REGISTRATION DOCUMENT

2014

Annual Financial Report Included

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This is a free translation into English of the Document de Référence 2014 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 2014

ANNUAL FINANCIAL REPORT INCLUDED

Copies of the Registration Document are available for free from Cegedim SA
at 127, 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 31, 2015 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 AFR

OVERVIEW 2014

Extract of Registration Document

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SUM-MARY

CHAIRMAN'S STATEMENTS

Jean-Claude LABRUNE
Chairman & CEO

2015 will be a remarkable year in Cegedim's and its employees' adventure.

The disposal of our *CRM and strategic data* business activities is a clear signal of the major restructuring operation we are implementing.
This is in line with my intention, and that of Cegedim's board directors, to restore growth and investments in technology.
Our new organization should enable us to recover our agility to support the transformations faced by the Group's business lines.
In healthcare, our aim will be to take advantage of government healthcare reforms, new ways in which healthcare is delivered, rapid advances in new technologies and the changing relationships between world healthcare players. We will also benefit from the increasing complexity of medical knowledge, which will require us to develop our knowledge bases on products and therapies, and which will accelerate the need for prescription and dispensing software, including prescription rules management.

Increasing needs to improve efficiency in healthcare economics requires the development of patient follow-up and health record management tools and the setting up of tools for coordinating healthcare between health professionals. To this end, Cegedim relies on a strategy that includes connected devices, telemedicine, future in-practice biological tests and rehabilitation tools.

Health insurance business is also adapting to regulatory changes, with the new insurance policies (ACS, National Interprofessional Agreements, Responsible contracts), the generalization and automation of third-party payment processes (online control of patient benefits, invoicing and payment on line).

The Group also pairs the transformation of the economic model of administrative businesses with the digital revolution, and the complexification in human resources management with the handling of training, work-time management, talent management, paperless environment, management of supplemental health, and retirement supplements.

Cegedim will remain strongly commited to its investment strategy in order to continue to innovate and to prosper internationally through bolt on acquisitions.

I would like to thank all our employees for their contribution, our clients for their trust and our shareholders for their support.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

The Board of Directors is composed of ten Directors including an independent member.

In 2014, three of its members are women. During fiscal year 2014, the Board of Directors met seven 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 ten times during the 2014 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 2014 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 2014 fiscal year,** with all its members in attendance.

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 2014 fiscal year,** with all its members in attendance.

MANAGEMENT BODIES

BOARD 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

Anne-Sophie HÉRELLE
Representative of Bpifrance

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

In 2014 Cegedim's business was structured around four divisions, in alignment with the services offered and customers targeted:

- *CRM and Strategic Data*
- *Healthcare Professionals*
- *Insurance and services*
- *GERS Activities and Reconciliation*

In October 2014, Cegedim announced the signing of the final sales contract of its *CRM and Strategic Data* division to IMS Health (see p13 of the Overview for more details).

1 HEALTHCARE PROFESSIONALS

For General Practitioners, Paramedics and Pharmacists

+ than 220,000*
healthcare professionals

+ than 87,000*
pharmacists

*workstations

60%
of 2014 revenue from continuing activities

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.

2 INSURANCE & SERVICES

For Healthcare Insurance Players
& Companies in all Business Sectors

40 million
policyholders managed

350 million
electronic payments

33%
of 2014 revenue from continuing activities

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.

3 GERS ACTIVITIES & RECONCILIATION

For the Life Sciences Industries
& Group Internal Services

+ than 800
markets monitored for

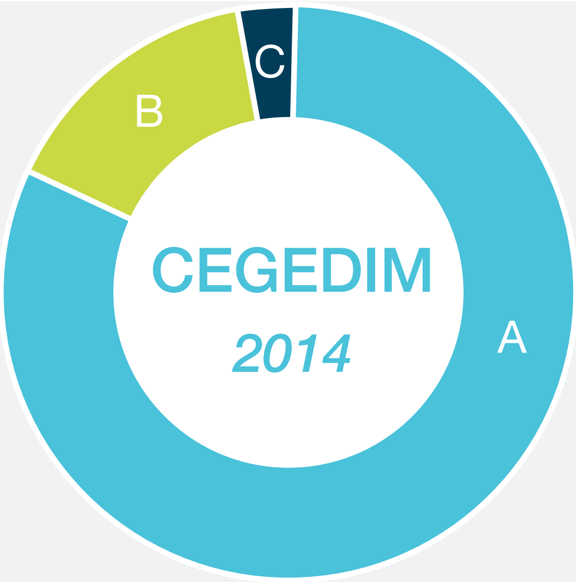
+ than 190
pharmaceutical companies

7%
of 2014 revenue from continuing activities

The *GERS Activities and Reconciliation* division groups together the following: sales statistics activities of GERS's pharmaceutical products in France and in Romania, and of Santestat as well as the Pharmastock company (medical sample management).

It also includes activities intrinsic to the status as head of the Group, which cannot be attributed to a single division or to a particular activity (such as the Group's strategic management, the production of consolidated information, and financial communications) and activities supporting the Group's three operational sectors (such as bookkeeping, human resources and cash assets management, legal assistance, and marketing).

KEY FIGURES



Geographical Breakdown of 2014 Revenue

A	France	83.0%
B	EMEA excluding France	15.5%
C	Americas	2.5%

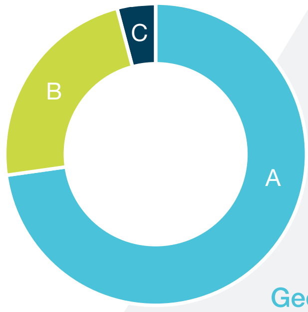
REVENUE*	2014 2013	493.5 487.6	+1.2%	
EBITDA*	2014 2013	86.9 91.6	(5.1)%	MARGIN 17.6% (117)bps
EBIT* Before special items	2014 2013	49.5 51.9	(4.6)%	MARGIN 10.0% (61)bps

*in millions of euros

Revenue increased by €5.9 million, or 1.2%, from €487.6 million for 2013 to €493.5 million for 2014. Excluding the positive impact of acquisitions of 0.3% and favorable impact of foreign currency translations of 0.6%, revenue increased by 0.3%.

EBIT before special items (Operating income before special items) decreased by €2.4 million or 4.6% from €51.9 million for 2013 to €49.5 million for 2014. Thus margin came to 10.7% for 2013, compared to 10.0% for 2014.

1 HEALTHCARE PROFESSIONALS



Geographical Breakdown of 2014 Revenue

A	France	72.9%
B	Europe excluding France	22.9%
C	Americas	4.1%

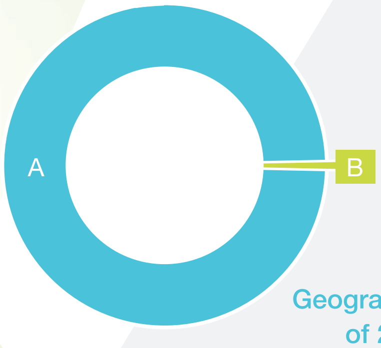
REVENUE*	2014 2013	295.6 295.5	+0.4%	
EBITDA*	2014 2013	52.9 59.7	(11.4)%	MARGIN 17.9% (238)bps
EBIT* Before special items	2014 2013	31.1 35.4	(12.3)%	MARGIN 10.5% (152)bps

*in millions of euros

Revenue for the *Healthcare Professionals* division increased by €1.1 million, or 0.4%, from €294.5 million for 2013 to €295.6 million for 2014. Excluding the positive impact of 0.4% from the acquisitions of the entities *Webstar* (UK) on November 2013 and *SoCall* (France) in April 2014, and the favorable foreign currency translations of 1.1%, revenue decreased by 1.1%.

