million euros, compared to a profit of 25.8 million euros in Q4 2012.

9.2.2 ANALYSIS OF THE FINANCIAL POSITION OF THE *CRM AND STRATEGIC DATA* DIVISION

2013 Key points	2013	
	Revenue Change compared with 2012	**EBIDTA** Change compared with 2012
■ Revenue decreased by €30.0m ■ EBITDA decreased by €1.3m ■ Positive impact of cost-cutting measures	€452.8m (6.2)%	€62.7m (2.0)%

Key Data

		4th Quarter			Full Year		
		2012	2013	Change	2012	2013	Change
Revenue	€m	137.8	133.2		482.9	452.8	
Change in revenue	%	n.a.	(3.4)		(4.4)	(6.2)	
Organic		n.a.	+0.1		(6.3)	(3.0)	
Scope		n.a.	0.0		(0.8)	(0.4)	
Currency		n.a.	(3.5)		2.7	(2.9)	
Revenue by geographic region	%						
France		33.3	34.7		32.5	32.7	
EMEA excl. France		36.4	37.9		34.7	36.4	
Americas		21.6	19.1		23.3	22.2	
APAC		8.7	8.3		9.5	8.7	
Revenue by currency	%						
Euro		51.8	54.2		50.2	51.0	
US Dollar		17.7	16.2		19.4	18.7	
Pound sterling		4.2	4.5		4.3	4.5	
Others		26.3	25.1		26.1	25.8	
EBIT before special items	€m	30.5	30.5	0.1%	37.6	38.3	1.8%
EBIT margin	%	22.1	22.9	79bps	7.8	8.5	67bps
Special items	€m	(4.2)	(2.9)	(32.0)%	(125.0)	(68.7)	n.m.
EBIT	€m	26.3	27.7	5.2%	(87.4)	(30.4)	n.m.
EBITDA	€m	37.3	37.4	0.4%	64.0	62.7	(2.0)%
EBITDA margin	%	27.0	28.1	107bps	13.2	13.8	59bps
Depreciation	€m	6.8	6.9	2.2%	26.4	24.4	(7.5)%

CRM and Strategic Data FY 2013

2013 *CRM AND STRATEGIC DATA* DIVISION REVENUE BREAKDOWN BY QUARTER

Revenue for the *CRM and Strategic Data* division decreased by 30.0 million euros, or 6.2%, from 482.9 million euros in 2012 to 452.8 million euros in 2013. Excluding the negative impact of 0.4% of disposals of the entity (*Pharmapost* France - on April 30, 2012); and impact of unfavorable foreign currency translations of 2.9%, revenue decreased by 3.0%. Expressed as a percentage of total Group revenue, revenue for the *CRM and Strategic Data* division represented 52% in 2012, compared to 50% in 2013.

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro and the sterling climbed by 1 point to 51% and 5%, respectively, whereas, the US dollar and others currency remain stable at 19% and 26%, respectively.

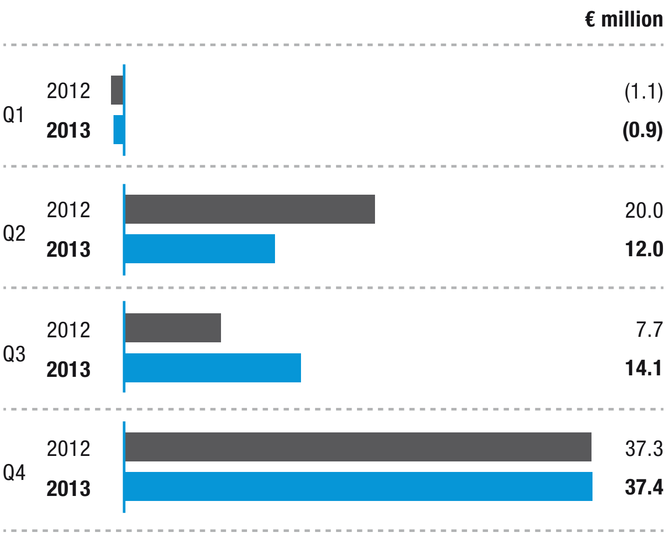
By geographic region, the relative contribution of EMEA (excluding France) climbed by 1 point at 36% whereas France and APAC remain stable at 33% and 9%, respectively and Americas fell by 1 point at 22%.

This decrease in revenue, excluding the impact of disposal and unfavorable currency translations, was primarily due to a decrease in number of CRM users in mature market and from a difficult market research activity; partially offset by an increase of CRM users in emerging countries, from *Compliance* activities and from offerings linked to the *Onekey* database.

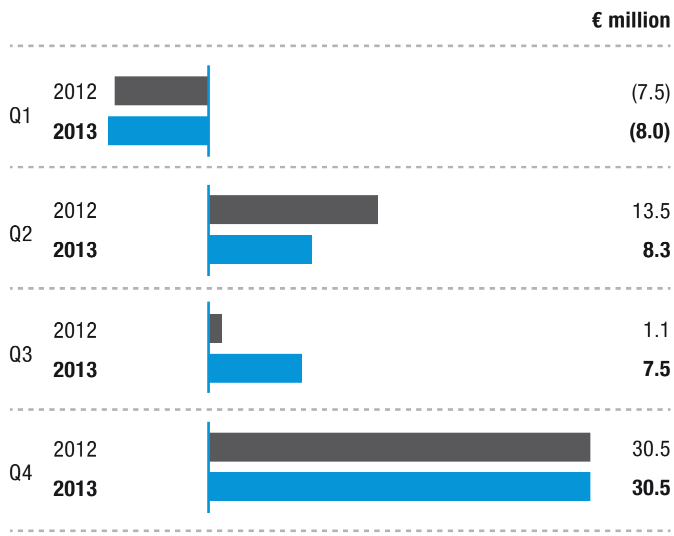
Fourth Quarter 2013

Revenue decreased by 4.6 million euros, or 3.4%, from 137.8 million euros in Q4 2012 to 133.2 million euros in Q4 2013. Excluding the marginal impact of acquisitions/disposals and unfavorable foreign currency translations of 3.5%, revenue increased by 0.1%. Expressed as a percentage of total Group revenue, revenue for the *CRM and Strategic Data* division represented 53% in Q4 2012, compared to 52% in Q4 2013.

2013 *CRM AND STRATEGIC DATA* DIVISION EBITDA BREAKDOWN BY QUARTER



2013 *CRM AND STRATEGIC DATA* DIVISION EBIT BEFORE SPECIAL ITEMS BREAKDOWN BY QUARTER



EBITDA decreased by 1.3 million euros, or 2.0%, from 64.0 million euros in 2012, to 62.7 million euros in 2013. Expressed as a percentage of revenue, EBITDA represented 13.2% in 2012, compared to 13.8% in 2013. This decrease is primarily due to the revenue decrease partly offset by (i) a decrease in operating expenses due to ongoing cost-containment effort, (ii) the significant growth of *OneKey* database and compliance offers. EBITDA decreased only by 1.6 million euros notwithstanding a decrease in revenue of 30.0 million euros.

Fourth Quarter 2013

EBITDA increased by 0.2 million euros from 37.3 million euros in Q4 2012, to 37.4 million euros in Q4 2013. Expressed as a percentage of revenue, EBITDA represented 27.0% in Q4 2012, compared to 28.1% in Q4 2013. This increase reflects the positive impacts of ongoing cost-containment efforts, the robust growth in offers linked to our *OneKey* database and from compliance offers. EBITDA increased by 0.1 million euros whereas revenue decreased by 4.6 million euros. It is worth noting that the EBITDA generated in the last quarter of 2013 represent 59.7% of the full year EBITDA compare to 58.3% in 2012.

EBIT before special items (Operating income before special items) increased by 0.7 million euros from 37.6 million euros in 2012 to 38.3 million euros in 2013. Expressed as a percentage of revenue, EBIT represented 7.8% in 2012, compared to 8.5% in 2013. This increase in EBIT was primarily due to the decrease in depreciation by 2.0 million euros and in EBITDA of 1.3 million euros.

Fourth Quarter 2013

EBIT before special items (Operating income before special items) remains stable at 30.5 euros in Q4 2012 compare to Q4 2013. Expressed as a percentage of revenue, EBIT represented 22.1% in Q4 2012, compared to 22.9% in Q4 2013. This stability in EBIT was due to the increase of 0.2 million euros and of 0.1 million euros in EBITDA and in depreciation, respectively.

9.2.3 ANALYSIS OF THE FINANCIAL POSITION OF THE *HEALTHCARE PROFESSIONALS* DIVISION

2013 Key points	2013	
	Revenue Change compared with 2012	**EBIDTA** Change compared with 2012
■ Revenue increased by €1.6m ■ EBITDA increased by € 0.2m ■ Negative impacts from the French pharmacy market	**€288.8m +0.6%**	**€59.7m +0.5%**

Key Data

		4th Quarter					Full Year
		2012	**2013**	**Change**	**2012**	**2013**	**Change**
Revenue	*€m*	78.6	75.2		287.3	288.8	
Change in revenue	%	n.a.	(4.4)		8.8	0.6	
Organic		n.a.	(3.5)		5.2	0.4	
Scope		n.a.	0.2		1.7	1.3	
Currency		n.a.	(1.0)		1.9	(1.1)	
Revenue by geographic region	%						
France		72.0	74.7		70.7	71.9	
EMEA excl. France		24.3	21.2		25.3	24.1	
Americas		3.6	4.1		4.0	4.0	
APAC		0.0	0.0		0.0	0.0	
Revenue by currency	%						
Euro		74.4	77.4		72.9	74.0	
US Dollar		3.6	4.1		4.0	4.0	
Pound sterling		21.5	18.0		22.6	21.5	
Others		0.5	0.5		0.6	0.5	
EBIT before special items	*€m*	9.2	9.9	7.7%	35.6	35.5	(0.4)%
EBIT margin	%	11.7	13.2	148bps	12.4	12.3	12bps
Special items	*€m*	(0.5)	4.6	n.m.	(0.8)	2.2	n.m.
EBIT	*€m*	8.7	14.5	65.9%	34.8	37.7	8.3%
EBITDA	*€m*	16.3	17.5	7.3%	59.4	59.7	0.5%
EBITDA margin	%	20.7	23.3	254bps	20.7	20.7	2bps
Depreciation	*€m*	7.1	7.6	6.9%	23.8	24.2	1.8%

Healthcare Professionals FY 2013

2013 *HEALTHCARE PROFESSIONALS* DIVISION REVENUE BREAKDOWN BY QUARTER

€ million

Revenue for the *Healthcare Professionals* division increased by 1.6 million euros, or 0.6%, from 287.3 million euros in 2012 to 288.8 million euros in 2013. Excluding the positive impact of 1.3% of acquisitions of the entity *ASP Line* (France) on July 1, 2012 and impact of unfavorable foreign currency translations of 1.1%, revenue increased by 0.4%.

Expressed as a percentage of total Group revenue, revenue for the *Healthcare Professionals* division represented 31% in 2012, compared to 32% in 2013.

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 1 point to 74% and the sterling fell by 1 point at 22%, whereas, the US dollar and others currency remain stable at 4% and 1%, respectively.

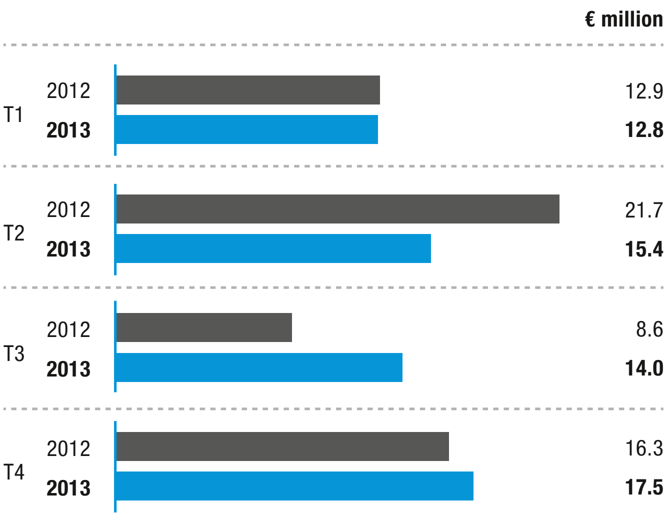
By geographic region, the relative contribution of France climbed by 1 point at 72% and EMEA (excluding France) fell by 1 point at 24%, whereas Americas remain stable at 4%.

This increase in revenue, excluding the impact of acquisition and unfavorable currency translations, was primarily due to an increase of revenue from activities of computerization for doctors, physical therapists and nurses in Europe partly offset by French pharmacists' hesitancy to invest in a difficult economic period.

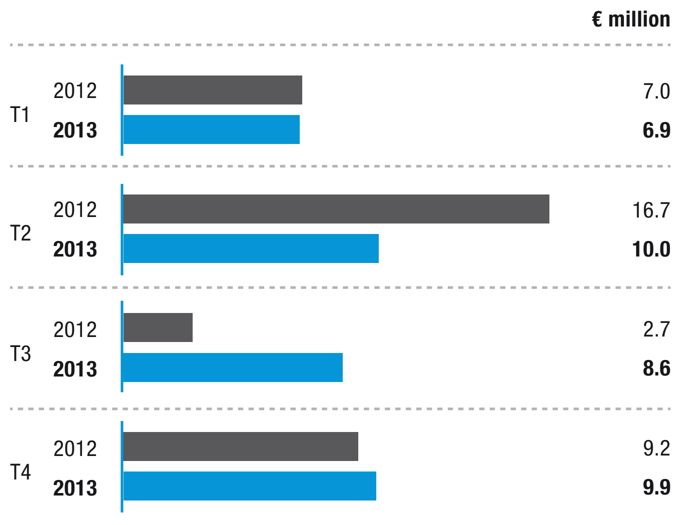
Fourth Quarter 2013

Revenue for the *Healthcare Professionals* division decreased by 3.4 million euros, or 4.4%, from 78.6 million euros in Q4 2012 to 75.2 million euros in Q4 2013. Excluding the positive impact from acquisitions/divestments of 0.2% and the unfavorable foreign currency translations of 1.0%, revenue decreased by 3.5%. Expressed as a percentage of total Group revenue, revenue for the *Healthcare Professionals* division represented 30% in Q4 2012, compared to 30% in Q4 2013.

2013 *HEALTHCARE PROFESSIONALS* DIVISION EBITDA BREAKDOWN BY QUARTER



2013 *HEALTHCARE PROFESSIONALS* DIVISION EBIT BEFORE SPECIAL ITEMS BREAKDOWN BY QUARTER



EBITDA increased by 0.3 million euros, or 0.5% from 59.4 million euros in 2012, to 59.7 million euros in 2013. Expressed as a percentage of revenue, EBITDA represented 20.7% in 2012, compared to 20.7% in 2013. The increase in EBITDA reflects mainly the increase in profitably from activity of computerization of European doctors, particularly in France. This trend was partially offset by a wait and see attitude from French pharmacists due to changing economic environment.

Fourth Quarter 2013

EBITDA increased by 1.2 million euros, or 7.3% from 16.3 million euros in Q4 2012, to 17.5 million euros in Q4 2013. Expressed as a percentage of revenue, EBITDA represented 20.7% in Q4 2012, compared to 23.3% in Q4 2013. The increase in EBITDA reflects mainly the increase in profitably from activity of computerization of European doctors particularly in France. This trend was partially offset by a wait and see attitude from French pharmacists due to changing economic environment. EBITDA generated in the last quarter of 2013 represent 29.3% of the full year EBITDA compare to 27.4% in 2012.

EBIT before special items (Operating income before special items) decreased by 0.1 million euros, or 0.4%, from 35.6 million euros in 2012 to 35.5 million euros in 2013. Expressed as a percentage of revenue, EBIT represented 12.4% in 2012, compared to 12.3% in 2013. The decrease in EBIT was primarily due to an increase in depreciation by 0.4 million euros partially offset by an increase in EBITDA by 0.3 million euros.

Fourth Quarter 2013

EBIT before special items (Operating income before special items) increased by 0.6 million euros, or 6.6%, from 9.3 million euros in Q4 2012 to 9.9 million euros in Q4 2013. Expressed as a percentage of revenue, EBIT represented 11.8% in Q4 2012, compared to 13.2% in Q4 2013. This increase in EBIT was primarily due to an increase in EBITDA by 1.1 million euros partially offset by an increase in depreciation by 0.5 million euros.

9.2.4 ANALYSIS OF THE FINANCIAL POSITION OF THE *INSURANCE AND SERVICES* DIVISION

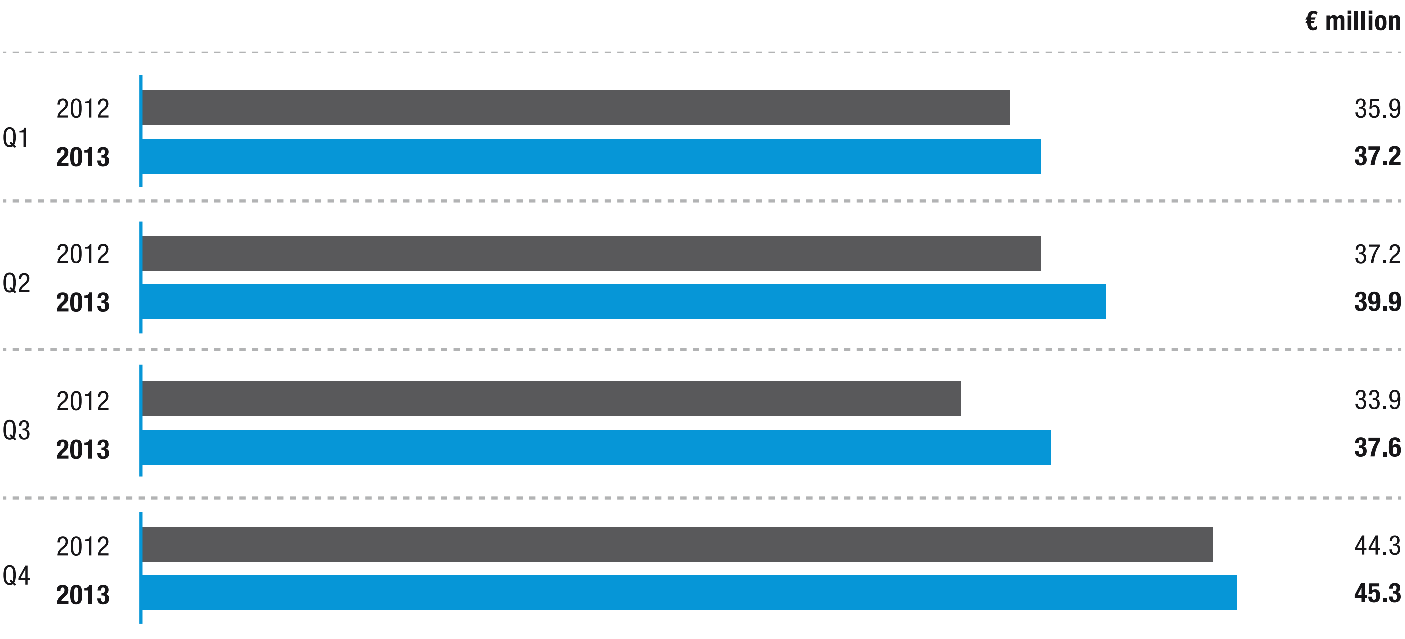
2013 Key points	2013	
	Revenue Change compared with 2012	**EBITDA** Change compared with 2012
■ Revenue increased by €8.7m ■ EBITDA increased by €4.0m ■ These increases are due Cegedim e-business and Cegedim SRH	€160.0m +5.8%	€38.6m +11.6%

Key Data

		4th Quarter			Full Year		
		2012	2013	Change	2012	2013	Change
Revenue	€m	44.3	45.3		151.2	160.0	
Change in revenue	%	n.a.	2.2		7.1	5.8	
Organic		n.a.	2.2		7.1	5.8	
Scope		n.a.	0.0		0.0	0.0	
Currency		n.a.	0.0		0.0	0.0	
Revenue by geographic region	%						
France		99.7	99.6		99.6	99.6	
EMEA excl. France		0.3	0.4		0.4	0.4	
Americas		0.0	0.0		0.0	0.0	
APAC		0.0	0.0		0.0	0.0	
Revenue by currency	%						
Euro		99.6	99.6		99.6	99.6	
US Dollar		0.0	0.0		0.0	0.0	
Pound sterling		0.0	0.0		0.0	0.0	
Others		0.4	0.4		0.4	0.4	
EBIT before special items	€m	10.0	8.6	(14.0)%	22.4	24.7	10.3%
EBIT margin	%	22.5	18.9	(356)bps	14.8	15.5	63bps
Special items	€m	(0.3)	0.4	n.m.	(0.6)	0.2	n.m.
EBIT	€m	9.7	8.9	(7.8)%	21.8	24.9	14.3%
EBITDA	€m	12.9	12.1	(6.4)%	34.5	38.6	11.6%
EBITDA margin	%	29.1	26.7	(247)bps	22.8	24.1	127bps
Depreciation	€m	2.9	3.5	19.1%	12.1	13.8	14.2%

Insurance and Services FY 2013

2013 *INSURANCE AND SERVICES* DIVISION REVENUE BREAKDOWN BY QUARTER



Revenue for the *Insurance and Services* division increased by 8.7 million euros, or 5.8%, from 151.2 million euros in 2012 to 160.0 million euros in 2013. There were no disposals or acquisitions and there was minimal impact from foreign currency translations.

Expressed as a percentage of total Group revenue, revenue for the *Insurance and Services* division represented 16% in 2012, compared to 18% in 2013.

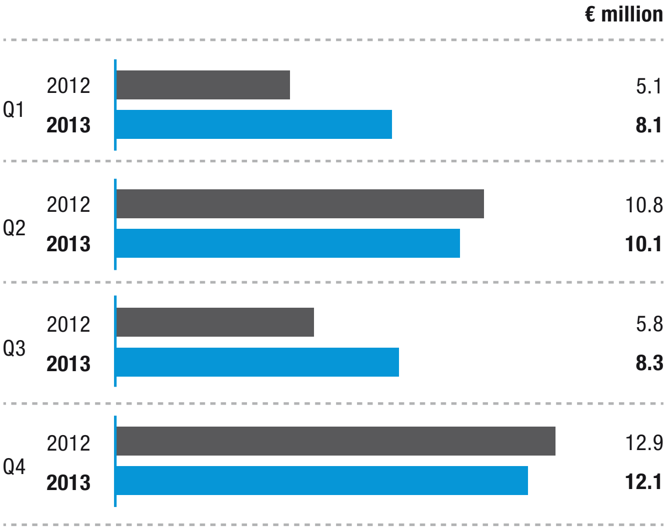
This increase in revenue was primarily due to an increase of revenue from all of the division's activities:

- *Cegedim Assurances*, the leading supplier of software and services to the personal insurance sector, as well as third-party payer flow management solutions;
- *Cegedim SRH*, which makes human resources solutions, continues to garner numerous commercial successes, resulting in double-digit growth;
- *Cegedim e-business*, specializing in electronic data flow solutions, is experiencing strong growth stemming in part from the ramp-up of SEPA business.

Fourth Quarter 2013

Revenue for the *Insurance and Services* division increased by 1.0 million euros, or 2.2%, from 44.3 million euros in Q4 2012 to 45.3 million euros in Q4 2013. There were no disposals or acquisitions and there was minimal impact from foreign currency translations. Expressed as a percentage of total revenue, revenue for the *Insurance and Services* division represented 17% in Q4 2012, compared to 18% in Q4 2013.

2013 *INSURANCE AND SERVICES* DIVISION EBITDA BREAKDOWN BY QUARTER

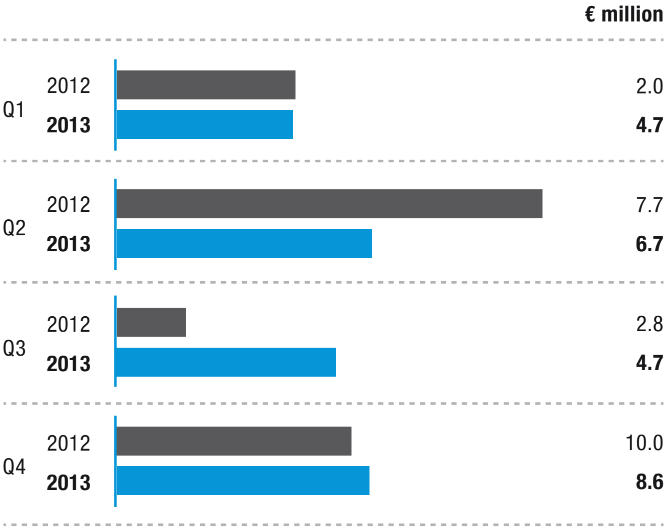


EBITDA increased by 4.0 million euros, or 11.7%, from 34.5 million euros in 2012 to 38.6 million euros in 2013. Expressed as a percentage of revenue, EBITDA represented 22.8% in 2012, compared to 24.1% in 2013. The increase in EBITDA was chiefly attributable to (i) Cegedim e-business, specializing in electronic data flow solutions, in part from the ramp-up of SEPA business, (ii) Cegedim SRH, which makes human resources management solutions.

Fourth Quarter 2013

EBITDA decreased by 0.8 million euros, or 6.4%, from 12.9 million euros in Q4 2012 to 12.1 million euros in Q4 2013. Expressed as a percentage of revenue, EBITDA represented 29.1% in Q4 2012, compared to 26.7% in Q4 2013. This decrease in EBITDA is chiefly attributable to a less favorable product mix. EBITDA generated in the last quarter of 2013 represent 31.3% of the full year EBITDA compare to 37.4% in 2012.

2013 *INSURANCE AND SERVICES* DIVISION EBIT BEFORE SPECIAL ITEMS BREAKDOWN BY QUARTER



EBIT before special items (Operating income from recurring operations) increased by 2.3 million euros, or 10.3%, from 22.4 million euros in 2012 to 24.7 million euros in 2013. Expressed as a percentage of revenue, EBIT represented 14.8% in 2012, compared to 15.5% in 2013. This increase in EBIT was primarily due to the increase in EBITDA by 4.0 million euros, partially offset by an increase of 1.7 million euros in depreciation following the beginning of amortization of certain R&D projects.

Fourth Quarter 2013

EBIT before special items (Operating income from recurring operations) decreased by 1.4 million euros, or 14.0%, from 10.0 million euros in Q4 2012 to 8.6 million euros in Q4 2013. Expressed as a percentage of revenue, EBIT represented 22.5% in Q4 2012, compared to 18.9% in Q4 2013. This decrease in EBIT was primarily due to the decrease by 0.8 million euros in EBITDA and by an increase by 0.6 million euros in depreciation following the beginning of amortization of certain R&D projects.

9.2.5 ANALYSIS OF THE FINANCIAL POSITION OF THE *RECONCILIATION* DIVISION

2013 Key points	2013	
	Revenue Change compared with 2012	**EBITDA** Change compared with 2012
▪ Revenue increased by €0.2m ▪ EBITDA decreased by €1.0m	€0.6M +49.3%	€(5.3)M +22.4%

The *Reconciliation* 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 support activities are invoiced to the client subsidiaries at market prices and notably include bookkeeping, human resources and cash management, legal assistance and marketing. The parent company activities are not billable and notably include managing Group strategy, producing consolidated information and financial communications.

The *Reconciliation* division's activities are performed chiefly by the parent company, *Cegedim SA*, which also carries out certain operational activities, the most important of which is CRM. Previously, *Reconciliation* division activities had been housed within the division to which *Cegedim SA's* principal operational activity belongs: *CRM and strategic data*. The new distinction will help to clarify the impact that this unit has on the Group's accounts.

Key Data

		4th Quarter					Full Year
		2012	2013	Change	2012	2013	Change
Revenue	€m	0.1	0.3	150.3%	0.4	0.6	49.3%
EBIT before special items	€m	(1.4)	(2.0)	45.5%	(5.5)	(6.4)	14.8%
Special items	€m	(0.6)	(0.2)	(70.8)%	1.5	(0.2)	n.m.
EBIT	€m	(2.0)	(2.2)	10.6%	(4.0)	(6.6)	64.8%
EBITDA	€m	(1.1)	(1.8)	62.4%	(4.3)	(5.3)	22.4%
Depreciation	€m	0.3	0.3	(15.7)%	1.2	1.1	11.3%

Revenue for the *Reconciliation* division increased by 0.2 million euros, or 49.3%, from 0.4 million euros in 2012 to 0.6 million euros in 2013. The revenue contribution to the Group revenue was not significant.

EBITDA decreased by 1.0 million euros, or 22.4%, from a loss of 4.3 million euros in 2012 to a loss of 5.3 million euros in 2013.

EBIT before special items (Operating income from recurring operations) decreased by 0.8 million euros, or 14.8%, from a loss 5.5 million euros in 2012 to a loss 6.4 million euros in 2013. This decrease in EBIT was primarily due to the decrease in EBITDA by 1.0 million euros, partially offset by a decrease of 0.1 million euros in depreciation.

QUARTERLY KEY FIGURES

					2012				2013
In euro thousands		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Revenue	€m	44	92	162	122	122	84	114	306
EBIT before special items	€m	(1,506)	(185)	(2,441)	(1,407)	(883)	(1,847)	(1,580)	(2,048)
EBITDA	€m	(1,182)	129	(2,136)	(1,102)	(589)	(1,560)	(1,312)	(1,791)

Fourth Quarter 2013

Revenue for the *Reconciliation* division increased by 0.2 million euros, from a 0.1 million euros in Q4 2012 to 0.3 million euros in Q4 2013. The revenue contribution to the Group revenue was not significant.

EBITDA decreased by 0.7 million euros, or 62.4%, from a loss of 1.1 million euros in Q4 2012 to a loss of 1.8 million euros in Q4 2013.

EBIT before special items (Operating income from recurring operations) decreased by 0.6 million euros, or 45.5%, from 1.4 million euros in Q4 2012 to 2.0 million euros in Q4 2013. This decrease in EBIT was primarily due to the decrease by 0.7 million euros in EBITDA.

9.2.6 COMMENTS ON THE CEGEDIM GROUP CONSOLIDATED BALANCE SHEET

SUMMARIZE CONSOLIDATED BALANCE SHEET

In millions of euros	Note	December 2013	December 2012	Change
ASSETS				
Goodwill		528.5	613.7	(13.9)%
Tangible, Intangible assets		256.2	251.8	1.7%
Long-term investments	a	14.0	13.9	0.4%
Other non-current assets	b	66.0	82.6	(20.1)%
Accounts receivable current portion		230.0	215.2	6.8%
Cash & Cash equivalents		67.0	43.5	54.1%
Other Current assets		59.6	67.5	(11.7)%
TOTAL ASSETS		**1,221.2**	**1,288.3**	**(5.2)%**
LIABILITIES				
Long-term financial liabilities	c	513.6	457.1	12.4%
Other non-current liabilities		48.3	60.0	(19.4)%
Short-term liabilities	c	24.6	72.6	(66.2)%
Other current liabilities	d	288.8	273.3	5.7%
TOTAL LIABILITIES (EXCLUDING SHAREHOLDERS' EQUITY)		**875.4**	**863.0**	**1.4%**
SHAREHOLDERS' EQUITY	e	**345.8**	**425.3**	**(18,7%)**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**1,221.2**	**1,288.3**	**(5.2%)**

(a) *Excluding equity shares in equity method companies.*
(b) *Including deferred tax for €42.1m for December 31, 2013 and €57.9m for December 31, 2012.*
(c) *Long-term and short-term liabilities include liabilities under our employee profit sharing plans in the total amount of €8.9m for December 31, 2013 and €10.3m for December 31, 2012.*
(d) *Including "tax and social liabilities" for €124.8m for December 31, 2013 and €123.9m for December 31, 2012. This include VTA, French and US profit-sharing scheme, provision for leave day, social security contribution in France, French health coverage and wage bonus.*
(e) *Including minority interests of €0.4m for December 31, 2013 and €0.5m for end of December 31, 2012.*

NET FINANCIAL DEBT [(e)]

In millions of euros	Note	December 2013	September 2013	June 2013	March 2013	December 2012
Long-term debt		506.2	525.8	510.1	502.5	448.7
Short-term debt		22.9	41.6	49.4	25.5	70.4
Gross financial debt		**529.0**	**567.4**	**559.6**	**528.0**	**519.1**
Cash & Cash equivalent		67.0	61.0	64.4	47.7	43.5
NET FINANCIAL DEBT	e	**462.0**	**506.4**	**495.1**	**480.3**	**475.6**
Equity		345.8	409.4	415.7	424.8	425.3
GEARING	f	**1.3**	**1.2**	**1.2**	**1.1**	**1.1**

(e) Gross financial debt equal total debt minus the profit sharing for €8.9m and others for €0.3m as of December 31, 2013.
(f) Net financial debt on Total equity ratio.

Consolidated total balance sheet amounted to 1,221.2 million euros at December 31, 2013, a 5.2% decreases over December 31, 2012.

Goodwill on acquisition was 528.5 million euros at December 31, 2013, compared with 613.7 million euros at the end of 2012. This decrease is chiefly attributable to an impairment of goodwill of €63.3 in December 2013 and to a currency impact of 24.1 million euros which led to devaluation of goodwill on acquisition on foreign currency mainly due to a reinforcement of the Euro compared to the US dollar for 22.1 million euros. Goodwill on acquisition represents 43,3% of the total balance sheet on December 31, 2013, compare to 47.6% in 2012.

Tangible and intangible assets amount to 256.2 million euros at December 31, 2013, compared to 251.8 million euros at the end of 2012. Tangible assets decrease by 9.4 million euros, down 22.5% compared to December 31, 2012. On the other hand, intangible assets increased by 13.8 million euros, up 6.6% compared to December 31, 2012, reflecting the increase of capitalized development costs partly offset by the amortization of development costs. Tangible and intangible assets represent to 21% of total assets compared to 19.5% at December 31, 2012.

Accounts receivable-short-term portion increase by 14.7 million euros, or 6.8%, from 215.2 million euros at end of December 2012 to 230.0 million euros at the end of December 2013.

Cash and cash equivalent came to 67.0 million euros at December 30, 2013, up 23.5 million euros compared with December 31, 2012. This increase reflects primarily the March refinancing and an improved cash collection process despite a decrease in factoring from 21.0 million euros at end of December 2012 to 15.8 million euros at end of December 2013. Cash and cash equivalent came to 5.5% of total assets at end of December 2013 compared to 3.4% in 2012. Please note that net cash, defined as cash and cash equivalent minus overdraft, amounted to 54.2 million euros, an increase of 32.8 million euros, or 152.8%, compare to the same period twelve months earlier.

Long-term financial liabilities (more than one year) came to 513.6 million euros at December 31, 2013 up 56.6 million euros compared with December 31, 2012. This increase reflects primarily the March refinancing operation that includes the reimbursement of the Term Loan that translates by a decrease in short term debt, an increase in long term debt by 40.0 million euros and 18.5 million euros of additional long-term debt partially used for fees payment related to this operation. Long-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 7.2 million euros at end of December 2013.

Short term debts decreased by 48.0 million euros to 24.6 million euros at December 31, 2013. This decrease reflects primarily the March refinancing operation that includes the reimbursement of the Term Loan, translated by a decrease in short term debt, an increase in long term debt of 40 million euros and a decrease of 9.3 million euros of the overdraft facility following an improvement in working capital in the fourth quarter of 2013.

Cash and equivalents exceed short-term financial debt (less than 1 year). Short-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 1.6 million euros at end of December 2013.

Total financial liabilities amounts to 538.2 million euros up 8.5 million euros. Total net financial debt amounts to 471.2 million euros, an decrease of 15.0 million euros compared twelve months earlier. This represents 136.3% of equity as of December 31, 2013 compared to 114.3% as of December 31, 2012. Long-term and short-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 8.9 million euros and 0.3 million euros of others liabilities at end of December 2013. Thus the net financial liabilities amount to 462.0 million euros compare to 475.6 million euros twelve month earlier.

Shareholders' equity decrease by 79.4 million euros or 18.7% to 345.8 million euros at December 30, 2013, compared to 425.3 million euros at the end of 2012. This decrease reflect mainly the impairment of goodwill of 63.3 million euros in December 2013 and a negative change of 22.7 million euros of Group exchange reserves. Total shareholders' equity came to 28.3% of total assets at end of December 2013 compared to 33.0% twelve months earlier.

Off-Balance sheet commitments

Cegedim SA provides guarantees and security with respect to the operational or financing obligations of its subsidiaries in the ordinary course of business. See chapter 20.1 note 24 of the current Registration Document for further details.

9.2.7 ANALYSIS OF BUSINESS DEVELOPMENTS FOR THE CEGEDIM GROUP

The Cegedim Group's key financial indicators are:

- consolidated sector revenue;
- consolidated operating income from continuing operations;
- investments;
- financial structure.

Detailed comments on these are provided above.

The key non-financial performance indicators applicable to Cegedim SA are also applicable at the consolidated Group level.

They are rounded out by different indicators specific to the Group's businesses, particularly:

- tracking of the number of users of CRM solutions;
- as well as the qualitative and quantitative content of the databases marketed by the Group.

The Cegedim Group currently has around of 200,000 users of its products and hopes to provide new services aimed at 400,000 virtual visitors around the world.

10

CASH AND CAPITAL

10.1 CEGEDIM SA

Shareholders' equity was 259.2 million euros at December 31, 2013, compared with 309.7 million euros in 2012. The increase of the profit for the period is offset by the decrease of the other reserves over the period. Other factors remained stable from 2012 to 2013.

Financial liabilities showed an increase to 591.9 million euros, compared with 580.0 million euros for the previous fiscal year. Considering the positive cash position, net financial debt increase over the period and stood at 588.1 million euros, compared to 574.5 million euros at the end of 2012.

10.2 CEGEDIM GROUP

10.2.1 CEGEDIM SHAREHOLDERS' EQUITY

The consolidated shareholders' equity totaled 345.8 million euros at December 31, 2013, compared with 425.3 million euros at December 31, 2012. This decrease reflect mainly the impairment of goodwill of 63.3 million euros in December 2013 and a negative change of 22.7 million euros of Group exchange reserves. Total shareholders' equity came to 28.3% of total assets at end of December 2013 compared to 33.0% twelve months earlier.

The portion of equity relating to minority interests is 0.4 million euros as at December 31, 2013.

10.2.2 BORROWING TERMS AND CEGEDIM FINANCING STRUCTURE

Financial liabilities payable in less than one year amounted to 24.6 million euros, and liabilities payable in more than one year came to 513.7 million euros, i.e. a total of 538.2 million euros, compared to 529.7 million euros in 2012. This represented a 8.5 million euros increase.

Considering the positive cash position, the Group's net financial debt amounted to 471.2 million euros compared to 486.3 million euros at the end of 2012, a 15.0 million euros decrease. It represents 1.4 times the amount of shareholders' equity, compared with 1.1 times in 2012.

The Group's operating cash flow before the cost of net financial debt is 152.6 million euros at December 31, 2013, compared to 141.0 million euros at December 31, 2012.

On December 9, 2011, Cegedim SA concluded a deconsolidation transaction with Eurofactor relating to the assignment of receivables for 15.8 million euros as of December 31, 2013.

10.2.3 SOURCE AND AMOUNT OF CEGEDIM CASH FLOWS AND DESCRIPTION OF THESE FLOWS

Summarized consolidated cash flow statement

In millions of euros	Note	FY 2013	FY 2012
Gross cash flow	a	152.6	141.0
Tax paid		(12.5)	(28.1)
Changes in working capital		9.4	4.0
Net cash provided by (used in) operating activities		149.6	116.9
Net cash provided by (used in) investing activities		(72.4)	(97.6)
Net cash provided by (used in) financing activities		(42.7)	(69.1)
Total cash flows		34.4	(49.9)
Change due to exchange rate movements		(1.7)	(0.4)
NET CASH AT THE BEGINNING OF THE PERIOD		**21.5**	**71.7**
NET CASH AT THE END OF THE PERIOD		**54.2**	**21.5**

(a) Gross cash flow equal consolidated profit (loss) for the period plus share of earnings from equity method companies plus depreciation plus provision plus capital gains or losses on disposals plus cost of net financial debt plus tax expenses.

Net cash flow from operating activities increased by 32.6 million euros from 116.9 million euros in 2012 to 149.6 million euros in 2013. This increase reflects an increase in operating profit, in cost of financial debt and a decrease in working capital requirement partially offset by a decrease in taxes paid.

Net cash flow used in investing activities decreased by 25.2 million euros from an outflow of 97.6 million euros in 2012 to an outflow of 72.4 million euros in 2013. This decrease was mainly due to a decrease in changes in consolidation scope by 16.9 million euros (no major acquisitions during 2013) and in total capital expenditures for 7.5 million euros.

Net cash flow used in financing activities amounted to an outflow of 42.7 million euros in 2013, a decrease of 26.4 million euros compare to 2012 as a results of the increase in debt partially offset by an increase in interest paid on debt, that includes the premium paid for the partial 2015 bond buyback, of 8.9 million euros.

Working capital levels vary as a result of several factors, including seasonality and the efficiency of receivables collection process. Historically, Cegedim has financed the working capital requirements through the cash on hand and amounts available under the Revolving Credit Facility and overdraft facilities. Since 2011, Cegedim has also been relying on cash from the sale of receivables in the ordinary course of business on a non-resource basis. Working capital decreased by 9.4 million euros in 2013 compared to end of December 2012. This decrease is mainly due to a decrease by 2.5 million euros in change of inventories and change in work in progress, by an increase by 13.3 million euros of change in accounts receivables and other receivables and a decrease of 20.2 million euros in change of accounts payable and other liabilities. Due to seasonality, working capital requirement decreased in Q1 and Q4, increased in Q2 and Q3. Total working capital requirement for 2013 and 2012 was 1.8% and 2.6%, respectively

Capital expenditures

		4th Quarter		Full Year	
In millions of euros	Note	2012	2013	2012	2013
Capitalized R&D		11.5	13.3	48.4	46.9
Maintenance capex		4.0	3.9	18.2	14.6
Assets used by Cegelease	a	3.5	(0.7)	12.4	10.1
TOTAL CAPITAL EXPENDITURES		**19.1**	**16.5**	**79.1**	**71.6**

(a) Assets used by Cegelease for lease agreements and not transferred to banks.

Capital expenditures remain relatively stable from year to year. Historically, they have primarily related to R&D, maintenance costs and purchases made in respect of Cegelease's leasing business. There are no material capital expenditure commitments. Flexibility and discretion are maintained in order to adjust, from time to time, the level of capital expenditures to the needs of Cegedim's business.

For 2013, capital expenditures were 71.6 million euros, consisting of 46.9 million euros of capitalized R&D, 14.6 million euros in maintenance capex, 10.1 million euros of assets used for lease agreements by Cegelease not transferred to banks. As a percentage of revenue, capital expenditures amounted to 7.9% for 2013.

The payroll expenses for the R&D workforce represent the majority of the total R&D costs and amounts approximately for 2013 to 6% of revenue. Although this percentage is not a targeted figure, it has remained relatively stable for the past several years. Of this R&D expenditure, approximately half is capitalize annually in accordance with IAS 38, which requires that (i) the project be clearly identified and the related costs are separable and tracked reliably; (ii) the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from this project; and (iii) it is probable that the developed project will generate future economic benefits that will flow to the Group.

In the quarter ended December 31, 2013 and in 2013, 13.3 million euros and 46.9 million euros of R&D costs were capitalized, respectively. The remaining parts of R&D costs are recorded as expenses for the period in which they were incurred.