EBIT before special items (Operating income before special items) decreased by €4.4 million, or 12.3%, from €35.4 million for 2013 to €31.1 million for 2014. Thus margin came to 12.0% for 2013, compared to 10.5% for 2014.

2 INSURANCE & SERVICES



Geographical Breakdown of 2014 Revenue

A	France	99.5%
B	Europe excluding France	0.5%
C	Americas	-

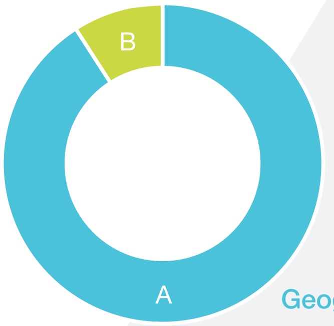
REVENUE*	2014	165.0	+2.4%		
	2013	161.0			
EBITDA*	2014	36.7	(4.9)%	MARGIN 22.3%	(172)bps
	2013	38.6			
EBIT* Before special items	2014	22.8	(8.1)%	MARGIN 13.8%	(158)bps
	2013	24.8			

*in millions of euros

Revenue for the *Insurance and Services* division increased by €3.9million, or 2.4%, from €161.1 million for 2013 to €165.0 million for 2014. There were no disposals or acquisitions.

EBIT before special items (Operating income from recurring operations) decreased by €2.0 million, or 8.1%, from €24.8 million for 2013 to €22.8 million for 2014. Thus margin came to 15.4% of 2013, compared to 13.8% of 2014.

3 GERS ACTIVITIES & RECONCILIATION



Geographical Breakdown of 2014 Revenue

A	France	91.0%
B	Europe excluding France	9.0%
C	Americas	-

REVENUE*	2014	32.9	+2.8%		
	2013	32.0			
EBITDA*	2014	(2.7)	+60.4%	MARGIN (8.1)%	+1,291bps
	2013	(6.7)			
EBIT* Before special items	2014	(4.4)	+47.7%	MARGIN (13.2)%	+1,277bps
	2013	(8.3)			

*in millions of euros

Revenue for the *GERS Activities and Reconciliation* division increased by €0.9 million, or 2.8%, from €32.0 million for 2013 to €32.9 million for 2014. There were no disposals or acquisitions and excluding the minimal unfavorable foreign currency translations, revenue increased by 2.9%.

EBIT before special items (Operating income from recurring operations) developed positively by €4.0 million, or 47.7%, from a loss of €8.3 million for 2013 to a loss of €4.4 million for 2014

KEY FACTS

Disposal of the *CRM and Strategic Data* division

June 24th: Cegedim announced that it has received a binding offer for its *CRM and Strategic Data* division from IMS Health for a cash price of €385 million on a cash free debt free basis, subject to certain adjustments.

October 20th: Execution of the definitive purchase agreement.

October 24th: Once the definitive agreement was signed, Standard & Poor's placed the Cegedim B+ rating for its bonds on CreditWatch positive.

December 5th: Expiration of the waiting period for the U.S. antitrust review. In late December, the European Commission gave a green light (subject to conditions) to the operation.

Additional bond offering of €125 million

April 7th: Additional bond offering of €125 million on the issue date, of the 6.75% Senior Notes due 2020. The proceeds from the offering were used, among other things, to finance the redemption of part of outstanding bonds due 2015.

Competition authorities' decision

July 8th: French competition authorities imposed a €5.8 million fine on Cegedim in response to a complaint filed by the Euris company accusing the Group of unfair practices in France in the market for healthcare professional databases. Cegedim appealed this decision to the Paris Court of Appeals. The French Competition Authorities decision is enforceable, so Cegedim paid the full amount of the fine in October 2014.

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 31th 2014 and the date of publication of this document.

ACTIVITIES HELD FOR SALE

The *CRM and Strategic Data* 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 range of products and services includes databases for healthcare professionals and other prescribers, including the *OneKey* database, management solutions for marketing and sales activities, and in particular, of the CRM platforms, medical and strategic marketing studies, software and other tools for measuring the efficacy of promotional and advertising activities, and business intelligence services.

In addition, this division 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 *CRM and Strategic Data* division, the *OneKey* database, which contains information on more than 14.3 million healthcare professionals around the world, is the most comprehensive database of its kind. It provides Cegedim's clients with relevant information on healthcare professionals in various fields and helps them strengthen their relations therewith.

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), the *CRM and Strategic Data* division is a leading provider of technology solutions specifically tailored for the Life Sciences industry.

STRENGTHS

Leading market positions
in each of our divisions

High barriers
to entry

Recognized portfolio of
innovative and integrated solutions

Stable, well-balanced and diversified revenue mix

Unique Presence
in the Healthcare Ecosystem

Long-standing shareholder support and experienced management

STRATEGY

Expand Operating margin with strong financial disciplines

Continue to invest in innovation

Targeted Geographical expansion

Pursuing market leadership

FINANCIAL MARKET
ACTION

ISIN
FR0000053506

REUTERS
CGDM.PA

BLOOMBERG
CGM

MARKET
NYSE Euronext Paris

CEGEDIM AT A GLANCE
- Cegedim shares trade up by 27.5% over 2014
- Acceptance of the IMS Health offer for the *CRM and Strategic Data* division

ANALYSTS Equity

GENESTA
Guillaume Nédélec

GILBERT DUPONT
Mickaël Chane-Du

KEPLER CHEUVREUX
Benjamin Terdjman

SOCIÉTÉ GÉNÉRALE
Patrick Jousseaume

OVERVIEW OF CEGEDIM SHARE

During the year 2014, Cegedim shares developed positively. The closing price at the end of December was up 27.5% at €29.18. The price reached their high at closing at €29.30 on December 22nd, 2014.

In euros	2014	2013
Share price at closing	29.18	22.89
Average for the period	26.06	22.02
High during trading	29.30	26.97
Low during trading	22.00	18.48
Market capitalization (€m)	408.4	320.4
Outstanding shares (m)	14.0	14.0

Source: Bloomberg

SHAREHOLDER STRUCTURE

as of December 31, 2014	Number of shares	Number of voting rights[1]	% of capital	% voting rights
FCB	7,361,044	14,688,131	52.6%	62.7%
Bpifrance	2,102,061	4,204,121	15.0%	17.9%
Cegedim SA	15,527	0	0.1%	0.0%
Flottant	4,518,541	4,537,594	32.3%	19.4%
Total	**13,997,173**	23,429,846	100.0%	**100.0%**

[1] total number of voting rights that may be exercised at Shareholders' Meetings
Total potential voting rights: 23,445,373 / Exercisable voting rights: 23,429,846

CROSSINGS THRESHOLD

April 22, 2014: Bpifrance Participations crossed the 15% threshold of voting rights as a result of double voting rights attributed to shares held for over four years;

December 31, 2014: Walgreens Boots Alliance, Inc. announced the crossing of the 5% threshold of Cegedim's capital and voting rights, indirectly through companies it controls. This crossing of the threshold is due to Walgreens Boots Alliance, Inc.'s indirect acquisition of Alliance Boots GmbH - which holds an indirect stake in Cegedim - through AB Acquisitions Holdings Ltd. At the same time, AB Acquisitions Holdings Limited announced that it had gone under these same thresholds, indirectly, through the companies it controls, and therefore no longer held any Cegedim shares.

CREDIT RATING

B+

CreditWatch Positive

ANALYSTS
Debt Securities

BOFA MERRILL LYNCH
Navann Ty

EXANE
Benjamin Sabahi

IMPERIAL CAPITAL
Diego Affo

J.P. MORGAN
Ela.N. Kurtoglu

ODDO
Carole Braudeau

SOCIÉTÉ GÉNÉRALE
Priya Viswanathan

CREDIT RATING

Cegedim is committed to maintaining a high credit rating. Meetings are held regularly between the rating agency and Cegedim's senior management.
Following the execution of the definitive agreement on the sale of the *CRM and Strategic Data* division to IMS Health, Standard & Poor's **placed the Cegedim B+ rating for its bonds on CreditWatch positive.**

Credit rating	*Assessed on October 24, 2014*
	Reaffirmed on February 18, 2015
S&P	B+, CreditWatch Positive

MARKET FINANCING

On April 7, 2014, Cegedim launched an additional bond offering of €125 million, of its 6.75% Senior Notes due 2020. Apart from the date and price of issuance (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the 6.75% Senior Notes due 2020.
The proceeds from the offering were used, among other things, to finance the redemption of €105,950,000 of outstanding bonds due 2015, pay the premium and any related fees, and repay the bank overdraft facilities.

Bond	2015 @ 7,00%	2020 @ 6,75%
Issuer	*Cegedim S.A.*	*Cegedim S.A.*
Amount	*EUR 62,600,000*	*EUR 425,000,000*
Issue date	*July 27, 2010*	*March 20, 2013*
TAP	-	*€125m on April 14, 2014*
Coupon	*7,00% ; paid semi-annually*	*6,75% ; paid semi-annually*
Format	*RegS*	*RegS / 144A*
Listing	*Luxembourg*	*Luxembourg*
ISIN RegS	*FR0010925172*	*XS0906984272*
ISIN Rule 144A	-	*XS0906984355*

Public company with share capital of 13 336 506,43€
127 rue d'Aguesseau 92100 Boulogne-Billancourt - France
R.C.S Nanterre : 350 422 622 - Code NAF : 6311 Z
Phone: +33 (0)1 49 09 22 00
Email: investor.relations@cegedim.com

www.cegedim.com/finance

SDR

2014

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

SIGNATURE OF FINAL SALES CONTRACT OF THE CRM AND STRATEGIC DATA DIVISION

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385 million euros in cash on a "no-cash, no-debt" basis and subject to certain adjustments depending on the Group's net debt at the sale date and change in net working capital. It is not expected that any adjustment will be made to the 2014 revenues of CRM and Strategic Data.

In late December 2014 the European Commission gave the go-ahead to the buyout of the CRM and Strategic Data division by IMS Health Inc. The decision depends on the sale by IMS Health of part of its "syndicated promotional data base" business in Europe, with yearly sales of 2 million US dollars. This authorization from the European Commission occurs in conjunction with the December 5, 2014 expiration of the review period of the transaction by the US anti-trust authority.

The transaction will let Cegedim refocus on applications and data bases for healthcare professionals and health insurance companies, as well as on its fast-growing multi-sector business lines such as e-business, e-collaboration and outsourcing payroll and human resources.

The sale of the CRM and Strategic Data Division was not considered "highly likely" until the end of the fourth quarter of 2014. The balance sheet date for the Group's audited annual financial statements will be determined by applying IFRS 5, whose aim is to isolate operations held for sale. The items published in this report do not yet reflect the social, environmental and societal resizing of the new Cegedim Group. This report presents all operations affected by the IMS Health Inc. offer. The transaction will be effective after this report is published, early in the second quarter of 2015. The 2014 CSR Report does not factor in all changes associated with the transaction.

The organizational structure presented in chapter 7 of the 2014 Registration Document identifies entities held for sale and those that constitute the new Cegedim Group.

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 future innovation, quality, and investment requirements are at the heart of the Group's growth strategy and hinge 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.

  Most offers aim to provide clients with end-to-end services that require a high level of expertise and specialization. The technical teams follow 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 firmly focused on client satisfaction

  Cegedim's objective is to provide clients with the added value they require at the right price. Strong responsiveness and large adaptability to change are possible thanks to human-sized teams which foster communication, transmission of skills and sharing of experience. Cegedim is backed by effective teams, which are responsive and energized, and therefore benefits from short information circuits and rapid decision making thus providing enhanced 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.

  Compliance to 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, 2014 was 7,922 employees.

Employees based in France represented 42.8% of the Cegedim Group's total workforce in 2014.

95.4% of employees are employed under open-ended contracts, 97.2% in France and 94.0% abroad.

In 2014, the Cegedim Group hired 1,583 employees. Among them, 1,036 were under open-ended contracts (of which 52.5% were in France), 505 were under temporary contracts (of which 40.6% were in France) and 42 joined the Group through acquisitions of entities.

	12/31/2013	12/31/2014
Total staff in the Group	7,992	7,922
Staff in France	41.8%	42.8%
Employees on open-ended contracts		
as % of total staff	94.0%	95.4%
as a % of staff in France	97.2%	97.2%
as a % of international staff	91.7%	94.0%
Additions	1,624	1,583
of which new hires on open-ended contracts	887	1,036
of which new hires on temporary contracts	724	505
of which change in consolidation scope	13	42
Subtractions	1,750	1,653

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 needed.

The breakdown of the workforce by region as of December 31, 2014 is as follows:

	France	EMEA excluding France	Americas	APAC
% of employees at December 31, 2013	41.8%	32.4%	15.1%	10.7%
% of employees at December 31, 2014	42.8%	31.5%	15.2%	10.5%

In 2014, based on legally available data (1), 56.8% of the Group's employees were men, with an average age of 40, and 43.2% were women, with an average age of 40.

In 2014, 1,653 Cegedim employees left the Group, 553 in France and 1,100 abroad. 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 11.4% of all causes for staff departures.

With regard to the procedures around staff departures in France, 38 disputes were heard in 2014.

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

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 for an individual assessment and to review target achievement. An assessment guide is provided to participants to ensure that discussions take place under the best possible conditions. The assessment takes place in the first quarter using the internal software tool known as "Evaluadim".