Balance of net cash from operations, net cash from investments operations and net cash from financing operations leaded to a positive 32.8 million euros change of cash at end of the year end of 2013.

10.2.4 RESTRICTION ON THE USE OF CAPITAL

The credit facility agreement entered into by the Group implies compliance with financial covenants, failing which, no additional drawings on the revolver credit will be available and any outstanding credit may become payable immediately.

Aside from the usual covenants for this type of banking agreement, the Group must meet two ratios (the contractual net financial debt to EBITDA, and EBITDA to the contractual cost of debt) and comply with the threshold for acquisitions and disposals (see chap 4).

Besides these conditions, there are no restrictions on the use of capital having directly or indirectly appreciably influenced or that may appreciably influence Cegedim's operations.

10.2.5 EXPECTED SOURCES OF FINANCING NECESSARY TO HONOR INVESTMENT COMMITMENTS

Considering the operating cash flow and the overdraft margins authorized but not used in full, the Cegedim Group has the necessary cash assets to meet its operating cycle and its capital expenditure plan for the next 12 months.

Cegedim does not rule out the option of going to the market to obtain additional sources of financing if so required.

11

RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

11.1 RESEARCH AND DEVELOPMENT ACTIVITY AT THE CEGEDIM SA LEVEL

Cegedim SA brings together the pooled development teams assigned to projects using the Group's shared IT infrastructure. Development projects have been capitalized in the statutory financial statements for 26.3 million euros, for all projects combined. This capitalization was carried out in the balance sheet, as the conditions set forth by the General Chart of Accounts were satisfied.

The Company continued and intensified the development of its Mobile Intelligence service for the management of pharmaceutical company sales forces, by focusing on the functions enabling the optimization of the solution's deployment and configuration. A major effort was also made in respect of the OneKey database offering, the cornerstone of the Group's applications.

As co-coordinator of all the Group's research and development projects, Cegedim continues to favor the extension to the global market of the solutions identified as most effective at the regional level.

Aside from these specific developments, Cegedim handles daily application maintenance for all of the Group's pooled offers based on a budget that is relatively comparable each year.

11.2 RESEARCH AND DEVELOPMENT ACTIVITY AT THE CEGEDIM GROUP LEVEL

Research expenses are recorded as expenses for the fiscal year during which they were incurred. Development costs for new internal projects are capitalized if the following criteria are fully satisfied in accordance with IAS 38:

- the project is clearly identified and the related costs are separable and tracked reliably;
- the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from the project;
- it is probable that the developed project will generate future economic benefits that will flow to the Group.

Otherwise, the development costs are recorded as expenses for the fiscal year during which they were incurred.

Once in use, a project whose development is complete is transferred to the balance sheet, under the relevant asset category (generally software), and the related amortization is carried out based on its estimated useful life.

The development costs capitalized in the consolidated accounts in 2013 totalled 46.9 million euros, of which approximately 26.3 million euros were for Cegedim SA.

Cegedim SA brings together the pooled research and development teams assigned to projects using the Group's shared IT infrastructure. Certain regional R&D centers and some subsidiaries also have their own teams, and conduct their research and development activities under the coordination of the corporate headquarters.

The projects implemented by the Group involve the CRM and strategic data division for a total amount of 27.1 million euros, the Healthcare division for 10.2 million euros, the Insurance and services division for 9.4 million euros and the Reconciliation division for 0.2 million euros. The projects under way have an average amortization duration of 5 years, except for three structuring projects amortized over 15 or 20 years.

These specific development efforts are complemented by investments in software and hardware. The work of the dedicated IT teams performed routinely within the Group's different subsidiaries provides application maintenance for all of the solutions marketed (the cost is allocated to expenses for the year).

In total, the Cegedim Group allocates approximately 6% of its consolidated revenue to research and development - although this figure does not represent a target.

See also chapter 4 relating to intellectual property.

12

INFORMATION CONCERNING TRENDS

The trends applicable at the beginning of 2014 do not show any major differences with those seen during the 2013 fiscal year. In fact, since most Cegedim customers work in the field of healthcare, the Group has not experienced major marked repercussions from the global economic downturn. However, the realignment of the world healthcare economy means that the Group is obliged to make a number of changes across its business sectors.

OPERATING REVENUE AND PRICING POLICY

Cegedim's activity is essentially affected by changes affecting the healthcare players which are the Group's main clients. The main effects are: regulatory, economic, technological, demographic and behavioural.

The current realignment of the world healthcare economy means that the Group is obliged to make a number of changes across its business sectors. For instance, the changes carried out by the Group will enable the progressive replacement of a model based on the number of medical reps by a model based on the number of doctors and on the quality of the information provided.

The Group benefits from government healthcare reforms, new ways in which healthcare is delivered, rapid advances in the new technologies sector and changes in relationships between world healthcare players. Finally, it should be noted that healthcare spending is tending to rise, which has a positive effect on the Group (an older age-profile in mature countries, and population increase combined with a progressively higher standard of living in emerging countries).

The Group does not foresee any significant changes in its pricing policy, and is exposed to general parameters which remain relatively unchanged for the start of 2014. Cegedim negotiates with its customers on a continuous basis to maintain its selling prices in line with the quality of its services and ongoing product updates.

OPERATING EXPENSES

Payroll costs represent one of the most significant expenses. The Group's employees make up Cegedim's most valuable asset and main resource.

Cegedim therefore adapts its compensation policy appropriately in order to motivate talent, ensure training and recruitment while maintaining salary costs within a reasonable growth level. For 2014, the Group is not anticipating any general wage increase. The Group is continuing to focus strongly on research and development, so that it may continue to offer solutions that meet world demand and the changing economic model of pharmaceutical companies.

INVENTORY AND PRODUCTION

These items do not require any specific comments, and are not significant because of the nature of Cegedim's activities as a service provider.

13

PROFIT PROJECTIONS OR ESTIMATES

For 2014, the Group aims to strengthen its presence on the world healthcare market. Excluding acquisitions and foreign exchange fluctuations, Cegedim foresees stable revenue in 2014 compared with 2013 and a slight increase in its operating result before special items in 2014 compared with 2013. Thus, the operating margin before special items should increase by around 50 bps compared with 2013. The Group does not foresee any major acquisition for 2014.

The Group does not disclose profit projections or estimates.

The information mentioned above includes Cegedim's future finance performance targets. This prospective information is based on opinions and assumptions by Group management on the date of this Registration Document and involves risks and uncertainties. For further information on the risks that could affect Cegedim, see chapter 4 “Risks” of this Registration Document.

14

ADMINISTRATIVE AND MANAGEMENT BODIES

14.1 NAME, BUSINESS ADDRESS AND RESPONSIBILITIES OF THE CORPORATE OFFICERS

14.1.1 MEMBERSHIP OF THE BOARD OF DIRECTORS

The members of the Board of Directors during the 2013 fiscal year were the following:

- Jean-Claude Labrune, Chairman & CEO and Founder of Cegedim SA;
- FCB SAS, an active holding company, represented by Pierre Marucchi, who is also Deputy Managing Director of Cegedim SA;
- GERS, a GIE [pool] consisting of the pharmaceutical laboratories operating in France, represented by Philippe Tcheng;
- Alliance Healthcare France, a company owned by the pharmaceutical wholesaler Alliance Boots, represented by Anthony Roberts;
- Laurent Labrune, Chairman & CEO of Cegedim SRH, a subsidiary of Cegedim SA;
- Aude Labrune-Marysse;
- Valérie Raoul-Desprez;
- Jean-Louis Mery;
- Jean-Pierre Cassan;
- Bpifrance Participations (formerly FSI, Fonds Stratégique d'Investissement), represented since September 5, 2013 by Anne-Sophie Hérelle, replacing Nicolas Manardo.

Jean-Claude Labrune is the father of Aude Labrune-Marysse and Laurent Labrune.

The business address given for the Directors is that of the Company's headquarters.

LIST OF OFFICES HELD DURING THE PAST FIVE YEARS.

Director	Company	Term	Start	End
Jean-Claude Labrune	Cegedim	Director	04/12/1989	-
		Managing Director	12/20/1989	-
		Chairman & CEO	08/18/1994	-
	FCB	Chairman of Supervisory Board	06/24/2005	-
	JCL	Manager	11/30/1994	-
Pierre Marucchi	Cegedim	FCB Representative on the Board of Directors	04/12/1989	-
		Deputy Managing Director	04/23/2002	-
	IRIS	Manager	1997	-
	Marucchi SASU	Chairman	11/08/2010	
	Chebranmic	Chairman	06/29/2007	
Laurent Labrune	Cegedim	Director	04/18/2001	-
	FCB	Director	11/21/2005	
Aude Labrune-Marysse	Cegedim	Director	04/27/2007	-
	FCB	Director and Chairman of Executive Committee	11/21/2005	-
	SCB	Managing Director	07/21/2011	

Additionally, Jean-Claude Labrune holds a variety of offices at French and international Cegedim Group subsidiaries:

- Permanent representative of Cegedim on the Board of Directors of Cegedim SRH;
- Chairman of the Board of Directors of Cetip;
- Chairman of the GERS and Hospitalis SASs;
- Manager of Icomed, JCL and RNP;
- Chairman of Cegedim Hispania (Spain);
- Chairman of Cegedim Italia (Italy).

Pierre Marucchi holds a variety of offices at French and international Cegedim Group subsidiaries:

- Director of Cetip, Cegedim SRH and Reportive;
- Member of the FCB Supervisory Board;
- Permanent representative of CDS on the Board of Directors of ASP Line;
- Chairman & CEO of Proval;
- Chairman of these SASs: CSD France, CDS, Cegedim Ingénierie, Chebranmic, DRE, Incams, Cegedim Logiciels Medicaux France, Marucchi, RM Ingénierie, Cegedim Assurances, Cegedim Healthcare Software, Cegedim Software, Cegedim Onekey, Cegedim Dynamic Framework, Cegedim IT, I-Assurances, Cegedim Secteur 1;
- Deputy Managing Director of Cegedim SRH and Reportive;
- Manager of Amix, IRIS, Resip and Cegedim SRH Montargis;
- Chairman of Croissance 2006, Cegedim Italia, Cegedim Switzerland, Stacks Servicios Technologicos (Chile), Stacks Consulting E Ingeniera de Software (Spain), Stacks Servicios Technologicos (Spain), Cegedim USA, Cegedim Inc. (USA), Cegedim İş Çözümleri Araştırma ve Danışmanlık Ticaret A.Ş (Turkey);
- Vice-Chairman of Cegedim Hispania;
- Deputy member of the Board of Cegedim Belgium, Cegedim Strategic Data Belgium and OEPO (Belgium);
- Director of Health Data Management Partners (Belgium), Icomed Belgium, Millenium (Italy), Cegedim Nederland, Pembroke Fitzwilliam Investment (Ireland), Pembroke European Holding (Ireland), Cegedim K.K. (Japan), Acrossduty Ltd (UK), Alliadis Europe (UK), Cegedim Data Services (UK), Cegedim UK, Cegedim Rx (UK), Cegedim SRH (UK), Cegedim Strategis Data Medical Research (UK), Cegedim Strategic Data (UK), CWISL (UK), Compufile (UK), Infopharm (UK), INPS (UK), INPS Enterprise Solution (UK), THIN (UK), Resip Drug Database (UK) and Cegedim Asia Pacific (Singapore).

Laurent Labrune holds a variety of offices at French and international Cegedim Group subsidiaries:

- Chairman & CEO of Cegedim SRH;
- Manager of Cegedim Support Montargis;
- Chairman of Cegedim Colombia, Cegedim Denmark, Cegedim Finland, Cegedim Norway, Cegedim Sweden, Cegedim AB (Sweden), Nordisk Medicin AB (Sweden) and Cegedim Ukraine;
- Chairman & CEO of Cegedim Hellas (Greece);
- Vice-Chairman of Cegedim İş Çözümleri Araştırma ve Danışmanlık Ticaret A.Ş (Turkey);
- Director of Cegedim Australia, Cegedim China, Cegedim K.K. (Japan), Cegedim CZ (Czech Rep.), Cegedim Deutschland GmbH, Cegedim Holding GmbH (Germany), Cegedim Strategic Data GmbH (Germany), Medimed GmbH (Germany), Cegedim Korea, Cegedim Nederland, Cegedim Portugal, Cegedim Hispania, Cegedim UK, Cegedim SRH (UK) and Cegedim Romania.

Aude Labrune-Marysse holds a variety of offices at French and international Cegedim Group subsidiaries:

- Director of Cetip;
- Managing Director of SCB SAS;
- Manager of Santestat.

Director	Company	Term	Start	End
Philippe Tcheng	Cegedim	Representative of GERS on the Board of Directors	02/10/2012	-
	LEEM	Member of the Board of Directors	03/06/2007	-
	LEEM	Member of the Office of the Board	12/11/2009	-
	LEEM	Chairman of the Economic Affairs Commission	06/01/2013	-
	Paris Developpement	Member of the Office of the Board and the Board of Directors	09/15/2006	-
	Fonds Innobio	Chairman of the Strategy Committee	02/01/2011	01/01/12
	GIE-GERS	Chairman	02/01/2012	-
	Fondation Paris-Diderot	Member of the Board of Directors	01/31/2012	-
	Sanofi-Aventis France	Member (as an individual) of the Board of Directors	05/03/2012	-
	Fondation Université de Bordeaux	Vice-Chairman	04/01/2013	-
Jean-Louis Mery	Cegedim	Representative of AHF on the Board of Directors	May 2003	09/23/2010
		Director	01/08/2010	-
	Alliance Santé France	Chairman (SAS)	06/13/2003	08/18/2009
	Alliance Healthcare France	Chairman & CEO	04/29/2003	08/19/2009
	Alliance Healthcare Repartition	Chairman (SAS)	1999	08/20/2009
	Alphega	Representative of AHF on the Board of Directors	2001	06/18/2009
	Ouest Repartition	Representative of AHF on the Board of Directors and Director	July 2003	06/18/2009
	Sedley Participation France	Chairman (SAS)	12/12/2007	06/17/2009
	Depolabo	Member of the Supervisory Committee	12/01/2007	06/17/2009
Jean-Pierre Cassan	Cegedim	Director	01/08/2010	-
	Eratos	Manager	05/25/2004	-
Valérie Raoul-Desprez	Cegedim	Director	01/31/2013	-
	Dassault Systèmes KK	Member of the Board of Directors	12/03/2007	-
	Dassault Systèmes Holdings LLC	Member of the Management Committee, Chairman, Treasurer	06/16/2008	-
	Icem Limited	Member of the Board of Directors	07/28/2008	11/28/2013
	Syena SAS	Chairman	06/21/2010	01/03/2011
	3DS Acquisition AG	Member of the Supervisory Board	09/14/2013	-
Anthony Roberts	Cegedim	Representative of Alliance Healthcare France on the Board of Directors	12/21/2009	-
	Pharmology.com	Director	July 2000	-
	Anzag GmbH	Director	July 2011	-
Anne-Sophie Hérelle	Cegedim	Representative of Bpifrance Participations (formerly FSI) on the Board of Directors	09/05/2013	-

14.1.2 EXPERIENCE OF THE DIRECTORS

- Jean-Claude Labrune is a graduate of the Ecole nationale supérieure des arts et métiers. During his years at IBM as a sales engineer he worked primarily with the pharmaceutical industry. He was one of the promoters of professional discussion groups bringing together the IS Directors of pharmaceutical labs, such as Cedhys. It was out of his concern for resolving the issues the industry was bringing to his attention that in 1969 he created Cegedim.
- Pierre Marucchi holds degrees from the Ecole nationale supérieure des télécommunications, Stanford University (USA) and the Centre d'Etudes Supérieures Bancaires. He is also a member of the institute of French actuaries. Mr. Marucchi began his career in 1977 at Crédit Lyonnais, where he held various technical and sales positions. He joined the Cegedim Group senior management team in 1984.
- Laurent Labrune is a graduate of the Ecole nationale supérieure des arts et métiers. In 1995 he joined Cegedim, where his responsibilities included coordinating the Group's IT development, before assuming the Directorship of the subsidiary Cegedim SRH. Laurent Labrune is Executive Chairman of the new entity Cegedim Relationship Management.
- Aude Labrune-Marysse has a master's degree in business law and a DESS in international tax law. She joined Cegedim in 1999; then took over the management of Rosenwald, a Cegedim subsidiary, and held the position of Deputy General Manager for Legal Matters in the active holding company FCB.
- The GERS GIE, a pooling of our pharmaceutical laboratories operating in France, is an institutional Director with unsurpassed knowledge of the industry's needs. It pays especially close attention to the type and quality of services offered by Cegedim and provides a highly knowledgeable, creative voice within the Company.
- Alliance Healthcare France, a subsidiary of one of the major pharmaceutical wholesalers in Europe, Alliance Boots, also gives Cegedim the benefit of its deep familiarity with the pharmaceutical market. It contributes to productive dialogues about the opportunities, challenges and strategies that are specific to Cegedim's environment.
- Bpifrance Participations (formerly FSI, Fonds Stratégique d'Investissement) is a subsidiary of Bpifrance, owned by the French State and the Caisse des dépôts. Bpifrance Participations is an informed investor which enhances equity by becoming a minority investor in French companies involved in industrial projects that create value and competitiveness for the economy.
- Jean-Louis Mery is a pharmacist with a degree from the pharmacy college of Tours, a former resident of the hospitals of Tours and a graduate of ICG. Mr. Mery has devoted his entire business career to pharmaceutical distribution in the Alliance Boots Group, being in turn Facility Director, Regional Director, Chairman of Alliance Santé Répartition and Chairman of Alliance Healthcare France.
- Jean-Pierre Cassan, an independent Director within the meaning of the AFEP-Medef code of corporate governance, is Chairman of the Strategy Committee of Inserm-Transfert, a member of the Inserm-Transfert Supervisory Board, Vice-Chairman of IFIS, a corresponding member of the Société Française de Cardiologie, a member of the Office of the Board of Fefis and Manager of the SARL Eratos Santé. Mr. Cassan was Honorary Chair of Entreprises du médicament (LEEM), past Chairman & CEO of Astra France, then of AstraZeneca France and a former member of the Afssaps Board of Directors.
- Valérie Raoul-Desprez is a graduate of ESCP and has 25 years of financial experience in an international setting and a solid knowledge of the pharmacy, chemistry and software sectors. After a career with Rhône-Poulenc and Rhodia, she was named Financial Director of Dassault Systèmes in September 2007.

14.1.3 DECLARATION

During the last five years and to the Company's knowledge:

- no member of the administrative and management bodies has been convicted of fraud;
- no member of the administrative and management bodies has been associated with bankruptcy, receivership or liquidation;
- no indictments and/or official public sanctions have been handed down against these persons by the statutory or regulatory authorities and the designated professional agencies;
- no member of the administrative and management bodies has been prevented by a court from acting in his capacity as member of an administrative, management or supervisory body of an issuer or from taking part in the management and conduct of the issuer's business dealings.

14.1.4 TRANSACTIONS ON SHARES

Treasury stock

Excluding the allocation of free shares in 2013, the Company acquired 48,995 treasury shares. The Company did not divest any of its treasury shares in 2013.

The Company has set up a liquidity contract with Kepler Cheuvreux of €500,000. At December 31, 2013 the contract held 14,000 Cegedim shares and €50,136.16 cash.

Transactions on shares held by corporate officers

To the Company's knowledge, no corporate officer purchased or sold any securities from January 1, 2013 to December 31, 2013:

14.2 CONFLICTS OF INTEREST IN ADMINISTRATIVE AND MANAGEMENT BODIES

To the Company's knowledge, there are no conflicts of interest in the administrative and management bodies of Cegedim.

There are commercial links with the GERS GIE (grouping of pharmaceutical laboratories) and with Alliance Healthcare France due to its activity as a pharmaceutical distributer.

Cegers has been wholly owned by Cegedim since April 16, 2010. Cegedim absorbed its assets as of January 3, 2011.

GERS ceased to be a shareholder in Cegedim on May 11, 2010 but does have a seat on the Board of Directors.

Cegedim has commercial relationships with some of its shareholders and/or Directors and their respective groups. In particular, this concerns:

- Alliance Healthcare France: member, with one seat, of Cegedim's Board of Directors;
- GIE GERS: member, with one seat, of Cegedim's Board of Directors.

Contracts with the Alliance Healthcare France and GIE GERS groups were entered into under normal market conditions and represent revenue amounts less than 0.1% and 0.1% of the Company's consolidated revenue, respectively. The relationships between Cegedim and the above-mentioned entities do not therefore create any conflicts of interest.

14.3 CORPORATE GOVERNANCE

Cegedim has adopted, following the meeting of the Board of Directors of March 22, 2010, a new internal regulation confirming its adherence to the AFEP-Medef code of corporate governance. This internal regulation sets, inter alia, the rules governing its composition, aims, functioning, and responsibilities.

Certain important decisions of the Board of Directors (in particular dissolution or winding up of Cegedim, issue of transferable securities, investments, additional indebtedness, agreement referred to in Article L. 225-38 of the French Code of Commerce, revocation of any member of the Board of Directors appointed at the proposal of Bpifrance (formerly FSI), determination of the indicative annual budget) are taken on a qualified majority of 6/10 including at least one Director representing Bpifrance, whose rights are reduced if its share of the capital or voting rights is reduced.

With regard to the determination of the indicative annual budget mentioned above, Bpifrance, in particular, has a stronger right of consultation under which, in the event of persistent disagreement between Bpifrance and the Managing Director of Cegedim on this budget, the budget for the previous year will be brought forward after adjustment for inflation and for current projects already authorized by the Board, without prejudice to the Managing Director's right to change it subsequently, if necessary after having informed the members of the Board of Directors in the case of a significant change, provided that Bpifrance's share of the capital or voting rights does not fall below certain thresholds.

The Board of Directors has four standing committees tasked with improving its functioning and facilitating its decision-making through the prior review of specific subjects in their specialized areas. These committees are:

- the Audit Committee;
- the Appointments Committee;
- the Compensation Committee;
- the Strategy Committee.

THE AUDIT COMMITTEE

Cegedim's Audit Committee comprises four members of the Board of Directors, including one independent member. The members of the Audit Committee are: Ms. Valérie Raoul-Desprez, Chairman, Ms. Aude Labrune-Marysse, Mr. Pierre Marucchi, and Mr. Jean-Pierre Cassan as the independent member. In view of their current and/or previous professional responsibilities, described in the Registration Document, the four members of the Audit Committee possess, individually or collectively, accounting, audit and financial expertise, in particular with regard to the Group's sectors of activity.

The Audit Committee assists the Board of Directors in ensuring that the Company's financial statements and related information provided are accurate and reliable. In particular, it is responsible for:

- examining the financial statements and ensuring the relevance and consistency of the accounting methods adopted for the preparation of the Company's consolidated and parent company financial statements;
- monitoring the preparation process for financial information;
- monitoring the effectiveness of internal control procedures and risk management;
- monitoring compliance with independence and objectivity rules for Auditors.

The Audit Committee meets on at least two occasions each year, prior to the approval of the Company's interim and annual financial statements. The Audit Committee met five times during the 2013 fiscal year, on March 1, April 16, May 31, September 13 and November 27.

In the course of its meetings, the Audit Committee discussed, in particular, the following matters, before referring them to the Board of Directors:

- in respect of the approval of the annual financial statements for 2012 and the half-year financial statements for 2013, the Audit Committee reviewed the accounts and other related financial information, following consultation with the Auditors and examination of the Auditors' Reports;
- it examined the various press releases on earnings, as well as the miscellaneous documents used to present these earnings to financial analysts;
- in 2013, the presentations this Committee received included those by Cegedim SA's Statutory Auditors on the results of their legally required audit and their work concerning internal control, and from the company on the transactions involved in refinancing the debt and on asset impairment tests, particularly on goodwill, performed during the year. It also held several different meetings with the Statutory Auditors, when appropriate without members of the Cegedim SA Financial Division, in particular to examine the way financial information was developed and to review the financial statements.

APPOINTMENTS COMMITTEE

The Compensation Committee is made up of three Directors: Mr. Jean-Pierre Cassan (independent Director and Chairman of the Compensation Committee), Ms. Aude Labrune-Marysse and Mr. Jean-Louis Mery.

The main duties of the Appointments Committee are to carry out the following tasks and make proposals to the Board of Directors:

- formulate proposals on the selection of Directors with regard to the composition of the Company's shareholder base and any changes thereto;
- formulate proposals on the selection of independent Directors by carrying out its own research into potential candidates before making any approaches;
- formulate a succession plan for Directors and corporate officers so that a proposal can be made to the Board of Directors without delay in the event of an unforeseen vacancy.

The Appointments Committee meets at least once a year, prior to the Board meeting that decides on the date of the Annual General Meeting, and approves the meeting agenda. In 2013, the Appointments Committee met once, on March 4, 2013.

In the course of its meetings, the Appointments Committee examined, in particular, its methods of functioning.

COMPENSATION COMMITTEE

The Compensation Committee consists of three Directors including one independent Director, who is to chair it: Mr. Jean-Louis Mery, Ms. Aude Labrune-Marysse and Mr. Jean-Pierre Cassan, as the independent Director, Chairman.

The Compensation Committee proposes the remuneration criteria for the Company's corporate officers to the Board. Its mission is to review the remuneration of the Company's Directors, Chairman, Managing Director and Deputy Managing Director, and to make proposals to the Board regarding the matter, as well as to review the policies governing the allocation of free shares and variable compensation, and to review any proposal pertaining to a capital increase by the Company, in the form of an exclusive offer to its employees.

The Compensation Committee meets at least once a year, prior to the Board meeting that decides on the date of the Annual General Meeting, and approves the meeting agenda. In the year just closed, the Compensation Committee met twice, on March 4 and June 4, 2013.

THE STRATEGY COMMITTEE

The Company complies with the recommendations of the AFEP-Medef code of corporate governance for listed companies dated April 2010.

The Strategy Committee is made up of three Directors. The Chairman of the Board chairs the Strategy Committee: Mr. Jean-Claude Labrune, Mr. Laurent Labrune and Ms. Anne Sophie Hérelle.

The Strategy Committee proposes Company development axes to the Board and identifies potential targets.

It usually meets twice a year. In the year just closed, the Strategy Committee met twice, on March 4 and September 19, 2013. Over the course of its meetings, the Strategy Committee examined its working methods and procedures.

EXCEPTIONS

The exceptions to the recommendations of the AFEP-Medef code that the parties to the draft agreement agreed not to apply are set out below. According to the terms of the Memorandum of Understanding, the Company complies with the principles of the AFEP-Medef code and has amended the internal rules and procedures of the Board of Directors, in accordance with the aforementioned code, with the exception of the following:

- article 2.2 of the AFEP-Medef code will not be applied. The Company will provide information concerning non-balance sheet items in accordance with the law;
- article 3 of the AFEP-Medef code relating to the separation of the duties of the Chairman of the Board of Directors and the Managing Director will not be applied;
- sub-section 7.2. of the AFEP-Medef code will not be applied. In fact, Bpifrance (formerly FSI) and Alliance Healthcare, which both have a holding in the Company's capital, would like to be represented on the Board of Directors;
- sub-section 8.2 of the AFEP-Medef code cannot be applied because the number of independent Directors will be lower than the recommendation of said code, which is 1/3 in subsidiary companies;
- article 9 of the AFEP-Medef code relating to the evaluation of the Board of Directors will be applied subject to the evaluation of the performance of the Managing Director;
- article 10 of the AFEP-Medef code will be applied subject to indication in the Annual Report of the duration of sessions which Cegedim does not wish to announce;
- article 11 of the AFEP-Medef code will be applied insofar as the bylaws will be amended within a reasonable period after the increase in capital. Moreover, bearing in mind the size of the Company, the Directors' right to information under this article must be exercised in a reasonable manner in terms of time period and documents or information requested;
- article 12 of the AFEP-Medef code relating to the duration of the Directors' duties will be applied subject to the duration of the Directors' terms of office, which will be kept at six years to ensure stability of the Board of Directors and in accordance with the maximum duration authorized by the AFEP-Medef code, and to the staggering of the Directors' terms of office which the Company considers satisfactory;
- article 17 of the AFEP-Medef code relating to the code of ethics of the Director will be applied subject to application for certain Directors of the recommendation relating to the significant number of shares that each Director in office must hold;
- article 19 of the AFEP-Medef code relating to the termination of the employment contract if the position of corporate officer is taken up will not be applied as it might constitute an obstacle if the Company wishes to ask an employee to take on the duties of corporate officer;
- sub-section 20.1 of the AFEP-Medef code will not be applied as the salaries of the Directors who act as corporate officers are revised annually.

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COMPENSATION AND BENEFITS

15.1 AMOUNT OF TOTAL COMPENSATION AND IN-KIND BENEFITS PAID INDIVIDUALLY DURING THE FINANCIAL YEAR - DIRECTLY OR INDIRECTLY - TO EACH CORPORATE OFFICER BY CEGEDIM AND ANY OTHER GROUP COMPANY.

Compensation and benefits of corporate officers take into account the AMF recommendations relating to information to be given in the Registration Documents, in particular, when the listed company is owned by a group, the information regarding compensation and benefits of corporate officers includes the amounts paid by all the companies in the chain of control, related to the office held in the listed company.

The total gross compensation amounts paid to the Company's corporate officers are set out below:

In euros **Fiscal year 2013**	**Total Compensation except in-kind benefit**	**Fixed portion**	**Variable portion**	**Extraordinary variable portion**	**Directors' fees**	**In-kind benefit amount**	**Type**
Jean-Claude Labrune	692,760	679,760	-	-	13,000	2,574	car
Pierre Marucchi	490,300	308,438	168,862	-	13,000	5,521	car
Laurent Labrune	479,157	283,157	183,000	-	13,000	7,156	car
Aude Labrune-Marysse	218,834	196,834	9,000	-	13,000	8,682	car
Jean-Louis Mery	13,000	-	-	-	13,000	-	-
Anthony Roberts	6,250 (1)	-	-	-	6,250 (1)	-	-
Valérie Raoul-Desprez	25,000	-	-	-	25,000	-	-
Jean-Pierre Cassan	17,500	-	-	-	17,500	-	-
Anne-Sophie Hérelle	6,250 (2)	-	-	-	6,250 (2)	-	-

(1) Directors' fees paid directly to Alliance Healthcare France.
(2) Directors' fees paid directly to Bpifrance (formerly known as FSI).

The variable portion is based on the Group's earnings. The variable compensation of Pierre Marucchi, Laurent Labrune and Aude Labrune is a percentage of the EBIT from continuing operations of, respectively, of the Group, the CRM Division and the activities pertaining to Ms. Labrune.

Apart from the allocation of free shares (see chapter 15.3), the Company has made no commitments to its corporate officers involving compensation or benefits owed or that may be owed as a result of the assumption, cessation or change of these duties or subsequent to them.

There are no stock-option plans (subscription or purchase options) within the Cegedim Group.

There are no financial instruments giving access to the capital, nor other optional instruments of any kind, subscribed by the management or employees as part of reserved transactions.

There are management fees agreements binding Cegedim to its holding company FCB with Directors in common. These agreements are governed by article L. 225-38 of the French Commercial Code relating to agreements concluded at arm's length. The services invoiced by FCB to Cegedim in 2013 have been changed. Cegedim now pays four quarterly payments on accounts based on the previous year's invoicing. At the end of the year, an adjustment is calculated based on the services utilized. A yearly provision of 1.6 million euros has been established for 2013. This amount corresponds to the re-invoicing of salary expenses and advisers' fees for Directors' fees borne by FCB and attributable to Cegedim. The Directors' fees represent less than 10% of the total. The salary portion corresponds to the re-invoicing of a portion of the compensation of Jean-Claude Labrune, Laurent Labrune, Aude Labrune, Pierre Marucchi, as well as the compensation of non-managers.

15.2 TOTAL AMOUNTS ALLOCATED OR ACCRUED BY THE ISSUER OR ITS SUBSIDIARIES FOR THE PURPOSES OF PAYING PENSIONS, RETIREMENT OR OTHER BENEFITS

There are no specific supplemental retirement plans set up for certain corporate officers.

All the pertinent information related to calculating the provision for retirement compensation is presented in the Accounting Principles and note 13 – Retirement liabilities – the consolidated financial statements found in chapter 20.1 of this Registration Document.

15.3 ALLOCATION OF FREE SHARES

The Board of Directors meetings of June 29, 2011, September 19, 2012 and June 04, 2013 were authorized by the Extraordinary Shareholders' Meeting of June 08, 2011 to award a total number of free shares not exceeding 10% of the total number of shares comprising the share capital to the Directors and employees of the Cegedim Group. This concerned a total of 1,399,717 shares.

Following a resolution of the Extraordinary Shareholders' Meeting of February 22, 2008, the Board of Directors, at their meetings of November 05, 2009 and June 08, 2010, were authorized to award a total number of free shares, which were not to exceed 10% of the total number of shares making up the capital, to the Directors and employees of the Cegedim Group. This concerned a total of 933,144 shares.

	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6
Date of the General Meeting	2/22/2008	2/22/2008	6/8/2011	6/8/2011	6/8/2011
Number of shares authorized by the General Meeting	933,144	933,144	1,399,717	1,399,717	1,399,717
Date of the Board meeting	11/5/2009	6/8/2010	6/29/2011	9/19/2012	6/4/2013
Total number of shares than can be allocated	28,750	32,540	41,640	31,670	48,870
Number of recipients	48	73	85	80	108
Award date	11/5/2009	6/8/2010	6/29/2011	9/19/2012	6/4/2013
Date of free disposal of free shares					
France	11/5/2011	6/8/2012	6/28/2013	9/18/2014	6/3/2015
Abroad	11/5/2013	6/8/2014	6/28/2015	9/18/2016	6/3/2017
End of lock-in period	11/5/2013	6/8/2014	6/28/2015	9/18/2016	6/3/2017
Shares permanently allocated	20,410	27,410	33,360	28,280	46,290
Shares permanently acquired at 12/31/2013	20,410	27,410	33,360	0	0

15.4 CEGEDIM SA DIRECTORS' FEES

A proposal will be made on the total amount of Directors' fees allocated to the Board of Directors for the current fiscal year, which could be set at €120,000 thousand euros.

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WORK OF ADMINISTRATIVE AND MANAGEMENT BODIES

16.1 EXPIRATION DATE OF CURRENT TERMS OF CEGEDIM SA DIRECTORS AND LENGTH OF TIME SERVED

Jean-Claude Labrune joined the Board of Directors on December 1, 1969. His term has been renewed until the General Meeting which will approve the 2015 financial statements.

FCB, which joined the Board on April 12, 1989, has been represented by Pierre Marucchi since this date. His term has been renewed until the General Meeting which will approve the 2015 financial statements.

GIE GERS joined the Board of Directors on March 6, 1995, and has been represented by Philippe Tcheng since February 2012. His term will run until the General Meeting which will approve the 2015 financial statements.

Alliance Healthcare France joined the Board of Directors on November 15, 2000, and has been represented by Anthony Charles Roberts since December 2009. His term has been renewed until the General Meeting which will approve the 2015 financial statements.

Laurent Labrune joined the Board of Directors following the meeting of the Board of Directors on April 18, 2001. In 2013, his term was renewed for six years until the General Meeting which will approve the 2018 financial statements.

Aude Labrune joined the Board of Directors after the meeting of April 27, 2007. In 2013, her term was renewed for six years until the General Meeting which will approve the 2018 financial statements.

Jean-Louis Mery joined the Board of Directors on January 8, 2010 for a six-year term until the General Meeting which will approve the 2015 financial statements.

Jean Pierre Cassan joined the Board of Directors on January 8, 2010 for a six-year term until the General Meeting which will approve the 2015 financial statements.

Jacques Henri David joined the Board of Directors on January 8, 2010. His term ended January 31, 2013.

Nicolas Manardo joined the Board of Directors on January 8, 2010. His term ended September 23, 2010 when Bpifrance (formerly FSI) took a seat on the Board, represented by Nicolas Manardo. Since September 5, 2013 Anne-Sophie Hérelle has represented Bpifrance (formerly FSI), replacing Nicolas Manardo.

Valérie Raoul-Desprez was elected to the Board of Directors January 31, 2013 for the remainder of the term of Jacques Henri David, whom she replaced, which is to say until the General Meeting to approve the 2015 financial statements. This vote was ratified by the 2013 General Meeting.

Please also refer to the Chairman's Report on Internal Control, chapter 16.5 and the Auditors' Report, chapter 20.3.

16.2 DISCLOSURES ABOUT SERVICE CONTRACTS BETWEEN MEMBERS OF ADMINISTRATIVE AND MANAGEMENT BODIES AND THE ISSUER OR ONE OF ITS SUBSIDIARIES THAT CALL FOR BENEFITS TO BE OFFERED WHEN SUCH CONTRACT IS OVER

As indicated in chapter 20.1 of the consolidated financial statements, in 2013, FCB re-invoiced its head office expenses, in the amount of 1.6 million euros.

16.3 DISCLOSURES ABOUT THE AUDIT, COMPENSATION, APPOINTMENTS AND STRATEGY COMMITTEES

The Audit Committee met five times during the 2013 fiscal year, on March 1, April 16, May 31, September 13 and November 27.

In 2013, the Appointments Committee met once, on March 4.

In the year just closed, the Compensation Committee met twice, on March 4 and June 4, 2013.

In the year just closed, the Strategy Committee met twice, on March 4 and September 19, 2013.

See also chapter 14.3 of this Registration Document.

16.4 COMPLIANCE WITH THE CORPORATE GOVERNANCE SYSTEM IN EFFECT IN FRANCE

Cegedim applies the AFEP-Medef recommendations on corporate governance, as presented in chapter 14.3. Moreover, Cegedim complies with all the provisions of French Corporate law and the Code of Commerce governing the operation and organization of its administrative and management bodies. The Company therefore considers that all the legal provisions and the application of the AFEP-Medef recommendations on corporate governance offer entirely satisfactory and appropriate guarantees, with a view to ensuring that control is not exercised in an abusive manner.

16.5 REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS ON CONDITIONS FOR PREPARING AND ORGANIZING THE WORK OF THE BOARD OF DIRECTORS AS WELL AS THE INTERNAL CONTROL PROCEDURES THE COMPANY HAS PUT IN PLACE

(Article L. 225-37 of the French Code of Commerce).

INTRODUCTION

In accordance with the provisions of Article L. 225-37 of the French Code of Commerce, as amended by financial security law no. 2003-706 of August 1, 2003, the purpose of this report is to detail:

- conditions for preparing and organizing the work of the Board of Directors;
- any limitations made by the Board of Directors to the powers of the Managing Director and the Deputy Managing Director;
- the internal control procedures established within the Cegedim Group.

This report was prepared on the basis of reports and meetings led by the General Management with all of the bodies involved in the Group's internal control mentioned in the remainder of this document.

CORPORATE GOVERNANCE AND OPERATION OF THE BOARD OF DIRECTORS

Composition of the Board of Directors

The Board of Directors consisted of ten members as at December 31, 2013.

On November 5, 2009, the Company adhered to the agreement signed on October 28, 2009, between Mr. Jean-Claude Labrune, FCB and Bpifrance (formerly FSI) which was sent to the AMF. This agreement provides for changes to be made to the Company's governance.

The list of Directors of Cegedim SA, including positions held in other companies, is attached to the Management Report.

Frequency of meetings

Article 13 of the bylaws of Cegedim SA states that the Board of Directors meets as often as the Company's interests dictate.

Thus, during the past fiscal year, the Board of Directors met six times.

Besides the deliberations and decisions on the agenda as required by law (principally the shareholders' call to meeting and the preparation of the yearly Management Report), the Board of Directors worked in the main on the following areas:

- the Group's financial strategy, especially in regard to refinancing the debt;
- a review of market changes, primarily for the CRM business and the CRM & strategic data division;
- the financial statements and the budget (approval of the 2012 yearly consolidated statements, the 2013 quarterly consolidated statements and the forecasted 2013 statements). The Board was kept informed of the Group's financial position by the statements provided to the Audit Committee and the presentations given at each meeting by the Deputy Managing Director;
- an election to replace a director;
- and awards of stock bonuses (restricted shares).

Convening of Directors

The Directors were convened by fax and e-mail in compliance with Article 13 of the bylaws of Cegedim SA.

In accordance with Article L. 225-238 of the French Code of Commerce, the Auditors were convened to the Board of Directors' meetings during which the annual and interim financial statements were examined and approved.

Information provided to Directors

All documents and information necessary for the Directors to perform their duties were sent to them prior to each meeting of the Board of Directors.

At any time of the year, the Board of Directors may perform the checks and audits it deems advisable. In this respect, each Director may request the documents necessary to perform his duties from the Chairman of the Board of Directors.

Meeting location

Meetings of the Board of Directors are held at the Company's corporate headquarters.

Meeting minutes

Minutes of meetings of the Board of Directors are drawn up at the end of each meeting, sent to the Directors and validated by them at the next meeting.

Directors' compensation

The compensation paid to Directors is stipulated in the list of Directors of Cegedim SA appended to chapter 15 of this Registration Document. The Remuneration Committee proposes the remuneration criteria for the Company's corporate officers to the Board. It examines the policies for allocations of free shares and all proposals for increases in the Company's capital in the form of an offer reserved for employees.

Limitation of the powers of the Chairman & CEO and of the Deputy Managing Director

We inform you that the Board of Directors has not imposed any limitations on the powers of Mr. Jean-Claude Labrune, your Chairman & CEO or on those of Mr. Pierre Marucchi, the Deputy Managing Director.

The Company's compliance with the recommendations of the AFEP-Medef code of corporate governance.

See chapter 14.3.

INTERNAL CONTROL PROCEDURES

Purpose of the internal control procedures within the Cegedim Group

The purpose of internal control is to provide a reasonable assurance that the Company's priorities will be adhered to and that the published figures are reliable. Its effectiveness relies on the conduct of the employees responsible for it, without any systematic guarantee that all these objectives will be met. On the one hand, it ensures that management actions or the performance of operations and also employee conduct are consistent with the framework defined by the applicable laws and regulations as well as the values described in the charter of ethical business practice and the Company's standards and internal rules. On the other hand, it ensures that the accounting and financial information complies with the standards in force.

Coordination of its activities

Cegedim's growth relies particularly on its ability to anticipate its clients' needs and to satisfy them by combining a large number of "industry" skills.

From the standpoint of internal control, the success of this model requires the harmonization of management actions and employee behavior. It means that these actions and this behavior must be consistent with the directions given to the Group's activities by its corporate bodies, by the laws and regulations in force, and by the Group's internal standards.

Control and transparency of its accounting and financial information

The internal control procedures govern the development and communication of the Group's accounting and financial information. This information is established in order to guarantee its availability, integrity, conformity, and auditability.

Support for its growth

The Cegedim Group's international expansion, particularly through external growth, relies on its ability to identify the external growth relays. Here, the measures taken by Cegedim seek to accelerate the incorporation of new activities, control the risks inherent to growth operations, and track their performance.

The acquisition of Dendrite International Inc. in May 2007 enabled Cegedim to double its size in its core business activities. This major step in the Group's development required considerable effort at that time to make the integration of the new activities successful. Conscious of what was at stake, in early 2008, the Group's General Management created an "Operational Excellence" unit (OPEX) in charge of optimizing the organization and information circuits as well as reinforcing the Group's customer-oriented culture in order to generate savings through synergy, rationalization of procedures and tools, and optimization of team productivity. Chaired by an employee with more than 15 years of experience within the Group, particularly in the role of Director of Human Resources, then Director of International CRM Activities, OPEX is able to propose improvements to internal control and financial control, by placing systematic emphasis on the business activity component.