Semi-annual assessments 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 "generational contract" signed last year, the Group is committed to, inter alia, maintaining the employment of older workers, hiring more young people under 25 and managing the end of its employees' careers.

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 CEO, 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 Director. In the past fiscal year, the Compensation Committee met twice, on March 7 and on June 18, 2014.

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	12/31/2012	12/31/2013	12/31/2014
Payroll costs	449,821	433,458	438,813

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 42.8% 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 annual 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 local 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. In all countries where it operates, the Group respects the conventions of the International Labour Organization.

There were 145 employees working under part-time contracts in France and 254 part-time employees abroad.

In 2014, absenteeism (absence due to sickness, family events such as maternity, marriage, etc., and unjustified absences) totaled 9.7 days per employee in France (including 15.3% for maternity and 66.8% for sickness) and 16.3 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 has been enhanced since 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 2014, the Group endeavored to implement the major agreements signed last year:

- 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 are discussed on a regular basis.

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, training, investments and disposals (especially the 2014 offer by IMS Health Inc. for the purchase of the major part of the CRM and Strategic Data division's operations), 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

Following the announcement of the firm offer in June 2014 by IMS Health Inc. for the purchase of the major part of the CRM and Strategic Data division's operations from the Cegedim Group, in accordance with the regulations in force in some countries, the employee representative bodies were immediately consulted about the transaction. As part of this transaction, at corporate headquarters, the Works Council sought the advice of an external service provider of its choice to assess the matter. In this regard, the employee representative bodies issued positive opinions in all countries where this consultation was required. All employees were informed.

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 In 2014, the Works Committee of the UES of Boulogne-Billancourt, France, met 21 times. Nine of these were Extraordinary Meetings for the transfer of operations to IMS Health Inc.

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; In the context of the sale of the CRM and Strategic Data division to IMS Health Inc., a special internal letter was sent by the Chairman & CEO to employees on June 24, 2014, followed by another letter on October 17, 2014, as well as regular messages from the Chairman of the CRM and Strategic Data division;
- Intranet news messages for employees;
- a presentation at least once a year of the Group operations and key events by the Deputy CEO for employees located in the Paris Region. This presentation is also relayed to the rest of the Group through internal media; When the sale of the CRM and Strategic Data division to IMS Health Inc. was announced, three transfers of information were given by the Deputy CEO to the employees affected in the Paris Region;
- 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.

In France in 2014 there were 67 job-related accidents that forced employees to take leave from work, of which 55% 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.

No cases of occupational diseases were declared to the French Social Security system in 2014.

Additionally, in France the Accord National Interprofessionnel 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 twelve months after the employee has left the Company.

After numerous negotiation meetings between the broker of the Group, employee representatives, and Management, the Cegedim Group came to an agreement that established a new optics price list in compliance with the new manager contract decree.

Both in France and abroad, the Group adheres to all 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 2014, 0.9% of the Cegedim Group's payroll was allocated to training, representing a total budget of 4,029 thousand euros. This amount went primarily toward outside training hours. Internal training was also organized for the employees of the Group.

In France 40.2% of employees received training within the Company. This training represents a total of 19,073 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	12/31/2013	12/31/2014
Employees receiving training	1,251	1,361
Number of hours of training	24,762	19,073

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 part of the generational contract concept.

Jobs and assignments given to workers with disabilities

The Cegedim Group aims 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 2014, 82 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, the human resources managers at the head office were trained about disabilities in the workplace, and a disability steering Committee met to discuss obligations of employment, principles of non-discrimination, and compensation for the disabled. A mediator handles, among other issues, the interface between occupational healthcare and workers with disabilities.

This Committee is composed of seven persons from several of the Group's operational divisions.

Both in France and abroad, 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: an employee representative (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 clients have the highest quality of service and that the data and data flows entrusted to us are protected. As such, Cegedim has ISAE 3402 and SSAE 16 Type 2 certifications for all of its Data Centers and three approvals issued by ASIP (the Shared Healthcare Information Systems Agency) for the hosting of personal data.

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 promotes 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;
- purchasing 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 travel and use in some countries of electric vehicles;
- controlling the printing of work documents (using black and white instead of color);
- installing equipment which enable to reduce energy consumption (timer to turn off the lights, automatic hand dryer).

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, as part of the "IT clustering" project (computational slicing following the transfer of CRM and strategic data operations to IMS Health Inc.);
- 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 2014, Cegedim's technical and IT teams further developped the ongoing improvement programme related to energy efficiency within 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 2014, the number of physical servers dropped by 18%, while the number of virtual machines was up by 3.6%. Unit resources are constantly increasing and each virtual machine has more CPUs and RAM (Random Access Memory). The rate of virtualization increased from 81% to 85% in 2014, or slightly more than 5.5 virtual servers for a 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 continuity with the work carried out in 2013 on the "MI Box" solution, the improvement of the energy efficiency of the most energy-intensive platforms was still topical in 2014. More specifically, following the "IT clustering" project (computational slicing following the transfer of CRM and strategic data operations to IMS Health Inc.) in which the main computer equipment was renewed, improved the core/performance ratio while reducing processor energy consumption. The "IT clustering" project was conducted without altering the overall level of data and access security.

- Optimizing the efficiency of air conditioning systems at hosting centers

  According to legislation concerning the environmentally harmful fluid R22, efforts to obtain more environmentally friendly air conditioning systems were successful in 2014 at all hosting centers. Also, the partitioning of the cold corridors in hosting centers in France was finalized this year.

Energy consumption

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 2014.

Annual electricity consumption *(in kWh)*	**12/31/2012**	**12/31/2013**	**12/31/2014**
For the the 6 major countries (France, Germany, UK, USA, Spain and Singapore)	31,922,022	33,787,315	32,780,403
Out of 32 major countries, including the 6 major countries listed above	n.a.	39,033,817	37,272,523

The Group has IT 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.).

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[2] its main countries of operation.

The data below indicate the annual emission of CO_2 in kilograms over eleven countries (France, Belgium, Poland, Spain, Germany, United Kingdom, Australia, USA, Sweden, Italy and Singapore). In 2014, these six countries represented 75% of the Group's total employees, 88% of the Group's consolidated revenue and 86% of the Group's consolidated EBIT. At constant scope, the Group reduced its CO_2 emissions by 10.5% between 2013 and 2014.

	12/31/2013	**12/31/2014**
Annual CO_2 emission$_s$ (in kg)	1,954,091	1,749,646

These figures only concern emissions from work-related travel by plane in the calendar year 2014 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 the Group's 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 France, the fleet of Company vehicles at Boulogne Billancourt has remained relatively stable over the last year (369 passenger vehicles versus 359 last year). Apart from a few acquisitions of commercial vehicles, Cegedim opts for categories with lower CO_2 emissions when renewing Company vehicles[2]. As a result, in 2014, 83% of the new vehicles in the Group's fleet emit less than 120 g of CO_2 per kilometer. These vehicles were acquired to replace older, more polluting vehicles. In 2014, 53% of the French fleet consists of vehicles that emit less than 120 g of CO_2 per kilometer (compared with 61% in 2013), and 82% of this same fleet emits less than 140 g of CO_2 per kilometer (compared to 84% in 2013).

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. In Norway, the new Company cars are electric vehicles.

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".

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 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 88% between 2009 and 2014. 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 coverage 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 presence, 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 2014, 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. This year, the Group hired 1,593 employees, of which 65.4% had open-ended contracts.

The Group also sees to it that upcoming graduates are hired under apprenticeship contracts thanks to partnerships with schools and universities in India, France, Belgium, and Germany, among others.

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 DEVELOPMENT AND EMPLOYMENT

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.

Cegedim focuses on 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 2014, subcontracting represented 57,350 person-days in France and 62,083 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 has HDS (Health Data Server) approval and ISAE 3402 and SSAE 16 Type 2 certifications for all of its Data Centers. 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 these different Tier III+ level sites, thus distributed, make it possible, on the one hand, for services to be provided continuously, and, on the other, for the implementation of Service Continuity Plans (PCA – *Plan de Continuité d'Activité*) or Disaster Recovery Plans (PRA – *Plan de Reprise d'Activité*) 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.

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 2014, seven artists displayed their work there, five of which live in Île-de-France.

Other initiatives are organized at the discretion of Group subsidiaries. For example, in 2014:

- one of the French subsidiaries of the Group sponsored one of the participants in a sailing race;
- the Canadian subsidiary has supported the "Plan Canada" association;
- the Polish subsidiary funded an association that combats against Alzheimer's disease;
- some employees of the Ukrainian subsidiary gave clothes to charity;
- subsidies were awarded to some employees for extra-curricular activities (sport, leisure, culture);
- 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.

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 2014, no evidence was submitted or reported to the Ethics Committee.

GOING EVEN FURTHER

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 I9001, 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 I9001.

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 supplier of major groups listed on the US stock market, Cegedim claims two certifications for the hosting security area for the services offered to its customers.

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

- personal health data hosting certification in France;
- ISAE 3402 and SSAE 16 Type 2 for all of its Data Centers;
- the updates of the *OneKey* database are based on processes certified ISO I9001 in France;
- ISO I27001 for CRM security at GSC in Bangalore (India);
- ISO I27001 for Cegedim Rx (UK);
- ISO I9001 for the *OneKey* database at Amix (France);
- ISO I9001 and ISO I13485 for RM Informatique (France);
- ISAE 3402 Type II for Cegedim SRH (France);
- ISO I27001, ISO I20000 and ISAE 3402 Type 2 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.EN/Docs_Communiques/Cegedim20note%20sur%20le%20principe%20de%20non-discrimination%20-%202011.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 42.8% of the total Group workforce.

The figures relating to employment information, unless otherwise specified, are consolidated for all fully consolidated companies worldwide, i.e. 144 companies.

The figures discussed in the Environmental Report (notably 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, Belgium, Poland, Spain, Germany, the UK, Australia, the USA, Sweden, Italy and Singapore. The employees in these countries represent 91% of the Group's workforce.

The figures of the environmental balance on CO_2 emissions include the Group's subsidiaries in the 11 countries considered to be the most representative for these indicators, including France, Belgium, Poland, Spain, Germany, the UK, Australia, the USA, Sweden, Italy and Singapore. The employees in these countries represent 75% 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 Agency that provided the figures for 89% of emissions uses the 2010 DEFRA conversion factors. This can cause an underestimation compared with the calculation using the updated factors.

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 2014 to December 2014. 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 relevance 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 2014 in the eleven contributing countries (France, Belgium, Poland, Spain, Germany, the UK, Australia, the USA, Sweden, Italy and Singapore);

- 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; Electricity consumption in Norway (0.2% of the global workforce) was incorporated into the lease in 2014 and is not available. To facilitate comparability of data by maintaining a strictly identical perimeter, 2013 consumption was reported for that country (33,760 kWh);
- 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 Auditor of Cegedim SA has 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 Auditor's Assurance Report detailing the work carried out together with his or her comments and conclusions is included in the Group's Registration Document.

This document is an extract of the 2014 Registration Document - © Cegedim 2015

cegedim

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www.cegedim.com/finance

FINANCE
2014

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 hereby certify, after having taken all reasonable steps to this end, that to the best of my knowledge, the information contained in this Registration Document is consistent with reality and does not contain any omissions of such type as 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 of all of the companies included in the consolidation. I hereby certify that, to the best of my knowledge, the Management Report items of this document present an accurate image of the changes in the business, earnings and financial position of the Company and of all of the companies included in the consolidation, as well as a description of the principal risks and uncertainties with which they are faced.

I received from the legal Auditors a letter of completion of their work, in which they indicated that they had audited the information regarding the financial position and the information given in this Registration Document, and that they had read the Registration Document in its entirety.

The Statutory Auditors' Report on the annual financial statements of fiscal year 2014 which appears in chapter 20.3.1 of this Registration Document contains the following commentary "without modifying the opinion expressed above, we draw your attention to note 1 "Characteristics of the 2014 fiscal year – paragraph D) Signing of the definitive sale agreement of the CRM and Strategic Data Division" and note 2 "Accounting rules and methods – paragraph C) Equity investments and other investments" of the annual financial statements describing the conditions that led the company to record an impairment charge on the subsidiaries of "CRM and Strategic Data Division" held for sale to IMS Health".

The Statutory Auditors' Report on the 2014 consolidated financial statements which appears in chapter 20.3.2 of this Registration Document contains the following commentary "without modifying the conclusion expressed above, we draw your attention to note « Significant events », note 10 « Goodwill on Acquisitions » and note 23 "Assets held for sale, discontinued or sold operations" of the consolidated financial statements, setting out the accounting consequences to December 31, 2014 of the execution of the definitive purchase agreement for its CRM and strategic data division with IMS Health".

The Statutory Auditors' Report on the annual statements of fiscal year 2013, which appears in the Registration Document filed with the *Autorité des Marchés Financiers* on March 12, 2014 under Number D.14-0137, contains the following comment: "Without qualifying the opinion expressed above, we draw your attention to note 1 'Significant Events of the 2013 Fiscal Year – paragraph E) Impairment of Cegedim USA Stock' and note 2 'Accounting Rules and Methods – paragraph C) Equity Interests and Other Securities' of the annex describing the factors which led the Company to record an impairment charge on Cegedim USA stock."

The Statutory Auditors' Report on the 2013 consolidated financial statements, which appears in the Registration Document filed with the *Autorité des Marchés Financiers* on March 12, 2014 under Number D.14-0137, contains the following comment: "Without qualifying the opinion expressed above, we draw your attention to the note "Accounting Principles" and note 7 "Goodwill" of the annex to the consolidated accounts, which sets forth in particular the circumstances under which impairment of goodwill of the cash-generating unit of CRM and Strategic Data was recorded at December 31, 2013."