Security of its information processing operations

Leader in the sector of technologies and services relating to medical information, the Cegedim Group's priority is to provide its clients and partners with complete satisfaction concerning data security. The Cegedim Group applies the laws concerning protection of privacy and personal data in all of the countries where it operates.

Acquisition of cutting edge skills

The Cegedim Group considers the training of its teams to be a key factor of success, making it possible to ensure client satisfaction and employee motivation. In 2004, Cegedim was one of the first companies to implement the individual training entitlement.

The general training policy implemented at Cegedim consists primarily of continuously adapting the skills of its research and development teams and assisting its employees in acquiring new skills necessary for their work.

Organization of the Management bodies that play a role in internal control

Cegedim's internal control system is characterized by a high level of interaction between the Board of Directors, the General Management and the Activity Divisions, thus encouraging the transparency of the strategies, risks and actions implemented in the Group.

Cegedim's General Management has central management and control bodies that include the Financial Division, the Accounting Division, the Management Control Division, the Human Resources Division, the Legal Division, the General Secretariat, the IT Division, the Communication Division, and the Operational Excellence unit.

Consistently since 2006, the Group has sought to strengthen its teams dedicated to controlling and coordinating international operations. Reporting to the General Management, their main duty is to formalize then establish procedures that are common to the Group's subsidiaries, guaranteeing the uniformity of work methods.

The network of financial controllers, by country or region, continues to be reinforced, particularly in 2007 with the consolidation of the Dendrite teaMs. They are responsible for applying Headquarter policies at local level and ensuring local financial control of operations as part of routine management or during the operational revamping processes decided on by Headquarters.

In their respective fields, the mission of these management and control bodies is to regulate the Group's operation and, at the same time, put their specialized skills to use in carrying out operations.

Key elements of internal control relating to the preparation of financial and accounting information

In 2013, the Group continued its work to harmonize and optimize its information and internal control procedures in compliance with the financial security law.

Preparation of the Group's financial statements

Centralized accounting of the companies of the Cegedim Group

The Cegedim Accounting Division prepares the statutory financial statements for the subsidiaries in the French sector of the Group and oversees the process for the preparation of the consolidated financial statements. For the newly-acquired companies and foreign subsidiaries, the Accounting Department established a standard reporting procedure so as to produce consolidation documents. At the same time, the Management Control Division reports key financial and operational data on a monthly basis. The two Divisions together routinely check the consistency of their data.

The creation in 2005 of a department dedicated specifically to international consolidation allowed the Company to help make the financial information coming from foreign subsidiaries reliable while at the same time adapting to the new accounting regulations. Furthermore, this centralized consolidation process made it possible to considerably reduce the time necessary to report international information.

Control and enhancement of financial and accounting information by Management Control

The data supplied by the Accounting Department is systematically reconciled with the work done by the Management Control Department, whether this involves regular analytical monitoring of the activities, budgetary control or inspection reports.

This information forms the basis for the operating reports prepared by Management Control, allowing for regular tracking of key indicators.

IT tools used to prepare financial and accounting information

Cegedim implements a policy aimed at upgrading its IT tools to ensure optimum availability, integrity, conformity and auditability of its financial and accounting data.

In order to ensure the necessary internal consistency and meet the Group's guidance needs, new tools were implemented in 2008 under the direct responsibility of the Managing Director, assisted by a project manager ensuring the interface with the Accounting Department and the Management Control Department.

Key elements of the legal and operational control exercised by the parent company over the subsidiaries

Control of commitments

The General Secretariat of the Group's Legal Department handles the central supervision of authorizations and delegations and makes sure, when they are created, that they are limited in accordance with the Group's internal rules regarding commitments.

Control of the Group's legal activity

The Cegedim Group's procedures require that the Legal Department be consulted prior to signing contracts with third parties, depending on their purpose and the declarations and commitments they contain and, where relevant, the transnational nature of the operations they govern. The Legal Department also centralizes information related to certain key contracts.

CONTROL OF INTERNAL SECURITY

Cegedim has a governance structure for security. This means that security of all the Company's activities is taken into account and that all appropriate protection measures are implemented.

A Compliance Department reports directly to the management. It includes the Head of Information Systems Security and defines the Group's security policy using risk analysis, as well as ensuring that the policy is applied consistently to the security requirements identified by the management through regular internal audits.

The Director of Information Systems ensures that the decisions to roll out IT systems, and in particular, procedures relating to data security, take into account Cegedim's strategic priorities.

The IT Operations Manager, the Information Security Manager and the Physical Security Manager implement the Company's strategy. They are responsible for putting security procedures in place.

The Operations Director ensures that all activities provide the level of security appropriate to Cegedim's strategic decisions, through daily monitoring.

The internal security policy for the information system is actively facilitated by the Top Management, and covers, in particular:

- employee security (reducing the risks of human error, theft, fraud or abusive use of infrastructures);
- physical security (controlling access, damage and disruptions relating to the Group's assets);
- IT access security (controlling access to information);
- information security (ensuring an appropriate level of information protection);

- systems administration and network security (ensuring that the information processing infrastructures operate correctly and reliably);
- the security of IT developments (incorporating security into the developments and ensuring the secure execution of support activities);
- crisis prevention, detection, and management;
- compliance with legislation.

The major pharmaceutical companies that are customers of the Cegedim Group apply recognized international standards, adopting the most stringent requirements in terms of the auditing and control of their information systems.

Cegedim refers to international standards such as ISO 27001 and 27002 for its information security, and has created its own process standards, integrating the recently-introduced ISO 20000/ITIL standard for IT service management, ISO 9001 for quality management and CMMI for project management and software development. To gain recognition and validation of this high level of compliance, Cegedim's Director of Information Systems obtained ISAE 3402 and SSAE 16 accreditation for the Company's data hosting and services offering for all its clients.

CONTROL OF OPERATIONS MANAGEMENT

Control of the Group's operations management covers four areas:

- the annual budget preparation process;
- monthly "management" reporting and presentation of annual forecasts;
- quarterly "business" reporting;
- the ad hoc inspection assignments performed at the Group's departments and subsidiaries.

These procedures concern all of the Group's departments and subsidiaries. Furthermore, when new acquisitions are made, a standardized integration process ensures that the operational synergies and information reporting necessary for management and Management Control in accordance with the current standards are implemented as quickly as possible.

THE ANNUAL BUDGET PREPARATION PROCESS

Each year, the Activity Directors present to the General Management the annual budget for the activities placed under their responsibility. To prepare these budgets, Management Control is responsible for providing all assistance necessary to the operational managers and for guiding their work in order to ensure overall consistency and to record the key assumptions in order to track them during the year.

MONTHLY "MANAGEMENT" REPORTING AND PRESENTATION OF ANNUAL FORECASTS

Management Control is responsible for preparing the monthly reporting for all of the Group's subsidiaries, including their annual forecasts and their budget tracking. Routinely presented to the Group's General Management, this reporting makes it possible to identify the basic performance trends for each entity and to chart any corrective measures to be taken.

QUARTERLY "BUSINESS" REPORTING

Every quarter, each Activities Director is responsible for providing the General Management with information concerning the management activities relative to the scope of activities for which he is responsible. This reporting concerns the commercial activity, products and services, personnel, organization, and investments. Its essential purpose is to identify the risks that could affect the Group's earnings in each of these areas. The cross-company nature of this "business" reporting helps identify market risks and the status of competition, identify growth opportunities (external growth, strategic directions of growth), and strengthen synergies within the Group.

AD HOC INSPECTIONS

Inspections decided by the General Management are conducted routinely. Other control bodies help to determine the selection and content of these inspections and are generally involved in facilitating their execution. The scope of these inspections covers all areas relating to internal control.

2014 OBJECTIVES

- optimize reporting after having implemented integrated and uniform financial management tools within the Group, ensuring a secure, systematic, and consistent flow of information to serve both management needs and corporate or consolidated accounting needs;
- continue to work at improving the Group's operating leverage;
- continue efforts to reduce indebtedness.

Boulogne-Billancourt, March, 11, 2014

Jean-Claude Labrune

Chairman & CEO

Cegedim SA

17

EMPLOYEES

17.1. CEGEDIM GROUP WORKFORCE AT THE YEAR-END

The total numbers of Group employees (Open-ended contracts and Fixed-term contracts) on the reporting dates for the last three fiscal years are given in the following table:

	12/31/2013	12/31/2012	12/31/2011
CRM and strategic data	4,898	5,107	5,368
Health Professionals	1,763	1,750	1,697
Insurance and Services	1,169	1,105	1,010
Reconciliation	162	156	162
TOTAL	**7,992**	**8,118**	**8,237**

17.2. CORPORATE OFFICERS' INTERESTS IN THE CAPITAL AND STOCK OPTIONS

At December 31, 2013:

- Jean-Claude Labrune, Chairman & CEO of Cegedim does not hold any registered shares in Cegedim;
- Pierre Marucchi, Deputy Managing Director of Cegedim, holds 21,761 registered shares in Cegedim, of which 24 entitle him to double voting rights, representing an insignificant portion of the capital and the voting rights;
- Jean-Claude Labrune, Chairman of FCB, indirectly holds 52.59% of the share capital and 69.00% of the voting rights;
- Laurent Labrune holds 1,601 registered shares in Cegedim, of which one entitles him to double voting rights, representing an insignificant portion of the capital and the voting rights;
- Aude Labrune Marysse holds one registered share in Cegedim with double voting rights, representing an insignificant portion of the capital and the voting rights;
- Jean-Louis Mery holds ten registered shares in Cegedim, none of which entitle him to double voting rights, representing an insignificant portion of the capital and the voting rights.

To the Company's knowledge, there are no other members of the administrative and management bodies who hold registered shares.

See also chapter 18.1 of this Registration Document.

There are no stock-option plans in the Cegedim Group either for management or for any other category of employees. However, the Group recently implemented a system for the allocation of free shares (see chapter 15.3 in this Registration Document for the description of the allocation of free shares).

17.3. AGREEMENT PROVIDING FOR CEGEDIM EMPLOYEE EQUITY PARTICIPATION PLANS

There are employee equity sharing agreements in accordance with the legal provisions with application of the ordinary law calculation formula. The share may, at the employee's choice, be paid into a Mutual Fund or left in a current account frozen in the corporate accounts.

At December 31, 2013, the Corporate Mutual Fund consisted of 98,048 Cegedim shares, representing 0.70% of the capital.

18

MAIN SHAREHOLDERS

18.1 SHAREHOLDERS

In accordance with the provisions of article L. 233-13 of the French Code of Commerce, and given the information and notifications received pursuant to articles. L. 233-7 and L. 233-12 of this Code, the capital and voting rights of the shareholders (individuals or legal entities) who directly or indirectly hold more than one-twentieth, one-tenth, three-twentieths, one-fifth, one-quarter, one-third, one-half, two-thirds, eighteen-twentieths, or nineteen-twentieths of the share capital or voting rights at December 31, 2013 are shown below.

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% voting rights
				Shares	Votes		
FCB	7,361,044	52.59%	53,651	7,307,393	14,614,786	14,668,437	69.00%
Bpifrance (formerly FSI)	2,102,061	15.02%	2,102,061	-	-	2,102,061	9.89%
Public*	4,478,903	32.00%	4,469,168	9,735	19,470	4,488,638	21.11%
Cegedim**	55,165	0.39%	-	-	-	-	0.00%
TOTAL	**13,997,173**	**100.00%**	**6,624,880**	**7,317,128**	**14,634,256**	**21,259,136**	**100.00%**

* *Including the investment by Alliance Healthcare France.*
** *Including the liquidity contract.*

To the best of the Company's knowledge as of this Registration Document the shareholders owning more than 5% of the equity or of voting rights are: FCB, Bpifrance (formerly FSI) and Alliance Healthcare France.

- FCB is a Simplified Joint-Stock Company (SAS) with capital of 475,560 euros (Trade and Companies Register of Nanterre 340 651 132), the majority of which is held by Jean-Claude Labrune. It is an active holding company.
- Bpifrance (formerly FSI) is a Société Anonyme owned 51% by Caisse des Dépôts and 49% by the French State. Bpifrance (formerly FSI) is an informed investor which enhances equity by becoming a minority investor in French companies involved in industrial projects that create value and competitiveness for the economy.
- Alliance Healthcare France is a public limited company with capital of 22,107,536.00 euros (Trade and Companies Register of Nanterre 025 420 068), the majority of which is held by the Alliance Boots group (formerly Alliance Unichem) (pharmaceutical distributor).

At December 31, 2013, FCB and Bpifrance (formerly FSI) together held 67.61% of the shares of the Cegedim Group, and 78.89% of the voting rights.

The latest declared threshold crossings are as follows:

- March 28, 2001: Alliance Healthcare France, crossed the 10% shareholding threshold;
- November 23, 2006: Financière de l'Échiquier crossed the 5% shareholding threshold;
- July 26, 2007: AB Acquisition Holding crossed the 5% and 10% shareholding thresholds. The thresholds were crossed as a result of the acquisition by AB Acquisition Holding Limited of control of Alliance Boots Capital plc, which holds an indirect interest in Alliance Healthcare France which itself holds a direct interest in Cegedim;
- December 22, 2009: Bpifrance (formerly FSI), crossed the 5% and 10% shareholding thresholds;
- March 31, 2010: Alliance Healthcare France, fell below the 10% shareholding threshold;
- December 15, 2010: Financière de l'Échiquier fell below the 5% shareholding threshold.

The new ownership of Cegedim equity by Bpifrance (formerly FSI) had an impact upon the Company's governance. See chapter 14 of this Registration Document.

At December 31, 2012, the capital and voting rights were broken down as follows:

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% voting rights
				Shares	Votes		
FCB	7,361,044	52.59%	2,495,207	4,865,837	9,731,674	12,226,881	64.89%
Bpifrance (formerly FSI)	2,102,061	15.02%	2,102,061	-	-	2,102,061	11.16%
Public*	4,505,688	32.19%	4,496,482	9,206	18,412	4,514,894	23.96%
Cegedim	28,380	0.20%	-	-	-	-	-
TOTAL	**13,997,173**	**100.00%**	**9,093,750**	**4,875,043**	**9,750,086**	**18,843,836**	**100.00%**

* *Including the investment by Alliance Healthcare France and the liquidity contract.*

18.2 SPECIAL VOTING RIGHTS

See above, chapter 18.1 of this Registration Document.

18.3 CONTROL OF CEGEDIM

Cegedim is controlled by FCB and Jean-Claude Labrune, as indicated in the Registration Document. In accordance with the Memorandum of Understanding between FCB, Bpifrance (formerly FSI) and Jean-Claude Labrune, the Group has amended its governance rules. See chapter 14 of this Registration Document.

18.4 AGREEMENT WHICH MIGHT AT A LATER DATE ENTAIL A CHANGE OF CONTROL

Simultaneously with the memorandum signed on October 28, 2009 between Jean-Claude Labrune, FCB and Bpifrance (formerly FSI), implementation of a shareholders' agreement to govern the relations between the different parties to the transaction was discussed.

To the Company's knowledge, there are no agreements whose implementation could, at a later date, result in a change in its control.

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TRANSACTIONS WITH RELATED PARTIES

The regulated agreements that were submitted for the prior authorization of the Board of Directors are detailed in the Auditors' Special Report contained in chapter 20.3 of this Registration Document.

Note 25 of the notes to the 2013 consolidated financial statements appearing in chapter 20.1 of this Registration Document also provides detailed figures for operations with related parties.

No new convention has been allowed to date.

20

FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, FINANCIAL POSITION AND EARNINGS

20.1. HISTORICAL FINANCIAL INFORMATION – CONSOLIDATED FINANCIAL STATEMENTS

20.1.1. CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2013

Balance sheet assets

In thousands of euros	12/31/2013 Net	12/31/2012 Net	12/31/2011 Net
GOODWILL ON ACQUISITION (NOTE 7)	**528,465**	**613,727**	**725,058**
Development costs	16,791	26,408	24,446
Other intangible assets	207,097	183,714	167,002
INTANGIBLE ASSETS (NOTE 3)	**223,888**	**210,122**	**191,448**
Land	389	389	409
Buildings	4,764	5,766	5,147
Other tangible assets	27,110	33,343	35,958
Construction work in progress	45	2,192	2,594
TANGIBLE ASSETS (NOTE 4)	**32,307**	**41,690**	**44,108**
Equity investments	704	544	443
Loans	2,464	1,917	1,400
Other long-term investments	10,793	11,445	9,637
LONG-TERM INVESTMENTS – EXCLUDING EQUITY SHARES IN EQUITY METHOD COMPANIES (NOTE 5)	**13,960**	**13,906**	**11,480**
Equity shares in equity method companies (note 6)	8,599	8,143	7,645
Government – Deferred tax (note 19)	42,121	57,855	48,093
Accounts receivable: portion due in less than one year (note 9)	14,379	15,909	14,498
Other receivables: portion due in more than one year (note 10)	894	726	651
NON-CURRENT ASSETS	**864,615**	**962,078**	**1,042,982**
Services in progress (note 8)	186	188	305
Goods (note 8)	10,428	10,798	10,274
Advances and deposits received on orders	428	971	1,151
Accounts receivable: portion due in less than one year (note 9)	229,958	215,223	222,350
Other receivables: portion due in less than one year (note 10)	31,972	38,696	25,778
Cash equivalents	3,515	3,862	14,041
Cash	63,458	39,599	59,087
Prepaid expenses	16,618	16,881	17,347
CURRENT ASSETS	**356,564**	**326,219**	**350,334**
TOTAL ASSETS	**1,221,179**	**1,288,297**	**1,393,316**

Balance sheet liabilities

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
Share Capital	13,337	13,337	13,337
Share premium	185,562	185,561	185,562
Group reserves	214,419	297,712	263,439
Group exchange reserves	(238)	(238)	(238)
Group exchange gains/losses	(8,996)	13,736	21,058
Group earnings	(58,634)	(85,351)	32,580
SHAREHOLDERS' EQUITY, GROUP SHARE	**345,449**	**424,757**	**515,737**
Minority interests (reserves)	419	418	407
Minority interests (earnings)	(43)	89	90
MINORITY INTERESTS	**376**	**507**	**497**
SHAREHOLDERS' EQUITY	**345,825**	**425,263**	**516,234**
Financial liabilities (note 14)	513,650	457,103	483,744
Financial instruments	8,905	13,207	14,094
Deferred tax liabilities (note 19)	9,513	13,617	12,862
Provisions (note 12)	27,501	29,615	25,154
Other liabilities (note 16)	2,421	3,562	7,142
NON-CURRENT LIABILITIES	**561,988**	**517,104**	**542,996**
Financial liabilities (note 14)	24,564	72,609	51,871
Financial instruments	7	13	27
Accounts payable and related accounts	108,269	91,092	92,079
Tax and social security liabilities	124,764	123,872	119,517
Provisions (note 12)	5,840	4,533	5,075
Other liabilities (note 16)	49,922	53,810	65,516
CURRENT LIABILITIES	**313,365**	**345,930**	**334,085**
TOTAL LIABILITIES	**1,221,179**	**1,288,297**	**1,393,316**

Income Statement

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
REVENUES	**902,256**	**921,773**	**911,463**
Other operating income	-	-	-
Capitalized production	46,914	48,419	47,137
Purchases used	(108,287)	(111,513)	(105,648)
External expenses (note 17)	(232,012)	(234,734)	(240,184)
Taxes	(14,255)	(14,658)	(15,101)
Payroll costs (note 28)	(433,458)	(449,821)	(442,231)
Allocations to and reversals of provisions	(6,109)	(5,424)	(3,886)
Change in inventories of products in progress and finished products	(22)	(125)	101
Other operating income and expenses	650	(276)	(1,224)
EBITDA	**155,677**	**153,642**	**150,428**
Depreciation expenses	(63,544)	(63,522)	(66,523)
OPERATING INCOME FROM RECURRING OPERATIONS	**92,133**	**90,120**	**83,905**
Impairment of goodwill on acquisition	(63,300)	(115,000)	-
Non-recurrent income and expenses	(3,241)	(9,886)	(7,983)
OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATIONS (NOTE 8)	**(66,541)**	**(124,886)**	**(7,983)**
OPERATING INCOME	**25,592**	**(34,766)**	**75,922**
Income from cash & cash equivalents	416	727	5,487
Cost of gross financial debt	(48,919)	(33,750)	(36,433)
Other financial income and expenses	(11,557)	(11,096)	(6,723)
COST OF NET FINANCIAL DEBT (NOTE 15)	**(60,060)**	**(44,119)**	**(37,669)**
Income taxes	(14,887)	(15,863)	(21,216)
Deferred taxes	(10,596)	8,265	14,642
TOTAL TAXES (NOTE 19)	**(25,483)**	**(7,598)**	**(6,574)**
Share of profit (loss) for the period of equity method companies	1,275	1,221	991
Profit (loss) for the period before earnings from activities that have been discontinued or are being sold	(58,677)	(85,262)	32,670
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	(58,677)	(85,262)	32,670
GROUP SHARE (A)	**(58,634)**	**(85,351)**	**32,580**
Minority interests	(43)	89	90
Average number of shares excluding treasury shares (B)	13,948,887	13,964,700	13,955,940
CURRENT EARNINGS PER SHARE *(IN EUROS)*	**0.4**	**2.7**	**2.8**
EARNINGS PER SHARE *(IN EUROS)* **(NOTE 22) (A/B)**	**(4.2)**	**(6.1)**	**2.3**
Diluting instruments	None	None	None
DILUTED EARNINGS PER SHARE *(IN EUROS)* **(NOTE 23)**	**(4.2)**	**(6.1)**	**2.3**

Statement of consolidated earnings

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	**(58,677)**	**(85,262)**	**32,670**
Other items included in total earnings:			
Unrealized exchange gains/losses	(22,752)	(7,321)	11,241
Free shares award plan	(76)	362,384	445
Hedging of financial instruments (net of income tax)	2,841	3,740	3,064
Hedging of net investments	0	0	3,454
Actuarial differences relating to provisions for pensions	(218)	(3,683)	(656)
ITEMS RECOGNIZED AS SHAREHOLDERS' EQUITY NET OF INCOME TAX	**(20,206)**	**(6,902)**	**17,548**
Total earnings	(78,882)	(92,164)	50,218
Minority interests' share	(39)	89	83
ATTRIBUTABLE TO OWNERS OF THE PARENT	**(78,844)**	**(92,254)**	**50,135**

Statement of changes in consolidated shareholders' equity

In thousands of euros	Capital	Reserves tied to capital	Conso. reserves and earnings	Unrealized exchange gains/ losses	Total Group share	Minority interests' share	Total
Balance as at 01/01/2011	**13,337**	**185,561**	**274,803**	**6,118**	**479,820**	**486**	**480,306**
Earnings for the fiscal year			32,580		32,580	90	32,670
Earnings recorded directly as shareholders' equity:							
▪ Transactions on shares			445		445		445
▪ Hedging of financial instruments			3,064		3,064		3,064
▪ Hedging of net investments				3,454	3,454		3,454
▪ Unrealized exchange gains/losses				11,248	11,248	(6)	11,242
▪ Actuarial differences relating to provisions for pensions			(656)		(656)		(656)
TOTAL EARNINGS FOR THE FISCAL YEAR			**35,433**	**14,702**	**50,135**	**83**	**50,218**
Total transactions with shareholders:							
▪ Capital transactions					0		0
▪ Distribution of dividends[(1)]			(13,953)		(13,953)	(72)	(14,025)
▪ Treasury shares			(277)		(277)		(277)
TOTAL TRANSACTIONS WITH SHAREHOLDERS			**(14,230)**		**(14,230)**	**(72)**	**(14,302)**
Other changes			12		12	7	19
Change in consolidation scope					0	(7)	(7)
BALANCE AS AT 12/31/2011	**13,337**	**185,561**	**296,019**	**20,820**	**515,737**	**497**	**516,234**
Earnings for the fiscal year			(85,351)		(85,351)	89	(85,262)
Earnings recorded directly as shareholders' equity							
▪ Transactions on shares			362		362		362
▪ Hedging of financial instruments			3,740		3,740	-	3,740
▪ Hedging of net investments				0	0		0
▪ Unrealized exchange gains/losses				(7,322)	(7,322)	1	(7,321)
▪ Actuarial differences relating to provisions for pensions			(3,683)		(3,683)	-	(3,683)
TOTAL EARNINGS FOR THE FISCAL YEAR			**(84,932)**	**(7,322)**	**(92,254)**	**89**	**(92,164)**
Total transactions with shareholders							
▪ Capital transactions					-		-
▪ Distribution of dividends*					-	(62)	(62)
▪ Treasury shares			402		402		402
TOTAL TRANSACTIONS WITH SHAREHOLDERS			**402**	**-**	**402**	**(62)**	**340**
Other changes			871		871	(1)	870
Change in consolidation scope					-	(17)	(17)
BALANCE AS AT 12/31/2012	**13,337**	**185,561**	**212,360**	**13,498**	**424,757**	**507**	**425,264**
Earnings for the fiscal year			(58,634)		(58,634)	(43)	(58,677)
Earnings recorded directly as shareholders' equity							
▪ Transactions on shares			(76)		(76)		(76)
▪ Hedging of financial instruments			2,841		2,841	-	2,841
▪ Hedging of net investments				0	0		0
▪ Unrealized exchange gains/losses				(22,756)	(22,756)	4	(22,752)
▪ Actuarial differences relating to provisions for pensions)			(218)		(218)	-	(218)
TOTAL EARNINGS FOR THE FISCAL YEAR			**(56,088)**	**(22,756)**	**(78,844)**	**(39)**	**(78,883)**
Total transactions with shareholders							
▪ Capital transactions							-
▪ Distribution of dividends[(1)]						(94)	(94)
▪ Treasury shares			(234)		(234)		(234)
TOTAL TRANSACTIONS WITH SHAREHOLDERS			**(234)**		**(234)**	**(94)**	**(328)**
Other changes			(255)		(255)	2	(252)
Change in consolidation scope				25	25		25
BALANCE AS AT 12/31/2013	**13,337**	**185,561**	**155,784**	**(9,234)**	**345,448**	**376**	**345,825**

(1) The total amount of dividends is distributed to common shares. There are no other classes of shares. There were no issues, repurchases or redemptions of equity securities between 2011 and 2013, except for the shares acquired under the free share award plan.

Cash flow statement

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
Consolidated profit (loss) for the period	(58,677)	(85,262)	32,670
Share of earnings from equity method companies	(1,275)	(1,221)	(991)
Depreciation and provisions[(1)]	127,421	178,495	63,733
Capital gains or losses on disposals	(397)	(2,723)	415
CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAXES	**67,072**	**89,289**	**95,827**
Cost of net financial debt	60,060	44,119	37,669
Tax expenses	25,483	7,598	6,574
OPERATING CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAXES	**152,615**	**141,006**	**140,070**
Tax paid	(12,451)	(28,097)	(19,776)
Change in working capital requirements for operations: Requirement			
Change in working capital requirements for operations: Surplus	9,424	4,033	21,249
CASH FLOW GENERATED FROM OPERATING ACTIVITIES AFTER TAX PAID AND CHANGE IN WORKING CAPITAL REQUIREMENTS (A)	**149,588**	**116,942**	**141,543**
Acquisitions of intangible assets	(51,051)	(51,993)	(50,538)
Acquisitions of tangible assets	(22,340)	(26,897)	(29,644)
Acquisitions of long-term investments	(2914)	(2,090)	(2,084)
Disposals of tangible and intangible assets	4,674	1,149	2,083
Disposals of long-term investments	0	0	0
Impact of changes in consolidation scope	(1,697)	(18,587)	(1,422)
Dividends received from equity method companies	884	733	662
NET CASH FLOWS GENERATED BY INVESTMENT OPERATIONS (B)	**(72,444)**	**(97,645)**	**(80,943)**
Dividends paid to parent company shareholders	0	0	(13,953)
Dividends paid to the minority interests of consolidated companies	(94)	(62)	(72)
Capital increase through cash contribution	0	0	0
Loans issued	300,000	0	200,000
Loans repayments	(290,857)	(33,327)	(222,558)
Interest paid on loans	(43,413)	(30,413)	(32,300)
Other financial income and expenses paid or received	(8,339)	(5,345)	1,050
NET CASH FLOWS RELATED TO FINANCING OPERATIONS (C)	**(42,703)**	**(69,147)**	**(67,833)**
CHANGE IN CASH EXCLUDING CURRENCY EFFECT (A + B + C)	**34,441**	**(49,850)**	**(7,233)**
Impact of changes in foreign currency exchange rates	(1,668)	(426)	931
CHANGE IN CASH	**32,773**	**(50,276)**	**(6,302)**
Opening net cash	21,454	71,730	78,032
Closing net cash (note 14)	54,227	21,454	71,730

(1) Including impairment of goodwill on acquisition in the amount of €115m as at 12/31/2012 and €63.3m as at 12/31/2013.

Statement of changes in the consolidation scope

Companies involved	% owned during the year	% owned during the previous year	Consolidation method during the year	Consolidation method during the previous year	Comments
Companies entering the consolidation scope					
Cegedim Kazakhstan	100.00%	-	FC	-	Creation
Cegedim Support Montargis	100.00%	-	FC	-	Creation
Tech Care Solutions	50.00%	-	EM	-	Creation
Webstar Health Limited	100.00%	-	FC	-	Acquisition
Companies leaving the consolidation scope					
Rosenwald	-	100.00%	-	FC	ToA of Rosenwald to Cegedim SA
AJLB Services	-	100.00%	-	FC	ToA of AJLB Services to Asp Line
CAMM Eastern Europe	100.00%	100.00%	FC	FC	Liquidation
Cegedim Equator	100.00%	100.00%	FC	FC	Liquidation

Segment Information as at December 31, 2013

INCOME STATEMENTS ITEMS AS AT DECEMBER 31, 2013

In thousands of euros		CRM and strategic data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2013	Total France	Total rest of world
	Sector income							
A	Outside Group sales	452,821	288,844	159,965	626	902,256	515,549	386,707
B	Sales to other Group sectors	11,892	6,826	4,874	20,787	44,379	42,492	1,888
A + B	**Total sector revenue**	**464,713**	**295,670**	**164,839**	**21,413**	**946,635**	**558,041**	**388,595**
	Sector earnings							
D	**Operating income from recurring operations**	**38,279**	**35,476**	**24,735**	**(6,358)**	**92,133**		
E	**Current EBITDA**	**62,653**	**59,709**	**38,565**	**(5,251)**	**155,677**		
	Operating margin (in %)							
D/A	Operating margin from recurring operations outside Group	8.5%	12.3%	15.5%	n.m	10.2%		
E/A	EBITDA margin from ordinary activities outside Group	13.8%	20.7%	24.1%	n.m	17.3%		
	Depreciation expenses by sector	24,374	24,233	13,829	1,107	63,544		

GEOGRAPHICAL BREAKDOWN OF 2013 CONSOLIDATED REVENUE

In thousands of euros	France	Euro zone Excluding France	Pound sterling zone	US dollar zone	Rest of World	12/31/2013
Geographical breakdown	515,549	89,219	82,349	96,167	118,972	902,256
%	57%	10%	9%	11%	13%	100%

BALANCE SHEET AS AT DECEMBER 31, 2013

In thousands of euros	CRM and strategic data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2013	Total France	Total rest of world
Sector assets (net values)							
Goodwill on acquisition (note 7)	360,868	119,539	48,058	-	528,465	120,627	407,638
Intangible assets (note 3)	129,505	46,775	45,149	2,458	223,888	194,033	29,855
Tangible assets (note 4)	15,958	9,101	4,157	3,091	32,307	18,985	13,323
Equity shares accounted for using the equity method (note 6)	96	8,419	85	0	8,599	112	8,487
NET TOTAL	**506,428**	**183,834**	**97,449**	**5,549**	**793,260**	**333,956**	**459,303**
Investments for the year (gross values)							
Goodwill on acquisition	-	1,987	200	-	2,187	200	1,987
Intangible assets (note 3)	28,132	12,035	10,648	236	51,051	43,971	7,080
Tangible assets (note 4)	3,918	16,785	1,365	230	22,298	17,629	4,699
Equity shares accounted for using the equity method (note 6)	-	-	53	-	53	-	53
TOTAL BRUT	**32,050**	**30,807**	**12,265**	**465**	**75,588**	**61,800**	**13,788**
Sector liabilities							
Non-current liabilities							
Provisions (note 12)	12,611	8,033	6,856	-	27,501	25,932	1,568
Other liabilities (note 16)	2,421	-	-	-	2,421	-	2,421
Current liabilities							
Accounts payable and related accounts	73,754	23,116	11,156	243	108,269	44,810	63,459
Tax and social liabilities	67,172	25,652	30,475	1,465	124,764	80,022	44,742
Provisions (note 12)	3,645	1,278	917	-	5,840	2,679	3,161
Other liabilities (note 16)	13,355	22,400	13,846	321	49,922	34,267	15,655

Segment Information as at December 31, 2012

INCOME STATEMENTS ITEMS AS AT DECEMBER 31, 2012

	In thousands of euros	CRM and strategic data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
	Sector income							
A	Outside Group sales	482,864	287,255	151,235	419	921,773	481,829	439,944
B	Sales to other Group sectors	17,065	9,252	13,326	20,390	60,033	57,702	2,331
A + B	**Total sector revenue**	**499,929**	**296,507**	**164,561**	**20,809**	**981,806**	**539,531**	**442,275**
	Sector earnings							
D	**Operating income from recurring operations**	**37,606**	**35,618**	**22,435**	**(5,539)**	**90,120**		
E	**Current EBITDA**	**63,962**	**59,429**	**34,542**	**(4,291)**	**153,642**		
	Operating margin (in %)							
D/A	Operating margin from recurring operations outside Group	7.8%	12.4%	14.8%	n.m	9.8%		
E/A	EBITDA margin from ordinary activities outside Group	13.2%	20.7%	22.8%	n.m	16.7%		
	Depreciation expenses by sector	26,356	23,811	12,107	1,248	63,522		

GEOGRAPHICAL BREAKDOWN OF 2012 CONSOLIDATED REVENUE

In thousands of euros	France	Euro zone Excluding France	Pound sterling zone	US dollar zone	Rest of World	12/31/2012
Geographical breakdown	481,829	119,857	84,937	105,667	129,482	921,773
%	52%	13%	9%	11%	14%	100%

BALANCE SHEET AS AT DECEMBER 31, 2012

In thousands of euros	CRM and strategic data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
Sector assets (net values)							
Goodwill on acquisition (note 7)	446,577	119,292	47,858	-	613,727	120,627	493,100
Intangible assets (note 3)	103,806	42,432	51,212	2,673	210,122	189,251	20,871
Tangible assets (note 4)	20,855	13,361	4,948	3,526	41,690	22,607	19,083
Equity shares accounted for using the equity method (note 6)	49	8,043	49	0	8,142	82	8,060
NET TOTAL	**581,288**	**182,128**	**104,067**	**6,198**	**873,681**	**332,567**	**541,114**
Investments for the year (gross values)							
Goodwill on acquisition	44	12,619	37	-	12,700	12,656	44
Intangible assets (note 3)	30,592	9,798	11,252	350	51,992	45,329	6,663
Tangible assets (note 4)	6,398	18,954	1,616	68	27,036	18,528	8,508
Equity shares accounted for using the equity method (note 6)	49	-	-	-	49	49	-
GROSS TOTAL	**37,083**	**41,372**	**12,905**	**418**	**91,778**	**76,563**	**15,215**
Sector liabilities							
Non-current liabilities							
Provisions (note 12)	14,376	7,906	7,334	-	29,615	25,485	4,130
Other liabilities (note 16)	3,192	-	370	-	3,562	384	3,178
Current liabilities							
Accounts payable and related accounts	58,273	21,548	10,908	363	91,092	44,426	46,666
Tax and social liabilities	70,897	24,950	27,926	100	123,872	80,875	42,998
Provisions (note 12)	3,641	701	191	-	4,533	1,265	3,268
Other liabilities (note 16)	12,571	21,719	18,948	571	53,810	37,491	16,319

Changes have been carried out regarding the IFRS financial statements as at December 31, 2012, initially published on March 6, 2013. These changes are due to the reallocation of companies related to their business segment. These changes mainly impact three sectors. It consists in reallocating "CRM and Strategic Data" companies to "Health Professionals" and "Reconciliation". These changes have been incorporated into each item in every segment as at December 31, 2012 for the following amounts:

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
Sector income							
Outside Group sales	488,145	282,595	151,033	-	921,773	481,829	439,944
Reallocation	(5,281)	4,660	202	419	-	-	-
Non-Group sales as December 31, 2012	**482,864**	**287,255**	**151,235**	**419**	**921,773**	**481,829**	**439,944**
Sales to other Group sectors (published)	33,277	9,194	12,443	-	54,914	51,711	3,202
Reallocation	(16,212)	58	883	20,390	5,119	5,989	(871)
Sales to other Group sectors as at December 31, 2012	**17,065**	**9,252**	**13,326**	**20,390**	**60,033**	**57,701**	**2,332**
Total sector revenue (published)	521,422	291,789	163,476	-	976,687	533,541	443,146
Reallocation	(21,493)	4,718	1,085	20,809	5,119	5,989	(871)
SECTOR TOTAL REVENUES AS AT DECEMBER 31, 2012	**499,929**	**296,507**	**164,561**	**20,809**	**981,806**	**539,530**	**442,275**

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012
Sector earnings					
Operating income from recurring operations (published)	32,697	35,172	22,251	-	90,120
Reallocation	4,909	446	184	(5,539)	-
Operating income from recurring operations as at December 31, 2012	**37,606**	**35,618**	**22,435**	**(5,539)**	**90,120**

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012
Depreciation expenses by sector					
Amortization charges (published)	27,644	23,808	12,070	-	63,522
Reallocation	(1,288)	3	37	1,248	-
Depreciation expenses as at December 31, 2012	**26,356**	**23,811**	**12,107**	**1,248**	**63,522**

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
Sectorial assets							
Goodwill on acquisition (published)	444,813	118,705	50,209	-	613,727	120,627	493,100
Reallocation	1,764	-	-	-	-	-	-
Goodwill on acquisition at December 31, 2012	**446,577**	**119,292**	**47,858**	**0**	**613,727**	**120,627**	**493,100**
Tangible assets (published)	24,528	12,355	4,807	-	41,690	22,607	19,083
Reallocation	(3,673)	6	141	3,526	-	-	-
Tangible assets at December 31, 2012	**20,855**	**12,361**	**4,948**	**3,526**	**41,690**	**22,607**	**19,083**

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
Investments during the year (gross values)							
Acquisitions of intangible assets	30,942	9,798	11,252	-	51,992	45,329	6,663
Reallocation	(350)	-	-	350	-	-	-
Acquisitions of intangible assets as at December 31, 2012	**30,592**	**9,798**	**11,252**	**350**	**51,992**	**45,329**	**6,663**
Acquisitions of tangible assets (published)	6,479	18,951	1,606	-	27,036	18,528	8,508
Reallocation	(81)	3	10	68	-	-	-
Acquisitions of tangible assets as at December 31, 2012	**6,398**	**18,954**	**1,616**	**68**	**27,036**	**18,528**	**8,508**

In thousands of euros	CRM and Strategic Data	Healthcare Professionals	Insurance and Services	Reconciliation	12/31/2012	Total France	Total rest of world
Sector liabilities							
Non-current liabilities							
Provisions (published)	14,466	7,857	7,293	-	29,615	25,485	4,130
Reallocation	(90)	49	41	-	-	-	-
Provisions as at December 31, 2012	**14,376**	**7,906**	**7,334**	**-**	**29,615**	**25,485**	**4,130**
Other liabilities (published)	3,192	-	370	-	3,562	384	3,178
Reallocation	-	-	-		-	-	-
Other liabilities as at December 31, 2012	**3,192**	**-**	**370**	**-**	**3,562**	**384**	**3,178**
Current liabilities							
Accounts payable and related accounts (published)	59,016	21,490	10,586	-	91,092	44,426	46,666
Reallocation	(743)	58	322	363	-	-	-
Accounts payable and related accounts as at December 31, 2012	**58,273**	**21,548**	**10,908**	**363**	**91,092**	**44,426**	**46,666**
Tax and social security liabilities (published)	71,780	24,672	27,421	-	123,873	80,875	42,998
Reallocation	(883)	278	505	100	-	-	-
Tax and social security liabilities as at December 31, 2012	**70,897**	**24,950**	**27,926**	**100**	**123,873**	**80,875**	**42,998**
Provisions (published)	3,641	701	191	-	4,533	1,265	3,268
Reallocation	-	-	-	-	-	-	-
Provisions as at December 31, 2012	**3,641**	**701**	**191**	**0**	**4,533**	**1,265**	**3,268**
Other liabilities (published)	13,338	21,547	18,925	-	53,810	37,491	16,319
Reallocation	(767)	172	23	571	-	-	-
Other liabilities as at December 31, 2012	**12,571**	**21,719**	**18,948**	**571**	**53,810**	**37,491**	**16,319**

20.1.2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20.1.2.1. Highlights of the 2013 fiscal year

On March 20, 2013 Cegedim carried out a senior bond issue for 300 million euros at 6.75% maturing April 1, 2020 (Regulation S, Rule 144A). The bonds have been priced at 100% of their face value.

Cegedim used the issue proceeds to:

- redeem the 7% bonds maturing in 2015, further to a redemption offer at 108% (111.5 million euros at par value). Including unpaid and past-due interest, the amount comes to 121.5 million euros. The bonds still in circulation amount to 168.6 million euros;
- repay the 140 million euros term loan;
- repay drawings on the revolving credit for an amount of 30 million euros;
- pay costs and expenditures related to these operations.

INTANGIBLE ASSETS IMPAIRMENT

CRM and Strategic Data business plan adjustment led the Group to recognize an impairment of goodwill affected to this sector in the consolidated accounts for an amount of 63.3 million euros (see note 7).

To the best of the Company's knowledge, there have been no other events or changes other than those mentioned above with a significant effect on the Group's financial position.

20.1.2.2. Accounting principles

ACCOUNTING STANDARDS

Pursuant to European Regulation no. 1606/2002 of July 19, 2002 on the application of international accounting standards, amended by EC Regulation no. 297/2008 of March 11, 2008 and subsequent European Regulations on IAS/IFRS standards, the consolidated financial statements of the Cegedim Group were closed on December 31, 2013 in accordance with international accounting standards. The international accounting standards include the IFRS ("International Financial Reporting Standards"), the IAS ("International Accounting Standards") and their mandatory application interpretations on the closing date.

The consolidated financial statements were approved by the Board of Directors of Cegedim SA at their Meeting of March 7, 2014, and will be submitted to the General Meeting for approval.

NORMS AND NEW INTERPRETATIONS APPLICABLE ON OR AFTER JANUARY 1, 2013

The new IFRS standards, interpretations and modifications, as adopted by the European Union for fiscal years starting on or after January 1, 2013, were applied by the Company and did not result in any significant changes in the valuation methods for the assets, liabilities, income and expenses.

The new standards, modifications and interpretations that are mandatorily applicable for the 2013 annual financial statements are the following:

- Amendments to IAS 1 – Presentation of other comprehensive income. Separate presentation of items accounted as reclassifiable reserves and those accounted as non-reclassifiable reserves;
- Amendments to IAS 12 – Deferred Tax: recovery of underlying assets;
- Amendments to IFRS 7 – Disclosures in the event of transfers of financial assets;
- IFRS 13 – Fair value measurement.