The Statutory Auditors' Report on the annual financial statements for fiscal year 2012 which appears in the Registration Document filed with the *Autorité des Marchés Financiers* on March 5, 2013 under Number D. 13-0105 contains the following comment: "Without qualifying our opinion, we draw your attention to note 1 'Significant Events of the 2012 Fiscal Year – Impairment of Cegedim USA Stock' and note 2 'Accounting Rules and Methods – paragraph C) Equity Interests and Other Securities' of the annex describing the factors which led Cegedim to record an impairment charge on the Cegedim USA stock."

The Statutory Auditors' Report on the consolidated financial statements for fiscal year 2012, which appears in the Registration Document filed with the *Autorité des Marchés Financiers* on March 5, 2013 under Number D. 13-0105, contains the following comment: "Without qualifying our opinion, we draw your attention to note 7 "Goodwill" of the annex to the consolidated financial statements, which sets out in particular the circumstances under which an impairment of goodwill in the CRM and Strategic Data division was recorded at June 30, 2012."

Done in Boulogne-Billancourt, on March 30, 2015.

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 fi nancial 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 2014 and 2013 are set out in chapter 20.1 note 37 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)	12/31/2014 IFRS 5	12/31/2013 non IFRS 5	12/31/2012 non IFRS 5
Revenues	493	902	922
Operating income before special items	50	92	90
Profit (loss) for the period	(200)	(59)	(85)
Profit (loss) for the period attributable to the owners of the parent	(200)	(59)	(85)
Number of shares outstanding	13,997,173	13,997,173	13,997,173
Average number of shares excluding treasury shares	13,962,873	13,948,887	13,964,700
Net earnings per share *(in euros)*	(14.3)	(4.2)	(6.1)
Net current earnings per share *(in euros)*	-	0.4	2.7
Net current earnings per share from continuing operations *(in euros)*	(0.3)	-	-

In millions of euros	12/31/2014 IFRS 5	12/31/2013 non IFRS 5	12/31/2012 non IFRS 5
Total balance sheet	1,149	1,221	1,288
Goodwill on acquisition	175	528	614
Net financial debt	496	462	476
Shareholders 'equity, Group share	218	346	425
Cash flow	80	67	89

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.

On April 7, 2014, Cegedim issued 125 million euros in bonds in addition to its issue of 300 million euros at 6.75%, maturing in 2020. The issue price was 105.75%, plus interest accrued since April 1, 2014. Apart from the issue date and price, these new bonds are identical to those issued on March 20, 2013 under the 300 million euro bond issue with a coupon of 6.75% maturing in 2020. Cegedim used the issue proceeds to buy back 105.950 million euros at 108.102% of its 300 million euro bond issue with a coupon of 7.0% maturing in 2015, issued on July 27, 2010 plus related costs.

The structure of debt at December 31, 2014 was as follows:

- 62.6 million euros bond debt at 7.00% maturing July 27, 2015;
- 425.0 million euros bond debt at 6.75% maturing April 1, 2020;
- 80 million euros revolving credit, undrawn as of December 31, 2014; expiring June 10, 2016;
- 45.1 million euros FCB Loan maturing June 2016;
- 46.5 million euros overdraft facility; 5.4 million euros was drawn at December 31, 2014.

Interest rate

The 62.6 million euros bond debt maturing July 27, 2015 bears interest at a rate of 7.0% per annum, payable semi-annually.

The 425 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.

	Applicable margin (% per annum)	
Leverage ratio	**EUR-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, 2014, the applicable margin on drawn amounts under Revolving Credit Facility was 3.00%.

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	€62.6m	-	-
06/30/2016	-	-	€45.1m
04/01/2020	-	€425.0m	-

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 partially hedged. The notional amount hedged is 60.0 million euros for a euro debt on floating rates of 60.0 million euros on average over 2014.

The hedge is made up, as of December 31, 2014, 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, 2014 was null.

Assessment of the interest rates risk

At December 31, 2014, 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 at December 31, 2014 was calculated taking into account IFRS 5, which was not the case at December 31, 2013, March 31, 2014, June 30, 2014 or September 30, 2014. Net financial debt at December 31, 2014 includes the impact of 58.9 million euros for business activities held for sale.

Net financial debt as of December 31, 2014 increased by 33.8 million of euros compared to December 31, 2013 which 60,0 million of euros following the application of IFRS 5 at December 31, 2014.

Net Financial Debt	In millions of euros
12/31/2013	462.0
03/31/2014	463.4
06/30/2014	450.6
09/30/2014	486.4
12/31/2014	495.8

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
12/31/2013	2.68	3.38
06/30/2014*	2.64	3.41
12/31/2014	2.94	3.39

* *Non-audited Covenants.*

The Group complied with all its bank and bond covenants as of December 31, 2014.

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.

REPAYMENT

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.

REPAYMENT

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, 2014, the Group had 5.4 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 15.8 million euros and 14.2 million euros as of end of December 2013 and end of December 2014 respectively.

PRINCIPAL FINANCING ARRANGEMENTS

The table below sets out Cegedim's principal financing arrangements as of December 31, 2014.

In million of euros	Total	1 year	Less than 1-5 years	More than 5 years
Bond 2020	425.0	-	-	425.0
Bond 2015	62.6	62.6	-	-
Revolving credit facility	0.0	-	0.0	-
FCB loan	45.1	-	45.1	-
Overdraft Facilities	5.4	5.4	-	-
TOTAL	**538.1**	**68.0**	**45.1**	**425.0**

As of December 31, 2014, 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

84.5% 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 impacted positively revenue of continuing activities in 2014 by 0.6%. These effects come mainly from the pound sterling (11.9% 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, 2014, is as follows:

Consolidated Balance Sheet at 12/31/2014	GBP	EUR	Other currency	Total
Amount (in thousands of euros)	99,555	1,017,765	31,909	1,149,229
Share in %	**8.7%**	**88.6 %**	**2.8 %**	**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 5.1 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	(1,038)	(6,989)
Off-balance sheet positions	-	-
Net position after management	**(1,038)**	**(6,989)**

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 2014 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 582 thousand euros on Cegedim's revenue, and 326 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 2014 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 121 thousand euros on Cegedim's revenue and 2 thousand euros on its operating income before special items.

Exchange rate effects had a positive impact of 3.2 million euros on 2014 revenue of continuing activities. It should be noted notably that the pound sterling had a positive impact of 3.2 million euros. The amount of exchange gains or losses on revenue is determined by recalculating the 2013 revenue based on the 2014 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 10 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 October 24, 2014, Cegedim has had the B+ grade, with a Positive CreditWatch and it was reconfirmed on February 18, 2015.

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 judgment, 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 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 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.

None of the Group’s clients represent more than 1.0% of the Group’s revenue of continuing activities in the fiscal year ended December 31, 2014. With the exception of a single client who represented 1.2% of revenue. The top five and the top ten of the Group’s clients respectively amount to 4.6% and 8.3% of the Group’s revenue of continuing activities in the fiscal year ended December 31, 2014.

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4.3.2 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.

4.3.3 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.

4.3.4 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 become 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.

4.3.5 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.

4.3.6 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 organizational 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.

4.3.7 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.

4.3.8 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.

4.3.9 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.

4.3.10 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.

4.3.11 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.

4.3.12 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.

4.3.13 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 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 become subject to financial pressures, such as 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.