NORMS AND INTERPRETATIONS ADOPTED BY IASB BUT NOT YET APPLICABLE AS AT DECEMBER 31, 2013

The Group has not yet anticipated any of the new norms and interpretations whose application is foreseen on January 1, 2013:

- Amendments to IAS 32 – Offsetting of financial assets and liabilities;
- Amendment to IAS 36 – Information must be provided regarding the recoverable value of non-financial assets;
- Amendment to IAS 39 – Novation of derivatives and continuation of hedge accounting;
- Amendment to IAS 28 – Investments in associates and joint ventures;
- IFRIC 21 – Duties and Taxes;
- IFRS 10 – Consolidated financial statements;
- IFRS 11 – Partnerships;
- IFRS 12 – Disclosure of interests in other entities;
- IFRS 10, 11, 12 – Transition guidance.

VALUATION BASES

General principal

The financial statements are mainly prepared according to the historic cost principle; one of the exceptions is derivative instruments and financial assets available for sale, which are valued at their fair value.

Use of estimates and assumptions

In order to prepare the financial statements, the management of the Group or the subsidiaries must make estimates and use certain assumptions that impact the value of the assets and liabilities, the valuation of positive and negative contingencies on the closing date, as well as income and expenses for the fiscal year.

Due to the uncertainties inherent in any valuation process, the Group revises its estimates based on regularly updated information. It is possible that the future results of the operations involved will differ from these estimates.

The assumptions and estimates primarily concern:

- the valuation of the recoverable value of assets (assumptions described in the § "Impairment of Assets" and in note 7);
- the valuation of retirement obligations (assumptions described in note 13).

Consolidation methods

Subsidiaries and equity investments are included in the consolidation scope on the date on which control is effectively transferred to the Group, while subsidiaries and equity investments sold are excluded from the consolidation scope on the date on which control is lost.

Subsidiaries over which the Group exercises exclusive control are consolidated using the full consolidation method, even if the percentage held is less than 50%. Exclusive control is assumed to exist if the parent company directly or indirectly holds the power to dictate the financial and operational policies of a company so as to benefit from its activities.

- The full consolidation method used is the method by which the assets, liabilities, income and expenses are fully consolidated. The share in net assets and net earnings attributable to the minority shareholders is presented separately as minority interests in the consolidated balance sheet and the consolidated income statement.
- Equity investments over which the Group exercises joint control with a limited number of other shareholders are consolidated using the proportional consolidation method.
- Equity investments over which the Group exercises significant influence are consolidated using the equity method. Significant influence is presumed if the Group holds a percentage of voting rights greater than or equal to 20%. According to this method, the Group records the "share of the profit (loss) for the period of the companies consolidated using the equity method" on a specific line of the consolidated income statement.

The list of consolidated companies is set out in note 1. Some companies, insignificant from the Group's perspective, are not consolidated.

Business combinations (IFRS 3)

Business combinations are accounted for using the acquisition method in accordance with the provisions of standard IFRS 3 – Business combinations.

The assets, liabilities and contingent liabilities of the identified entity acquired are accounted for at their fair value.

The difference between the acquisition price and the Group's interest in the net fair value of assets, liabilities and contingent liabilities of the acquired entity at the acquisition date is recorded as goodwill.

In general, the acquisitions made by the Group correspond to acquisitions of market shares leading to limited allocations of acquisition goodwill. If the acquisition price is less than the fair value of the identified assets, liabilities and contingent liabilities acquired, the difference is immediately recognized as "badwill" in the income statement.

Goodwill on acquisition is recorded in the functional currency of the entity acquired. Standard IAS 21 (§ 47) requires that goodwill on acquisition in foreign currencies be recognized at the closing rate on each accounting closing date and not at the historical cost.

Goodwill on acquisition is not depreciated and is subject, in accordance with revised standard IAS 36, to impairment testing when an impairment indicator is identified and at least once a year (see § "Impairment of Assets"). If necessary, impairments are recorded as "Other non-recurring income and expenses from operations."

Goodwill on acquisition

Commercial goodwill acquired in connection with business combinations for which the length of consumption of the future economic benefits cannot be determined is not depreciated. However, in accordance with IAS 36 (revised), they are subject to impairment testing whenever an impairment indicator is identified and at least once a year (see § "Impairment of Assets").

If the current value of commercial goodwill is less than the net book value, the difference in value is recorded on the income statement.

The current value is estimated based on the present and future profitability of the division concerned.

Intangible assets (IAS 38)

Intangible assets acquired separately or in connection with a business combination

The intangible assets acquired separately (primarily software) are recorded initially at their historical cost.

They are recognized when (1) it is probable that future economic benefits attributable to them will go to the Group and (2) their cost can be measured reliably.

Intangible assets acquired in connection with business combinations are recorded at their fair value at the acquisition date.

Intangible assets of which the useful life is over are then assessed and recognized according to the cost model. The depreciable base (cost reduced by the Residual value) is amortized over its useful life. They may be depreciated in the event of a loss of value (cf § depreciations of assets).

Their value is monitored regularly. If necessary, resulting changes are recognized.

With the exception of commercial goodwill, intangible assets are depreciated using the straight-line method over their useful life (excluding goods with an indefinite life span). The value of depreciated intangible assets is tested if an impairment indicator is identified. If necessary, impairments are recorded as "Other non-recurring income and expenses from operations."

Research and development/Internally developed software

Research expenses are recorded as expenses for the fiscal year during which they were incurred.

Development costs for new internal projects are capitalized if the following criteria are fully satisfied in accordance with IAS 38:

- the project is clearly identified and the related costs are separable and tracked reliably;
- the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from the project;
- it is probable that the developed project will generate future economic benefits that will flow to the Group.

Otherwise, the development costs are recorded as expenses for the fiscal year during which they were incurred.

Once in use, an asset whose development is complete is removed from the development costs item and recognized under the corresponding asset item (generally software).

Depreciation is calculated as of the moment the fixed asset is in use and is calculated over its foreseeable useful life.

Project typology depends on life cycle and is as follows:

Project type	Duration	Mode	Number of projects
Structuring projects	15-20 years	Straight-line	Very limited number of projects
Strategic projects	8-10 years	Straight-line	Limited number
Current developments	5 years	Straight-line	Core of the Group's projects
Targeted projects	2-4 years	Straight-line	Limited number

Tangible assets (IAS 16)

Tangible assets consist primarily of computer hardware and production equipment and are recorded at their purchase cost less accumulated depreciation and impairment losses.

The useful lives of the fixed assets are revised periodically. If necessary, resulting changes are recognized.

Depreciation is calculated based on the economic service life, the depreciable basis used being the purchase cost less any estimated residual value.

The following depreciation terms (period and method) are used:

Description	Average length	Mode
Computer hardware		
Microcomputers for office use	3-4 years	Straight-line
Server systems	5-15 years	Straight-line
Industrial equipment		
Printing equipment	8-10 years	Straight-line
Industrial equipment and machinery	5-8 years	Straight-line
Fixtures and facilities	8-15 years	Straight-line
Transportation equipment	4 years	Straight-line
Office equipment	4 years	Straight-line
Moveable property	8 years	Straight-line

Additionally, IAS 16 prescribes the separate component approach for assets that can be broken down into elements that each have different uses or offer economic benefits at a different rate. In the Cegedim Group, this involves buildings consisting of administrative offices and industrial facilities (shop, warehouse, storage area, etc.) for which separate depreciation plans have been established based on the useful life of the various components (shell, facades and waterproofing, general and technical facilities, fixtures).

The useful lives of tangible assets are reviewed periodically and may be modified prospectively depending on the circumstances.

Tangible assets are subject to impairment testing if an impairment indicator is identified. If necessary, additional impairment is recorded in the income statement as "Other non-recurring income and expenses from operations."

Finance leases (IAS 17)

A finance lease is a lease agreement that transfers almost all risks and benefits of ownership of an asset to the lessee.

Assets used for lease agreements are capitalized at their fair value and offset against a financial debt if these lease agreements effectively transfer virtually all the risks and benefits inherent in ownership of this property to the Group. Lease payments are broken down into financial expense (recorded as "Cost of net financial debt") and debt retirement.

Assets that are the object of financial leases are depreciated over the same periods as owned property of the same category.

Impairment of assets (IAS 36)

Cash Generating Units (CGU)

Impairment tests are performed on the Cash Generating Units (CGUs) to which these assets may be allocated. The CGU is the smallest identifiable group of assets that generates cash flows which are largely independent of the cash inflows generated by other assets or groups of assets. CGUs generally correspond to a set of entities contributing to the same sector of activity (type of services) and using the same tools.

CGUs follow the divisions of the Group's main sectors of activity, which are further divided themselves into separate industry components if they are relevant to the definition of the cash flows. Business activities were first separated into CGUs in 2007. That separation was revisited in the first half of 2013 with the assistance of an outside consulting firm. The Group re-examined the levels at which it had combined those cash generating units to which goodwill had been allocated from the CRM and strategic data business. The geographic areas to which it was no longer possible to directly allocate cash flows of their own were recombined, making from this sector a single Cash Generating Unit: CRM and strategic data.

Over the past few years this business segment has actually made deep changes to the way it is organized and to its product line, in order to meet the challenges created by the globalization of its markets Products are defined on a common global platform, with strong synergies among business lines and R&D carried out centrally. The marketing and sales departments have become multinational and the management reporting system is organized centrally, with the consequence that the decision-making autonomy of the geographic areas has nearly disappeared. This development was gradual and became fully functional in the first half of 2013. The overlaps occur in administration and finance and make impractical the geographic segmentation of cash flows in the CRM and strategic data division.

Following this reorganization, the Cegedim Group now consists of four CGUs. The "Reconciliation" sector is not a CGU as it does not include operational business.

The sectors of Activity and CGUs are as follows:

- "*CRM and strategic data*": this sector includes all the services intended for pharmaceutical laboratories throughout the world. The industry components of this sector are not strictly separate. They have strong synergies in that they revolve around a skills center and a shared database.

- "*Healthcare professionals*": this sector groups together all services for medical professionals. There are two major industry software and components and two CGUs, thus a distinction between services for physicians and services for pharmacists;
- "*Insurance and services*": this sector is a CGU to itself It brings together the know-how needed to develop services for insurance companies, mutuals and other organizations involved in the processing of healthcare flows.

For impairment testing purposes, as of the acquisition date, goodwill acquired within a business combination is allocated to the CGU that is likely to benefit from the synergies of the combination. This assignment is also consistent with the manner in which the Group's management monitors the performance of operations.

Discount rate

The Group uses a single rate for all CGUs. The skills center and databases used to support all of these Group services are centralized and the distribution is local. In addition, Cegedim's customers in its core business are worldwide groups with whom we increasingly write multinational contracts.

Also, given that the value of an asset is independent of its financing method, the discount rate used corresponds to a zero-debt cost of equity. This is consistent with the recommendations of IAS 36, appendices 15 to 21.

The Group has mandated an independent firm of experts to calculate this discount rate. The calculations mainly refer to comparable stock samples and benchmark indexes to determine Cegedim's own risk premium and coefficient. It is updated as required according to market conditions and at least once a year.

In compliance with IAS 36, impairment tests are carried out using a pre-tax discount rate that includes a target debt-equity ratio applicable to Cegedim's activity sector and an industry risk coefficient that is also re-indebted. This pre-tax rate amounts to 9.92% as at December 31, 2013. It is applicable to operating cash flows before income taxes. As at December 31, 2012, Cegedim used a discount rate of 10.86%.

The recoverable amount of a CGU is the higher of its fair value less costs to sell and value in use.

The Group evaluates the recoverability of its long-term assets as follows:

- amortized Intangible Assets (software, databases).

  Although these intangible assets are amortized, they are individually monitored. This monitoring is based on indices intended to detect a possible loss of value, namely the productivity of the asset or business opportunities. In the presence of a loss of value, the Group carries out an impairment test that may result in the recognition of additional impairment ;
- unamortized Intangible Assets (trademarks, goodwill on acquisition).

Once a year, the Group performs impairment tests to assess the possible loss of value for these assets. Business plans are set for each CGU from which the net present value of expected future cash flows for the CGU using the DCF (Discounted Cash Flow) method is calculated. The length used for business plans is five years.

The discount rate is determined as explained above.

The perpetuity growth rate chosen is based on economic data that is weighted so as to reflect the specificities of the Cegedim Group.

An independent firm of experts has been mandated to calculate this rate, which is 2% through the end of 2012. At the close of 2013 it was lowered to 1.5% in the CRM and strategic data sector as well as in the Software for Pharmacists CGU, so as to incorporate into the projections needed to calculate the terminal value, the moderation which was applied in the revision of the business plans. The other CGUs continue to show a terminal growth rate of 2%.

Sensitivity tests are conducted on various parameters, namely by varying the assumptions used for the discount rate, the perpetuity growth rate, and EBIT and Free Cash Flow growth. In addition to these annual impairment tests, the Group individually monitors these assets in the same manner as amortized intangible assets.

Indications of a loss in value specifically account for changes in revenues and the operating margins of the CGUs to which the assets are allocated. Where a risk of impairment is identified, the Group performs an impairment test that may result in the recognition of additional impairment.

A loss in value is recognized if the recoverable amount of an asset or of a CGU is less than its book value.

If the CGU tested includes goodwill on acquisition, the impairment is first allocated to this goodwill. Impairment is recognized under "Other non-recurring income and expenses from operations" and is clearly explained in the notes to the consolidated financial statements.

Long-term investments (IAS 32/IAS 39)

Equity investments in non-consolidated companies are classified as securities available for sale. They are initially recorded at the purchase cost, and then subsequently valued at their fair value, if this fair value can be determined reliably.

Changes in fair value are accounted for in a separate item of shareholders' equity until the securities are effectively sold, at which time the transaction is recognized in the income statement.

Furthermore is where an identifiable loss of value is considered to be durable with regard to the circumstances, it is recognized in financial earnings.

Loans granted are accounted for at their amortized cost and are impaired if there is an objective indication they may be impaired. Long-term financial receivables are discounted if the effect of discounting is deemed significant.

Deferred taxes (IAS 12)

Deferred taxes are calculated using the variable tax rate method for all temporal differences between the book value entered in the consolidated financial statements and the tax basis of the Group's assets and liabilities. Deferred tax assets and liabilities are valued at the tax rate expected to be applied for the fiscal year during which the asset will be realized or the liability paid, based on the tax rates approved on the closing date.

Deferred tax assets on deductible temporal differences and on unused tax losses carried forward are recognized to the extent that it is likely that future taxable profits will be offset by as yet unused tax losses.

Deferred tax assets and liabilities are not discounted. They are offset when (1) the entity has a legally enforceable right to offset tax assets and liabilities, (2) they relate to income taxes levied by the same taxation authority on the same taxable entity.

Inventories of goods and services in progress (IAS 2)

Inventories of goods

Inventories of goods are valued using the weighted average cost method. The gross value of goods and supplies includes the purchase price and ancillary expenses.

Impairment is recorded if the book value is less than the inventory value (net realizable value).

Services in progress

The inventory value consists solely of the direct costs recorded on contracts being performed. An impairment is recorded when future billings for work in progress will not cover the corresponding direct costs.

Accounts receivable and other operating receivables

Accounts receivable

Accounts receivable are initially valued at fair value then at amortized cost and are individually monitored. An impairment is established when the inventory value is less than the recorded value based on the probability of recovery.

Receivables transferred to third parties (factoring contract) are derecognized from the Group assets when the risks and advantages associated with them are substantially transferred to the said third parties and if the factoring company accepts, in particular, the credit risk, the rate risk and the recovery deadline.

Credit risk corresponds to the risk of not recovering the receivable. In the case of deconsolidating contracts for Group entities, the credit risk is borne by the factoring company, which means that the Group is no longer exposed to the debt recovery risk and consequently the disposal is deemed without recourse.

The rate and recovery deadline risk corresponds to the transfer of the financial risk associated with the extension of the period for recovering receivables and the related carrying cost. For contracts to deconsolidate entities from the Group, the commission rate for a given disposal is only adjusted according to the EURIBOR and the repayment deadline for the previous disposal. The financing commission is paid at the start of the period and is not modified thereafter.

Technical dilution risk is associated with the non-payment of the receivable due to shortcomings noted with regard to services rendered or commercial disputes. For each deconsolidating contract signed by Group entities, the contingency reserve does not cover general risks or payment deadline risk; the fund guarantee covers technical dilution debits (credits, etc.).

Other receivables

Receivables are accounted for at their discounted amount if they are payable in more than one year and if the effects of discounting are significant.

Cash and cash equivalents

Cash equivalents are valued at their market value on the closing date. Differences in value are recorded as financial earnings.

Treasury shares (IAS 32)

In accordance with IAS 32, treasury shares are accounted for at their purchase cost and are recorded against consolidated shareholders' equity.

Gains (losses) arising from sales of treasury shares are added to (deducted from) consolidated reserves at their amount net of tax effects.

Sales of treasury shares are accounted for using the FIFO method.

Provisions and contingent liabilities (IAS 37)

A provision is recorded if the Group has an obligation resulting from past events, whose settlement should correspond to an outflow with an economic benefit and whose amount can be reasonably measured. The provision ranking is maintained as long as the due date and the amount of the outflow of resources have not been precisely determined.

Provisions are estimated on a case by case basis or based on statistics when they include a lot of items. They are discounted when they are due in more than one year. Cegedim Group's main commitments (excluding retirement compensation) are intended to cover employee, client and supplier litigation.

Retirement benefits (IAS 19)

Defined-contribution plans

Defined-contribution plans are post-employment benefit plans under which an entity makes defined contributions to a separate entity (a fund) and shall have no legal or implied obligation to pay additional contributions if the fund has insufficient assets to provide all the benefits corresponding to the services rendered by employees during current and prior periods. These contributions are recorded as expenses for the period in which they are due with no liability recognized in the balance sheet.

Defined-benefit plans

The defined-benefit plans designate post-employment benefits other than defined-contribution plans.

They primarily involve retirement obligations. If these obligations are assumed directly by the Group's companies, the corresponding actuarial liabilities are covered by a provision in the balance sheet.

Since 2011, the Group has applied the IAS 19, as amended, allowing the recognition directly in equity of actuarial gains and losses arising from changes in the assumptions in the calculation of such liabilities.

Cegedim SA applies the measures of the ANC recommendation No. 2013-02 dated November 7 which regulates the valuation of retirement obligations and similar benefits. In accordance with this recommendation, the unrecognized prior service cost unamortized as at December 31, 2012 has been amortized by shareholders' equity as of January 1, 2013.

Actuarial liabilities are calculated using the projected credit units method and are based on valuations specific to each country and to each company of the Group; these valuations include assumptions concerning wage increases, inflation, life expectancy and employee turnover. The discount rate applied to retirement obligations is determined using the closing benchmark market rate based on first-class bonds. In countries where this type of market is not active, the Group uses the closing rate of government bonds.

Additionally, the impact of changes to the collective bargaining agreements on the valuation of the provision for retirement is spread over the residual length of the employees' working life.

Finally, if this obligation is partially or completely covered by funds paid by the companies of the Group to financial agencies, the amounts of these dedicated investments are deducted from the liability on the balance sheet.

Financial liabilities (IAS 32/IAS 39)

Share premiums and issue costs impact the value (fair value) at the recognition of financial liabilities, and are included in the calculation of the EIR (Effective Interest Rate) in compliance with IAS 32 and IAS 39. Loans and other financial liabilities which carry interest are valued according to the depreciated cost method using the effective interest rate for the loan. The costs are thus spread out over the loan's life cycle via the EIR.

In the event of financial liabilities arising from financial leases, the financial liability recorded to offset the tangible asset is initially recorded at the fair value of the leased asset or, if this is lower, at the present value of the minimum lease payments.

Derivatives and hedging instruments

Financial instruments are recognized at fair value and subsequent changes in the fair value of the instrument are recognized according to whether or not the instrument is a hedging instrument and, if so, the nature of the item hedged.

The Group's use of derivatives such as interest rate swaps, caps or other equivalent term contracts, is intended to hedge risks associated with fluctuations in interest rates.

These derivative instruments are recorded in the balance sheet at market value. Changes in market value are recognized in the income statement excluding transactions that qualify as cash flow hedges (flows related to a variable interest rate debt) for which changes in value are recorded under equity.

From the outset of the transaction, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and hedging policy.

The financial elements covered by derivatives follow hedging accounting principles which are of two types:

- fair value hedges;
- cash flow hedges.

For fair value hedges, the underlying financial liability of the derivative is revalued in the balance sheet under the risk hedged (risk relating to interest rate fluctuations). Changes in value are recorded in the income statement (as financial expenses) and offset changes in the value of the derivative allocated to the underlying for the hedged portion.

For cash flow hedges, the financial liability is recorded in the balance sheet at amortized cost. Changes in the value of the derivative are recorded in equity. As the financial expenses or income of the hedged element impact on the income statement for a given period, the financial expenses or income recorded under equity in relation to the derivative for the same period are transferred to the income statement.

When a derivative does not qualify under hedge accounting principles, changes in fair value are recognized in the income statement (other operating profits/losses).

Revenue recognition (IAS 18)

Cegedim Group's revenues consist primarily of services, software sales and, to a lesser extent, hardware sales.

Service revenue

The main categories of services and the methods of revenue recognition are as follows:

- access to the Group's databases is generally realized by subscription with periodic billing (monthly or yearly); sales revenues are then recorded on a prorated basis according to elapsed time;
- standard and specific studies supplied by the Group are recorded when they are delivered to clients;
- data processing performed for clients is recorded when the service is provided;
- support services (assistance, maintenance, etc.) are covered by a contract (generally annual) calculated on a lump sum basis in relation to the costs and resources committed by Cegedim to provide these services. Income from these contracts is recorded on a prorated basis over the duration of the contract and results, in this case, in the recognition of deferred income.

Software and hardware sales

These sales are recorded upon delivery, concurrent with installation at the professional's site. Any discounts and rebates are recorded as a subtraction from sales.

Sales issued from new software licenses with unlimited or limited length are accounted (under the condition that the Group does not have any other obligations) when there is an agreement with the client, if the delivery and acceptance are completed, if the amount of sales and thye related costs can be measured properly, and if the financial advantages connected to the transaction will go back to the Group.

If one of these standards is not completed, sales connected to software license is postponed until all of these standards are completed.

Methods for translating items into foreign currencies (IAS 21)

Transactions in foreign currencies

Transactions in foreign currencies are recorded using the exchange rate applicable on the date the transactions are recorded. On the closing date, accounts payable or receivable denominated in foreign currencies are converted into euros at the closing exchange rate.

Translation differences for transactions in foreign currencies are recorded as financial earnings. Such transactions are very limited in number. Therefore, there is no specific management of the exchange risk. The Group is also not covered for amortization of liabilities in dollars, given the Group's revenues in that currency.

Financial statements of foreign entities

The currency used to prepare consolidated financial statements is the euro.

The financial statements of foreign entities using a different functional currency are converted into euro using:

- the official closing rate for assets and liabilities;
- the average rate for the fiscal year ended for items of the income statement and the cash flow statement;
- the historic cost for shareholders' equity.

Translation gains or losses resulting from this treatment and those resulting from the translation of the shareholders' equity of subsidiaries at the beginning of the fiscal year based on the closing rates are included as "Group translation gains and losses" under consolidated shareholders' equity.

Translation gains or losses on intra-Group loans are neutralized via the Group translation gains or losses (in reserves) in order to smooth out fluctuations in exchange rates because these loans are long term and may be, if applicable, transformed into increases in capital.

Cash flow statement (IAS 7)

In accordance with the option offered by the IAS 7 "Statement of cash flows" standard, the consolidated cash flow statement is prepared by using the indirect method. This shows the reconciliation of the net profit (loss) for the period with the net cash generated by the transactions if the Fiscal year. The opening and closing cash positions include cash and cash equivalents which are made up of investment instruments less overdrafts and outstanding bank loans.

Segment reporting (IFRS 8)

Segment reporting is prepared according to the accounting methods used for the preparation and presentation of consolidated financial statements.

In application of the provisions in IFRS 8, the segment reporting presents operating segments that are comparable to the activity sectors previously identified according to IAS 14.

The segment reporting corresponds to the organization of the Group's internal reporting, which leads to the development of the management tools used by the Group's management. This is also the main line used for financial communication.

The Group's activities are divided into three operating sectors and one non-operating sector called "Reconciliation":

- "*CRM and strategic data*", which includes all activities dedicated to pharmaceutical companies (optimizing marketing and sales strategies, namely through tools and databases for managing sales forces, returns on investment, market or prescriber studies, etc.);
- "*Healthcare professionals*", which includes activities for medical professionals such as physicians and pharmacists (software publishing with availability of promotional information);
- "*Insurance and services*", which brings together the know-how needed to develop services for insurance companies, complementary health insurance schemes and other organizations involved in the processing of healthcare flows (software publishing and managing healthcare reimbursement flows).
- "Reconciliation", combining activities proper to the headquarters of a publicly traded corporation and support functions for the Group's three operating segments. Support activities, which are rebilled at market price to the subsidiaries that use them, notably include accounting, HR and treasury management, legal assistance and marketing. The activities as the Group's parent company, which cannot be rebilled, include in particular the Group's strategic management, the production of consolidated information and financial reporting. Starting with the last quarter of 2013, the Reconciliation division was broken out from the CRM and strategic data sector where it had been housed previously. The activities of the Reconciliation Division are basically performed by the parent company, Cegedim SA, which also runs operational businesses, the main one being CRM. This distinction will better capture the impact of this non-operational staff function in the Group's accounting system, in line with the objectives of internal reporting.

The Group continues to publish information by geographic area, which shows the France/outside France dichotomy. This analysis is refined for consolidated revenue in order to show the Group's exposure to the different currencies, to the extent this information is significant.

Intra-Group transfer prices are relative to standard agreements signed under normal terms.

Risk management

The Group's activities remain subject to the usual risks involved in its lines of business as well as the political and geopolitical risks arising from its international presence for most of its activities and unexpected events of force majeure. The main identified risks are as follows:

Interest rate risk

To limit the effects of rising interest rates on its financial expenses, the Group has decided to implement a risk hedging policy to protect a maximum annual finance rate for the term of the loans. Only Cegedim SA hedges borrowings as necessary. The total notional hedged amount was 60 million euros as at December 31, 2013 The amount of the loans exposed to the interest rate risk was zero as at December 31, 2013, as the whole variable rate debt is hedged.

Exchange rate risk

The foreign currencies representing a significant percentage of consolidated revenues are the pound sterling (9.1%) and the dollar (approximately 10.7%). The Group has not established a policy for exchange rate hedging. This leaves the Group potentially exposed to a more or less significant exchange rate risk from year to year.

The table below shows the impact of exchange rate risk on the balance sheet.

In thousands of euros	**GBP**	**USD**
Total balance sheet	(885)	(5,987)
Off-balance-sheet position	-	-
Net position after management	**(885)**	**(5,987)**

This table allows the loss risk on the net global foreign currency position to be calculated on the assumption of an unfavorable and consistent change of 1% in the currency used to prepare financial statements in comparison to the total amount of foreign currencies involved. For information purposes, the impact of an unfavorable and consistent change of 1% in the euro-dollar exchange rate on the financial statements of subsidiaries whose operating currency for financial statements is USD would have a negative impact of 3.5 million euros on the Group's shareholders' equity.

Should the revenue/costs structure remain similar, any appreciation in the euro against the pound sterling would bring about a reduction in earnings expressed in euro. On the basis of the 2013 fiscal year, all other currencies remaining at the same level against the pound sterling, a theoretical 1% appreciation in the euro against the pound sterling would have a negative impact of 815 thousand euros on Cegedim's revenue, and 213 thousand euros on its operating income.

Should the revenue/costs structure remain similar, any appreciation in the euro against the US dollar would bring about a reduction in earnings expressed in euros. On the basis of the 2013 fiscal year, with all other currencies remaining at the same level against the US dollar, a theoretical 1% appreciation in the euro against the US dollar would have a negative impact of 952 thousand euros on Cegedim's revenue and 67 thousand euros on its operating income.

The total exchange rate had a negative impact on revenue of 17 million euros in 2013. It should be noted that the US dollar had a negative exchange effect of 3.4 million euros, the yen had a negative impact of 5.6 million euros and the pound sterling had a negative impact of 3.8 million euros. The amount of exchange gains or losses on revenue is determined by recalculating the 2012 revenue based on the 2013 exchange rate. The currency exchange rates used are the average rates over the fiscal year.

20.1.2.3. Notes and additional tables

DETAILED SUMMARY OF THE NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. List of consolidated companies

Companies	Main establishment	City	Siren	% of control	% owned	Method
Fully consolidated companies (France)						
Cegedim	127-137, rue d'Aguesseau	Boulogne	350422622	100.00%	100.00%	FC
Alliance Software	Le Crystal Palace – 369/371 promenade des Anglais	Nice	407702208	100.00%	100.00%	FC
Alliadis	3, impasse des Chênes	Niort	342280609	100.00%	100.00%	FC
Amix	Le Gros Moulin – Amilly	Montargis	339137895	100.00%	100.00%	FC
Asp Line	56, rue Paul Claudel – Parc Magré Romanet	Limoges	384121000	99.96%	99.96%	FC
CDS – Centre de Servives	137 rue d'Aguesseau	Boulogne	344480066	100.00%	100.00%	FC
Cegedim Activ	Imm. le Pyrénéen – ZAC de la Grande Borde – Voie n° 6	Labege	400891586	100.00%	100.00%	FC
Cegedim Assurances	137 rue d'Aguesseau	Boulogne	790172217	100.00%	100.00%	FC
Cegedim Dynamic Framework	137 rue d'Aguesseau	Boulogne	790172795	100.00%	100.00%	FC
Cegedim Healthcare Software	137 rue d'Aguesseau	Boulogne	789997871	100.00%	100.00%	FC
Cegedim Ingénierie	326, rue du Gros Moulin – AMILLY	Montargis	402338719	100.00%	100.00%	FC
Cegedim It	137 rue d'Aguesseau	Boulogne	790173066	100.00%	100.00%	FC
Cegedim Logiciels Médicaux	122 rue d'Aguesseau	Boulogne	353754088	100.00%	100.00%	FC
Cedegim Kadrige	137 rue d'Aguesseau	Boulogne	790172092	100.00%	100.00%	FC
Cegedim Prestation Conseil Outsourcing	15, rue Paul Dautier	Velizy	303529184	100.00%	100.00%	FC
Cegedim Secteur 1	137 rue d'Aguesseau	Boulogne	790171987	100.00%	100.00%	FC
Cegedim Software	114 rue d'Aguesseau	Boulogne	752466516	100.00%	100.00%	FC
Cegedim SRH	17, rue de l'Ancienne Mairie	Boulogne	332665371	100.00%	100.00%	FC
Cegedim SRH Montargis	326, rue du Gros Moulin – AMILLY	Montargis	752466805	100.00%	100.00%	FC
Cegedim Support Montargis	326, rue du Gros Moulin – AMILLY	Montargis	790804256	100.00%	100.00%	FC
CSD France (Cegedim Strategic Data France)	90-92, route de la Reine	Boulogne	318024338	100.00%	100.00%	FC
Cegelease	Rue de la Zamin	Capinghem	622018091	100.00%	100.00%	FC
Cetip	122 rue d'Aguesseau	Boulogne	410489165	99.74%	99.74%	FC
Decision Research Europe	90-92, route de la Reine	Boulogne	322548371	100.00%	100.00%	FC
Eurofarmat	Rue de la Zamin – Immeuble Guilaur	Capinghem	489278978	100.00%	100.00%	FC
GERS	137, rue d'Aguesseau	Boulogne	521625582	100.00%	100.00%	FC
Hospitalis	137, rue d'Aguesseau	Boulogne	452121320	100.00%	100.00%	FC
I-assurances	137 rue d'Aguesseau	Boulogne	790172225	100.00%	100.00%	FC
Icomed	137, rue d'Aguesseau	Boulogne	333046274	100.00%	100.00%	FC
iGestion	114 rue d'Aguesseau	Boulogne	440367357	100.00%	100.00%	FC
Incams	114-116, rue d'Aguesseau	Boulogne	429216351	100.00%	100.00%	FC
MedExact	137 rue d'Aguesseau	Boulogne	432451912	100.00%	100.00%	FC
Midiway	ZAC de la Grande Borde – voie 6 immeuble le Pyrénéen	Labege	415394030	77.02%	77.02%	FC
Pharmacie gestion informatique	ZA de Kerangueven	Hanvec	391865847	100.00%	100.00%	FC
Pharmastock	326, rue du Gros Moulin – AMILLY	Montargis	403286446	100.00%	100.00%	FC
Proval SA	137 rue d'Aguesseau	Boulogne	383118684	99.36%	99.36%	FC

Companies	Main establishment	City	Siren	% of control	% owned	Method
Reportive	137 rue d'Aguesseau	Boulogne	388447179	100.00%	100.00%	FC
Resip	56, rue Ferdinand Buisson	Boulogne S/Mer	332087964	100.00%	100.00%	FC
RM Ingénierie	av de la Gineste	Rodez	327755393	100.00%	100.00%	FC
RNP	15, rue de l'Ancienne Mairie	Boulogne	602006306	100.00%	100.00%	FC
Santestat	137, rue d'Aguesseau	Boulogne	790172175	100.00%	100.00%	FC
SCI Montargis 2000	326, rue du Gros Moulin	Montargis	324215128	68,83 %	68,83 %	IG
Services Premium Santé (SPS)	100, rue des Fougères	Lyon	513188771	40,00 %	40,00 %	IG
Sofiloca	137, rue d'Aguesseau	Boulogne	348940255	100,00 %	100,00 %	IG
Companies consolidated using the equity method (France)						
Edipharm	137, rue d'Aguesseau	Boulogne	381819309	20,00 %	20,00 %	MEE
Infodisk	Immeuble CPL – Californie 2	Le lamentin	490029774	34,00 %	34,00 %	MEE
Primeum Cegedim	37, rue de Lisbonne	Paris	752067058	50,00 %	50,00 %	MEE

Companies	Country	City	% of control	% owned	Method
Fully consolidated companies (International)					
Alliadis Europe Ltd	Great Britain	London	100.00%	100.00%	FC
Cegedim AB	Sweden	Stockholm	100.00%	99,97%	FC
Cegedim Algérie	Algeria	Algiers	100.00%	100.00%	FC
Cegedim Asia Pacific PTE Ltd	Singapore	Singapore	100.00%	100.00%	FC
Cegedim Australia Pty. Ltd	Australia	Pymble	100.00%	100.00%	FC
Cegedim Belgium	Belgium	Drogenbos	99,97%	99,97%	FC
Cegedim Bilisim AS	Turkey	Istanbul	100.00%	100.00%	FC
Cegedim Canada Ltd	Canada	Scarborough	100.00%	100.00%	FC
Cegedim Centroamerica y el Caraibe	Guatemala	Guatemala	100.00%	99,97%	FC
Cegedim China	China	Shanghai	100.00%	100.00%	FC
Cegedim Colombia Ltda	Colombia	Bogota	100.00%	99,97%	FC
Cegedim Computer Technics Development and Trading Co. Ltd	Hungary	Budapest	100.00%	100.00%	FC
Cegedim CZ SRO	Czech Republic	Prague	100.00%	100.00%	FC
Cegedim Data Services Limited	Great Britain	Preston	100.00%	100.00%	FC
Cegedim Denmark AS	Denmark	Soborg	100.00%	99,97%	FC
Cegedim Deutschland GmbH	Germany	Bensheim	100.00%	100.00%	FC
Cegedim do Brasil	Brazil	Sao Paulo	100.00%	100.00%	FC
Cegedim Finland	Finland	Espoo	100.00%	100.00%	FC
Cegedim GmbH	Austria	Vienna	100.00%	100.00%	FC
Cegedim Group Poland	Poland	Warsaw	100.00%	100.00%	FC
Cegedim Hellas	Greece	Athens	99.99%	99.99%	FC
Cegedim Hispania	Spain	Madrid	100.00%	100.00%	FC
Cegedim Holding GmbH	Germany	Bensheim	100.00%	100.00%	FC
Cegedim India Private Limited	India	Mumbai	100.00%	100.00%	FC
Cegedim Italia	Italy	Milan	100.00%	100.00%	FC
Cegedim Kazakhstan	Kazakhstan	Almaty	100.00%	100.00%	FC
Cegedim KK	Japan	Osaka	100.00%	100.00%	FC
Cegedim Korea Ltd	South Korea	Seoul	100.00%	100.00%	FC
Cegedim LLC	Russia	Moscow	100.00%	100.00%	FC
Cegedim Malaysia SDN	Malaysia	Kuala Lumpur	100.00%	100.00%	FC
Cegedim Maroc	Morocco	Sale	100.00%	100.00%	FC
Cegedim Mexico	Mexico	Mexico City	100.00%	99,97%	FC
Cegedim Netherland	Netherlands	Naarden	100.00%	99,97%	FC
Cegedim New Zealand Ltd	New Zealand	Auckland	100.00%	100.00%	FC
Cedgedim Norway As	Norway	Oslo	100.00%	99,97%	FC
Cegedim Portugal	Portugal	Porto Salvo	100.00%	100.00%	FC
Cegedim Romania SRL	Romania	Bucharest	100.00%	100.00%	FC
Cegedim Rx Limited	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim SK SRO	Slovakia	Bratislava	100.00%	100.00%	FC
Cegedim SRH Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim Software India Private Limited	India	Bangalore	100.00%	100.00%	FC
Cegedim Strategic Data (China) Co., Ltd	China	Shanghai	100.00%	100.00%	FC
Cegedim Strategic Data Argentina	Argentina	Buenos Aires	100.00%	100.00%	FC
Cegedim Strategic Data Australia Pty Ltd	Australia	Chippendale	100.00%	100.00%	FC
Cegedim Strategic Data Belgium	Belgium	Drogenbos	100.00%	100.00%	FC

Companies	Country	City	% of control	% owned	Method
Cegedim Strategic Data Espana	Spain	Madrid	100.00%	100.00%	FC
Cegedim Strategic Data GmbH	Germany	Bensheim	100.00%	100.00%	FC
Cegedim Strategic Data Italia	Italy	Milan	100.00%	100.00%	FC
Cegedim Strategic Data KK	Japan	Osaka	100.00%	100.00%	FC
Cegedim Strategic Data Korea	South Korea	Seoul	100.00%	100.00%	FC
Cegedim Strategic Data Medical Research Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim Strategic Data Medical Research SRL	Italy	Milan	100.00%	100.00%	FC
Cegedim Strategic Data UK Limited	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim Strategic Data USA LLC	USA	Jersey City	100.00%	100.00%	FC
Cegedim Sweden AB	Sweden	Stockholm	100.00%	99,97%	FC
Cegedim Switzerland	Switzerland	Zurich	100.00%	100.00%	FC
Cegedim Taiwan Co Ltd	Taiwan	Taipei	100.00%	100.00%	FC
Cegedim trends LLC	Egypt	Cairo	100.00%	100.00%	FC
Cegedim Tunisie	Tunisia	Tunis	100.00%	100.00%	FC
Cegedim UK Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim Ukraine LLC	Ukraine	Kiev	100.00%	100.00%	FC
Cegedim USA	USA	Bedminster	100.00%	100.00%	FC
Cegedim Venezuela	Venezuela	Caracas	100.00%	100.00%	FC
Cegedim World Int. Services Ltd	Ireland	Dublin	100.00%	100.00%	FC
Compufile Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Croissance 2006	Belgium	Forest	100.00%	100.00%	FC
Cegedim Inc.	USA	Bedminster	100.00%	100.00%	FC
GERS Maghreb	Tunisia	Tunis	100.00%	100.00%	FC
Health Data Management Partners	Belgium	Drogenbos	100.00%	100.00%	FC
Hospital Marketing Services Ltd	Great Britain	Eastleigh	100.00%	100.00%	FC
Icomed Belgium	Belgium	Drogenbos	100.00%	99,97%	FC
In Practice Systems	Great Britain	London	100.00%	100.00%	FC
Infopharm Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Inpractice Enterprise Solution Ltd	Great Britain	Dundee	100.00%	100.00%	FC
Institute of Medical Communication	Russia	Moscow	100.00%	100.00%	FC
Intercam Ltd Ireland	Ireland	Dublin	100.00%	100.00%	FC
Longimetrica	Italy	Milan	100.00%	100.00%	FC
Medimed GmbH	Germany	Bensheim	100.00%	100.00%	FC
Ms Centroamerica y el Caribe, SA	Costa Rica	Heredia	100.00%	99,97%	FC
Next Plus	Tunisia	Tunis	49.00%	49.00%	FC
Next Software	Tunisia	Tunis	100.00%	100.00%	FC
Nomi Medicin	Sweden	Stockholm	100.00%	99,97%	FC
Oepo	Belgium	Drogenbos	100.00%	99,97%	FC
Pharmec Health Care Software	Romania	Bucharest	100.00%	100.00%	FC
Pulse System Inc.	USA	Wichita	100.00%	100.00%	FC
Resip Drug Database UK Limited	Great Britain	Loughborough	100.00%	100.00%	FC
Schwarzeck Verlag GmbH	Germany	Munich	100.00%	100.00%	FC
Sgbtif	Luxembourg	Luxembourg	100.00%	99,97%	FC
SK&A Information System	USA	Irvine	100.00%	100.00%	FC
Stacks Consulting e Ingeniera de Software	Spain	Barcelona	100.00%	100.00%	FC
Stacks Servicios Tecnologicos SL	Spain	Barcelona	100.00%	100.00%	FC

Companies	Country	City	% of control	% owned	Method
Stacks Servicios Tecnologicos SL Chile Ltda	Chile	Providencia	100.00%	100.00%	FC
Thin	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Webstar Health Limited	Great Britain	Harrow	100.00%	100.00%	FC
Companies consolidated using the equity method (International)					
Millennium	Italy	Florence	49.22%	49.22%	EM
Tech Care Solutions	Ile Maurice	Ebene	50.00%	50.00%	EM

Art & Stratégie, Netfective Technologie, Teranga Software and Quality Flux are held at 20% or less and are not consolidated.

Next Plus, held at 49%, is consolidated using the full consolidation method as the Group has exclusive control, the stewardship being exercised by Cegedim Tunisia.

NOTE 2. Impact of change in consolidation scope

1) On the balance sheet (at the closing date)

In thousands of euros	Consolidated before change at 12/31/2013	Change 2013	Consolidated after change at 12/31/2013
Goodwill on acquisition	526,519	1,946	528,465
Other non-recurring assets (excluding goodwill on acquisition)	336,074	76	336,150
Current assets	355,976	588	356,564
TOTAL BALANCE SHEET	**1,218,570**	**2,609**	**1,221,179**

Figures used were not the consolidation entry values but the figures from the financial statements as at December 31, 2013.

At the acquisition date, the impact of the companies entering the consolidation was:

- on assets: 244 thousand euros;
- on liabilities: 1,052 thousand euros.

2) On the Income Statement (at the closing date)

In thousands of euros	Consolidated before change at 12/31/2013	Change 2013	Consolidated after change at 12/31/2013
Revenue	901,990	267	902,256
Operating income	25,711	(119)	25,592
Consolidated profit (loss) for the period	(58,564)	(113)	(58,677)

The figures mentioned refer to the creation and acquisition of companies starting on the date of their entry into the Group and are therefore not representative of the impact for a full year.

3) Company acquisition financing

In 2013, the acquisition of companies and businesses were self-financed for an amount of 1,334 thousand euros.

NOTE 3. Intangible assets

In thousands of euros	12/31/2012	Opening reclassification and correction	Acquisitions	Change in scope	Decrease	Change in rate	12/31/2013
Development costs	26,408	(20,077) (2)	10,574	-	(147)	33	16,791
Internal software (1)	258,653	20,631 (2)	36,411	-	(264)	(500)	314,931
External software	90,787	(494)	4,065	-	(2,147)	(1,835)	90,376
TOTAL GROSS VALUE	**375,848**	**60**	**51,050**	**-**	**(2,558)**	**(2,303)**	**422,098**
Software amortization	165,726	60	35,117	-	(1,138)	(1,555)	198,210
TOTAL DEPRECIATION AND AMORTIZATION	**165,726**	**60**	**35,117**	**-**	**(1,138)**	**(1,555)**	**198,210**
TOTAL INTANGIBLE ASSETS – NET VALUES	**210,122**						**223,888**

(1) The projects that stem from internal development and currently underway have an average amortization period of five years, except for three structuring projects amortized over 20 or 15 years.
(2) The reclassification between Development costs and Internal Software for an amount of €20m corresponds to starting projects up.

NOTE 4. Tangible assets

In thousands of euros	12/31/2012	Opening reclassification and correction	Acquisitions	Change in scope	Decrease	Change in rate	12/31/2013
Land	481	-		-	-	(2)	479
Buildings	10,162	-	159	-	(426)	(209)	9,686
Other tangible assets	146,607	2,322	22,116	70	(25,041)	(3,786)	142,288
Construction work in progress	2,192	(2,171)	23	-	-	(3)	41
TOTAL GROSS VALUE	**159,442**	**151**	**22,298**	**70**	**(25,467)**	**(4,000)**	**152,494**
Depreciation of land	92	-	-	-	-	(1)	91
Depreciation of buildings	4,396	-	822	-	(196)	(100)	4,922
Depreciation of other tangible assets	113,264	151	27,605	51	(22,730)	(3,167)	115,174
TOTAL DEPRECIATION	**117,752**	**151**	**28,427**	**51**	**(23,926)**	**(3,268)**	**120,187**
TOTAL INTANGIBLE ASSETS – NET VALUES	**41,690**						**32,307**

NOTE 5. Non-current long-term investments (excluding shares from equity method companies)

In thousands of euros	12/31/2012	Reclassification	Acquisitions/ provisions	Change in scope	Reductions/ reversals	Change in rate	12/31/2013
Equity investments*	1,066	-	-	-	-	-	1,066
Loans	1,951	-	548	-	-	(3)	2,496
Security deposits	10,946	-	3,332	-	(3,665)	(388)	10,225
Other long-term investments	610	-	16	-	(16)	(24)	586
TOTAL GROSS VALUE	**14,573**	**-**	**3,896**	**-**	**(3,681)**	**(415)**	**14,373**
Provisions for equity investments	523	-	-	-	(160)	-	363
Provisions on loans	34	-	-	-	-	(2)	32
Provisions on other long-term investments Financial	110	-	-	-	(91)	(1)	18
TOTAL PROVISIONS	**667**	**-**	**-**	**-**	**(251)**	**(3)**	**413**
TOTAL INTANGIBLE ASSETS – NET VALUES	**13,906**	**-**	**3,896**	**-**	**(3,430)**	**(412)**	**13,960**

* *Including Netfective for €899 thousand.*

NOTE 6. Equity-method investments

1) Value of shares in companies accounted for by the equity method

In thousands of euros	% owned as at 12/31/2012	Shareholders' equity as at 12/31/2012	Group share of total net shareholders' equity 2012	Goodwill on acquisition	Provision for risks	Net value of shares in companies accounted for by the equity method as at 12/31/2012
Edipharm	20.00%	243	49	-	-	49
Infodisk	34.00%	(49)	(16)	-	-	(16)
Millennium	49.22%	10,570	5,202	2,859	-	8,061
Primeum Cegedim	50.00%	99	50	-	-	50
TOTAL		**10,863**	**5,284**	**2,859**	**-**	**8,143**

In thousands of euros	% owned as at 12/31/2013	Profit (loss) as at 12/31/2013	Group share of profit (loss) as at 12/31/2013	Shareholders' equity as at 12/31/2013	Group-share of total net shareholders' equity as at 12/31/2013	Goodwill on acquisitions	Provision Risk	Net value of shares in companies accounted for by the equity method as at 12/31/2013
Edipharm	20.00%	73	15	160	32	-	-	32
Infodisk	34.00%	2	1	(46)	(16)	-	-	(16)
Millennium	49.22%	(2,459)	1,210	11,328	5,576	2,859	-	8,434
Primeum Cegedim	50.00%	93	46	192	96	-	-	96
Tech Care Solutions	50.00%	5	3	105	53	-	-	53
TOTAL		**2,633**	**1,275**	**11,739**	**5,741**	**2,859**	**-**	**8,599**

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2) Change in value of shares in companies accounted for by the equity method

The change in equity shares accounted for using the equity method can be analyzed as follows:

Shares accounted for using the equity method as at 01/01/2013	8,143
Distribution of dividends	(868)
Capital increase	-
Group share of profit (loss) as at 12/31/2013	1,275
Newly consolidated companies	50
SHARES ACCOUNTED FOR USING THE EQUITY METHOD AS AT 12/31/2012	**8,599**

NOTE 7. Goodwill on acquisition

As at December 31, 2013, goodwill on acquisition amounted to €528 million against €614 million at December 31, 2012.

This change derived largely from the change in Goodwill on acquisition denominated in other currencies and the recognition of an impairment loss of €63 million.

In accordance with IAS 36, intangible assets with indefinite useful lives and goodwill on acquisition are not amortized, but are subject to an impairment test either annually or when events indicate a risk of loss of value.

These impairment tests are intended to ensure that the book value of operating assets for allocation to each of the cash-generating units (including goodwill on acquisition) is not greater than the recoverable value.

The recoverable value of an asset or cash-generating unit (CGU) is the higher of its fair value less costs of sells and its value in use.

The impairment recognized in the fiscal year was the outcome of impairment tests conducted at the end of 2013 involving the CRM and strategic data sector.

Sector	12/31/2012	Reclassification	Scope	Impairment	Translation gains or losses and other changes	12/31/2013
CRM and strategic data	444 813	1 764	(50)	(63 300)	(22 360)	360 867
Health Profe ssionals	118 705	587	1 987		(1 739)	119 540
Insurance and Services	50 209	(2 351)	200			48 058
Reconciliation	0					0
TOTAL GOODWILL ON ACQUISITION	**613 727**	**0**	**2 137**	**(63 300)**	**(24 099)**	**528 465**

At the end of 2013 impairment tests were conducted in the four CGUs making up the Group's three operating business sectors.

The Healthcare Professionals sector includes two CGUs, Software for Doctors and Software for Pharmacists.

The tests consisted of updating the main assumptions underlying the assessment of assets allocated to Group CGUs.

These tests, it will be remembered, are intended not only to cover the value of goodwill on acquisition (€592 million before impairment) but also all the assets necessary to operate the CGUs (or €872 million tested at the close of 2013).

As in prior years, the Group called on an outside firm to help perform these tests.

The main actuarial assumptions used are as follows:

- the discount rate is 9.92%, against 10.27% at June 30, 2013 and 10.86% at end-2012, with the calculation methodology unchanged;
- the discount rate is a pre-tax rate that includes a target debt-equity ratio applicable to Cegedim's business sector and an industry risk coefficient that is also re-indebted. The Group uses a single rate for all CGUs. The skills center and databases used to support all of these Group services are centralized and only the distribution is local. In addition, Cegedim's customers in its core business are worldwide groups who more and more often have multinational contracts;
- the infinite growth rate was historically 2% for many years. It was lowered to 1.5% in CRM and strategic data sectors as well as in the Software for Pharmacists CGU, so as to incorporate into the

projections needed to calculate the terminal value the moderation which was applied in the revision of the business plans;

- the methodology for constructing the business plans remains unchanged. It aims to make forecasts over five years, consistent with the assumptions used by the Group's different operating managers in their strategic plans. These business plans are reviewed by the audit committee and the Board of Directors;
- the cash flows expected beyond the five-year business plan are captured in a terminal value determined by a margin projected from the average observed rate in the 2014-2018 period. This is the same method used at end-2012.

In relation to trends shown in the business plans:

- The Group paid particular attention to the CRM and strategic data sector, where an impairment loss had been recognized during the 2012 fiscal year. Impairment tests were carried out following the first half of 2013, without leading to any new impairment. The seasonality of the market research business, where growth is usually greater in the second half-year, continued to offer an outlook that did not call for a significant revision of the business plan;
- During the second half of 2013 the operating margin of the entire CRM and strategic data sector increased and fell into line with expectations, due mainly to good control of operating costs. Nevertheless, this performance cloaks some key realities and requires revising the growth projections of certain segments. The lowered outcomes in the market research business, which has been seeing a general slowdown, and the growth outlook for CRM applications in France and the USA turned out to fall below the last projections.

  Consequently the business plans were revised, particularly in the these three business segments. The impact on the entire CRM and strategic data sector resulted in a need to recognize a €63 million impairment at end 2013;
- The assumptions about revenue growth made in the CRM and strategic data sector are on average 2.7% per year for five years. This increase is the result of the evolving mix between mature businesses, new product line introductions and high-growth regions. The ongoing innovation in this sector assures the Group of future sources of growth, and the multichannel products already enable us to address the CRM market with pricing independent of the number of users. The Onekey global database continues to be developed at a rapid pace. The combination of these factors support assumptions of a return to growth in this sector.

  The average annual growth rates in five-year revenues in the Health Professionals and Insurance and Services sectors are respectively 3.3% and 5.7%.

Test sensitivity was measured in all CGUs using the following parameters:

- changes in the discount rate of +/- 50 basis points, and application of the unfavorable rate used at the preceding year end (+94 basis points);
- changes in the growth rate to perpetuity of +/- 50 basis points;
- possibility of a temporary decline in margin (years 2015 and 2016 set to a margin lowpoint in the years 2009-2012, or a drop of 550 basis points);
- possibility of a prolonged margin fall (average terminal margin further reduced by 50 basis points);
- possibility of a one-year delay in reaching the margin levels in the plan.

Variances resulting from sensitivities between the values in use of the CGUs and the assets tested are presented below for the CRM & strategic data sector (a minus sign means an potential additional impairment to the €63 million already recognized).

The same sensitivities tested in CGUs relative to other Group operating businesses are not likely to lead to an impairment charge.

		discount rate		growth rate		cumulative sensitivities (50 bps)
Rate sensitivity in millions of euros	**Rate of 31-déc-12 10,86%**	**+50 pbs 10,42%**	**-50 pbs 9,42%**	**-50 pbs 1,00%**	**+50 pbs 2,00%**	**Present value at 10.42% growth at 1.00%**
CRM and strategic data	- 55	- 31	34	- 22	24	- 50

Operational sensitivities in millions of euros		**reduced margin**	
	temporary	**prolonged**	**Delayed**
CRM and strategic data	-27	-23	-39

NOTE 8. Inventory and work in progress

In thousands of euros	Gross values as of 12/31/2013	Provision	Net values as of 12/31/2013	Net values as of 12/31/2012
Services in progress	186	-	186	188
Inventories of goods	11,493	1,065	10,428	10,798
TOTAL INVENTORY AND WORK IN PROGRESS	**11,680**	**1,065**	**10,615**	**10,986**

NOTE 9. Accounts receivable

In thousands of euros	Current customers	Non-current customers	12/31/2013	12/31/2012
French companies	134,711	14,379(1)	149,090	133,432
Foreign companies	102,883	-	102,883	105,092
TOTAL GROSS VALUE	**237,594**	**-**	**251,973**	**238,524**
Provisions	7,636	-	7,636	7,393
TOTAL NET VALUE	**229,958**	**-**	**244,337**	**231,132**

(1) Receivables are valued at their face value.

A provision for impairment is recognized if the inventory value, based on the probability of collection, is less than the recorded value. Thus, customers undergoing judicial administration or liquidation are routinely impaired at 100% and receivables outstanding for more than six months are monitored on a case-by-case basis and, if necessary, impaired in the amount of the estimated risk of non-collection.

The share of past-due receivables (gross amount) was 55 million euros as at December 31, 2013.

Aging balance

In thousands of euros	Total past-due receivables	Receivables < 1 month	Receivables from 1 to 2 months	Receivables 2 to 3 months	Receivables from 3 to 4 months	Receivables more than 4 months
French companies	22,098	8,360	5,467	1,867	2,808	3,597
Foreign companies	33,347	16,682	5,895	3,399	844	6,526
TOTAL	**55,445**	**25,042**	**11,362**	**5,266**	**3,653**	**10,123**

RECEIVABLES TRANSFERRED WITH TRANSFER OF CREDIT RISK

The contractual conditions of factoring contracts (concluded in 2011) enable the transfer of the main risks and advantages related to transferred receivables and therefore their removal from the balance sheet. According to IAS 39, receivables transferred to third parties (factoring contract) are derecognized from the Group assets when the risks and advantages associated with them are substantially transferred to the said third parties and if the factoring company accepts, in particular, the credit risk, the interest risk and the recovery deadline (see Accounting Policies – accounts receivable). Total receivables transferred with transfer of credit risk thus deconsolidated under IAS 39 in the context of factoring contracts as at December 31, 2013 was 16 million euros. There was no available cash as at December 31, 2013 within the framework of these contracts.

NOTE 10. Other receivables

In thousands of euros	Company debtors	Tax debtors	Other receivables	12/31/2013	12/31/2012
Current receivables					
French companies	470	17,882	2,632	20,984	28,190
Foreign companies	2,212	7,912	887	11,010	10,529
TOTAL GROSS VALUE	**2,682**	**25,794**	**3,519**	**31,994**	**38,719**
Provisions			22	22	22
TOTAL CURRENT RECEIVABLES (NET VALUES)	**2,682**	**25,794**	**3,496**	**31,972**	**38,696**
Non-current receivables					
French companies	-	-	-	-	-
Foreign companies	-	809	84	894	726
TOTAL GROSS VALUE	**-**	**809**	**84**	**894**	**726**
Provisions	-	-	-	-	-
TOTAL NON-CURRENT RECEIVABLES (NET VALUES)	**-**	**809**	**84**	**894**	**726**

NOTE 11. Breakdown of equity

Bearing in mind the transactions that occurred during the year, the closing position of the fiscal year under review is as follows:

Shareholders	No. of shares held	% held	No. of single votes	No. of double votes shares	Number of double votes votes	Total votes	% voting rights
FCB	7,361,044	52.59%	53,651	7,307,393	14,614,786	14,668,437	69.00%
FSI	2,102,061	15.02%	2,102,061	-	-	2,102,061	9.89%
Public (1)	4,478,903	32.00%	4,469,168	9,735	19,470	4,488,638	21.11%
Cegedim (2)	55,165	0.39%	-	-	-	-	0.00%
TOTAL	**13,997,173**	**100%**	**6,624,880**	**7,317,128**	**14,634,256**	**21,259,136**	**100%**

(1) Including the Alliance Healthcare France holding.
(2) Including the liquidity contract.

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NOTE 12. Total current and non-current provisions

Provisions are determined on the basis of estimated future costs for the Company.

In thousands of euros	12/31/2012	Reclassification	Change in consolidation scope	Allowances to Additional provisions	Allowances to New provisions	Reversals Provisions used	Reversals Provisions not used	Change in rate	12/31/2013
Provision for litigation with employees	1,265	-	-	-	1,783	(249)	(120)	-	2,679
Other provisions[1]	25	-	-	-	3	-	-	(3)	25
Provisions for restructuring	2,168	2,109	-	-	-	(2,156)	(52)	(91)	1,978
Other provisions for expenses	1,075	-	-	-	168	(80)	-	(4)	1,158
CURRENT PROVISIONS	**4,533**	**2,109**	**-**	**-**	**1,953**	**(2,485)**	**(173)**	**(98)**	**5,840**
Provisions for restructuring	3,052	(2,109)	-	-	448	(140)	(435)	(52)	765
Employee-related provisions	40	49	-	-	-	(38)	-	(2)	48
Provisions for retirement	23,811	-	-	-	3,731	(872)	(1,780)	(46)	24,843
Provisions for litigation	89	-	-	-	11	(20)	(43)	(4)	33
Provisions for guarantees	-	-	-	-	-	-	-	-	-
Other provisions for risks	1,416	(49)	-	-	164	(168)	(750)	(2)	611
Other provisions for expenses	1,208	-	-	-	355	(2)	(360)	-	1,200
NON-CURRENT PROVISIONS	**29,615**	**(2,109)**	**-**	**-**	**4,708**	**(1,241)**	**(3,368)**	**(106)**	**27,501**
TOTAL CURRENT AND NON-CURRENT PROVISIONS	**34,149**	**-**	**-**	**-**	**6,662**	**(3,725)**	**(3,541)**	**(203)**	**33,341**

(1) Provisions for client risks, supplier risks, tax risks.

The amounts involved are insignificant if taken individually.

NOTE 13. Retirement commitments

1) Retirement commitments: French companies

In thousands of euros	Through an insurance fund	Through prior service cost	Through a provision for expenses
Retirement obligation covered	1,970	178	24,260

When employees retire, they receive retirement compensation as defined in the collective bargaining agreements.

An actuarial valuation plan has been set up to fund the obligations resulting from this compensation. The total obligation comes to 26,230 thousand euros, including 1,970 thousand euros paid to an insurance company.

The amount of retirement contributions provisioned as expenses during the fiscal year was 3,318 thousand euros.

The Cegedim Group decided to apply the option under IAS 19 as amended, which allows the actuarial gains and losses relating to changes in assumptions occurring in calculating liabilities to be accounted for directly in equity.

The actuarial assumptions used are as follows:

Economic assumptions	2013	2012	2011
Net interest rate	3.17%	2.7%	4.7%
Expected asset yield rate	3.17%	2.7%	3.2%
Wage increases (including inflation)	1.7%	1.7%	1.7%

The discount rate applied for 2013 is 3.17% (Iboxx corporate rate +10 years restated of the two deteriorations of January 2) versus 2.7% en 2012.

Demographic assumptions	Mortality			Insee H/F 2009-2011 Table
	Mobility			5% per annum up to the age of 35
				3% up to 45 years of age
				1.5% up to 50 years of age
				0% 51 years and over
Retirement age				Voluntary retirement at 65 years of age
Sensitivity to the discount rate		2.92%	3.17%	3.42%
Commitment		28,109	26,991	26,070

The Group's collective bargaining agreements are the following:

- National collective bargaining agreement for the publishing industry;
- National collective bargaining agreement for road salesmen, representatives, ushers;
- National collective bargaining agreement for the advertising industry;
- National collective bargaining agreement for the pharmaceutical industry;
- Syntec national collective bargaining agreement;
- Paper Industry Code;
- French Labor Code.

2) Retirement commitment: foreign companies

Retirement commitments covered by a provision of 583 thousand euros.

The amount of retirement contributions provisioned as expenses during the fiscal year was 13 thousand euros.

The amount of retirement contributions reported as expenses and paid during the fiscal year was 3,276 thousand euros.

3) Comparison of Actuarial Commitments and Hedge Assets

Economic assumptions	2013	2012	2011
Actuarial commitments	28,408	29,138	21,572
Hedge Assets	(1,970)	(1,910)	(1,986)
Unrecognized prior service cost		(3,417)	(3,780)
RECOGNISED LIABILITIES	**26,438**	**23,811**	**15,806**

CHANGE IN THE COST OF THE SERVICES PROVIDED AND IN THE FAIR VALUE OF THE HEDGE INSTRUMENTS

In thousands of euros				12/31/2013
	Hedged commitment	**Commitment not hedged**	**Companies Foreign**	**Total**
OPENING ACTURIAL LIABILITIES (1)	**10,975**	**17,511**	**653**	**29,138**
Cost of services rendered during the fiscal year	1,005	1,571	10	2,586
Financial cost for the fiscal year	302	460	3	765
Unrecognized prior service cost	-	-	-	-
COSTS FOR THE PERIOD (2)	**1,307**	**2,031**	**13**	**3,351**
Benefits paid out (3)	(359)	(478)	(36)	(873)
Actuarial losses (gains) generated during the fiscal year for the obligation (4)	(1,243)	(3,336)	-	(4,579)
Newly consolidated companies (5)	-	-	-	-
Companies no longer consolidated (6)	-	-	-	-
Reclassification (7)	282	(282)	-	-
Changes in exchange rate (8)	-	-	(46)	(46)
CLOSING ACTUARIAL LIABILITIES = 1 + 2 + 3 + 4 + 5 + 6 + 7 + 8	**10,962**	**15,446**	**583**	**26,991**
Value of the hedge assets				
Opening fair value of the hedge assets	1,910	-	-	1,910
Expected return on assets	52	-	-	52
Contributions	-	-	-	-
Benefits paid out	-	-	-	-
Actuarial gains (losses) for the fiscal year generated on assets	8	-	-	8
Newly consolidated companies	-	-	-	-
Companies no longer consolidated	-	-	-	-
CLOSING VALUE OF THE HEDGE ASSETS	**1,970**	**-**	**-**	**1,970**

AMOUNTS RECORDED IN THE BALANCE SHEET AND THE INCOME STATEMENT

In thousands of euros				12/31/2013
	Hedged commitment	**Unhedged commitment**	**Companies Foreign**	**Total**
Cost of services rendered at the closing date	10,962	15,446	583	27,061
Fair value of the hedge assets	(1,970)	-	0	(1,970)
	8,992	15,446	583	25,091
Unrecognized prior service cost	-	(178)	-	(178)
LIABILITIES RECOGNIZED ON THE BALANCE SHEET	**8,992**	**15,268**	**583**	**24,913**
Cost of services rendered during the fiscal year	1,005	1,571	10	2,586
Financial cost for the fiscal year	302	460	3	765
Return on assets	(52)	32	-	(20)
Effect of plan reduction or liquidation	-	-	-	-
EXPENSES RECOGNIZED IN THE INCOME STATEMENT	**1,255**	**2,063**	**13**	**3,331**

CHANGE IN NET LIABILITIES RECORDED IN THE BALANCE SHEET

In thousands of euros				12/31/2013
	Hedged commitment	Unhedged commitment	Companies Foreign	Total
OPENING NET LIABILITIES	**7,800**	**15,359**	**653**	**23,811**
Actuarial losses (gains)	(1,251)	(3,336)	-	(4,587)
Reclassification of recognized prior service cost – vested rights	1,266	1,941	-	3,207
Expenses recognized in the income statement	1,255	2,063	13	3,331
Benefits paid out	(359)	(478)	(36)	(873)
Contributions paid	-	-	-	-
Newly consolidated companies	-	-	-	-
Companies no longer consolidated	-	-	-	-
Reclassification	282	(282)	-	-
Change in exchange rate	-	-	(46)	(46)
CLOSING NET LIABILITIES	**8,993**	**15,267**	**583**	**24,843**

NOTE 14. Net financial debt

In thousands of euros	12/31/2013			12/31/2012
	Financial	Misc[(1)]	Total	
Long-term financial borrowing and liabilities (> 5 years)	298,349	-	298,349	-
Medium- and long-term financial borrowing and liabilities (> 1 year, < 5 years)	207,811	7,490	215,300	457,103
Short-term financial borrowing and liabilities (> 6 months < 1 year)	-	1,704	1,704	22,263
Short-term financial borrowing and liabilities (> 1 month, < 6 months)	5,122	-	5,122	20,007
Short-term financial borrowing and liabilities (< 1 month)	4,992	-	4,992	8,330
Current bank loans	12,746	-	12,746	22,008
TOTAL FINANCIAL LIABILITIES	**529,020**	**9,194**	**538,214**	**529,712**
Positive cash	66,973	-	66,973	43,462
NET FINANCIAL DEBT	**462,047**	**9,194**	**471,241**	**486,250**

(1) The miscellaneous item mainly includes employee profit sharing plans in the amount of €8,853 thousand.

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1) Net cash

In thousands of euros	Financial	12/31/2013	12/31/2012
Current bank loans	12,746	12,746	22,008
Positive cash	66,973	66,973	43,462
NET CASH	**54,227**	**54,227**	**21,454**

2) Statement of changes in net debt

In thousands of euros	12/31/2013	12/31/2012	12/31/2012 published
NET DEBT AT THE BEGINNING OF THE FISCAL YEAR (A)	**486,250**	**462,487**	**462,487**
Operating cash flow before cost of net debt and taxes	152,615	141,006	141,006
Tax paid	(12,451)	(28,097)	(28,097)
Change in working capital requirement (1)	9,424	4,033	4,033
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**149,588**	**116,942**	**116,942**
Change resulting from investment operations	(70,747)	(79,058)	(79,831)
Impact of changes in consolidation scope (2)	(1,697)	(18,587)	(18,587)
Dividends	-	-	711
Increase in cash capital	-	-	-
Impact of changes in foreign currency exchange rates	(1,668)	(426)	(426)
Interest paid on loans	(43,413)	(30,413)	(30,413)
Other financial income and expenses paid or received	(8,339)	(5,345)	(5,345)
Other changes	(8,715)	(6,876)	(6,814)
TOTAL NET CHANGE FOR THE YEAR (B)	**15,009**	**(23,763)**	**(23,763)**
NET DEBT AT THE END OF THE FISCAL YEAR (A-B)	**471,241**	**486,250**	**486,250**

(1) The change in working capital requirements of €9,424 thousand comprises a change in inventories and work in progress of €2,499 thousand, a change in accounts receivable and other receivables of -€13,267 thousand, and a change in accounts payable and other payables of €20,192 thousand.
(2) The impact of changes in consolidation scope amounting to -€1,697 thousand is mainly comprised of the acquisition of Webstar Health.

The bank loans have the following terms:

In thousands of euros	< 1 month	< 1 month < 6 months	< 6 months > 1 year	> 1 year < 5 years	> 5 years
Fixed rate	4,992	5,122	-	162,717	298,349
1-month Euribor rate	12,746	-	-	45,094	-
	17,738	**5,122**	**-**	**207,811**	**298,349**

The main loans have conditions concerning the consolidated financial statements. For example, the revolving multi-currency credit includes in particular a ratio concerning consolidated EBITDA and the gross operating surplus compared with the level of financial costs.

INTEREST RATE HEDGES

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000	4.58%			(461)				1.52
06/30/2014	06/31/2014	20,000,000	4.58%			(468)				2.03
12/31/2014	06/30/2015	20,000,000	4.58%				(461)			2.53
06/30/2015	12/31/2015	20,000,000	4.58%				(468)			3.04
12/31/2015	06/30/2016	20,000,000	4.58%					(463)		3.55
06/30/2016	12/29/2017	20,000,000	4.58%					(468)	(929)	5.07
PAYER PORTION			**4.58%**			**(929)**	**(929)**	**(931)**	**(929)**	

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000		EUR 1 M	0.216%	22				1.52
06/30/2014	12/31/2014	20,000,000		EUR 1 M	0.216%	22				2.03
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.216%		22			2.53
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.216%		22			3.04
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.216%			22		3.55
06/30/2016	12/29/2017	20,000,000		EUR 1 M	0.216%			22	44	5.07
RECEIVER PORTION				EUR 1 M	0.216%	**44**	**44**	**44**	**44**	

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000	4.57%			(460)				1.52
06/30/2014	12/31/2014	20,000,000	4.57%			(467)				2.03
12/31/2014	06/30/2015	20,000,000	4.57%				(460)			2.53
06/30/2015	12/31/2015	20,000,000	4.57%				(467)			3.04
12/31/2015	06/30/2016	20,000,000	4.57%					(462)		3.55
06/30/2016	12/29/2017	20,000,000	4.57%					(467)	(927)	5.07
PAYER PORTION			**4.57%**			**(927)**	**(927)**	**(929)**	**(927)**	

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000		EUR 1 M	0.216%	22				1.52
06/30/2014	12/30/2014	20,000,000		EUR 1 M	0.216%	22				2.03
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.216%		22			2.53
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.216%		22			3.04
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.216%			22		3.55
06/30/2016	12/29/2017	20,000,000		EUR 1 M	0.216%			22	44	5.07
RECEIVER PORTION				EUR 1 M	0.216%	**44**	**44**	**44**	**44**	

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000	4.765%			(459)				1.52
06/30/2014	12/31/2014	20,000,000	4.565%			(467)				2.03
12/31/2014	06/30/2015	20,000,000	4.565%				(459)			2.53
06/30/2015	12/31/2015	20,000,000	4.565%				(467)			3.04
12/31/2015	06/30/2016	20,000,000	4.565%					(462)		3.55
06/30/2016	12/29/2017	20,000,000	4.565%					(467)	(926)	5.07
PAYER PORTION			**4.565%**			**(926)**	**(926)**	**(928)**	**(926)**	

In thousands of euros

Starting date	Ending date	Par value	Rate paid	Rate rec'd	Variable rate	2014 annual flow	2015 annual flow	2016 annual flow	2017 annual flow	Duration
12/31/2013	06/30/2014	20,000,000		EUR 1 M	0.216%	22				1.52
06/30/2014	12/30/2014	20,000,000		EUR 1 M	0.216%	22				2.03
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.216%		22			2.53
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.216%		22			3.04
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.216%			22		3.55
06/30/2016	12/29/2017	20,000,000		EUR 1 M	0.216%			22	44	5.07
RECEIVER PORTION				**EUR 1 M**	**0.216%**	**44**	**44**	**44**	**44**	

3) Financing

In May 2007, Cegedim took out a 50 million euros loan with FCB, its main shareholder (the FCB Loan). The loan agreement between Cegedim SA and FCB was signed on May 7, 2007; it was then amended on September 5, 2008 and once more on September 21, 2011 in order to extend the loan period and obtain a change in the applicable interest rate. In December 2009, FCB subscribed to 4.9 million euros of shares in respect of reimbursing a portion of the debt, leading to a reduction of the balance of the FCB loan leading to it amounting to 45.1 million euros. The FCB loan matures in June 2016. On June 10, 2011, Cegedim signed an agreement for a revolving multi-currency term loan and credit facility for a total of 280 million euros.

On July 27, 2010, the Group issued a senior bond at a rate of 7.0% for an amount of 300 million euros repayable on July 27, 2015. This issue was not subject to the declaration requirements of US securities laws. The bond is listed on the Luxembourg stock exchange and its ISIN code is FR0010925172. In November 2011, on the market, Cegedim bought back bonds for an amount of 20 million euros and cancelled them. Consequently, the total amount of the bonds still available was 280 million euros.

On March 20, 2013, Cegedim issued a senior bond at 6.75% for an amount of 300 million euros in accordance with the Reg S and 144A rules, maturing on April 1, 2020. The bond is listed on the Luxembourg Stock Market and the ISIN codes are XS0906984272 and XS0906984355. The bonds have been priced at 100% of their face value. Cegedim used the proceeds for the following operations:

- to redeem 7% bonds maturing in 2015, further to a redemption offer at 108% (111.5 million euros at par value) When including the accrued but unpaid interest, the total amount stood at 121.5 million euros. The bonds still in circulation amount to 168.6 million euros;
- to repay the term loan;
- to repay drawings on the revolving credit;
- pay costs and expenditure related to these operations.

Following these operations, as at December 31, 2013, the debt was structured in the following manner:

- 168 million euros bond at 7% maturing on July 27, 2015;
- 300 million euros bond at 6.75% maturing on April 1, 2020;
- 80 million euros revolving credit, not drawn on, maturing on June 10, 2016;
- 45.1 million euros FCB loan maturing in June 2016;
- 46.5 million euros overdraft facility, 12 million euros of which has been used.

The exposure of the debt to fluctuations in euro rates has been partially hedged by a euro rate hedge. As at December 31, 2013, the hedge of the debt against fluctuations in the euro rate consisted of three no-premium, one-month, amortizing swaps, with a pre-set Euribor receiver rate and a fixed payer rate defined as follows:

- 4.565% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017;
- 4,57% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017;
- 4.58% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017.

The total notional hedged amount was 60 million euros as at December 31, 2013.

Interest expense on bank loans, bonds, charges and commissions totaled 45,198 thousand euros as at December 31, 2013.

The interest related to the shareholder loan for 2013 amounts to 2,457 thousand euros.

The change in fair value of these derivatives was recorded in shareholders' equity for the efficient part of those qualified as cash flow (4,397 thousand euros) hedging and in Earnings for their inefficient part and for the counterparty risk taking into account in accordance with IFRS 13 ((89) thousand euros).

The fair value at the closing date of hedging instruments amounts to 8,905 thousand euros.

4) Liquidity risk

Contractual cash flows are not discounted.

For variable rate instruments, the rate used for calculation is the spot rate on December 31, 2013.

When there is a fixed rate, the rate is used to calculate future interest payments.

CASH FLOWS

In thousands of euros	Cash flows (< 1 month)	Cash flow (< 1 month) < 6 months)	Cash flow (> 6 months, < 1 year)	Cash flow (> 1 years) < 5 years	Cash flow (> 5 years)
Bank loans and interest	7,875	19,503	17,284	299,203	323,662
Hedging instruments	221	1,104	1,325	7,956	-
Current bank loans	12,746	-	-	-	-
Finance lease	-	-	73	143	-
Equity Investments	449	537	645	7,221	-
Miscellaneous including deposits and bonds	-	-	-	126	-

FINANCIAL INSTRUMENTS

Assumption: variable rates December 31, 2013	
EUR < 1 month	0.216

FORECAST CASH FLOWS – FINANCIAL INSTRUMENTS

In thousands of euros	Rate	2014	2015	2016	2017	Total
Swaps borrowers EUR						
Fixed paid	4.58	929	929	931	929	3,717
Var. rec'd	0.216	44	44	44	44	175
LT SWAPS		**885**	**885**	**887**	**885**	**3,542**
Swaps borrowers EUR						
Fixed paid	4.57	927	927	929	927	3,709
Var. rec'd	0.216	44	44	44	44	175
LT SWAPS		**883**	**883**	**885**	**883**	**3,534**
Swaps borrowers EUR						
Fixed paid	4,565	926	926	928	926	3,705
Var. rec'd	0.216	44	44	44	44	175
LT SWAPS		**882**	**882**	**884**	**882**	**3,530**
TOTAL LT SWAPS		**2,650**	**2,650**	**2,657**	**2,650**	**10,606**

NOTE 15. Cost of net financial debt

In thousands of euros	12/31/2013	12/31/2012
INCOME OR CASH EQUIVALENT	**416**	**727**
Interest paid on loans, bank charges and commissions	(43,413)	(30,413)
Interest paid on loans	(1,785)	149
INTEREST ON FINANCIAL LIABILITIES	**(45,198)**	**(30,264)**
Other financial interest and expenses [(1)]	(3,721)	(3,486)
COST OF GROSS FINANCIAL DEBT	**(48,919)**	**(33,750)**
Net exchange differences	(5,033)	(2,586)
Valuation of financial instruments	(88)	(4,953)
Other non-recurring income and expenses from operations [(2)]	(6,436)	(3,557)
OTHER FINANCIAL INCOME AND EXPENSES	**(11,557)**	**(11,096)**
COST OF NET FINANCIAL DEBT	**(60,060)**	**(44,119)**

In thousands of euros	12/31/2013	12/31/2012
(1) Including Financière Cegedim interest	*2,457*	*2,009*
Interest on Ixis debt	*4*	*101*
Interest on shareholding	*604*	*535*
TOTAL	**3,065**	**2,645**
(2) including costs related to the old debt (origination, bank covenants, etc.) recognized in expense following the restructuring of the debt in March 2013.	**5,815**	**3,015**

NOTE 16. Other liabilities

	Current		Non-current		Total	
In thousands of euros	12/31/2013	12/31/2012	12/31/2013	12/31/2012	12/31/2013	12/31/2012
Advances and payments on account	**3,709**	**4,570**	**-**	**-**	**3,709**	**4,570**
Clients – Credits to be established	2,158	1,170	-	-	2,158	1,170
Expenses payable	49	66	-	-	49	66
Miscellaneous payables	10,625	13,612	1,841	2,982	12,465	16,593
Other liabilities	**12,832**	**14,847**	**1,841**	**2,982**	**14,673**	**17,828**
Debts on acquisition of assets	**37**	**2,695**	**580**	**580**	**617**	**3,275**
Dividends payable	**1**	**-**	**-**	**-**	**1**	**-**
Deferred income	**33,342**	**31,698**	**-**	**-**	**33,342**	**31,698**
TOTAL OTHER LIABILITIES	**49,922**	**53,810**	**2,421**	**3,562**	**52,342**	**57,372**

NOTE 17. External expenses

In thousands of euros	12/31/2013	12/31/2012
Purchases of studies & services and purchases of unstocked goods	(66,495)	(64,952)
External services (leasing, maintenance, insurance)	(78,467)	(74,035)
Other: advertising, seconded personnel, entertainment expenses, postal expenses, etc.	(87,050)	(95,746)
TOTAL EXTERNAL EXPENSES	**(232,012)**	**(234,734)**

NOTE 18. Other non-recurring income and expenses from operations

Other non-recurring income and expenses from operations comprises the following:

In thousands of euros	12/31/2013	12/31/2012
OPERATING INCOME FROM RECURRING OPERATIONS	92,133	90,120
Impairment loss on tang. and intang. assets (incl. ECA)	(63,300)	(115,000)
Restructuring costs	(4,813)	(11,563)
Capital gains or losses on disposals	-	2,930
Other non-recurring income and expenses from operations	1,572	(1,253)
OPERATING INCOME	**25,592**	**(34,766)**

NOTE 19. Deferred tax

1) Tax breakdown

The tax expense recognized in the income statement during the fiscal year was 25,483 thousand euros, compared with 7,598 thousand euros in December 2012.

This comprised:

In thousands of euros	12/31/2013	12/31/2012
Tax paid		
France	(624)	(5,026)
Abroad	(14,263)	(10,837)
TOTAL TAX PAYABLE	**(14,887)**	**(15,863)**
Deferred taxes		
France	(10,727)	2,702
Abroad	130	5,563
TOTAL DEFERRED TAX	**(10,596)**	**8,265**
TOTAL TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT	**(25,483)**	**(7,598)**

2) Theoretical tax expense and recognized tax expense

The reconciliation between the theoretical tax expense for the Group and the tax expense effectively recognized is presented in the following table:

In thousands of euros	12/31/2013	12/31/2012
Profit (loss) for the period	(58,677)	(85,262)
Group share of EM companies	(1,275)	(1,221)
Income taxes	25,483	7,598
Earnings before tax for consolidated companies (A)	**(34,469)**	**(78,885)**
of which French consolidated companies	*(85,126)*	*(116,874)*
of which foreign consolidated companies	*(50,657)*	*37,989*
Normal tax rate in France(B)	38.00%	36.10%
THEORETICAL TAX EXPENSE (C) = (A) X (B)	**13,098**	**28,477**
Impact of permanent differences	(2,746)	(2,970)
Impact of differences in tax rates on profits	7,638	6,064
Uncapitalized tax on losses	(12,224)	(5,223)
Asset deferred tax recognized on earlier fiscal years	(7,461)	-
Impact of tax credit	264	7,569
Impairment of goodwill on acquisition	(24,052)	(41,515)
TAX EXPENSES RECOGNIZED IN THE INCOME STATEMENT	**(25,483)**	**(7,598)**
Effective tax rate	0.00%	0.00%

In order to be prudent, the Group did not activate the deferred tax for the year on the loss-making companies and does not activate any more the deferred tax for the past years excepted for the american companies. The tax rate of the year would have been 20.11% if activated.

3) Deferred tax assets and liabilities

Analysis by category of the temporal difference for the net deferred tax position recognized in the balance sheet (before compensation by fiscal entities for deferred tax assets and liabilities).

In thousands of euros	12/31/2012	Reclassification	Earnings	Change in consolidation scope	Other changes in equity	Change in exchange rate	12/31/2013
Tax loss carryforwards and tax credits	24,325	-	(9,070)	-	-	(671)	14,583
Pension plan commitments	7,653	-	1,905	-	(1,598)	-	7,961
Non-deductible provisions	6,327	-	(2,253)	-	-	(97)	3,977
Updating to fair value of financial instruments	5,159	-	(265)	-	(1,556)	-	3,338
Cancellation of margin on inventory	27	-	(12)	-	-	-	15
Cancellation of internal capital gain	6,623	-	(4)	-	-	-	6,619
Restatement of R&D margin	2,825	-	739	-	-	-	3,564
Restatement of allowance for the assignment of intangible assets	587	2,070	(830)	-	-	-	1,827
Updating to fair value of financial instruments	-	-	-	-	-	-	-
Others	8,382	-	3,038	-	23	(372)	11,072
TOTAL DEFERRED TAX ASSETS	**61,908**	**2,070**	**(6,753)**	**-**	**(3,130)**	**(1,140)**	**52,956**
Unrealized exchange gains/losses	-	-	(2,845)	-	3,052	(207)	-
Cancellation of accelerated depreciation	(1,501)	-	264	-	-	-	(1,236)
Cegelease unrealized capital gain	(1,482)	-	28	-	-	-	(1,454)
Cancellation of depreciation on goodwill	(2,769)	-	(325)	-	-	-	(3,093)
Cancellation of depreciation internal capital gains	(448)	(2,070)	(740)	-	-	-	(3,258)
Finance lease	(131)	-	7	-	-	-	(123)
R&D capitalization	(5,819)	-	499	-	-	-	(5,320)
Restatement of the allowance for the R&D margin	(546)	-	(315)	-	-	-	(861)
Assets from business combinations	(4,052)	-	357	-	-	162	(3,533)
Others	(924)	-	(733)	-	-	228	(1,469)
DEFERRED TAX ASSETS	**(17,672)**	**(2,070)**	**(3,844)**	**-**	**3,052**	**183**	**(20,348)**
NET DEFERRED TAX	**44,237**	**-**	**(10,596)**	**-**	**(78)**	**(956)**	**32,608**

The change in deferred taxes recognized in the consolidated balance sheet after compensation by fiscal entities for deferred tax assets and liabilities can be verified in the following way:

In thousands of euros	Assets	Liabilities	Net
As at December 31, 2012	57,855	(13,617)	44,238
Impact on earnings for the period	(6,753)	(3,844)	(10,596)
Impact on shareholders' equity	(4,270)	3,236	(1,034)
Impact of net presentation by fiscal entity	(4,712)	4,712	-
AS AT DECEMBER 31, 2013	**42,121**	**(9,513)**	**32,608**

NOTE 20. Lease commitments

Financial leases – Cegedim Group lessor

Financial leases involve the Cegelease Company, which provides financing for pharmacies and doctors.

Schedule of payments to be received and present value

These leases are financial leases for 24 to 60 months for computer hardware and 36 to 84 months for capital goods.

In thousands of euros	Lease payments due	Present value of payments
Within one year	12,632	12,140
Between 1 and 5 years	17,060	14,320
More than 5 years	91	60
TOTAL (A)	**29,783**	**26,519**
FINANCIAL INCOME NOT ACQUIRED (B)	**-**	**3,264**
MINIMUM PAYMENTS (A) + (B)	**29,783**	**29,783**

Operating leases – Cegedim Group lessee

The Group lists different types of operating leases in the Group:

- real estate;
- IT equipment;
- photocopiers;
- vehicle leases.

The expense resulting from these leases was 50,483 thousand euros in 2013.

Real estate leases are renewable every three-six-nine years.

The Group signs standard leasing agreements.