4.3.14 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 judgment 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.

4.3.15 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.

4.3.16 Cegedim international presence exposes the Group to risks associated with varied and changing political, cultural, legal, financial and economic conditions worldwide

Cegedim Group is affected by risks associated with conducting business internationally. Following the disposal of the "CRM and Strategic Data" division to IMS Health Inc., the Group will operate in 11 countries mainly in Europe. Although more than 80% of its revenue of continuing activities for 2014 was derived from customers in France, it obtains significant revenue from customers in the European region, excluding France, and North and South America. Cegedim strategy is to continue to broaden its existing customer bases and to expand into international markets. 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, antimony 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.

4.3.17 Cegedim may seek to acquire companies or technologies that can be more difficult to integrate than initially estimated and require more 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.

4.3.18 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.

4.3.19 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.

4.3.20 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.

4.3.21 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.

In early July 2014, the Group was convicted by the French Competition Authority for anticompetitive practices in the healthcare professionals database market in France, following an allegation made by a former distributor of a Dendrite database. Cegedim has appealed this finding to the Paris Court of Appeal and the hearings are scheduled for June 2015.

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.

4.5 THE SALE BY THE GROUP OF THE "CRM AND STRATEGIC DATA DIVISION" TO IMS HEALTH IS SUBJECT, AS WITH ALL SUCH TRANSACTIONS, TO CLOSING CONDITIONS

The Group signed an agreement to sell its "CRM and strategic data" division to IMS Health Inc. on October 17, 2014. This transaction is set to be finalized at the beginning of the second quarter of 2015.

While the Group has obtained all authorizations for the sale, it cannot be excluded that all closing conditions may not be met by the Group. If the Group does not comply with the closing conditions, the effective disposal date may be postponed or the disposal called into question. Any of these could have a material adverse effect on its business, financial condition and results of operations.

5

INFORMATION CONCERNING THE ISSUER

5.1 HISTORY AND DEVELOPMENT OF THE COMPANY

5.1.1 Registered company name and trade name of the issuer

The issuer's registered company name is: Cegedim.

The issuer's trade names 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 Issuer's corporate headquarters and legal form, laws governing its business activities, country of origin, address and telephone number of the head office

Cegedim SA is a public limited company with a Board of Directors and paid-in capital of 13,336,506.43 euros. Since March 26, 2015 its corporate headquarters are located at 127 rue d'Aguesseau, 92100 Boulogne-Billancourt, France. Formerly, the corporate headquarters were at 127-137 rue d'Aguesseau, 92100 Boulogne-Billancourt, France.

The telephone number is: + 33 (0)1 49 09 22 00, and the fax number is + 33 (0)1 46 03 45 95. Its country of incorporation is France.

The legislation governing the business activities of Cegedim SA is the Code of Commerce.

5.1.5 Significant events in the development of the issuer's business activities

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385 million euros in cash on a "no cash-no debt" basis and subject to certain adjustments depending on the Group's net debt at the sale date and CRM and Strategic Data division's change in net working capital and 2014 revenue.

In late December 2014 the European Commission gave the go-ahead to the buyout of the CRM and Strategic Data division by IMS Health. The decision depends on the sale by IMS Health of part of its "syndicated promotional data base" business in Europe, with yearly sales of 2 million US dollars. This authorization from the European Commission occurs in conjunction with the December 5, 2014 expiration of the review period of the transaction by the US anti-trust authority.

Proceeds from the transaction will be used for repaying the debt, thus strengthening Cegedim the balance sheet and income statement.

The transaction will let Cegedim refocus on applications and data bases for healthcare professionals and health insurance companies, as well as on its fast-growing multi-sector business lines such as e-business, e-collaboration and outsourcing payroll and human resources.

The transaction will be effective after this writing is published, early in the second quarter of 2015. Accordingly, the 2014 consolidated financial statements are presented in line with IFRS 5 "Non-current assets held for sale and discontinued business activities".

The IFRS 5 defines the manner in which to record non-current assets held for sale.

The Cegedim Group's sphere of business will from now on involve three divisions, and the CRM and strategic data activities are presented in the 2014 consolidated financial statements as activities being sold. The divisions of the Cegedim Group are:

- Health Professionals;
- Insurance and Services;
- GERS and Reconciliation.

Business activities being sold:

- CRM and strategic data.

5.1.6 History

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

1972 Innovation with the first computerized database of doctors.

1979 Launch of CRM division 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 drugs 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 Capital increase of 180.5 million euros to relaunch a strategy of dynamic external growth and the Bpifrance (formerly FSI, or Fonds Stratégique d'Investissement—French Strategic Investment Fund) becomes a shareholder in the Group.

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 an 80 million euro revolving credit facility with a pool of banks.

2012 Continued innovations efforts based on OneKey, the database of choice for healthcare professionals around the world.

2013 Cegedim carries out a bond issue for 300 million euros.

2014 In October 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385 million euros in cash on a "no cash-no debt" basis and subject to certain adjustments depending on the Group's net debt at the sale date and change in net working capital. It is not expected that any adjustment will be made to the 2014 revenues of CRM and Strategic Data.

5.1.7 Company development

Healthcare professionals division

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).

Insurance and Services division

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. 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 exchange (Cegedim e-business).

The GERS and Reconciliation division

This division consists of: (i) the sales statistics business for GERS pharmaceutical products in France and Roumania and Santestat, as well as (ii) Pharmastock, for medical samples. It also includes (iii) activities intrinsic to the status as head of the Group, which cannot be attributed to a single division or to a particular activity (such as the Group's strategic management, the production of consolidated information, and financial communications) and (iv) activities supporting the Group's three operational sectors (such as bookkeeping, human resources and cash assets management, legal assistance, and marketing).

The CRM and Strategic Data divisions – Activities being sold

See 5.1.5 Significant events in the development of the issuer's business activities.

5.2 INVESTMENTS

This paragraph describes first the main investments made (§5.2.1) and then the main disposals.

5.2.1 Main investments made by the issuer during the period covered by the historical financial information up to the date of the Registration Document

Acquisitions on a scope of activities earning less than 10 million euros in revenue are generally internally financed. For larger transactions, the Group examines the advisability of debt financing on a case-by-case basis. 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 the Bpifrance Participations. 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 million of euros

Year of acquisition	Price of acquisitions excluding earn-outs	Amount of earn-outs paid	Total price of acquisitions
2012	13.1	9.8	22.9
2013	1.3	2.6	3.9
2014	0.2	0.0	0.2

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

In 2014 the acquisitions of companies and business assets were financed by internal cashflow of 0.2 million euros. The major acquisition made in 2014 was SoCall.

As mentioned in chapter 20 of this Registration Document, all earn-outs were recorded. There were no earn-outs during the year.

Main Investments of 2012

July 2012: acquisition of ASP Line, fourth largest publisher of pharmacy software in France, with locations throughout the country. Here Cegedim added to its leadership in France on the pharmacy IS 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 ASP business represented annual revenue of approximately 9 million euros.