The discount rate applied is 9.92%.

Payment schedule and present value

In thousands of euros	Lease payments due	Present value of payments
Within one year	27,146	-
Between 1 and 5 years	36,498	-
More than 5 years	2,553	-
TOTAL	**66,197**	**57,214**

NOTE 21. Restatement of finance lease

Loans related to former finance leases were totally reimbursed during 2011. There is no more restatement of finance leases.

NOTE 22. Earnings per share

Earnings per share are calculated by dividing Group earnings by the number of shares making up the capital, excluding treasury shares.

The number of shares must be the weighted average number of outstanding ordinary shares during the fiscal year (i.e. 13,948,887 shares as of December 31, 2013 and 13,964,700 shares as of December 31, 2012). Current earnings per share amounted to 0,4 euro in respect of the 2013 fiscal year.

Earnings per share amounted to (4,2) euro in respect of the 2013 fiscal year.

	12/31/2013	12/31/2012
Weighted average number of outstanding ordinary Cegedim SA shares	13,997,173	13,997,173
Less average number of treasury shares held	(48,286)	(32,473)
Number of shares for the earnings per share calculation	13,948,887	13,964,700

NOTE 23. Diluted earnings per share

Earnings per share are calculated by dividing Group earnings by the number of shares making up the capital, excluding treasury shares.

The number of shares must be the weighted average number of outstanding ordinary shares during the fiscal year (i.e. 13,948,887 shares as of December 31, 2013 and 13,964,700 shares as of December 31, 2012).

NOTE 24. Off-balance sheet commitments

There are no significant commitments for earn-outs to be paid.

There are no stock repurchases from minority interests.

Guarantees given by Cegedim to its subsidiaries

CEGEDIM USA INC. SUBSIDIARY

Guarantee in favor of Bank of America for the amount of 3.5 million US dollars (Board of Directors authorization dated December 27, 2007) reduced to 2.25 million US dollars on May 1, 2010.

INPS SUBSIDIARY

4 million pounds sterling guarantee granted to Lancashire County Council for renewing the lease for the offices in Chertsey (United Kingdom) (authorization of the Board of Directors on April 18, 2013).

INCAMS SUBSIDIARY

Cegedim is guarantor for the on-demand guarantee on the payment of the sums for which INCAMS is responsible, which is itself the guarantor for its subsidiary iGestion, for the repayment of the loan granted by Incams, AXA Assurances Vie Mutuelle and Mutuelle Mieux Etre (co-owner of VSS).

ALL SUBSIDIARIES

One-year authorization for all subsidiaries to grant securities, endorsements and other guarantees in a total amount of 5 million euros provided no single commitment exceeds 2 million euros (authorized by the Board of Directors on March 4, 2013).

Subsidiary guarantees

CEGEDIM ACTIV SUBSIDIARY

- Guarantee in favor of the Caisse Nationale de Sécurité Sociale de Casablanca for the amount of MAD 75 thousand and 11 thousand euros.
- Guarantee in favor of CNOPS in the amount of 264 thousand euros.
- Guarantees in favor of ANAM Maroc for the amount of MAD 100 thousand and ANAM for the amount of 100 thousand euros.
- Guarantees in favor of ANAM Maroc in the amount of 20 thousand MAD and ANAM in the amount of 8 thousand euros.
- Guarantee in favor of Kingdom of Morocco for the amount of MAD 60 thousand.

IGESTION SUBSIDIARY

Guarantee in favor of La Poste for the amount of 80 thousand euros.

CEGEDIM PORTUGAL AND CEGEDIM INC. USA

Guarantees for Cegedim Portugal and Cegedim Inc. USA respectively for the amounts of 269 thousand euros and 2,250 thousand US dollars respectively granted by banks to lessors of offices.

Other securities have been granted by Cegedim and its subsidiaries in the total amount of 75 thousand euros.

NOTE 25. Related companies

The purpose of the present note is to present the transactions that exist between the Group and its related parties.

The remuneration of key management personnel is presented in note 26.

Identity of Cegedim's parent company: FCB

Limited company (SA) held primarily by Mr. Jean-Claude Labrune, Chairman and Chief Executive Officer of Cegedim SA, his family and by certain members of the Board of Directors of Cegedim SA.

Figures pertaining to the related parties

Certain transactions were carried out with companies who share a Cegedim SA Director.

The main subsidiaries (companies consolidated with the fully consolidated method) are listed in note 1. Only the significant transactions are described below:

FCB

- FCB re-invoices rent to some companies in the Cegedim Group for an amount of 6,757 thousand euros as well as the related taxes for 783 thousand euros.
- FCB re-invoiced headquarters costs for the amount of 1,580 thousand euros.
- FCB granted a loan to Cegedim SA for the amount of 50 million euros in 2007. At the time of the Cegedim capital increase, FCB subscribed for 4,906 thousand euros to offset a debt resulting in a decrease of the debt of 50 million euros to 45,094 thousand euros. The interest resulting from this loan for 2013 was 2,457 thousand euros.

	Companies under joint control or significant influence		FCB		Family companies	
In thousands of euros	12/31/2013	12/31/2012	12/31/2013	12/31/2012	12/31/2013	12/31/2012
Income	239	-	213	186	-	-
Expenses	None	None	11,576	10,009	1,181	1,086
Loans	None	None	45,094	45,094	-	-
Security deposits	None	None	1,786	1,739	293	275
Receivables	239	-	12	10	-	-
Provisions for receivables	None	None	None	None	None	None
Liabilities	None	None	3,610	3,302	409	-
Commitments given	None	None	-	-	-	-
Commitments received	None	None	-	664	-	-

NOTE 26. Manager's compensation

Directors' fees paid to Board members amounted to 120 thousand euros in the year ended December 31, 2013, and are recorded in the "Other external purchases and expenses" item of the income statement.

In compliance with IAS 24, Cegedim's "key managers" correspond to the people sitting on the Board of Directors with the authority and responsibility for planning, managing and controlling Cegedim's activities as well as any of the Group's companies, directly or indirectly.

In accordance with IAS 24.17, in-kind benefits are recorded in the "Short-term benefits" item.

In thousands of euros	12/31/2013	12/31/2012
	Gross amount	Gross amount
Short-term benefits (wages, bonuses, etc.)	1,805	1,836
Post-employment benefits	None	None
Severance pay	None	None
Other long-term benefits	None	None
BENEFITS RECOGNIZED	**1,805**	**1,836**
Termination benefits	None	None
BENEFITS NOT RECOGNIZED	**NONE**	**NONE**

The short term benefits include the variable and fixed portions of the manager's compensation.

NOTE 27. Employees

	12/31/2013	12/31/2012
France	3,338	3,342
International	4,654	4,776
TOTAL STAFF	**7,992**	**8,118**

NOTE 28. Employee costs

In thousands of euros	12/31/2013	12/31/2012
Wages	(429,149)	(444,166)
Profit-sharing	(4,385)	(5,293)
Free shares award plan	76	(362)
PAYROLL COSTS	**(433,458)**	**(449,821)**

NOTE 29. Dividends

No dividend has been paid for 2012, in accordance with the Ordinary General Meeting decision held on June 6, 2013.

NOTE 30. Capital

As at December 31, 2013, the share capital was made up of 13,997,173 shares (including 55,165 treasury shares), each with a nominal value of 0.9528 euros, i.e. total share capital of 13,336,506 euros.

NOTE 31. Treasury shares

A second outflow transaction relating to 8,890 treasury shares linked to the maturing of part of the plan dated June 29, 2011 was recorded in June 2013 for an amount of 456 thousand euros.

A second outflow transaction of 13,320 treasury shares linked to the final maturity of the plan of November 5, 2009 took place in November 2013 for an amount of 479 thousand euros.

Allocation of free shares

The Board of Directors Meetings of June 29, 2011, September 19, 2012 and June 4, 2013 were authorized by the Extraordinary Shareholders' Meeting of June 8, 2011 to award a total number of free shares not exceeding 10% of the total number of shares comprising the share capital to the Directors and employees of the Cegedim Group.

Following a resolution of the Extraordinary Shareholders' Meeting of February 22, 2008, the Board of Directors, at their Meetings of November 5, 2009 and June 8, 2010, were authorized to award a total number of free shares, which were not to exceed 10% of the total number of shares making up the capital, to the Directors and employees of the Cegedim Group.

The main characteristics of the plans are the following:

- the free shares awarded will grant the right to dividends. Their distribution will be determined as of the award date. The plan dated November 5, 2009 authorized a maximum allocation of 28,750 free shares, The plan dated June 8, 2010 authorized a maximum allocation of 32,540 free shares, The plan dated June 29, 2011 authorized a maximum allocation of 41,640 free shares. The plan dated September 19, 2012 authorized a maximum allocation of 31,670 free shares. The plan dated June 4, 2013 authorized a maximum allocation of 48,870 free shares;
- said shares to their beneficiaries will be fully allocated at the end of a vesting period of two years for beneficiaries whose residence for tax purposes is in France as of the allocation date and four years for beneficiaries whose residence for tax purposes is not in France as of the allocation date;
- the shares will be fully allocated to the beneficiaries on one condition: no resignation, dismissal or termination;
- starting from the final award date, beneficiaries whose residence for tax purposes is in France as of the award date must keep their shares for a term of two years starting from the final award date.

In application of standard IFRS 2, the expense measuring "the benefit" offered to employees is spread out on a linear basis over the vesting period.

The amount reported as expenses in respect of the 2013 fiscal year was 76 thousand euros.

The main characteristics of the plans are the following:

	Plan of 11/05/2009	Plan of 06/08/2010	Plan of 06/29/2011	Plan of 09/19/2012	Plan of 06/04/2013
Date of the General Meeting	02/22/2008	02/22/2008	06/08/2011	06/08/2011	06/08/2011
Date of the Board of Directors Meeting	11/05/2009	06/08/2010	06/29/2011	09/19/2012	06/04/2013
Date of plan opening	11/05/2009	06/08/2010	06/29/2011	09/19/2012	06/04/2013
Total number of shares than can be allocated	28,750 shares	32,540 shares	41,640 shares	31,670 shares	48,870 shares
Initial subscription price	€65.00	€55.00	€39.12	€15.70	€24.46
Date of free disposal of free shares					
France	11/05/2011	06/08/2012	06/28/2013	09/12/2014	06/03/2015
Abroad	11/05/2013	06/08/2014	06/28/2015	18/09/2016	06/03/2017

Position of plans as at December 31, 2013

	Plan of 11/05/2009	Plan of 06/08/2010	Plan of 06/29/2011	Plan of 09/19/2012	Plan of 06/04/2013
Total number of shares allocated	-	21,180 shares	24,470 shares	28,280 shares	46,290 shares
Total number of shares left to be acquired after recorded exercising of options and canceled options	-	-	24,470 shares	15,310 shares	39,275 shares
Adjusted acquisition price of free share allotments					
France	€61.36	€51.45	€36.04	€15.24	€23.74
Abroad	€52.11	€43.40	€29.95	€13.35	€20.79

NOTE 32. Disposal of receivables

On December 9, 2011, Cegedim SA concluded a deconsolidation transaction with Eurofactor relating to the assignment of receivables for 15,799 thousand euros as at December 31, 2013.

NOTE 33. Auditors' fees

	12/31/2013				12/31/2012			
In thousands of euros	**Mazars**	**%**	**Grant Thornton**	**%**	**Mazars**	**%**	**Grant Thornton**	**%**
Auditing, certification, review of individual and consolidated financial statements								
Cegedim SA	177	54.86%	177	43.32%	253	58.03%	248	47.60%
Fully consolidated subsidiaries	145	45.14%	231	56.68%	183	41.97%	273	52.40%
Other work and services directly linked to the Auditors' assignment								
Cegedim SA	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Fully consolidated subsidiaries	-	0.00%	-	0.00%	-	0.00%	-	0.00%
AUDIT SUB-TOTAL	**322**	**100.00%**	**407**	**100.00%**	**436**	**100.00%**	**521**	**100.00%**
Legal, fiscal, social	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Others	-	0.00%	-	0.00%	-	0.00%	-	0.00%
SUB-TOTAL OF OTHER SERVICES PROVIDED BY THE NETWORKS TO THE FULLY CONSOLIDATED SUBSIDIARIES	**-**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**	**-**	**0.00%**
TOTAL AUDITORS' FEES	**322**	**100.00%**	**407**	**100.00%**	**436**	**100.00%**	**521**	**100.00%**

NOTE 34. Subsequent Events

To the best of the Company's knowledge, no events or changes having a significant effect on the Group's financial position have taken place since the closing date.

NOTE 35. Seasonality

The business activities of the Group are marked by certain seasonality effects due to, amongst other things, its Software Publishing and Database Supplier Division.

The operating profit of the Second and Fourth Quarters is generally better than in the other two quarters and, on the whole, the operating profit of the second semester is better than the first. This is largely due to the seasonal nature of the decision-making processes of the Cegedim customers. In particuliar, as far as the CRM and Strategic Data Division is concerned, customers use the Group's services more at the end of the year because they analyse the results of their marketing and sales efforts during the course of the year and prepare their strategies and budgets for the following year. Pharmaceutical sales representatives, in order to achieve their annual objectives, also tend to call on our services at the end of the year. Lastly, the Health Professionals and Insurance and Services Divisions are also characterized by a certain seasonality effect as some customers invest in the Group's end-of-year offers in order to maximize their annual budgets.

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20.2. HISTORICAL FINANCIAL INFORMATION – STATUTORY FINANCIAL STATEMENTS

20.2.1. STATUTORY FINANCIAL STATEMENTS AS AT DECEMBER 31, 2013 – CEGEDIM SA

Balance sheet assets

In thousands of euros	Gross amount	Depreciation and provision	12/31/2013 Net	12/31/2012 Net	12/31/2011 Net
Intangible assets					
Development costs	5,675		5,675	7,153	11,841
Concessions, patents, and similar rights	495	360	135	147	159
Goodwill	5,647	232	5,415	4,911	5,365
Other intangible assets	197,035	65,032	132,003	121,998	102,022
Tangible assets					
Buildings	3,197	1,331	1,886	2,132	2,398
Technical facilities, tooling	27,224	21,386	5,838	5,866	7,496
Other tangible assets	1,761	1,682	79	113	146
Construction work in progress			0	1,717	1,256
Long-term investments					
Other equity investments	996,003	230,717	765,286	701,393	810,076
Minority interest related receivables	211		211	146	186
Loans	16,351	4,860	11,491	63,067	41,289
Other long-term investments	3,767		3,767	3,921	4,366
FIXED ASSETS	**1,257,366**	**325,600**	**931,766**	**912,564**	**986,600**
Inventory and work in progress					
Inventory of goods and raw materials	15		15	18	19
Production of services in progress	0		0	0	0
Goods	0		0	0	0
Advances and deposits made on orders	60		60	259	451
Receivables					
Accounts receivable and associated accounts	67,164	1,037	66,127	72,588	66,875
Other receivables	14,704		14,704	38,548	35,473
Subscribed and called capital not paid			0	0	
Marketable securities	2,263	129	2,134	2,832	4,185
Cash and cash equivalents	361		361	2,665	69
Accruals					
Prepaid expenses	5,717		5,717	6,154	5,842
CURRENT ASSETS	**90,285**	**1,166**	**89,119**	**123,064**	**112,916**
Deferred loan issuing costs	6,760		6,760	5,859	6,748
Unrealized exchange losses	3,906		3,906	29	1,076
TOTAL ASSETS	**1,358,316**	**326,766**	**1,031,550**	**1,041,516**	**1,107,339**

Balance Sheet Liabilities

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
Share Capital	13,337	13,337	13,337
Premiums on issues, mergers and contributions	244,313	244,313	244,313
Legal reserves	1,334	1,334	1,334
Regulated reserves	972	738	1,140
Other reserves	46,143	129,774	106,127
Retained earnings	188	188	188
Profit (loss) for the period	(48,937)	(82,251)	23,244
Total regulated provisions	1,845	2,226	1,838
SHAREHOLDERS' EQUITY	**259,193**	**309,656**	**391,520**
Provisions for risks	8,523	2,240	2,979
Provisions for expenses	9,446	8,508	5,696
PROVISIONS FOR RISKS AND EXPENSES	**17,969**	**10,748**	**8,675**
Financial liabilities			
Other bonds	468,550	280,000	280,000
Loans and liabilities from financial institutions	76,920	253,105	221,429
Miscellaneous loans and financial liabilities	46,402	46,883	46,910
Advances & payments on account received on orders in progress	81	163	103
Operating liabilities			
Accounts payable and related accounts	30,669	45,085	50,644
Tax and social liabilities	22,537	22,751	25,861
Miscellaneous liabilities			
Payables on fixed assets and associated accounts	-	-	-
Other liabilities	108,125	44,357	48,392
Deferred income	904	845	889
LIABILITIES	**754,189**	**693,189**	**674,228**
Unrealized exchange gains	200	27,923	32,916
TOTAL LIABILITIES	**1,031,550**	**1,041,516**	**1,107,339**

Income statement (part 1)

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
Sale of goods France	2	4	0
Sale of goods outside France	0	0	5
Production of goods sold France	24	107	8
Production of goods sold outside France	453	287	0
Production of services sold France	123,651	125,290	123,895
Production of services sold outside France	66,845	58,400	53,375
NET REVENUE	**190,975**	**184,087**	**177,284**
Stocked production	(4)	0	0
Capitalized production	26,295	28,785	27,667
Write-backs on depreciation, provisions and transferred expenses	9,090	2,129	4,178
Other income	861	476	549
OPERATING INCOME	**227,216**	**215,477**	**209,678**
Purchase of goods	(2)	(4)	0
Variations in inventories of goods and raw materials	(3)	0	(3)
Purchase of raw materials and supplies	0	0	(6)
Other external purchases and expenses	(115,702)	(108,131)	(111,751)
Taxes, duties, and similar payments	(5,222)	(5,006)	(4,630)
Wages and salaries	(51,110)	(51,756)	(51,519)
Payroll taxes	(24,527)	(25,226)	(24,062)
Depreciation of fixed assets	(28,464)	(20,124)	(15,926)
Provisions for current assets	(607)	(440)	(290)
Provisions for risks and expenses	(1,264)	(3,220)	(2,068)
Other expenses	(256)	(878)	(650)
OPERATING EXPENSES	**(227,157)**	**(214,786)**	**(210,905)**
OPERATING EARNINGS	**59**	**691**	**(1,228)**

Income statement (part 2)

In thousands of euros	12/31/2013	12/31/2012	12/31/2011
Financial income from equity interests	38,572	43,388	46,925
Other interest and related income	8,618	19,835	24,734
Write-backs on provisions and transferred expenses	7,467	7,063	22,197
Foreign exchange gains	23,865	416	3,464
Net gain on disposal of short-term investments	0	1	30
FINANCIAL INCOME	**78,523**	**70,703**	**97,348**
Financial depreciation and provisions	(78,343)	110,165	(19,403)
Interest and related expenses	(57,801)	50,134	(55,363)
Foreign exchange losses	(2,400)	(1,622)	(816)
FINANCIAL EXPENSES	**(138,544)**	**(161,922)**	**(75,582)**
FINANCIAL EARNINGS	**(60,022)**	**(91,219)**	**21,766**
CURRENT EARNINGS BEFORE TAX	**(59,963)**	**(90,528)**	**20,539**
Non-recurring income on management operations	0	0	0
Non-recurring income on capital transactions	8	4,853	451
Write-backs on provisions and transferred expenses	975	500	723
NON-RECURRING INCOME	**983**	**5,353**	**1,173**
Non-recurring expenses on management transactions			
Non-recurring expenses on capital transactions	(3)	(5,367)	(1,290)
Non-recurring expenses from depreciation and provisions	(594)	(888)	(892)
NON-RECURRING EXPENSES	**(597)**	**(6,254)**	**(2,182)**
NON-RECURRING EARNINGS	**386**	**(901)**	**(1,008)**
Employee profit-sharing	(373)	(195)	(451)
Income taxes	11,013	9,372	4,165
TOTAL REVENUE	**306,722**	**291,533**	**308,199**
TOTAL EXPENSES	**(355,659)**	**(373,784)**	**(284,955)**
PROFIT (LOSS) FOR THE PERIOD	**(48,937)**	**(82,251)**	**23,244**
Net earnings per share *(in euros)*	(3.50)	(5.88)	1.66
Earnings before tax per share *(in euros)*	(4.28)	(6.55)	1.36
Current earnings before tax per share *(in euros)*	(4.28)	(6.47)	1.47

TABLE OF SUBSIDIARIES AND EQUITY INTERESTS

Subsidiaries owned more than 50%	Share capital [1]	Shareholders' equity other than share capital [1]	% of control	Book value of shares owned Gross value	Provision for depreciation on shares
CEGEDIM OUTSOURCING	2,500	1,389	100.00%	5,553	1,665
GERS SAS	50	(1,958)	100.00%	50	50
CETIP	749	6,831	99,74%	1,216	0
SCI 2000	4	490	68.83%	847	0
INCAMS	38	(750)	100.00%	2,626	1,460
PHARMASTOCK	576	(152)	100.00%	576	0
AMIX	160	(231)	100.00%	8	0
CEGELEASE	10,000	4,429	100.00%	10,219	0
CEGEDIM LOGICIELS MEDICAUX	1,000	(1,770)	100.00%	30,567	20,493
ICOMED	3,087	(461)	100.00%	189	0
CEGEDIM SRH	7,000	(2,623)	100.00%	12,446	7,406
RNP	495	1,137	100.00%	2,430	0
SOFILOCA	15	360	100.00%	15	0
REPORTIVE SA	8,002	(1,024)	100.00%	2,448	0
CDS	58,008	3,139	100.00%	73,204	9,251
MEDEXACT	37	2,451	100.00%	655	0
CSD France	1,000	(5,516)	100.00%	13,335	5,653
CEGEDIM ACTIV	13,323	15,643	100.00%	30,000	0
HOSPITALIS	37	548	100.00%	37	0
RESIP	159	1,959	100.00%	20,435	0
ALLIADIS	1,244	4,461	100.00%	44,224	0
ALLIANCE SOFTWARE	1,563	2,368	100.00%	8,962	0
PREMIUM CEGEDIM	100	92	50.00%	50	0
CEGEDIM HEALTHCARE SOFTWARE	10	(2)	100.00%	10	0
CEGEDIM INSURANCE	0	(2)	100.00%	0	0
CEGEDIM DYNAMIC FRAMEWORK	0	(2)	100.00%	0	0
I-ASSURANCES	0	0	100.00%	0	0
CEGEDIM IT	0	(2)	100.00%	0	0
CEGEDIM SECTEUR 1	0	(2)	100.00%	0	0
SANTESTAT	1	(1)	100.00%	1	0
CEGEDIM KADRIGE	0	(108)	100.00%	0	0
CEGEDIM Autriche GmbH	130	(202)	100.00%	130	130
CEGEDIM ALGERIE	85	301	100.00%	85	0
CEGEDIM Belgique	269,075	50,511	99.97%	268,985	0
CROISSANCE 2006 Belgique	1,378	6,947	100.00%	6,243	0
CEGEDIM CZ Tchéquie	29	829	100.00%	1,171	0
CEGEDIM TRENDS (Egypte)	14	828	70.00%	434	0
CEGEDIM HOLDING GmbH	11,559	(3,502)	100.00%	12,600	10,554
CEGEDIM HELLAS	358	671	99.99%	360	0
CEGEDIM COMPUTER TECHNICS (Hungary)	90	(58)	100.00%	89	86
CEGEDIM WORLD INT. SERVICES Ltd	60,000	2,536	100.00%	60,000	0
CEGEDIM Italy	10,000	5,863	100.00%	10,025	0

Book value of shares owned – Net value	Loans and advances granted not reimbursed		Provision Risk	Revenue excl. tax (2)	Profit (loss) for the period (2)	Dividends received
	Gross value	Provision				
3,889				9,163	979	
0			1,908	25,911	(1,907)	
1,216				24,997	2,727	
847				267	236	150
1,166				3,061	(484)	
576				2,073	(173)	
8				2,645	16	
10,219	10,000			112,851	3,454	2,547
10,074				21,132	1,403	
189				11,775	(302)	
5,041				30,270	1,044	
2,430				24,320	1,499	833
15				2,675	350	257
2,448				2,150	529	
63,953				9,130	2,946	
655				4,331	652	825
7,682				22,673	(5,413)	
30,000				80,024	7,911	
37				2,852	548	515
20,435				6,832	1,885	1,334
44,224				42,905	2,704	2,543
8,962				20,348	635	
50				0	93	
10				0	(2)	
0				0	(2)	
0				0	(2)	
0				35	0	
0				0	(2)	
0				0	(2)	
1				0	(1)	
0				95	(108)	
0			72	1,601	(349)	
85	36			965	310	
268,985				7,428	49,423	20,461
6,243				0	281	
1,171				4,470	508	483
434				2,219	501	150
2,046				1,036	(415)	
360				5,027	627	720
3				454	28	
60,000				24	2,305	2,500
10,025				17,984	1,619	1,000

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Subsidiaries owned more than 50%	Share capital (1)	Shareholders' equity other than share capital (1)	% of control	Book value of shares owned Gross value	Provision for depreciation on shares
CEGEDIM ROUMANIA SRL	2	2,774	100.00%	1,031	0
CEGEDIM LLC (Russia)	200	3,187	99.99%	2,096	0
CEGEDIM SK (Slovakia)	12	412	100.00%	8	0
CEGEDIM Espagne	810	2,678	100.00%	1,656	0
CEGEDIM TUNISIE	198	(242)	50.00%	1,419	1,292
NEXT SOFTWARE (Tunisie)	187	(180)	94.51%	177	0
CEGEDIM UK Ltd	5,172	1,234	100.00%	5,220	20
IN PRACTICE SYSTEMS (UK)	19,845	8,800	100.00%	0	0
THIN (England)	2	(859)	100.00%	188	188
CEGEDIM USA	357,111	2,915	100.00%	361,279	171,341
CEGEDIM DO BRASIL	716	(7,074)	100.00%	716	716
TOTAL SUBSIDIARIES HELD AT OVER 50%				**994,016**	**230,303**

Subsidiaries owned at less than 50%	Share capital (1)	Shareholders' equity other than share capital (1)	% of control	Book value of shares owned Gross value	Provision for depreciation on shares
EDIPHARM	15	145	20.00%	3	0
iGESTION	4,000	(6,319)	0.00%	0	0
NETFECTIVE TECHNOLOGY	538	9,156	6.08%	899	310
NEX & COM	500	1,878	20.00%	13	0
CSD Belgium	62	(784)	0.02%	0	0
CEGEDIM Portugal	560	4,163	8.93%	535	105
CEGEDIM AS TURKEY	485	1,105	26.41%	497	0
GERS MAGHREB (Tunisie)	547	166	6.42%	40	0
TOTAL – SUBSIDIARIES HELD AT LESS THAN 50%				**1,987**	**414**
TOTAL				**996,003**	**230,717**

(1) Capital and shareholders' equity of subsidiaries that are not in the euro zone are given at their exchange value in thousands of euros on the historical dates.
(2) Revenue and net earnings for subsidiaries that are not in the euro zone are given at their exchange value in thousands of euros at the annual average exchange rate for the 2013 fiscal year.

Book value of shares owned – Net value	Loans and advances granted not reimbursed		Provision Risk	Revenue excl. tax [2]	Profit (loss) for the period [2]	Dividends received
	Gross value	Provision				
1,031				5,447	454	
2,096				15,418	579	
8				1,100	238	220
1,656				14,477	573	300
128	106			247	(9)	
177				79	25	
5,200				16,898	1,884	580
0				38,523	7,595	2,968
0			774	703	(98)	
189,938				0	(1)	
0	4,860	4,860	1,013	5,780	(1,686)	
763,713	**15,002**	**4,860**	**3,767**	**602,395**	**85,607**	**38,385**

Book value of shares owned – Net value	Loans and advances granted not reimbursed		Provision Risk	Revenue excl. tax [2]	Profit (loss) for the period [2]	Dividends received
	Gross value	Provision				
3	0			6,347	73	31
0				7,966	(304)	
589				7,750	3,042	16
13				4,229	72	
0				1,003	(271)	
430				7,355	358	4
497				4,913	701	135
40	311			802	131	
1,573	**311**	**0**	**0**	**40,367**	**3,802**	**187**
765,286	**15,313**	**4,860**	**3,767**	**642,762**	**89,409**	**38,572**

20.2.2. NOTES TO THE STATUTORY FINANCIAL STATEMENTS AS AT DECEMBER 31, 2013 – CEGEDIM SA

DETAILED SUMMARY OF THE NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. Characteristics of the 2013 fiscal year

A) Bond issuing

On March 20, 2013 Cegedim carried out a senior bond issue for 300 million euros at 6.75% maturing April 1, 2020 (Regulation S, Rule 144A). The bonds have been priced at 100% of their face value. Cegedim used the issuing earnings to:

- redeem the 7% bonds maturing in 2015, further to a redemption offer at 108% (111.5 million euros at par value). Including unpaid and past-due interest, the amount comes to 121.5 million euros. The bonds still in circulation amount to 168.6 million euros;
- reimburse the 140 million euros term loan;
- reimburse drawings on the revolving credit for an amount of 30.4 million euros;
- pay costs and expenditures related to these operations.

B) Research and development capitalization

Cegedim and its subsidiaries software development costs (composed of payroll costs and external costs) were capitalized for 26,081 thousand euros. The conditions set forth by the General Chart of Accounts were satisfied.

C) Allocation of free shares

On June 4, 2013, the Board of Directors was authorized by the Extraordinary General Shareholders' Meeting of June 8, 2011, to award a maximum of 48,870 free shares to the Directors and employees of the Cegedim Group (see note 28).

D) Complete transfer of assets and liabilities

Cegedim SA merged with Rosenwald on January 02, 2013. At December 31, 2013, Cegedim SA's balance sheet associates the Company's own assets and liabilities as well as the same components of the acquired company. This merger generates a loss which equals the difference between the net assets of the company acquired and the net value of its shares in the Cegedim SA accounts. This merger loss is a real lost which is recognized in the financial earnings in compliance with accounting rules, for an amount of 404 thousand euros.

E) Impairment of Cegedim USA shares

The revision of the CRM and strategic data business plan caused the Group to impair the goodwill allocated to this business sector in the consolidated financial accounts. The corresponding reduction in the net book asset value of the Cegedim Inc. subsidiary resulted in a €63 million impairment of the shares of Cegedim USA at the close of 2013.

NOTE 2. Accounting rules and methods

The annual financial statements are prepared in accordance with French legal and regulatory provisions.

General accounting principles were applied in accordance with the principle of conservatism with the following basic assumptions:

- the going concern concept;
- the consistency of accounting methods from one fiscal year to another;
- independence of fiscal years.

The basic method used to value the items included in the financial statements is the historical cost method.

The main rules and methods used are as follows:

A) Other intangible assets

Cegedim SA's intangible assets mainly consist of development costs and acquired software.

RESEARCH AND DEVELOPMENT COSTS

Cegedim incurs costs in connection with project development operations.

Development costs for new projects are capitalized as long as the following criteria are fully satisfied (CRC Regulation No. 2004-06):

- the technical feasibility necessary to complete the intangible asset in order to use it or sell it;
- the intention to complete the intangible asset and to use or sell it;
- the ability to use or sell the intangible asset;
- the way in which the intangible asset will generate probable future economic benefits;
- the availability of appropriate resources (technical, financial, and other) to complete development and use or sell the intangible asset;
- the ability to measure reliably the costs related to the intangible asset during its development.

If one of these criteria is not satisfied, development costs are recognized as expenses for the fiscal year during which they were incurred.

Development costs include all expenses that can be directly related to the intangible asset and that are necessary to create it, produce it, and prepare it so that it operates in accordance with the use planned by the management.

Depreciation is calculated using the straight-line method starting with the initial use of the underlying asset and is calculated over its foreseeable useful life.

External projects are recognized first in an expense account called "Studies and research" and at the end of the year, restated as intangible assets in progress offset by an external capitalized production account.

Other projects are recognized in the corresponding expense accounts during the year. At the closing date, they are transferred to research and development costs and offset by a capitalized production account.

Cegedim SA has capitalized 165,141 thousand euros, including 26,081 thousand euros for the 2013 fiscal year in Research and Development. The capitalized amount of 26,081 thousand euros relates solely to software developed by Cegedim and its subsidiaries.

Economically, the two main projects involve the "CRM and strategic data" sector in a total amount of 101,666 thousand euros. These projects have an average depreciation period of 14 years. The other miscellaneous projects, concerning all of Cegedim SA's activity sectors for a total of 63,475 thousand euros, are depreciated over an average of five years.

ACQUIRED ASSETS

Acquired intangible assets are valued at their purchase cost and depreciated using the straight-line method over their economic lifespan.

B) Tangible assets

Acquired tangible assets are valued at their purchase cost and depreciated over their economic lifespan. The depreciable base used is the purchase cost. Lifespans are reviewed periodically and may be modified prospectively depending on the circumstances.

Cegedim SA's tangible assets consist essentially of computer hardware and fixtures, and facilities.

The depreciation periods and methods used are generally the following:

COMPUTER HARDWARE

- Microcomputers intended for office use: between three and four years; straight-line method.
- Server systems: between 5 and 15 years; straight-line method.

FIXTURES AND FACILITIES

Fixtures and facilities have a lifespan of 8 to 15 years (usually being 8 years). Fixtures and facilities are depreciated using the straight-line method.

C) Equity investments and other investments

Their gross value consists of the purchase cost, excluding ancillary acquisition expenses. Equity investments are subject to a provision for impairment, if necessary. The purpose of the measurement of equity securities is to compare the amount of equity investments to the subsidiary's net consolidated book value.

D) Treasury shares

Treasury shares held pursuant to an authorization granted by the General Meeting are valued at their purchase price and recognized as long-term investments or investment securities, depending on their type. A provision for impairment is included if the average price for the last month of the fiscal year is lower than the acquisition value. The provision is equal to this difference.

However, the existing treasury shares as at December 31, 2013 involve all of the treasury shares intended for the Cegedim Group's managers and employees (see note 28), therefore they are recognized as investment securities and there is no cause to record an impairment.

E) Accounts receivable

Receivables are valued at their face value.

A provision for impairment is recognized if the inventory value, based on the probability of collection, is less than the recorded value. Thus, customers undergoing judicial administration or liquidation are routinely impaired at 100% and receivables outstanding for more than six months are monitored on a case-by-case basis and, if necessary, impaired in the amount of the estimated risk of non-collection.

Pursuant to a factoring contract signed on December 9, 2011, Cegedim SA assigned receivables representing 9,743 thousand euros as at December 31, 2013. The receivables assigned to the Factor correspond mainly to the security deposit of 1,111 thousand euros, representing 10% of the receivables sold, and to the Eurofactor current account, the balance of which has been paid in full.

F) Retirement benefit obligations

Cegedim SA applies the measures of the ANC recommendation No. 2013-02 dated November 7, 2013 which regulates the valuation of retirement obligations and similar benefits.

The Company's actuarial liabilities are calculated using the projected credit unit method and on the basis of measurements that include assumptions concerning wage increases, inflation, life expectancy, employee turnover, and return on dedicated investments. Changes tied to periodic modifications of the actuarial assumptions listed above under financial and economic situations or to demographic conditions are recorded in the income statement.

Retirement obligations are recognized as a provision for expenses and Cegedim SA has chosen to record actuarial differences in the income statement.

Cegedim SA's obligations are partially covered by funds paid to a financial agency; the amount of these dedicated investments is therefore deducted from the total obligation on the liabilities side of the balance sheet.

In accordance with IAS 19, revised, and the ANC's recommendation, the unrecognized prior service cost unamortized as at December 31, 2012 has been amortized by shareholders' equity as of January 1, 2013, an impact of 1,146 thousand euros.

G) Revenue recognition

Cegedim SA's revenue consists primarily of services, and if necessary, any sales of software and hardware.

SERVICE REVENUE

The main categories of services and the methods of revenue recognition are as follows:

- access to Cegedim databases is generally subject to subscription with periodic billing (monthly or annually); sales revenue is then recognized on a prorated basis according to elapsed time;
- standard and specific studies supplied by Cegedim are recognized upon delivery to clients;
- data processing performed for clients is recorded when the service is provided;
- support services (assistance, maintenance, etc.) are covered by a contract (generally annual) calculated on a lump sum basis in relation to the costs and resources committed by Cegedim to provide these services. Income from these contracts is recognized on a prorated basis over the duration of the contract and results in the recognition of deferred income.

SOFTWARE AND HARDWARE SALES

Sales arising from new software licenses with unlimited or limited length are accounted (under the condition that the Group does not have any other obligations) when there exists an agreement with the client, if the delivery and acceptance are completed, if the amount of sales and costs related can be measured properly, and if the economic benefits connected to the transaction will revert to the Group. If one of these four criteria is not fulfilled, the recognition of sales arising from the software license is deferred until all of these criteria are fulfilled.

H) Transactions in foreign currencies

Expenses and income in foreign currencies are recorded at their exchange value in euros on the date of the transaction.

Liabilities and receivables in foreign currencies appear in the balance sheet at their exchange value in euros at the end of the fiscal year. Differences resulting from the conversion of liabilities and receivables into foreign currencies at this last closing exchange rate are listed in the balance sheet as "unrealized conversion gains or losses". Unrealized, unhedged exchange losses are covered by a provision for risks.

I) Bond issue costs

In 2013, issue costs related to the 300,000 thousand euros bond (i.e. 7,608 thousand euros), were spread over the term of the bond in accordance with the loan's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 849 thousand euros.

The balance of the deferment of issue costs related to the refinancing of the debt in 2011, the covenant negotiation costs in 2012, and to the 280,000 thousand euros bond in 2010, was recognized in 2013. The total amount for the past fiscal year came up to 5,859 thousand euros.

J) Statutory Auditors' fees (Decree No. 2008-1487 dated December 30, 2008)

The information pertaining to the Statutory Auditors' fees is listed in the notes to Cegedim SA's consolidated financial statements.

K) Tax credit for encouraging competitiveness and jobs (CICE – Crédit d'Impôt Compétitivité Emploi)

CICE is deductible from payroll costs and amounts 612 thousand euros in 2013.

NOTE 3. Assets

In thousands of euros	12/31/2012	Reclassification peer-to-peer	ToA [(1)]	Acquisitions/ Contributions	Disposals/ Withdrawals	12/31/2013
Establishment and development costs	7,153	(7,905)	-	6,427		5,675
Other intangible assets	153,489	27,829	413	726	264	182,194
Other intangible assets in progress	20,928	(19,925)		19,980	-	20,983
GROSS INTANGIBLE ASSETS	**181,570**	**-**	**413**	**27,132**	**264**	**208,852**
Buildings on un-owned land	-	-	-	-	-	-
General buildings & facilities	3,197	-	-	-	-	3,197
Technical facilities, tooling	27,964	1,739	-	1,264	3,743	27,224
Office and IT equipment and furniture	1,753	-	-	7	-	1,761
Tangible assets under construction	1,717	(1,739)	-	22	-	0
GROSS INTANGIBLE ASSETS	**34,631**	**-**	**-**	**1,294**	**3,743**	**32,182**
Other equity investments [(2)]	866,766	-	-	131,081	1,633	996,214
Loans and other long-term investments [(3)]	72,302	-	-	50,940	103,124	20,118
GROSS LONG-TERM INVESTMENTS	**939,068**	**-**	**-**	**182,021**	**104,757**	**1,016,332**
TOTAL GROSS ASSETS	**1,155,269**	**-**	**413**	**210,447**	**108,764**	**1,257,366**

(1) Contribution of the Rosenwald company to Cegedim as at January 2, 2013.
(2) The increase in equity investment value:
Capital increase of certain subsidiaries by the compensation of receivables and cash contribution.
The decrease in equity investment value:
Subsidiary Rosenwald: Company absorbed on 01/02/2013.
(3) The account "Loans, Other long-term investments" is made up of security deposits in the amount of €3,767 thousand, €15,313 thousand in loans to subsidiaries, and €1,038 thousand in loans for construction efforts.
The main loans granted to subsidiaries during the fiscal year are as follows: CDS for €43,480 thousand, CSD France for €4,130 thousand.
The main loan reimbursements obtained from subsidiaries are as follows: €10,000 thousand from Cegelease, €9,142 thousand from CSD and €4,450 thousand from Incams.
Decrease of loans due to compensation of receivables to enable capital increase concern CDS for €60,685 thousand and CSD for €11,538 thousand.

The typical features of loans granted to subsidiaries are:

- an annual interest rate of 3.5% for loans to French subsidiaries;
- an annual interest rate of 4% for loans to foreign subsidiaries;
- varying duration;
- the lack of an automatic renewal clause and other specific clauses.

NOTE 4. Depreciation

In thousands of euros	12/31/2012	ToA	Allowances	Reversals	12/31/2013
Establishment and development costs	0	0	0	0	0
Other intangible assets	47,361	110	18,417	264	65,624
Other intangible assets in progress	0	0	0	0	0
AMORTIZATION OF INTANGIBLE ASSETS	**47,361**	**110**	**18,417**	**264**	**65,624**
Buildings on third party land	0	0	0	0	0
General buildings & facilities	1,065	0	266	0	1,331
Technical facilities, tooling	22,098	0	3,031	3,743	21,386
Office and computer equipment	1,640	0	42		1,682
AMORTIZATION OF TANGIBLE ASSETS	**24,803**	**0**	**3,339**	**3,743**	**24,399**
TOTAL DEPRECIATION	**72,164**	**110**	**21,756**	**4,007**	**90,023**

In thousands of euros	Straight-line	ToA	Declining balance	Accelerated allowances	Accelerated reversals
Establishment and development costs	0	0	0	0	0
Other intangible assets	18,417	0	0	0	0
Other intangible assets in progress	0	0	0	0	0
INTANGIBLE ASSETS	**18,417**	**0**	**0**	**0**	**0**
Buildings on third party land	0	0	0	0	0
General buildings & facilities	266	0	0	0	0
Technical facilities, tooling	3,031	0	0	594	975
Office and computer equipment	42	0	0	0	0
TANGIBLE ASSETS	**3,339**	**0**	**0**	**594**	**975**
TOTAL CHARGES	**21,756**	**0**	**0**	**594**	**975**

NOTE 5. Provisions

In thousands of euros	12/31/2012	Unrecognized prior service cost	ToA	Allowances	Reversals used	Reversals unused
Accelerated depreciation	2,226	0		594	0	975
TOTAL REGULATED PROVISIONS	**2,226**	**0**		**594**	**0**	**975**
Provisions for litigation	60	0		281	56	0
Provision for exchange losses	29	0		3,906	0	29
Provisions for pensions and similar obligations	7,322	1,146		6	359	0
Provisions for shares allocated to employees	1,186	0		827	682	0
Other provisions for risks and expenses	415	0		150		
Provisions for risks on equity investments	1,736	0		2,031	0	0
PROVISIONS FOR RISKS AND EXPENSES	**10,748**	**1,146**		**7,201**	**1,097**	**29**
Equity investments	165,227	0		72,277	0	6,787
Other long-term investments	5,314	0		0	0	454
Provisions on inventory and work in progress	0		4			4
Provisions for impairment of accounts receivable	621	0	52	607	83	159
Other provisions for impairment	198	0		129	0	198
TOTAL PROVISIONS FOR IMPAIRMENT	**171,360**	**0**	**56**	**73,013**	**83**	**7,603**
TOTAL PROVISIONS	**184,333**	**1,146**	**56**	**80,808**	**1,180**	**8,607**
Operating depreciation and reversals				1,871	1,180	164
Financial depreciation and reversals				78,343	0	7,467
Non-recurring depreciation and reversals				594	0	975

NOTE 6. Due dates for receivables and liabilities

In thousands of euros	Gross amount	Due in one year or less	Due in more than one year
Minority interest related receivables	211	211	
Loans	16,351	0	16,351
Other long-term investments	3,767	1,111	2,656
Doubtful or litigious customer receivables	796	796	
Other customer receivables	66,367	66,367	
Employees and related obligations	139	139	
Social Security and other social agencies	2	2	
Government: Corporate tax	7,945	7,945	
Government: Value added tax	2,208	2,208	
Government: Miscellaneous receivables	39	39	
Group and associates	4,017	4,017	
Miscellaneous debtors	353	353	
Prepaid expenses	5,717	5,717	
TOTAL RECEIVABLES	**107,913**	**88,906**	**19,007**
Loans granted during the fiscal year	50,167		
Repayments received during the fiscal year	102,197		

In thousands of euros	Gross amount	Due in one year or less	Between one and five years	Due in more than five years
Other bonds	468,550	0	168,550	300,000
Loans initially due in under 1 year maximum	66,806	66,806		
Loans initially due in more than 1 year	10,114	10,114		
Miscellaneous loans and financial liabilities	46,402	211	46,191	
Accounts payable	30,669	30,669		
Employees and related obligations	9,369	9,369		
Social Security and other social agencies	4,899	4,899		
Government: Value added tax	6,778	6,778		
Government: Other income tax, and other related taxes	1,491	1,491		
Group and associates	91,164	91,164		
Other liabilities	19,962	16,962		
Deferred income	904	904		
TOTAL DEBT	**754,108**	**239,367**	**214,741**	**300,000**
Loans taken out during the fiscal year	310,482			
Loans reimbursed during the fiscal year	290,628			

NOTE 7. Retirement

	Through an insurance fund	Through a provision for expenses
Retirement obligation covered	€1,618 thousand	€8,115 thousand

When employees retire, they receive retirement compensation as defined in the collective bargaining agreement.

An actuarial valuation plan has been set up to fund the obligations tied to this compensation. The total obligation comes to 9,733,106 euros, including 1,617,954 euros paid to an insurance company.

The actuarial assumptions used are as follows:

Economic assumptions		Net interest rate: 3.17%
		Wage increases: 1.7% inflation included
Demographic assumptions mortality:	Mortality:	The Insee 2009-2011 mortality tables are used.
	Mobility:	5.0% per year up to 35 years of age
		3.0% up to the age of 45
		1.5% up to the age of 50 and 0% thereafter
Retirement age		Voluntary retirement at 65 for non-management
Retirement age		Voluntary retirement at 65 for management

Collective bargaining agreement:

Cegedim comes under the national collective bargaining agreement for the Pharmaceutical Industry.

NOTE 8. Tax consolidation scope

Cegedim SA is the ultimate parent company of the Group.

The following companies elected to form a consolidated tax group with Cegedim SA:

- Alliadis, Alliance Software, Amix, CLM, CDS, Cegedim Activ, Cegedim Ingénierie, Cegedim SRH, Cegelease, Cetip, Euroformat, GERS SAS, Hospitalis, Icomed, iGestion, Incams, MedExact, Cegedim Outsourcing, PG Informatique, Pharmastock, Resip, Reportive, RNP, RMI, Sofiloca, Proval SA, Cegedim Stratégie Data France, Decisions Research Europe, Cegedim SRH Montargis, Cegedim Software, ASPLine, Cegedim Assurances, Cegedim Dynamic Framework, I-Assurances, Cegedim IT, Cegedim sector 1, Santestat and Cegedim Kadrige;
- the tax consolidation group generated a tax loss that can be carried forward of 22,213 thousand euros as at December 31, 2013;
- tax expenses are borne by the consolidated companies having made a profit and amount to 11,176 thousand euros;
- the parent company Cegedim recorded a deferred tax income of 11,176 thousand euros corresponding to deferred tax income on loss-making consolidated subsidiaries, with a ceiling fixed at the tax burden of the companies posting profits.

NOTE 9. Balance Sheet items

In thousands of euros	Consolidated companies	Equity Investments	Related companies
Fixed assets			
Equity Investments	995,038	965	0
Loans	15,313	0	0
Current assets			
Accounts receivable and associated accounts	31,286	258	244
Other receivables	4,166	0	0
Liabilities			
Financial liabilities	0	0	45,094
Trade payables and related accounts	16,534	0	2,899
Other liabilities	97,724	120	0
Investments			
Financial expenses	(7,044)	0	(2,457)
Financial income	8,604	7	0
Operations			
Management fees			(1,580)
Rent			(4,250)

NOTE 10. Advances paid to management

In accordance with article L. 225-43 of the French Code of Commerce, no advances or loans were granted to the Company's management.

NOTE 11. Breakdown of income receivable

In thousands of euros	12/31/2013
Dividends due	211
MINORITY INTEREST RELATED RECEIVABLES	**211**
Clients – Invoices to be prepared	13,103
ACCOUNTS RECEIVABLE	**13,103**
Suppliers, accrued credits	298
Receivables from employees	5
Receivables from government	333
OTHER RECEIVABLES	**635**
TOTAL RECEIVABLES	**13,950**

NOTE 12. Breakdown of expenses to be paid

In thousands of euros	12/31/2013
Accrued interest payable on loans	10,114
Accrued interest payable on equity investments	37
BORROWINGS AND FINANCIAL LIABILITIES	**10,151**
Suppliers, accrued invoices	4,021
ACCOUNTS PAYABLE AND RELATED ACCOUNTS	**4,021**
Provision for paid holidays	6,230
Reduced work time provision	1,265
Provision CET holidays	142
Other personnel expenses payable	1,355
Government, VAT and Expenses payable	1,025
TAX AND SOCIAL LIABILITIES	**10,016**
Clients – Credits to be established	3,542
TOTAL	**27,730**

NOTE 13. Breakdown of deferred revenue and accrued expenses

In thousands of euros	12/31/2013
Tolling	294
Transpac IT lines	134
Rent & Expenses locatives	1,294
Rental of computer hardware	213
Software royalties	907
IT equipment Maintenance	167
Maintenance software	1,598
Financial expenses	619
Others	491
TOTAL PREPAID EXPENSES	**5,717**
Service revenue	904
TOTAL DEFERRED INCOME	**904**

NOTE 14. Costs for the bond issue

Type	12/31/2012	Increase	Allowances	12/31/2013
Loan issue costs	5,859	7,608	6,708	6,760

In 2013, issue expenses related to the 300,000 thousand euros bond (i.e. 7,608 thousand euros), were spread over the remaining period of the loan in accordance with the loan's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 849 thousand euros.

The balance of the deferment of issue costs related to the refinancing of the debt in 2011, the covenant negotiation costs in 2012, and to the 280,000 thousand euros bond in 2010, was recorded in 2013. The total amount for the past fiscal year was 5,859 thousand euros.

NOTE 15. Share capital

Shareholders	No. of shares held	% held	No. of single votes	No. of double votes	No. of double votes	Total votes	% voting rights
				Actions	Voix		
FCB	7,361,044	52.59%	53,651	7,307,393	14,614,786	14,668,437	69.00%
FSI	2,102,061	15.02%	2,102,061	0	0	2,102,061	9.89%
Public (1)	4,478,903	32.00%	4,469,168	9,735	19,470	4,488,638	21.11%
Cegedim (2)	55,165	0.39%	0	0	0	0	0
TOTAL	**13,997,173**	**100%**	**6,624,880**	**7,317,128**	**14,634,256**	**21,259,136**	**100%**

Categories of shares	Number of shares closing par value	Number of shares created during the fiscal year	Number of shares created by division of the par value	Opening number of shares	Closing number of shares	Nominal value at the start of the fiscal year
Common Shares	13,997,173			13,997,173	0.9528	0.9528

(1) Including the Alliance Healthcare France holding.
(2) Including the liquidity contract.

NOTE 16. Identity of Cedegim's parent company: FCB

A business corporation (SA) held primarily by Mr. Labrune, his family, and by certain members of the Board of Directors of Cegedim SA.

NOTE 17. Statement of changes in consolidated shareholders' equity

In thousands of euros	Capital	Premiums	Legal reserves	Regulated reserves	Other reserves	Retained earnings	Profit (loss) for the period	Regulated provisions	Total
As at 12/31/2009*	**13,337**	**244,313**	**889**	**1,879**	**51,217**	**104**	**61,849**	**1,385**	**374,972**
Capital increase	0								(0)
Decrease in capital									0
2009 earnings			445		61,365	39	(61,849)		0
Dividends					(13,958)				(13,958)
Retained earnings									0
Restated reserves				(515)	515				0
Total regulated provisions								284	284
2010 earnings							20,762		20,762
As at 12/31/2010(1)	**13,337**	**244,313**	**1,334**	**1,363**	**99,139**	**143**	**20,762**	**1,669**	**382,060**
Capital increase									0
Decrease in capital									0
2010 earnings					20,717	44	(20,762)		0
Dividends					(13,953)				(13,953)
Retained earnings									0
Restated reserves				(223)	223				0
Total regulated provisions								169	169
2011 earnings							23,244		23,244
As at 12/31/2011(1)	**13,337**	**244,313**	**1,334**	**1,140**	**106,127**	**188**	**23,244**	**1,838**	**391,520**
Capital increase									0
Decrease in capital									0
2011 earnings					23,244		(23,244)		0
Dividends									0
Retained earnings									0
Restated reserves				(402)	402				0
Total regulated provisions								387	387
2012 earnings							(82,251)		(82,251)
As at 12/31/2012(1)	**13,337**	**244,313**	**1,334**	**738**	**129,774**	**188**	**(82,251)**	**2,226**	**309,656**
Capital increase									0
Decrease in capital									0
2012 earnings					(82,251)		82,251		0
Dividends									0
Retained earnings									0
Restated reserves				234	(234)				0
Unrecognized prior service cost					(1,146)				(1,146)
Total regulated provisions								(381)	(381)
2013 earnings							(48,937)		(48,937
As at 12/31/2013(1)	**13,337**	**244,313**	**1,334**	**972**	**46,143**	**188**	**(48,937)**	**1,845**	**259,193**

(1) Shareholders' equity before distribution.

NOTE 18. Breakdown of revenue

In thousands of euros	Revenue France	Revenue outside France	Total revenue as at 12/31/2013
Sales of goods	2	0	2
Production of goods	24	453	476
Production of services	123,651	66,845	190,496
TOTAL REVENUE	**123,677**	**67,298**	**190,975**

NOTE 19. Financial result

In thousands of euros	12/31/2013	12/31/2012
Financial allowances/reversals	(70,876)	(103,102)
Financial interest expense and income	(46,918)	(30,106)
Dividends received	38,572	43,388
Other financial earnings (incl. foreign exchange gains and losses)*	19,200	(1,399)
FINANCIAL EARNINGS	**(60,022)**	**(91,219)**

(*) In 2013 the item "other financial earnings" includes €23,547 thousand from unwinding euro-dollar swaps.

NOTE 20. Non-recurring expenses and income

In thousands of euros	12/31/2013
Book value of long-term investments sold	(3)
Accelerated amortization and depreciation	(594)
TOTAL NON-RECURRING EXPENSES	**(597)**
Gain on the disposal of long term investments	8
Write-back of accelerated depreciation	975
TOTAL NON-RECURRING INCOME	**983**

NOTE 21. Breakdown of corporate tax

In thousands of euros	Earnings before tax	Tax due	Net earnings after tax
Income from continuing operations	(59,963)	185	(59,777)
Deferred tax income		11,176	11,176
Short term non-recurring earnings	386	0	386
Employee profit-sharing	(373)	0	(373)
Tax related to past financial years		(171)	(171)
Source withholding		(178)	(178)
ACCOUNTING EARNINGS	**(59,949)**	**11,013**	**(48,937)**

NOTE 22. Deferred and latent tax situation

The 2013 fiscal year generated the following expenses deductible over future fiscal years:

- Organic: 338 thousand euros;
- profit-sharing: 373 thousand euros;
- retirement provision: 6 thousand euros;
- other non-deductible provisions: 222 thousand euros.

Deferred taxes corresponding to 357 thousand euros (with a Corporate Tax Rate of 38%).

NOTE 23. Compensation of Directors' and management bodies

Directors' fees paid to Board members came to 120 thousand euros in 2013 and are recorded as "Other expenses" in the income statement.

In thousands of euros	12/31/2013	12/31/2012
Short-term benefits (wages, bonuses, etc.)	(494)	(248)
Post-employment benefits	None	None
Severance pay	None	None
BENEFITS RECOGNIZED	**(494)**	**(248)**
Termination benefits	None	None
BENEFITS NOT RECOGNIZED	**NONE**	**NONE**

NOTE 24. Average number of employees

Employees	12/31/2013
Management	579
Non-management	420
Trainees	19
TOTAL NUMBER OF EMPLOYEES	**1,018**

NOTE 25. Net financial debt

In thousands of euros	12/31/2013	12/31/2012
Long-term financial borrowing and liabilities (> 5 years)	300,000	0
Medium- and long-term financial borrowing and liabilities (> 1 year, < 5 years)	213,644	456,342
Short-term financial borrowing and liabilities (< 1 year)	10,114	48,870
Current bank loans	70,142	74,776
Total financial liabilities	593,899	579,988
Total positive cash flow	5,831	5,497
NET FINANCIAL DEBT	**588,068**	**574,491**

Financing

In May 2007, Cegedim took out a 50 million euros loan with FCB, its main shareholder (the FCB Loan). The loan agreement between Cegedim SA and FCB was signed on May 7, 2007; it was then amended on September 5, 2008 and then on September 21, 2011 in order to extend the loan period and obtain a change in the applicable interest rate. In December 2009, FCB subscribed for 4.9 million euros of shares in respect of reimbursing a portion of the debt, leading to a reduction of the balance of the FCB loan, leading to it amounting to 45.1 million euros. The FCB loan matures in June 2016.

On June 10, 2011, Cegedim signed an agreement for a revolving multi-currency term loan and credit facility for a total of 280 million euros.

On July 27, 2010, the Group issued a senior bond at a rate of 7.0% for an amount of 300 million euros repayable on July 27, 2015. This issue was not subject to the declaration requirements of the American Law concerning securities. The bond is listed on the Luxembourg stock exchange and its ISIN code is FR0010925172. In November 2011, on the market, Cegedim bought back bonds for an amount of 20 million euros cancelled them. Consequently, the total amount of the bonds still available was 280 million euros.

On March 20, 2013, Cegedim issued a senior bond at 6.75% for an amount of 300 million euros in accordance with the Reg. S and 144A rules, maturing on April 1, 2020. The bond is listed on the Luxembourg Stock Market and the ISIN codes XS0906984272 and XS0906984355. The bonds have been priced at 100% of their face value. Cegedim used the proceeds for the following operations:

- to buy the bonds back at a 7% rate maturing 2015, further to a redemption offer at 108% (111.5 million euros at par value). When including the accrued but unpaid interest, the total amount stood at 121.5 million euros. The bonds still in circulation amount to 168.6 million euros;
- to repay the term loan;
- to repay drawings on the revolving credit;
- pay costs and expenditure related to these operations.

Following these operations, as at December 31, 2013, the debt was structured in the following manner:

- 168 million euros bond at 7% maturing on July 27, 2015;
- 300 million euros bond at 6.75% maturing on April 1, 2020;
- 80 million euros revolving credit, undrawn, maturing on April 1, 2020;
- 45 million euros FCB loan maturing in June 2016;
- 46.5 million euros overdraft facility, 12 million euros of which has been used.

The exposure of the debt to fluctuations in euro rates has been partially hedged by a euro rate hedge.

As at December 31, 2013, the hedge of the debt against fluctuations in the euro rate consisted of three no-premium, one-month, amortizing swaps, with a pre-set Euribor receiver rate and a fixed payer rate defined as follows:

- 4.565% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017;
- 4.57% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017;
- 4.58% rate on a notional hedged amount of 20 million euros, amortizable until maturity on December 29, 2017.

The total notional hedged amount was 60 million euros as at December 31, 2013

NOTE 26. Off-balance-sheet commitments

Guarantees given by Cegedim to its subsidiaries

CEGEDIM USA INC. SUBSIDIARY

3.5 million US dollars guarantee granted to Bank of America (authorization given be the Board of Directors on December 27, 2007) lowered to 2.25 million US dollars on May 1, 2010.

INPS SUBSIDIARY

4 million pounds sterling guarantee granted to Lancashire County Council for renewing the lease for the offices in Chertsey (United Kingdom) (authorization of the Board of Directors on April 18, 2013)

INCAMS SUBSIDIARY

Cegedim is guarantor for the on-demand guarantee on the payment of the sums for which Incams is responsible, which is itself the guarantor for its subsidiary iGestion, for the repayment of the loan granted by Incams, AXA Assurances Vie Mutuelle and Mutuelle Mieux Etre (co-owner of VSS).

ALL SUBSIDIARIES

One-year authorization for all subsidiaries to grant securities, endorsements and other guarantees for a total amount of 5 million euros provided no single commitment exceeds 2 million euros (authorized by the Board of Directors on March 4, 2013).

NOTE 27. Treasury shares

In 2013, the Company did not acquire or dispose of treasury shares except for the shares bought as part of the free share award plan.

NOTE 28. Allocation of free shares

The Board of Directors Meetings of June 29, 2011, September 19, 2012 and June 4, 2013 were authorized by the Extraordinary Shareholders' Meeting of June 8, 2011 to award a total number of free shares not exceeding 10% of the total number of shares comprising the share capital to the Directors and employees of the Cegedim Group.

Following a resolution of the Extraordinary Shareholders' Meeting of February 22, 2008, the Board of Directors, at their Meetings of March 21, 2008, November 5, 2009 and June 8, 2010, were authorized to award a total number of free shares, which were not to exceed 10% of the total number of shares making up the capital, to the Directors and employees of the Cegedim Group.

The main features are as follows:

- the free shares awarded will confer the right to dividends. Their distribution will be determined as of the award date:
  - the plan dated March 21, 2008 authorized a maximum allocation of 43,410 free shares,
  - the plan dated November 5, 2009 authorized a maximum allocation of 28,750 free shares,
  - the plan dated June 8, 2010 authorized a maximum allocation of 32,540 free shares,
  - the plan dated June 29, 2011 authorized a maximum allocation of 41,640 free shares,
  - the plan dated September 19 authorized a maximum allocation of 31,670 free shares,
  - the plan dated June 4, 2013 authorized a maximum allocation of 48,870 free shares;
- the award of the said shares to their beneficiaries will be fully allocated at the end of a vesting period of two years for beneficiaries whose residence for tax purposes is in France as of the allocation date and four years for beneficiaries whose residence for tax purposes is not in France as of the allocation date;
- the shares will be fully allocated to the beneficiaries on one condition: no resignation, dismissal or termination;
- starting from the final award date, beneficiaries whose residence for tax purposes is in France as of the award date must keep their shares for a term of two years starting from the final award date.

On the year-end date, December 31, 2013, Cegedim SA recognized a provision of 1,331 thousand euros in its financial statements.

NOTE 29. Information relating to employee training entitlements

86,170 training hours had been accumulated by employees under the terms of the Individual Right to Training as at December 31, 2012.

NOTE 30. Non-deductible expenses

Pursuant to the provisions of articles 223 quater and 223 quinquies of the French General Tax Code, it should be noted that the financial statements for the year ended include an amount of 221,378 euros corresponding to non-deductible expenses.

Consequently, the tax corresponding to said expenses and charges amounts to 84,124 euros.

20.2.3. EARNINGS FOR THE LAST FIVE FISCAL YEARS – CEGEDIM SA

Reporting date	12/31/2013	12/31/2012	12/31/2011	12/31/2010	12/31/2009
Duration of the fisc*al year (months)*	**12**	**12**	**12**	**12**	**12**
Capital at end of fiscal year					
Share Capital	13,336,506	13,336,506	13,336,506	13,336,506	13,336,506
Number of shares					
■ common	13,997,173	13,997,173	13,997,173	13,997,173	13,997,173
■ preference shares	-	-	-	-	-
Maximum number of shares to be created					
■ through bond conversions	-	-	-	-	-
■ through subscription rights	-	-	-	-	-
Operations and earnings					
Revenue excluding taxes	190,974,709	184,087,377	177,283,817	170,162,287	155,866,602
Earnings before taxes, profit sharing, depreciation and provisions	39,909,091	35,116,400	34,317,933	30,639,150	57,003,642
Income taxes	(11,012,546)	(9,372,459)	(4,165,197)	(5,208,993)	(9,130,424)
Employee profit sharing	372,976	195,158	451,211	287,615	315,858
Depreciation and provisions	99,485,405	126,545,120	14,787,823	14,798,566	3,969,548
Profit (loss) for the period	(48,936,743)	(82,251,419)	23,244,096	20,761,963	61,848,660
Distributed earnings	-	-	-	13,997,173	13,997,173
Earnings per share					
Earnings after tax, profit sharing, and before allowances, depreciation, and provisions	3.61	3.16	2.72	2.54	4.70
Earnings after tax, profit sharing, allowances, depreciation, and provisions	(3.5)	(5.88)	1.66	1.48	4.42
Dividend allotted	-	-	-	1.00	1.00
Employees					
Average number of employees	1,018	1,052	1,077	1,036	1,005
Payroll	51,110,333	51,755,987	51,518,673	49,314,464	46,540,430
Sums paid for employee benefits (social security, other social benefits, etc.)	24,527,369	25,226,189	24,061,562	22,751,129	21,845,703

20.2.4. LIST OF SHAREHOLDINGS AS AT DECEMBER 31, 2013

Companies	Number of shares or units	% owned	Net asset value
I – Equity investments			
1. French companies			
Amix	500	100.00%	7,622
Alliadis	8,161	100.00%	44,224,377
Alliance Software	102,500	100.00%	8,962,245
CDS	500	100.00%	63,953,088
Cegedim Activ	873,900	100.00%	30,000,000
Cegedim Assurances	10	100.00%	100
Cegedim Dynamic Framework	10	100.00%	100
Cegedim Healthcare Software	100	100.00%	10,000
Cegedim IT	10	100.00%	100
Cegedim Kadrige	10	100.00%	100
Cegedim Logiciels Médicaux	1,000	100.00%	10,073,973
Cegedim Outsourcing	25,000	100.00%	3,888,657
Cegedim Secteur 1	10	100.00%	100
Cegedim SRH	9,776,597	100.00%	5,040,841
Cegelease	6,450	100.00%	10,219,374
Cetip	39,340	99.74%	1,215,767
CSD	1,000	100.00%	7,681,910
Edipharm	200	20.00%	3,049
GERS SAS	50	100.00%	0
Hospitalis	1,000	100.00%	37,000
I-assurances	10	100.00%	100
Icomed	2,500	100.00%	188,656
Incams	2,500	100.00%	1,165,938
iGestion	1	0.00%	1
MedExact	6,549	100.00%	654,900
Pharmastock	5,000	100.00%	576,225
Reportive SA	80,019,361	100.00%	2,448,150
Resip	1,600	100.00%	20,434,710
RNP	26,000	100.00%	2,429,694
SAS Premium Cegedim	50,000	50.00%	50,000
Santestat	100	100.00%	1,000
Sofiloca	1,000	100.00%	15,245
SCI 2000	159	68.83%	846,739
Netfective Technology	130,725	6.08%	589,254
Nex & Com	240	20.00%	13,332

Companies	Number of shares or units	% owned	Net asset value
2. Foreign companies			
Cegedim USA	10,000	100.00%	189,937,777
Cegedim do Brazil	1,736,825	100.00%	0
Cegedim Holding GmbH	500	100.00%	2,046,032
Cegedim GmbH (Austria)	13,000	100.00%	0
Cegedim UK Limited	4,150,000	100.00%	5,200,054
In Practice Systems (England)	14,000,000	100.00%	1
Thin (Angleterre)	100	100.00%	0
Cegedim World Int. Services Ltd	6,000	100.00%	60,000,000
Cegedim Computer Technics (Hungary)	100	100.00%	3,195
Cegedim Turkey	23,355	26.41%	496,911
Cegedim Hellas	11,933	99.99%	360,244
Cegedim Roumania SRL	444	100.00%	1,030,533
Cegedim SK SRO (Slovakia)	100	100.00%	8,125
Croissance 2006 (Belgium)	13,781	100.00%	6,242,793
Cegedim Belgium	2,999	99.97%	268,985,409
CSD Belgium (formerly: BKL Pharma Consulting)	1	0.02%	10
GERS Maghreb (Tunisie)	630	6.42%	40,492
Cegedim Tunisia	500	50.00%	127,758
Cegedim Algeria	1,000	100.00%	85,000
Cegedim CZ (Czech Republic)	1,000	100.00%	1,170,796
Cegedim Italy	9,999,882	100.00%	10,024,736
Cegedim Trends (Egypt)	28	70.00%	434,351
Cegedim Spain	900,000	100.00%	1,656,337
Cegedim Portugal	5,000	8.93%	430,035
Next Software (Tunisia)	34,424	94.51%	177,033
Cegedim LLC (Russia)	100	99.99%	2,096,222
TOTAL EQUITY INVESTMENTS, NET VALUE			**765,286,193**
II – Other long-term securities			
1. French companies			
Listed securities			None
2. Foreign companies			**None**
III – Marketable securities			
Shares allocated to employees			971,577
Cheuvreux cash assets			500,000
CFM savings account			791,918
GRAND TOTAL (I + II + III)			**767,549,688**

20.3. INDEPENDENT AUDITORS' REPORTS

20.3.1. AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS

To the Shareholders,

In our capacity as Statutory Auditors, we hereby report to you, for the fiscal year ended December 31, 2013, on:

- the audit of the accompanying annual financial statements of CEGEDIM.
- the justification of our assessments,
- the specific verifications and information required by French law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

1 - Opinion on the annual financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the financial statements give a true and fair view of the company's financial position and its assets and liabilities as of December 31, 2013 and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

Without modifying the conclusion expressed above, we draw your attention to note 1 "Characteristics of the 2013 fiscal year – paragraph E Impairments of Cegedim USA shares" and note 2 "Accounting rules and methods – paragraph C) Equity investments and other investments" to the annual financial statements setting out the elements that led the company to record an impairment charge on Cegedim USA shares.

2- Justification of assessments

In accordance with the provisions of article L. 823-9 of the French Code of Commerce, we made our own assessments that we bring to your attention:

CAPITALIZATION OF DEVELOPMENT COSTS

In the context of our assessment of the accounting policies applied by your company, we reviewed the conditions for capitalization of development costs, the amortization method used and the manner in which their recoverable amount was validated and we ensured that note 2 "Accounting policies – paragraph A) Intangible assets" to the annual financial statements provided appropriate disclosures.

VALUATION OF INVESTMENTS

As mentioned in the first section of this report, note 2 "Accounting rules and methods – paragraph C) Equity investments and other investments" to the annual financial statements sets out how equity investments are assessed. The objective of this method is to compare the amount of equity investments to the subsidiary's net consolidated book value. We carried out specific assessments of the items taken into consideration in making the estimates at the balance sheet date and, as necessary, verified the calculation of the provisions for impairment.

In the context of our assessments, we verified that these estimates were reasonable and that the disclosures provided in the notes to the annual financial statements were appropriate.

RETIREMENT BENEFIT OBLIGATIONS

Note 2 "Accounting policies – paragraph F) Retirement commitments" to the annual financial statements describes the valuation methods used for retirement commitments. These commitments were assessed by external actuaries. Our work involved reviewing the figures used, assessing the assumptions retained and verifying that note 7 to the annual financial statements provided appropriate disclosures.

In the context of our assessments, we verified the reasonableness of these estimates.

The assessments were thus made in the context of the performance of our audit of the annual financial statements taken as a whole and therefore contributed to the formation of our audit opinion expressed in the first part of this report.

3 - Specific verifications and information

We have also performed the specific verifications required by French law.

We have no matters to report regarding the fair presentation and the conformity with the annual financial statements of the information given in the Corporate Management Report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the annual financial statements.

Regarding the information provided in accordance with the requirements of article L. 225-102-1 of the Code of Commerce relating to the compensation and benefits paid to the corporate officers and the commitments granted to them, we verified the conformity with the financial statements, or with the data used to prepare the financial statements; and, when applicable, with the information collected by the Company from companies which control your Company or are controlled by your Company. On the basis of the audit we performed, we attest that this information is true and fair.

In accordance with French law, we have ensured that the required information concerning the purchase of investments and controlling and reciprocal interests and the names of the principal shareholders has been provided to you in the management report.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

Grant Thornton
French Member of Grant Thornton International

Solange Aïache

Mazars

Jérôme de Pastors

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20.3.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders,

In our capacity as Statutory Auditors, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of CEGEDIM,
- the justification of our assessments,
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

1 - Opinion on the consolidated financial statements

We conducted our audit in accordance with auditing standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes verifying, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used, the significant estimates made by management, and the overall financial statements presentation. We believe that the evidence we have gathered in order to form our opinion is adequate and relevant.

In our opinion, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of the consolidated group of entities in accordance with IFRS as adopted by the European Union.

Without modifying the conclusion expressed above, we draw your attention to note 7 "Goodwill on Acquisitions" to the consolidated financial statements setting out the circumstances under which the impairment of goodwill of the CRM and Strategic Data cash-generating unit was recognized as at December 31, 2013.

2 - Justification of assessments

In accordance with the provisions of article L. 823-9 of the French Code of Commerce, we made our own assessments that we bring to your attention:

CAPITALIZATION OF DEVELOPMENT COSTS

In the context of our assessment of the accounting policies applied by your company, we reviewed the conditions for capitalization of development costs, the amortization method used and the manner in which their recoverable amount was validated and we ensured that the "Accounting policies – Intangible assets and Asset impairment" paragraphs of the financial statements provided appropriate disclosures.

IMPAIRMENT TESTS

As mentioned in the first section of this report, note 7 to the consolidated financial statements sets out the circumstances under which impairment of goodwill in the CRM and strategic data sector was recognized as at December 31, 2013.

At each balance sheet date, the company systematically performs impairment tests of goodwill and assets with indefinite useful lives and it also seeks to ascertain whether there are any indications of impairment to long-term assets, in accordance with the methodology described in the "Accounting policies – Asset impairment (IAS 36)" paragraph of the financial statements. We reviewed the manner in which this impairment test was implemented and the cash flow projections and assumptions used and verified that the "Accounting policies – Asset impairment (IAS 36)" paragraph as well as note 7 to the financial statements provided appropriate disclosures.

RETIREMENT BENEFIT OBLIGATIONS

The "Accounting policies – Retirement benefits" paragraph describes the valuation methods used for retirement commitments. Our work involved reviewing the figures used, assessing the assumptions retained and verifying that note 13 to the financial statements provided appropriate disclosures.

In the context of our assessments, we verified that these estimates were reasonable and that the disclosures provided in the notes to the consolidated financial statements were appropriate.

The assessments were thus made in the context of the performance of our audit of the consolidated financial statements taken as a whole and therefore contributed to the formation of our audit opinion expressed in the first part of this report

3 – Specific verification

We have also performed the specific verification required by French law relatives au groupe données dans le rapport de gestion.

We have no matters to report regarding its fair presentation and conformity with the consolidated financial statements.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

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Solange Aïache

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Jérôme de Pastors

20.3.3. AUDITORS' SPECIAL REPORT ON THE REGULATED AGREEMENTS AND COMMITMENTS

Cegedim
General Meeting called to approve the financial statements for the fiscal year ended December 31, 2013

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments with related parties.

The terms of our engagement do not require us to identify such agreements or commitments, if any, but to inform you, based on information provided to us, of the principal terms and conditions of those agreements and commitments brought to our attention, without expressing an opinion on their usefulness or appropriateness. It is your responsibility, pursuant to Article R. 225-31 of the Code of Commerce, to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

We are also required, as necessary, to communicate to you information required by article R. 225-31 of the Code of Commerce relating to the application of agreements and commitments entered into prior to the past fiscal year, as approved by the General Assembly.

We carried out the tests that we deemed necessary pursuant to the professional doctrine of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this assignment. These standards require that we agree the information provided to us with the underlying documents.

1.1 Agreements and commitments submitted to the General Meeting for approval

In application of Article 225-38 of the French Code of Commerce, we have been notified of the following contracts and agreements which your Board of Directors has agreed upon previously.

1.1.1 WITH INPS

Type and object: Payment guarantee for the lease of the INPS subsidiary by your Company, authorized by the Board of Directors on April 18, 2013

The lease contract of the English subsidiary INPS is being renewed. This rental contract included a clause of payment guarantee of the lease by your company and the lessor insists on maintaining this guarantee when renewing.

Your Company is therefore asked to give a warranty to your subsidiary unto a total amount of 4 million pounds.

Directors involved: Pierre Marucchi and Laurent Labrune

1.1.2 WITH CEGEDIM ALGERIA

Type and object: Debt write-off for Cegedim Algeria, authorized by the Board of Directors on September 19, 2013

Your Company has agreed to a debt write-off for your subsidiary Cegedim Algeria, for the amount of 262,114.72 euros for the 2013 accounting year.

Shareholder concerned: Cegedim represented by Mr. Jean-Claude Labrune

2.2 Agreements and commitments already approved by the General Meeting the performance of which continued in the past fiscal year

In accordance with article L. 225-30 of the Code of Commerce, we have been informed that the performance of the following agreements and commitments already approved by the General Meeting continued in the past fiscal year.

2.1.1 WITH SCI MAG

Nature and purpose: Leasing of premises at 110-112 rue d'Aguesseau, Boulogne-Billancourt

Terms: Rent paid in 2013 (excluding expenses): 30,860 euros

2.1.2 WITH FCB

2.1.2.1 PREMISES AND PARKING SPACES AT 131-137 RUE D'AGUESSEAU

Nature and purpose: Leasing of premises and parking spaces at 131-137 rue d'Aguesseau, Boulogne-Billancourt

Terms: Rent paid in 2013 (excluding expenses): 3,912,355 euros

2.1.2.2 PREMISES AND PARKING SPACES AT 104-106 RUE D'AGUESSEAU

Nature and purpose: Leasing of premises and parking spaces at 104-106 rue d'Aguesseau, Boulogne-Billancourt

Terms: Rent paid in 2013 (excluding expenses): 5,671 euros

2.1.2.3 PREMISES AND PARKING SPACES AT 8 IMPASSE LATÉCOÈRE

Nature and purpose: Leasing of premises and parking spaces at 8 impasse Latécoère, Vélizy-Villacoublay.

Terms: Rent paid in 2013 (excluding expenses): 315,137 euros

2.1.2.4 SERVICE CONTRACTS

Nature and purpose: Contract for strategic consulting, human resources, marketing, finance, budget, and internal information system services.

Terms: Services paid for in 2013: 1,580,000 euros

2.1.3 WITH MS AUDE LABRUNE-MARYSSE AND MR LAURENT LABRUNE

Nature and purpose: Temporary assignment to Cegedim of the usufruct of shares in the SCI at 114 rue d'Aguesseau Bureau, under the following conditions, subject to the approval of Cegedim as a new partner:

- 198 stripped shares belonging in equal parts to Ms Aude Labrune-Marysse and Mr Laurent Labrune,
- Term of the assignment of the usufruct: 18 years beginning October 9, 2006, until October 8, 2024

2.1.4 WITH SCI AT 114 RUE D'AGUESSEAU BUREAU

Nature and purpose: The SCI at 114 rue d'Aguesseau Bureau and your Company were appointed on December 23, 2008, to complete the building work relative to the construction of the office building located at 114-116 bis rue d'Aguesseau in Boulogne-Billancourt (Hauts de Seine), which is the subject of a lease for future completion signed between the two parties, authorized by the Board of Directors meeting on February 14, 2007.

As a modification to the above lease for future completion, the SCI at 114 rue d'Aguesseau Bureau has granted your Company a commercial lease for the office building situated at 114-116 bis rue d'Aguesseau, Boulogne-Billancourt (Hauts de Seine) for a duration of twelve years, from January 1, 2009 to December 31, 2020, with waiver of the option to end the lease at the end of each three-year period.

Terms: Rent paid in 2013 (excluding expenses): 933,782 euros

2.1.5 WITH SCI BUR

Nature and purpose: Leasing of premises at 112 rue d'Aguesseau, Boulogne-Billancourt

Terms: Rent paid in 2013 (excluding expenses): 88,248 euros

2.1.6 WITH GERS SAS

Nature and purpose: Cegedim is engaged jointly with its subsidiary GERS SAS to guarantee, to an unlimited amount, the payment of all sums of an indemnifying nature (such as penalties, indemnities, interest on late payments, etc) claimed from GIE GERS by Datapharm with respect to contractual obligations and/or any indemnification arising from the provision of data provided by Datapharm from GIE GERS for the benefit of the future GERS SAS.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

Grant Thornton French Member of Grant Thornton International	Mazars
Solange Aïache	Jérôme de Pastors

20.3.4. AUDITORS' REPORT ON THE ADDITION TO EQUITY MADE WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

Cegedim
Extraordinary General Shareholders' Meeting of June 10, 2014 (ninth resolution)

To the Shareholders,

As auditors of your Company and operating within the ambit of Article L. 225-135 of the French Code of Commerce, we present you our Report on the proposal to delegate to the Board of Directors the right of decision to increase capital by issuing ordinary shares, with the preferential right for qualified investors deleted, through offers envisaged in paragraph II of Article L. 411-2 of the French Monetary and Financial Code, for a maximum amount of 2,600,000 euros and with a limit of 20% of the share capital per year; an operation on which you have to decide.

The number of shares to be issued through this delegation can be increased under the conditions envisaged in Article L. 225-135-1 of the French Code of Commerce.

Your Board of Directors has, on the basis of its report, proposed they receive authorization for a period of 18 months from the day of this General Assembly, to decide a capital increase and suppress your preferential right to these ordinary shares to be issued. If so decided, it will have to settle the final conditions for issuing this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 and R. 225-114 of the French Code of Commerce. We are responsible for providing our opinion on the reliability of the figures drawn from the accounts, the proposed cancellation of the preemptive subscription right, and certain other information regarding the issuance given in this report.

We carried out the tests that we deemed necessary pursuant to the professional doctrine of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this assignment. These tests consisted of verifying the content of the Board of Directors' report regarding this operation and its terms and conditions for setting the issue price of equity shares to be issued.

Pending the further checking of the conditions for the capital increase which would be decided, we do not have any remark to formulate on the way the share price has been decided for ordinary shares to be issued, given in the report by the Board of Directors.

In addition, as the definitive conditions on the capital increase have not been determined, we cannot provide an opinion on these conditions or, consequently, on the cancellation of the preemptive subscription right proposed to you.

In accordance with Article R. 225-116 of the French Code of Commerce, we will prepare an additional report, where applicable, when this authorization is used by your Board of Directors.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

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French Member Grant Thornton International

Solange Aïache

Mazars

Jérôme de Pastors

20.3.5. AUDITORS' REPORT ON THE ADDITION TO EQUITY RESERVED FOR MEMBERS OF THE COMPANY SAVINGS PLAN

Cegedim
Extraordinary General Shareholders' Meeting of June 10, 2014 (tenth resolution)

To the Shareholders,

As auditors of your Company and operating within the ambit of Article L. 225-135 et seq. of the French Code of Commerce, we present our report on the proposal to delegate to the Board of Directors the authority to decide on a capital increase by issuance of ordinary shares suppressing the preferential rights of employees of the Company following the Savings Plan of the company, for a maximum nominal amount of 400,000 euros, a proposal on which you have to decide.

The total number of shares that may be subscribed by the employees cannot exceed 3% of the share capital at the date of the decision by the Board of Directors.

This increase is subject to your approval, as found in Article L. 225-129-6 of the French Code of Commerce and L. 3332-18 and following of the French Labor Code.

Your Board of Directors has, on the basis of its report, proposed they receive authorization for a period of 26 months from the day of this General Assembly, to decide a capital increase and suppress your preferential right to these ordinary shares to be issued. If so decided, it will have to settle the final conditions for issuing this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 and R. 225-114 of the French Code of Commerce. We are responsible for providing our opinion on the reliability of the figures drawn from the accounts, the proposed cancellation of the preemptive subscription right, and certain other information regarding the issuance given in this report.

We carried out the tests that we deemed necessary pursuant to the professional doctrine of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this assignment. These tests consisted of verifying the content of the Board of Directors' report regarding this operation and its terms and conditions for setting the issue price of equity shares to be issued.

Pending the further checking of the conditions for the capital increase which would be decided, we do not have any remark to formulate on the way the share price has been decided for ordinary shares to be issued, given in the report by the Board of Directors.

In addition, as the final conditions on the capital increase have not been determined, we cannot provide an opinion on these conditions or, consequently, on the cancellation of the preemptive subscription right proposed to you.

In accordance with Article R. 225-116 of the French Code of Commerce, we will prepare an additional report, where applicable, when this authorization is used by your Board of Directors.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

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French Member Grant Thornton International

Solange Aïache

Mazars

Jérôme de Pastors

20.3.6. AUDITORS' REPORT ON THE AUTHORIZATION OF USING EXISTING SHARES OF STOCK AS RESTRICTED STOCK AWARDS

Cegedim
Extraordinary General Shareholders' Meeting of June 10, 2014 (fourteenth resolution)

To the Shareholders,

As auditors of your Company and operating within the ambit of Article L. 225-197-1 of the French Code of Commerce, we submit our report on the projected authorization for distributing existing bonus shares for the benefit of salaried personnel or certain categories of this group, of the company or linked companies or groups, decision on which you have to decide.

The total number of shares which can be assigned under the present authorization cannot be more than 10% of the share capital of the Company on the date of the decision by your Board of Directors to assign.

Your Board of Directors proposes, on the basis of its report, to authorize them to assign the bonus shares for a duration of 38 months, counting from the present meeting.

The Board must draw up a report on the transactions it wishes to conduct. We must provide you, where necessary, with our observations on the information you are given with regard to planned transactions.

We carried out the tests that we deemed necessary pursuant to the professional doctrine of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this assignment. This due diligence involved, notably, ensuring that the new arrangements foreseen and presented in the report of the Board of Directors adhere to the terms stipulated by law.

We have no observations regarding the information presented in the Board of Directors' report on the bonus share allotment plan.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

Grant Thornton
French Member Grant Thornton International

Solange Aïache

Mazars

Jérôme de Pastors

20.3.7. AUDITORS' REPORT, PREPARED PURSUANT TO ARTICLE L. 225-235 OF THE FRENCH CODE OF COMMERCE ON THE REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS OF CEGEDIM SA

Year ended December 31, 2013

To the Shareholders,

As Auditors of Cegedim and pursuant to the provisions of article L. 225-235 of the Code of Commerce, we present to you our report on the report prepared by the Chairman of your Board of Directors in accordance with the provisions of article L. 225-37 of the French Code of Commerce for the fiscal year ended December 31, 2013.

It is the Chairman's responsibility to prepare and submit for approval from the Board of Directors a report on the internal Control and risk management procedures put into place within the company, also providing the other information required by article L. 225-37 of the French Code of Commerce, particularly with regard to the legislation on corporate governance.

It is our responsibility to:

- Inform you of any comments that we may have concerning the information contained in the Chairman's report concerning the internal Control and risk management procedures related to developing and handling accounting and financial information, and
- Certify that the report includes the other information required by article L. 225-37 of the French Code of Commerce, with the understanding that it is not our responsibility to verify the reliability of this other information.

We performed our work in accordance with professional standards applicable in France.

INFORMATION REGARDING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATED TO DEVELOPING AND HANDLING ACCOUNTING AND FINANCIAL INFORMATION

Professional standards of practice require us to take all appropriate measures to assess the reliability of information on internal Control and risk management procedures related to developing and handling accounting and financial information contained in the Chairman's report.

In particular, these measures involve:

- Examining the internal Control and risk management procedures related to developing and handling the accounting and financial information underlying the information presented in the Chairman's report as well as the existing documentation;
- Examining the work done to prepare this information and the existing documentation;
- Determining whether any major deficiencies in the internal controls related to developing and handling accounting and financial information that we noted during the course of our audit are appropriately disclosed in the Chairman's report.

Based on this work, we have no comments to make about information pertaining to the Company's internal Control and risk management procedures related to developing and handling the accounting and financial information contained in the report by the Chairman of the Board of Directors prepared pursuant to the provisions of article L. 225-37 of the French Code of Commerce.

OTHER INFORMATION

We certify that the report by the Chairman of the Board of Directors includes the other information required in article L. 225-37 of the French Code of Commerce.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

Grant Thornton French Member Grant Thornton International	Mazars
Solange Aïache	Jérôme de Pastors

20.3.8. STATUTORY AUDITORS' INDEPENDENT THIRD-PARTY REPORT ON CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PUBLISHED IN THE MANAGEMENT REPORT

Year ended December 31, 2013

To the Shareholders,

In our capacity as Statutory auditor of Cegedim, designated as an independent third party entity, whose accreditation application was accepted by the French National Accreditation Body (COFRAC), we hereby present our report on the consolidated social, environmental and societal information provided in the management report prepared for the year ended December 31, 2013, (hereinafter referred to as "CSR Information"), pursuant to Article L.225-102-1 of the French Commercial Code (Code de commerce).

Responsibility of the company

The Board of Directors of Cegedim is responsible for preparing a management report including the CSR Information required under Article R. 225-105-1 of the French Commercial Code, in accordance with the reporting criteria used by Cegedim (the "Reporting Criteria"), a summary of which is provided in the methodological note.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the profession's Code of Ethics and by the provisions of Article L. 822-11 of the French Commercial Code. Furthermore, we have set up a comprehensive quality control system that includes documented policies and procedures designed to ensure compliance with deontological rules, professional standards and applicable legal texts and regulations.

Responsibility of the Statutory Auditors

Based on our work, our role is to:

- attest that the required CSR Information is disclosed in the management report or, that an explanation has been provided if any information has been omitted, in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Attestation of completeness);
- provide limited assurance that, on the whole, the CSR Information is fairly presented, in all material respects, in accordance with the adopted Reporting Criteria (Fairness report regarding CSR Information);

Our work was carried out by a team of 1 to 4 people at the various stages of our work, between January and February 2014, for about 9 weeks. We requested the assistance of our CSR experts to conduct this verification work.

We conducted the work described below in accordance with the professional standards applicable in France and the legal order dated May 13, 2013 determining the methodology according to which the independent third party body conducts its mission and, on the fairness opinion, in accordance with ISAE 3000 [1].

1. EVIDENCE OF INCLUSION OF CSR INFORMATION

We got acquainted with the direction that the Group is taking in terms of sustainability, with regard to the social and environmental consequences of the company's business and its societal commitments and, where appropriate, the actions or programs that stemmed from it;

We compared the CSR Information presented in the management report with the list set forth in Article R. 225-105-1 of the French Commercial Code;

In the event of omission of certain consolidated information, we verified that explanations were provided in accordance with the third paragraph of the article R. 225-105 of the French Commercial Code;

We verified that the CSR Information covers the consolidated scope, which includes the company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code (Code de commerce) and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code (Code de commerce), subject to the limits set forth in the methodological note presented in the report on social, environmental and societal obligations in favour of sustainable development, of Cegedim Registration Document.

Based on our work and taking into account the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

2. FAIRNESS REPORT WITH RESPECT TO CSR INFORMATION

Nature and scope of procedures

We conducted three interviews with the person responsible for the preparation of CSR Information from departments in charge of the process of gathering information and, where appropriate, responsible of the internal control and risk management to:

- assess the appropriateness of the Reporting Criteria in terms of its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices;
- verify the set-up within the Group of a process to collect, compile, process and check the CSR Information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the CSR Information.

We determined the nature and extent of tests and controls depending on the nature and importance of CSR Information in relation to the characteristics of the Company, the social and environmental issues of its operations, its strategic priorities in relation to sustainable development, and the Industry best practices.

Concerning the CSR information that we considered to be most significant(2), at the Group Finance Department, we:

- consulted source documents and conducted interviews to corroborate the qualitative information (organization, policies, actions), we implemented analytical procedures on the quantitative and verified, on the basis of sampling techniques, the calculations and consolidation of the information and we verified its consistency with the other information contained in the management report;
- we conducted interviews to verify the proper application of procedures and conducted substantive tests, using sampling basis, to verify the calculations performed and reconciled data with supporting evidence.

The selected sample represents 100% of headcount and 100% of the quantitative environmental information tested.

Regarding the other CSR consolidated Information, we assessed its fairness and consistency based on our knowledge of the Group

Finally, we assessed the relevance of the explanations relating to, where necessary, the omission of certain information.

We deem that the sampling methods and sample sizes we have learned by exercising our professional judgment allow us to formulate a conclusion providing limited assurance; a higher level of assurance would have required more extensive work. Because of the use of sampling techniques, and because of other limits inherent to any information and internal control systems, the risk of not detecting a material misstatement in the CSR Information cannot be completely eliminated.

Conclusion

Based on our work, we did not identify any material misstatements that cause us to believe that the CSR Information, taken as a whole, has not been fairly presented, in all material respects, in accordance with the Reporting Criteria.

Paris and Courbevoie, March 11, 2014

The Statutory Auditors

Grant Thornton French Member Grant Thornton International	Mazars	
Solange Aïache	Jérôme de Pastors	Emmanuelle Rigaudias
	Partner	*Partner CSR & Sustainable Development*

(2) Total headcount as of 31/12/2013, Headcount with breakdown by geographic area, by gender, Headcount average age, Hiring of permanent contracts and fixed-term contracts, Departures (of which dismissals), Electricity consumptions, CO2 emissions

20.4. AUDIT OF ANNUAL HISTORICAL FINANCIAL INFORMATION

20.4.1. AUDIT OF THE HISTORICAL FINANCIAL INFORMATION

The statutory financial statements drawn up as at December 31, 2013 (and their comparative financial statements as at December 31, 2012 and 2011) and the consolidated financial statements drawn up as at December 31, 2013 (and their comparative financial statements drawn up in accordance with IFRS as at December 31, 2012 and 2011) were audited by the independent Auditors. Their reports concerning fiscal year 2013 are presented respectively in chapter 20.3 in this Registration Document.

The reports for fiscal year 2012 are presented in the Registration Document filed with the Autorité des Marchés Financiers on April 5, 2013, under number D. 13-0105.

The reports for the 2011 fiscal year 2011 are presented in the Registration Document filed with the Autorité des Marchés Financiers on April 6, 2012, under the number D. 12-0301.

These reports and the statements accompanying them are included by reference in this Registration Document.

20.4.2. OTHER INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT HAVING BEEN VERIFIED BY THE INDEPENDENT AUDITORS

This entire Registration Document and its notes were read by the Auditors who reported their findings in a final letter. Their comments, where relevant, are reproduced in the statement by the person responsible for the Registration Document appearing in chapter 1.

20.4.3. SOURCE OF THE FINANCIAL INFORMATION

The financial information appearing in this Registration Document was taken from the audited financial statements of Cegedim.

20.5. DATE OF THE LATEST FINANCIAL INFORMATION

On the date of this Registration Document, the latest information audited dates from December 31, 2013.

20.6. INTERIM FINANCIAL INFORMATION

No interim financial information has been published since December 31, 2013.

20.7. DIVIDEND DISTRIBUTION POLICY

For the prior fiscal years, the dividend distribution policy consisted in increasing the dividend each year in the same proportions as the profit (loss) for the period.

The Group paid no dividends on the financial years 2011, 2012 and 2013.

The Group does not plan to pay regular cash dividends. Any decision to declare and pay dividends in the future will be at the discretion of the Cegedim Board of Directors and will primarily depend on the operating performance of the Group, its financial position, its cash needs, contractual restrictions and other factors that the Board may deem relevant.

In addition, the Group's capacity to pay dividends may perhaps be limited by the loan covenants signed or to be signed by the Group or its subsidiaries.

In accordance with the law, all dividends that have not been collected within five years of their payment date expire in favor of the State.

If, when the dividend is paid, the Company holds some of its own shares, the distributable earnings corresponding to the dividend not paid because the Company holds these shares will be allocated to the retained earnings item.

In accordance with the provisions of article 243 bis of the French General Tax Code, we have presented the amounts distributed as dividends for the three previous fiscal years as follows:

Fiscal year	Number of shares			Deductible income allowance	Non-deductible income allowance
			Dividend	Other income distributed	
		Per share	Total		
2010	13,997,173	€1.00	€13,997,173.00*	None	None
2011	13,997,173	€0,00	€0,00	None	None
2012	13,997,173	€0,00	€0.00	None	None

* *The dividend actually paid for 2010 totaled €13,952,709 because no dividend was payable on treasury shares.*

20.8. LEGAL ACTION AND ARBITRATION

See chapter 4 of this Registration Document.

20.9. SIGNIFICANT CHANGES IN THE FINANCIAL OR COMMERCIAL SITUATION

The Group’s financial and commercial position has not changed significantly since the end of the 2013 fiscal year.

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ADDITIONAL INFORMATION

21.1 SHARE CAPITAL

The share capital of Cegedim SA is 13,336,506.43 euros.

The following information is given at December 31, 2013.

21.1.1 SUBSCRIBED CAPITAL

There are 13,997,173 authorized shares. The shares have a par value of 0.9528 euros.

There is no authorized unissued capital and there are no issued shares that are not fully paid up.

The number of shares remains unchanged at December 31, 2013 at 13,997,173.

21.1.2 SHARES NOT REPRESENTING CAPITAL

There are no shares not representing capital.

21.1.3 NUMBER, BOOK VALUE AND PAR VALUE OF SHARES HELD BY CEGEDIM OR IN ITS NAME

At December 31, 2013 Cegedim held 55,165 shares of treasury stock.

21.1.4 TOTAL CONVERTIBLE OR EXCHANGEABLE SECURITIES OR SECURITIES ACCOMPANIED BY SUBSCRIPTION NOTES

There are no convertible or exchangeable bonds or bonds redeemable as shares or share subscription notes or any other securities capable of increasing the capital stock.

21.1.5 DISCLOSURE OF THE TERMS GOVERNING ALL PURCHASE RIGHTS AND/OR BONDS ASSOCIATED WITH STOCK SUBSCRIBED BUT NOT PAID IN, OR ABOUT ANY COMPANY INTENDING TO RAISE NEW EQUITY

None.

21.1.6 INFORMATION ON THE STOCK OF ANY MEMBER OF THE GROUP HAVING AN OPTION OR A CONDITIONAL OR UNCONDITIONAL AGREEMENT TO PLACE THE STOCK UNDER OPTION

None.

21.1.7 HISTORY OF THE SHARE CAPITAL

Date	Transaction	Number of shares		Premiums *(in euros)*	Equity *(in euros)*	Par value *(in euros)*
		Created	After transactions			
	Initial number of shares	488,300	-	-	-	15.24
12/1994	Takeover of Cegedim (1)	6,594	494,894	3,308,684.72	7,544,610.39	15.24
	Division of the par value by 4	1,484,682	1,979,576	-	7,544,610.39	3.81
	Capital increase	120,000	2,099,576	7,090,892.39 (2)	8,001,957.45	3.81
04/1998	Division of the par value by 4	6,298,728	8,398,304	-	8,001,957.45	0.9528063
12/2000	Conversion of the capital into euros (3)	-	8,398,304	-	8,001,904.05	0.9528
12/2000	Capital increase by asset contribution	891,112	9,289,416	70,900,927.60 (4)	8,850,955.56	0.9528
12/2000	Capital increase through cash contribution	42,033	9,331,449	73,910,793.03 (5)	8,891,004.61	0.9528
12/2009	Capital increase through cash contribution	4,665,724	13,997,173	-	13,336,506.43	0.9528

(1) FCB, which, since it was founded in 1989, has held 98.61% of Cegedim, merged with Cegedim on December 26, 1994, and took over its name. This internal operation was carried out on the basis of the companies' book value.
(2) Cumulative 1994 merger premium, and 3,782,207.67 euros in issue premium.
(3) When the capital stock was converted into euros, the par value of the share was set at 0.9528 euros. The conversion rounding based on 8,398,304 shares (i.e. 53.40 euros) resulted in a capital reduction allocated to the unavailable reserves.
(4) The cumulative premiums mentioned in (2) are increased by the contribution premium of 63,810,035.21 euros.
(5) The cumulative premiums mentioned in (3) are increased by the issue premium of 3,009,865.44 euros.

21.1.8 ASPECTS THAT MAY HAVE AN IMPACT IN THE CASE OF A PUBLIC OFFERING (ART. L. 225-100-3)

In the event of a public offering, there are no specific provisions likely to have an impact on:

- the structure of the Company's equity;
- restrictions in the Company bylaws on exercising voting rights and transferring shares;
- direct or indirect stakes in the Company's capital of which it is aware pursuant to articles. L. 233-7 and L. 233-12;
- the rules applicable to appointing and replacing members of the Board of Directors and to amending the Company's bylaws;
- the powers of the Board of Directors, particularly with respect to issuing or buying back shares.

Furthermore,

- the Company was not informed of any agreements pursuant to article L. 233-11;
- there are no holders of shares comprising special control rights (except for the double voting rights, the allotment of which is completely independent of the occurrence of a public offering);

- there is no special mechanism set forth in the employee shareholding plan when control rights are not exercised by employees;
- the Company has no knowledge of agreements between shareholders that might result in restrictions on transferring shares and exercising voting rights;
- the agreements signed by the Company, which could be amended or terminated in the event of a change of control of the Company, are relatively few and are confidential in nature; the ability to amend or to terminate agreements is not systematic, and, in such an event, would only have a relatively insignificant impact on the Company;
- there are no agreements providing for compensation for the members of the Board of Directors or employees if they resign, if they are dismissed for just and serious cause, or if their employment ends due to a public offering.

Regarding contracts entered into by the Company that could be amended or end in the event of a change in control of the Company, Cegedim has no policy of engaging in such agreements. However, there are clauses protecting the intellectual property of the Group.

21.2 DEEDS OF INCORPORATION AND BYLAWS

21.2.1 CEGEDIM'S BUSINESS PURPOSE

According to article 2 of the bylaws, the business purpose of the Company is:

- the acquisition of stakes or interests in all companies or enterprises that offer data processing, studies and marketing;
- the provision of various services in various fields;
- economic and social studies of all kinds in various fields, particularly statistical, financial, commercial and legal studies, market research, opinion polls, surveys of all kinds and in all fields, the creation and use of panels, public relations, advertising and calculations of all kinds;
- the organization and management of companies and Company information by the most diverse means;
- documentation through all means and in all fields, particularly the scientific, economic, social and statistical fields, etc.;
- marketing, particularly the penetration of various markets with all the operations such penetration requires;
- all activities involving information and its processing, information technologies and machine processing in all their design and operational aspects in the various fields;
- all administrative, financial, accounting or management services for the Company's subsidiaries or all other companies in which it holds a stake or any other company;
- the acquisition, subscription and management of all securities;
- all industrial, commercial and financial, moveable and real property operations that may be directly or indirectly related to the business purpose and all similar or related purposes;
- the acquisition by the Company, by all means, of equity interests in all enterprises or companies created or to be created related to the business purpose, particularly through the creation of new companies, contributions, general partnerships, the subscription or acquisition of shares or corporate rights, mergers, alliances or joint ventures or economic interest groups or lease management.

21.2.2 PROVISIONS IN THE ARTICLES OF INCORPORATION CONCERNING ADMINISTRATIVE AND MANAGEMENT BODIES

The provisions of the Cegedim bylaws concerning the members of its administrative and management bodies conform to the laws in effect, with the exception of the following terms and conditions:

- unless the French Code of Commerce exempts him from this obligation, each Director is required to own at least one share for his entire term of office;
- no-one over the age of 85 may be named Chairman of the Board of Directors. If the Chairman in office exceeds this age, he is assumed to have resigned at the end of the next upcoming meeting of the Board of Directors;
- no one over the age of 85 may be named a Director;
- decisions are made by the majority of members present or represented; each Director has one vote. In case of a tie, the Chairman casts the deciding vote;
- no-one over the age of 85 may be named CEO. If the CEO in office exceeds this age, he is assumed to have resigned at the end of the next upcoming meeting of the Board of Directors.

21.2.3 RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO EACH CLASS OF EXISTING SHARES

All the shares making up the Company's capital are of the same class.

The Extraordinary General Meeting held on February 8, 1995, decided that in consideration of the share of the capital stock they represent, a double voting right would be allotted to all fully paid-up shares providing proof of registration for at least four years in the name of the same shareholder. This double voting right is reserved for shareholders with French nationality and for shareholders originating from a Member State of the European Union.

Furthermore, in case of a capital increase through incorporation of reserves, profit or issue premium, the double voting right is attached, as of their issuance, to the registered shares allotted free of charge to a shareholder in the amount of the old shares that entitle him to this right.

The double voting right ceases for any share that has been converted into a bearer share or transferred, to the exclusion of any transfer of registered shares through inheritance or family gift.

In accordance with the law, all dividends that have not been collected within five years of their payment date expire in favor of the State.

No dividends are paid on treasury stock: the portion pertaining thereto is written to retained earnings.

21.2.4 ACTIONS NECESSARY TO MODIFY SHAREHOLDERS' RIGHTS

There are no stricter conditions than those set forth by law for modifying shareholders' rights.

21.2.5 CONDITIONS UNDER WHICH ANNUAL GENERAL MEETINGS AND EXTRAORDINARY SHAREHOLDERS' MEETINGS ARE CALLED

General Meetings are called and transact business under the conditions set forth by law. They are held at the corporate headquarters or at any other location indicated in the notice of Meeting.

Any shareholder has the right to attend General Meetings and to take part in votes personally or through a proxy regardless of the number of shares he owns, upon simple proof of his status as shareholder at least five days before the Meeting. However, the Board of Directors has the right to reduce this time frame.

All shareholders may vote by mail.

21.2.6 PROVISIONS OF THE ARTICLES OF INCORPORATION AND THE BYLAWS THAT MIGHT TEND TO DELAY, DEFER OR HINDER A CHANGE OF CONTROL IN THE COMPANY

None.

21.2.7 PROVISIONS OF THE ARTICLES OF INCORPORATION AND THE BYLAWS THAT SET THE THRESHOLD ABOVE WHICH ANY INVESTMENT MUST BE DISCLOSED

The bylaws contain no special provision for declaring threshold crossings.

Only the legal provisions are applicable.

21.2.8 CONDITIONS IMPOSED BY THE ARTICLES OF INCORPORATION AND THE BYLAWS GOVERNING CHANGES IN EQUITY OWNERSHIP WHEN SUCH CONDITIONS ARE STRICTER THAN THOSE REQUIRED BY LAW

None.

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SIGNIFICANT CONTRACTS

Significant contracts for the two years preceding the publication of this Registration Document, other than contracts signed in the normal course of business to which Cegedim or any other member of the Group is party, concern external growth operations. They are systematically subject to confidentiality agreements. If these transactions are concluded and are likely to have a significant impact on the issuer's situation, they are published in a press release that can also be consulted at the Company's website (www.cegedim.com).

See chapter 5.2 of this Registration Document for a recap of these operations.

Any contract signed by any member of the Group that contains provisions conferring on any member of the Group a significant obligation or commitment for the entire Group on the date of this Registration Document is mentioned in the off-balance sheet commitments appearing in note 24 to the notes to the consolidated financial statements presented in chapter 20.1 of this Registration Document.

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INFORMATION FROM THIRD PARTIES, DECLARATIONS FILED BY EXPERTS AND DECLARATIONS OF INTEREST

None.

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PUBLICLY AVAILABLE DOCUMENTS

The bylaws, deeds of incorporation, all reports, correspondence and other documents, historical financial information of Cegedim SA and of its subsidiaries for each of the two fiscal years prior to the publication of this Registration Document may be consulted, where necessary, at the corporate headquarters of Cegedim SA.

In particular, this Registration Document and financial releases are available on the Company's website (www.cegedim.com/finance).

Pursuant to article L. 451-1-1 of the French Financial Code and article 221-1-1 of the AMF General Regulations, the table below sets out all information published or made public by Cegedim during the 2013 fiscal year to fulfill its legislative or regulatory obligations pertaining to financial instruments, issuers of financial instruments and markets in financial instruments.

24.1 PERSON RESPONSIBLE FOR FINANCIAL COMMUNICATIONS

Jan Eryk Umiastowski, Head of Investor Relations and Head of Investments, is the person responsible for investor relations.

To obtain any documents published by the Group, or for any other financial information, please contact:

Cegedim - Financial Communications Office

137 rue d'Aguesseau

92100 Boulogne Billancourt, France

Telephone: +33 (0)1 49 09 22 00

Fax: +33 (0)1 46 03 45 95

email: investor.relations@cegedim.com

24.2 PROVISIONAL FINANCIAL INFORMATION PUBLICATION DATES

The provisional schedule of announcements for 2014 is shown below. It was prepared on the basis of information available as of the date of this report.

- April 29, 2014 after the stock market closes: Publication of first quarter 2014 revenues;
- May 27, 2014 after the stock market closes: Publication of first quarter 2014 earnings;
- July 29, 2014 after the stock market closes: Publication of second quarter 2014 revenues;
- September 18, 2014 after the stock market closes: Publication of first six months 2014 earnings;
- September 19, 2014: SFAF Meeting - presentation of the earnings for the first six months of 2014 to French financial analysts;
- October 28, 2014 after the stock market closes: Publication of third quarter 2014 revenues;
- November 27, 2014 after the stock market closes: Publication of third quarter 2014 earnings.

24.3 2013 ANNUAL INFORMATION DOCUMENT

Date	Document name	AMF (1)	Greffe (2)	Cegedimwebsite (3)
12/16/2013	4th investor summit presentation			x
12/13/2013	Announcement of 4th Investor Summit	x		x
12/11/2013	Statement of transactions in own shares	x		x
11/28/2013	Announcement of publication of Q3 2013 Financial Report	x		x
11/28/2013	3rd Quarter 2013 Financial Report	x		x
11/28/2013	Presentation of Q3 2013 earnings			x
11/28/2013	Earnings of 3rd Quarter 2013	x		x
10/28/2013	Presentation of Q3 2013 revenues			x
10/28/2012	Revenues of 3rd Quarter 2013	x		x
10/24/2013	Announcement of update of the 2013 Financial calendar			x
9/19/2013	Announcement of publication of 2013 Half-Year Financial Report	x		x
9/19/2013	2013 Half-Year Financial Report	x		x
9/19/2013	Presentation of 2013 half-year earnings			x
9/19/2013	2013 half-year consolidated earnings	x		x
8/30/2013	Approval of 2012 financial statements and legal appendices			x
7/30/2013	Presentation of Q2 2013 revenue			x
7/30/2013	H1 2013 revenue	x		x
7/24/2013	2012 financial statements and legal appendices		x	
7/5/2013	Statement of transactions in own shares	x		x
7/2/2013	Half-yearly summary of the Cegedim liquidity contract	x		x
7/1/2013	Statement of transactions in own shares	x		x
6/6/2013	Result of voting on AGM resolutions			x
6/4/2013	Announcement of publication of Q1 2013 Financial Report	x		x
6/4/2013	1st Quarter 2013 Financial Report	x		x
6/4/2013	Presentation of Q1 2013 earnings			x
6/4/2013	Earnings of 1st Quarter 2013	x		x
5/21/2013	Statement of transactions in own shares	x		x
5/6/2013	Presentation of Q1 2013 revenue			x
5/6/2013	Q1 2013 revenue	x		x
4/29/2013	Call to convene AGM of 6/6/2013			x
4/25/2013	Directors' declarations	x		
4/22/2013	Statement of transactions in own shares	x		x
4/12/2013	Statement of transactions in own shares	x		x
4/5/2013	Statement of transactions in own shares	x		x
3/20/2013	Closing of €300 million senior notes due 2020	x		x
3/15/2013	Announcement of a pricing of €300 million senior notes	x		x
3/14/2013	Results of the Tender Offer	x		x
3/8/2013	Launch of an offering of €300 m senior notes	x		x
3/7/2013	Announcement of a Tender Offer for the 7.0 percent bond	x		x
3/6/2013	Announcement of publication of 2012 Registration Document	x		x
3/6/2013	2012 Registration Document	x		x
3/4/2013	Presentation of 2012 profit (loss) for the period			x
3/4/2013	2012 annual consolidated financial statements	x		x
1/31/2013	Resignation from/Appointment to the Board of Directors	x		x
1/22/2013	Minutes of 3rd Investor Summit	x		x
1/22/2013	3rd Investor Summit presentation			x
1/8/2013	Declaration of number of shares and voting rights as at December 30, 2012			x
1/7/2013	Half-yearly summary of the Cegedim liquidity contract	x		x

(1) From July 1, 2007 onwards, information posted on the AMF Company newsbank (www.amf-france.org) is for AMF internal use only.
(2) Available on www.infogreffe.fr and at the Company's corporate headquarters.
(3) Available on www.cegedim.com (Finance heading) and at the Company's corporate headquarters.

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INFORMATION ON TRADE INVESTMENTS

Cegedim's trade investments are presented in the organizational chart in chapter 7 of this Registration Document. They are taken into account to prepare the Group's consolidated financial statements in accordance with the methods presented in note 1 of the consolidated financial statements presented in chapter 20.1.

Please find below specific comments about our principal subsidiaries, those with separate revenues in excess of 30 million euros.

25.1 INFORMATION ON CEGEDIM ACTIV

Cegedim Activ is now the leader in the publishing, marketing and integration of software and related services dedicated to personal insurance (health, contingency plans).

These solutions cover more than 40 million insured people in compulsory, supplemental, and pension plans. The healthcare flow management activity handles more than 350 million transactions.

Cegedim Activ's products are intended for all market operators, such as insurance companies, mutual companies, pension institutions, and brokers.

Cegedim Activ designs, integrates, and hosts services connected to its *ACTIV'Infinite*, *ACTIV'Pro* and *ACTIV'Premium* software packages, thus covering healthcare reimbursements for 15 million people.

25.2 INFORMATION ON ALLIADIS

Alliadis is part of Business Unit Cegedim Healthcare Software (CHS) within the "Healthcare professionals" division of the Cegedim Group. It markets and sells the Alliance Premium software for French pharmacists.

Alliadis works in close synergy with the other companies of the Cegedim Group producing and marketing software intended for French pharmacists (the Alliance Software, Alliadis, and PG Informatique subsidiaries, in particular) and with Cegelease, which offers financial leasing solutions to its clients.

25.3 INFORMATION ON INPS

InPS is the British subsidiary of the Cegedim Group's "physician software" business of Cegedim's Healthcare Software Business Unit and contributes to the earnings in the "Healthcare professionals" division.

Its Vision software is gaining recognition as the benchmark in Windows solutions for Primary Care in the United Kingdom. Its Vision software is gaining recognition as the benchmark in Windows solutions for Primary Care in the United Kingdom. The Company is continuing to develop its solutions in order to comply with the recommendations of the governmental program of the National Health Service.

25.4 INFORMATION ON CEGELEASE

Cegelease is a financial leasing company that offers financing options for pharmacies, primarily for their computer equipment (software packages, hardware, and maintenance). Since 2005, the financing solutions have also covered pharmacy fixtures (sign, cross, automatic devices, furniture) with the Pharmalease brand and since 2006 the financing solutions have spread to other medical sectors under the Médilease brand.

25.5 INFORMATION ON CEGEDIM INC.

Cegedim Inc. is part of the “CRM and strategic data” division of the Cegedim Group. It is a major leader for supplying solutions to the pharmaceutical and life science industry in the fields of sales, marketing and compliance studies, and represents the Group’s bridgehead in the United States.

25.6 INFORMATION ON CEGEDIM ASIA PACIFIC

Cegedim Asia Pacific is the regional headquarters, based in Singapore, of all the Cegedim Group’s “CRM and strategic data” activities in Asia. This holding company provides logistical and administrative support to the rest of the Group, and centralizes client relations for the region.

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GENERAL MEETING

Annual Ordinary General Meeting held on June 10, 2014.

Ladies and Gentlemen,

We have called this Annual Ordinary General Meeting pursuant to the bylaws and the provisions of the French Code of Commerce to report to you on the Company's activity during the fiscal year ended December 31, 2013, the results of this activity and the future outlook and to submit the balance sheet and the annual financial statements for this fiscal year for your approval. These financial statements are presented in chapter 20 of the present Registration Document.

The notices of Meeting required by law were duly sent to you, and all the documents set forth in the regulations in force were made available to you within the required time frames.

The text of the draft resolutions is shown below.

26.1 RESOLUTIONS UNDER THE AUTHORITY OF THE ORDINARY GENERAL MEETING

FIRST RESOLUTION

The General Meeting, after having heard the Corporate Management Report of the Board of Directors and the Auditors' Report on the annual financial statements, approves the annual financial statements for the fiscal year ended December 31, 2013, as presented, in addition to the transactions reflected in these financial statements or summarized in these reports.

As a result, the General Meeting gives the Directors full and unreserved discharge from the performance of their responsibilities for this fiscal year.

The General Meeting approved the non-tax-deductible expenses mentioned in article 39-4 of the French General Tax Code totaling 221,378 euros, as well as corresponding tax amounting to 84,124 euros.

SECOND RESOLUTION

The General Meeting decided to allocate 48,936,743 euros loss for the financial year as follows:

- to retained earnings: €187,807.19;
- to other reserves: €46,142,594.92;
- to regulated reserves: €971,577.08;
- to share premiums: €1,634,764.49.

The General Meeting notes that the amounts distributed as dividends for the three previous fiscal years were as follows:

Fiscal year	Number of shares	Deductible income allowance			Non-deductible income allowance
		Dividend		Other income distributed	
		Per share	Total		
2010	13,997,173	€1.00	€13,997,173.00*	None	None
2011	13,997,173	None	None	None	None
2012	13,997,173	None	None	None	None

* *The dividend actually paid for 2010 totaled €13,952,709 because no dividend is payable on treasury shares.*

THIRD RESOLUTION

The General Meeting, after having heard the Auditors' Report on the consolidated financial statements for the year ended December 31, 2013, approves these financial statements, as well as the transactions reflected in them or summarized in the Management Report included in the Corporate Management Report.

FOURTH RESOLUTION

The officers of the General Meeting note that for approval of the agreements falling under the scope of article L. 225-38 et seq. of the French Code of Commerce, the quorum reached by the General Meeting is more than one-fifth of the shares carrying voting rights, it being specified that the shares of persons with an interest in these agreements are excluded from the calculation of the quorum and the majority.

The General Meeting may therefore vote on the application of these agreements.

FIFTH RESOLUTION

The General Meeting, after having heard the Auditors' Special Report on the agreements coming under articles. L. 225-38 et seq. of the French Code of Commerce, approves the findings of this report and the agreements mentioned in it.

SIXTH RESOLUTION

The General Meeting sets the amount of Directors' fees to be distributed among the Directors for the fiscal year in progress at 120,000 euros.

SEVENTH RESOLUTION

The General Meeting, having duly noted the report from the Board of Directors and pursuant to article L. 225-209 et seq. of the French Code of Commerce, authorizes the Board of Directors to purchase Company shares.

The purchase of shares, which may not represent more than 10% of the Company's share capital, can be carried out at any time and by any means on the market, off-market, over the counter, or using optional mechanisms, possibly by any third party acting on the Company's behalf, including an investment service provider intervening on the Company's shares under a liquidity contract in compliance with a code of ethics recognized by the Autorité des Marchés Financiers, in accordance with the terms of the last paragraph in article L. 225-206 of the French Code of Commerce.

This authorization would permit the allocation of Company shares to salaried employees of the Cegedim Group in accordance with articles. L. 225-197-1 to L. 225-197-3 of the French Code of Commerce. In compliance with legal provisions, the Company must have permanent unavailable reserves other than the legal reserve in an amount at least equal to the value of all of the treasury shares that it holds. The maximum unit purchase price is fixed at 50 euros per share.

This authorization is given for a period of eighteen (18) months, expiring on December 9, 2015. It cancels and replaces the authorization granted by the Combined General Meeting of Shareholders held on June 6, 2013 and shall be null and void during a public offering period.

The General Meeting gives all powers to the Board of Directors, with the option of delegation, to implement this authorization, give any stock market order, sign any agreements, including an AFEI liquidity contract, carry out any formalities and make declarations to all organizations, and, generally, do all that is necessary to execute the decisions it has made within the framework of this authorization.

26.2 RESOLUTIONS UNDER THE AUTHORITY OF THE EXTRAORDINARY GENERAL MEETING

EIGHTH RESOLUTION

The General Meeting, after having heard the reading of the Board of Directors' Report and the Auditors' Report and noted that the capital was fully paid up, decided to grant the Board of Directors, in accordance with the provisions of article L. 225-129-2 of the French Code of Commerce, all powers necessary to make one or more increases in capital, within a maximum of 26 months from this Meeting, limited to a maximum amount, in nominal value, of 5,000,000 euros, with retention of the shareholders' preferential subscription right.

For this and within these limits, the Board of Directors has full powers to decide on and carry out any capital increase(s) that it deems appropriate and specifically to:

- set the terms for the issuance of new capital shares to be issued immediately or in the future and specifically the subscription price;
- duly record the completion of these increases in capital;
- amend the Company bylaws accordingly.

This delegation of authority also includes, the option for the Board of Directors to institute, if necessary, a subscription right on a reducible basis, for new capital shares that were not subscribed on an irreducible basis, which will be allocated to holders of subscription rights who have subscribed to a higher number of shares than they could subscribe on an irreducible basis. This will be applied proportionally to the number of their subscription rights and within the limits of their requests.

Non-subscribed shares can be distributed completely or in part by the Board of Directors to persons of its choice. They can also be offered to the public.

The Board of Directors may limit the amount of the capital increase to the amount of subscriptions collected, provided that these subscriptions are for at least three-quarters of the capital increase.

In addition, the General Meeting decides that the number of shares to be issued for any capital increase decided by the Board of Directors under this delegation may be increased within thirty days of the subscription closing date to meet any additional share requests.

This increase in the number of shares to be issued may not, however, exceed 15% of the initial issue. Additional subscriptions will be carried out at the same price as the initial subscriptions.

The Board of Directors may, within the legal limits, delegate the authority granted to it pursuant to this resolution to the Managing Director or, with the latter's agreement, to the Deputy Managing Director.

NINTH RESOLUTION

Having heard the report of the Board of Directors and the general report of the Auditor, and having taken official note that all shares of equity are entirely paid in, the General Meeting, in accordance with Articles L. 225-129 et seq. of the French Code of Commerce (including L. 225-129-2 and L. 225-136):

- resolves to delegate to the Board of Directors all authority to decide, within no more than 18 months from the date of this Meeting, to raise one or more rounds of equity funding by the creation or issuance, with or without new issue premiums, of common shares without preferential subscription rights for shareholders, in favor of qualified investors, through offerings contemplated in paragraph II of Article L. 411-2 of the French Monetary and Financial Code;
- resolves that the maximum par value of new equity that might be raised under this authorization is set at €2,600,000 and at no more than the legal limit of 20% of share capital per year;
- resolves that, in accordance with Article L. 225-136 of the French Code of Commerce, the issue price of the shares to be issued will be equal at least to the minimum provided by the laws and regulations in force at the time this authorization is used (i.e., as of today, the weighted average price of the three last trading sessions preceding the pricing, minus a discount, if any, not to exceed 5%);
- resolves that for this and within these limits, the Board of Directors has full powers to decide on and carry out the capital increase(s) that it deems appropriate and specifically to:
  - set the terms for the issuance of new capital shares to be issued and specifically the subscription price if any;
  - duly record the completion of these increases in capital;
  - amend the Company bylaws accordingly.
- resolves that non-subscribed shares can be distributed completely or in part by the Board of Directors to the persons of its choice. They can also be offered to the public. The Board of Directors may limit the amount of the increase in capital to the amount of subscriptions collected, provided that these subscriptions are for at least three-quarters of the proposed new equity; it is accordingly authorized to amend the corporate bylaws.

In addition, the General Meeting decides that the number of shares to be issued for any capital increase decided by the Board of Directors under this delegation may be increased within thirty days of the subscription closing date to meet any additional share requests.

This increase in the number of shares to be issued may not, however, exceed 15% of the initial issue. Additional subscriptions will be carried out at the same price as the initial subscriptions.

TENTH RESOLUTION

The Extraordinary General Shareholders Meeting, having heard the Report by the Board of Directors and the special Report of the Auditors, delegates to the Board of Directors full powers, in accordance with Articles L. 225-129-6 of the French Code of Commerce, to raise one or more rounds of equity funding on the terms and conditions set forth in Article L. 3332-18 et seq. of the French Labor Code, for no more than €400,000, without preferential right of subscription and reserved for the Company's employees belonging to the company savings plan.

The present authorization is granted for a period of 26 months from today.

The total number of shares that may be subscribed by the employees cannot exceed 3% of the share capital at the date of the decision by the Board of Directors.

The subscription price of the shares will be set in accordance with Article L. 3332-19 of the French Labor Code.

The General Meeting delegates to the Board full powers to implement this authorization and to that end:

- set the number of new shares to be issued and their dated date;
- set the issue price of the new shares, based on the special Report of the Auditors, as well as the time periods allowed to the employees to exercise their rights;
- set the periods and terms for payment of the new shares;
- record the completion of each capital increase and making related amendments to the bylaws;
- carry out all operations and formalities made necessary by the completion of the capital increase(s).

This authorization, for the benefit of the employees referred to above, cancels the preferential subscription rights of shareholders to the shares that will be issued.

ELEVENTH RESOLUTION

The Extraordinary General Shareholders' Meeting, having duly noted the Report of the Board of Directors in accordance with article L. 225-147 of the French Code of Commerce:

- delegates to the Board of Directors all powers necessary to issue Company shares, up to a total of 10% of the current share capital, to remunerate contributions in kind granted to the Company and consisting in securities, where the provisions of article L. 225-148 of the French Code of Commerce do not apply;
- decides that shares issued under this delegation of powers will count towards the ceilings foreseen in the eighth resolution;
- duly notes that the Company's shareholders will not have preferential rights to subscribe for shares that may be issued under this delegation of powers, as such shares will be used solely for the remuneration of contributions in kind;
- grants powers to the Board of Directors to implement this authorization, to apply to the Commercial Court for the appointment of a specialized statutory auditor ("Commissaire aux apports"), to approve the value of contributions in kind based on the Report of the specialized statutory auditor, to allocate the costs of capital increases to the premiums relating to such capital increases, and to amend the bylaws accordingly.

This delegation of powers is granted for a period of 26 (twenty-six) months from the date of this meeting.

TWELFTH RESOLUTION

In accordance with the provisions of article L. 225-129-2, paragraph 2, of the French Code of Commerce, the general delegations of authority granted in the resolutions above nullify, effective immediately, any previous delegations having the same subject.

THIRTEENTH RESOLUTION

The Board of Directors must answer to the General Meeting for the use it will have made of the delegations it has been granted by preparing a report, in addition to the Annual General Corporate Management Report, giving the information required by current regulations and also a table summarizing delegations which are still valid and which it has at its disposal and any use that was made thereof. This report should accompany the Corporate Management Report or be appended to it.

FOURTEENTH RESOLUTION

The General Meeting, after examining the Board of Directors'Report and the Auditors'Special Report pursuant to article L. 225-197-1 of the French Code of Commerce, and having duly noted that the authorization granted during the Extraordinary General Shareholders'Meeting of Wednesday, June 8, 2011 will expire on Friday, August 8, 2014, decides it will renew the authorization granted to the Board of Directors in order to:

1. grant existing free Company shares that will be acquired in virtue of the authorizations given to buy back its own stock;
2. decide that the total number of shares granted in virtue of the present authorization will not represent more than 10% of the Company's share capital on the date of the Board of Director's decision to grant them;
3. decide that the beneficiaries of the allotment will continue to serve as members of the salaried employees, or of certain categories within it, of the Company or the companies or groups that are affiliated to it directly or indirectly, in accordance with the conditions stipulated by articles. L. 225-197-1 and L. 225-197-2 of the Code and subject to the conditions established by the Board of Directors during its session of March 21, 2008, modified by the Board of Directors during its session of November 5, 2009;
4. duly note that all the conditions of the present renewal of authorization to grant free shares will be strictly identical to those established by the Board of Directors during its sessions of March 21, 2008 and November 5, 2009, notably to:

- determine the identity of the beneficiaries of the allotment of shares among the members of the Company's personnel, or of the personnel of the above-mentioned companies or groups,
- set the financial terms and where applicable the criteria for awarding stock,
- appraise, when the acquisition period has expired, whether the conditions and criteria for the definitive allotment of shares are met,
- rule, when the acquisition period has expired, on the definitive nature of the allotments previously granted;

5. duly note that the rules governing the free Company share allotment plan, established by the Board of Directors on March 21, 2008 and modified by the Board of Directors on November 5, 2009, will continue to apply in all their provisions, in particular:

- with regard to beneficiaries who are tax residents of France at the date of the award: the Company will definitively convey the shares awarded at the end of a two (2) year vesting period, calculated from the date the shares were awarded by the Board of Directors. This definitive conveyance will be followed by a two (2) year holding period,
- with regard to beneficiaries who are not tax residents of France at the date of the award: The Company will definitively allot the shares awarded at the end of a four (4) year vesting period, calculated from the date the shares were awarded by the Board of Directors. These beneficiaries will not be subject to any holding period,
- in the event a recipient becomes disabled per categories 2 or 3 in article L. 341-4 of the French Social Security Code, his or her shares may be deemed to have vested before the current vesting period is over;

6. duly note that, in the event the Board of Directors uses the present authorization, it will report each year to the ordinary General Meeting on the transactions carried out, in virtue of the provisions of articles. L. 225-197-1 to L. 225-197-3 of the French Code of Commerce, in accordance with conditions stipulated by article L. 225-197-4 of said Code;
7. decide that the present authorization is given for a period of thirty-eight (38) months as of this date.

FIFTEENTH RESOLUTION

The General Meeting gives all powers to the bearer of an original or a copy or excerpt of the minutes of this Meeting to accomplish all necessary formalities.

GLOSSARY

EPS: Earnings Per Share. EPS 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.

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.

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 the 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 continuing 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 continuing 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). It 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 continuing 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 continuing operations: defined as the ratio of EBIT from continuing operations/revenue.

Net cash: is defined as cash and cash equivalents minus bank overdrafts.

CORPORATE MANAGEMENT REPORT

In order to facilitate the reading of the Cegedim Group's 2013 Registration Document, the cross-reference index below shows the page numbers in this document for the information comprising the Annual Corporate Management Report, the preparation of which is the responsibility of the Board of Directors of Cegedim SA is responsible for preparing, as defined in articles L. 225-100 *et seq.* of the Code of Commerce:

Notes

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