November 2012: acquisition of Longimetrica, an Italian company that built the HOST data platform (acronym for hospital sales tracking) which integrates pharmaceutical company sales data for regional healthcare facilities. It presents a great innovation in the database marketing and sales domain.

The Longimetrica business represented non-material annualized revenue, of less than 0.1 million euros.

Main Investments of 2013

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 Webstar Health business represented annual revenue of approximately 1 million euros.

December 2013: acquisition of certain assets of the French company Kadrige, a pioneer in e-detailing and collaborative SaaS solutions. With this Cegedim added to its multi-channel product line, with reliable, customizable solutions that fit perfectly into its CRM *Mobile Intelligence* platform.

The activities acquired from Kagrige represented annual revenue of approximately 2.5 million euros.

Main investments of 2014 and up to March 26, 2015

April 2014: Cegedim completed the acquisition of the French company SoCall, based in Sèvres, whose main business is installing and running secretarial and land-line telephone systems for the offices of healthcare professionals. Handling customer calls, messages, appointments and consultation logs, the company operates in some fifty medical offices.

The SoCall business represented annualized revenue of less than 0.3 million euros.

Main current 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.

The Cegedim Group's external growth strategy involves expanding services offered to healthcare professionals.

The desire to support the Group's customers in their markets is the main driver of international expansion. The Group regularly looks into acquisition possibilities 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.

Cegedim's intended future investments for which its management has already made firm commitments

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

Direct and indirect equity investments and disposals of equity interests by Cegedim SA

Cegedim SA's investments are linked to its activities and logically involve the IT infrastructure and equity investments.

Equity investments made during the year that took the company's holdings above one twentieth, tenth, fifth, third, half or two-thirds of the capital of a company with registered office in the territory of the French Republic, and takeovers of any such company (French Commercial Code Article L. 233-6, para. 1 and L.247-1, 1).

To the best of the company's knowledge, the only acquisition during the year that meets the above definition is that of Cegedim Software, acquired from another Group company for nearly 2 million euros.

Net intangible and tangible assets rose by 3.5 million euros in 2014.

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
Santestat	0.00%	100.00%	-	FC	Intragroup sales to GERS
Galaxy Santé	49.00%	-	MEE	-	Creation
Cegedim Hellas (Greece)	100.00%	99.99%	FC	FC	Shares repurchased and capital reduction
Cegedim Tunisia	0.00%	50.00%	-	FC	Merger into GERS Maghreb
GERS Maghreb (Tunisia)	7.99%	6.42%	FC	FC	Increased percentage ownership due to the merger of Cegedim Tunisia into GERS Maghreb

Changes in tangible and intangible assets

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc. The transaction will be effective after this writing is published, early in the second quarter of 2015. Accordingly, the 2014 consolidated financial statements are presented in line with IFRS 5 "Non-current assets held for sale and discontinued business activities." IFRS 5 defines the manner in which to record non-current assets held for sale.

In practice, the contribution of CRM and Strategic Data to each item on the Cegedim balance sheet as at December 31, 2014 is collected under the heading "Assets of businesses sold or being sold" and "Liabilities related to assets of businesses sold or being sold." The data presented for fiscal year 2013 are historical data and were not adjusted. These restatements are presented in the 2014 Registration Document – Consolidated Financial Statements for the Year Ended 2104 – Notes to the Consolidated Financial Statements, note 23.

In 2014, net consolidated tangible assets fell by 11.6 million euros, while consolidated net intangible assets declined by 118.9 million euros.

5.2.2 Main disposals made by the issuer during the period covered by the historical financial information up to the date of the Registration Document

Main disposals of 2012

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 I9001 certified company, is a mass production printing company that specializes in paper printing and finishing. In 2011 it produced 470 million pharmaceutical inserts for patients, thus placing it among the leading French producers. The company also makes other printed items for the medical sector such as booklets and questionnaires. Based in Amilly near Montargis, Pharmapost employs 60 people and supplies both global pharmaceutical and prestigious French companies.

The disposed Pharmapost business represented annualized revenue of about 6 million euros.

Main disposals in progress

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385 million euros in cash on a "no cash-no debt" basis and subject to certain adjustments depending on the Group's net debt at the sale date and change in net working capital. It is not expected that any adjustment will be made to the 2014 revenues of CRM and Strategic Data.

In late December 2014 the European Commission gave the go-ahead to the buyout of the CRM and Strategic Data division by IMS Health. The decision depends on the sale by IMS Health of part of its "syndicated promotional data base" business in Europe, with yearly sales of $2 million. This authorization from the European Commission occurs in conjunction with the December 5, 2014 expiration of the review period of the transaction by the US anti-trust authority.

The transaction will let Cegedim refocus on applications and data bases for healthcare professionals and health insurance companies, as well as on its fast-growing multi-sector business lines such as e-business, e-collaboration and outsourcing payroll and human resources.

6

BUSINESS OVERVIEW

6.1 THE CEGEDIM GROUP

On October 20, 2014, Cegedim announced the signing of the final contract of assignment of its *CRM and Strategic Data* division to IMS Health. The transaction will take place following the publication of this document, at the beginning of the second quarter of 2015. Accordingly, the 2014 consolidated financial statements are presented in line with IFRS 5 "Non-current assets held for sale and discontinued business activities." IFRS 5 defines the manner in which to record non-current assets held for sale. In practice, the *CRM and Strategic Data* activities are presented in the 2014 financial statements as discontinued activities.

These adjustments are presented in the 2014 Registration Document – Consolidated Financial Statements for the year ended December 31, 2014 – Notes to the Consolidated Financial Statements – note 23.

6.1.1 Introduction

Founded in 1969, the Cegedim company has been listed on NYSE Euronext since 1995. It is a subsidiary of FCB, the active holding company of the Cegedim Group.

In 2014, Cegedim positioned itself as a leading provider of technology and services dedicated to the healthcare industry, with clients in over 80 countries across five continents. Cegedim designs, develops, implements, markets and provides technical support for a wide range of solutions and services, including specialized software applications and database management. Cegedim targets various healthcare segments, such as (1) healthcare professionals, (2) health insurance companies, and (3) pharmaceutical and other healthcare industries.

In alignment with the services offered and customers targeted, in 2014 Cegedim's business was structured around four divisions:

- *CRM and Strategic Data*

  Geographic presence: more than 80 countries across five continents.

  Principal clients: Sales & Marketing, IT and Compliance Departments in the pharmaceutical, biotechnology and life sciences industries.

- *Healthcare Professionals*

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

  Principal clients: physicians, pharmacists and paramedical professionals.

- *Insurance and Services*

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

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

- *GERS Activities and Reconciliation*

  Geographic presence: France and Romania (sales statistics)

  Principal clients: Life sciences companies and Cegedim internal services.

In October 2014, Cegedim announced the signing of the final sales contract of its *CRM and Strategic Data* division to IMS Health Inc., representing 46.9% of the Group revenue based on non-IFRS 5 figures at December 31, 2014.

Following this disposal, Cegedim will refocus on the three remaining divisions, pooling in particular software and databases for healthcare professionals and health insurance companies, as well as on high-growth multi-industrial activities, such as e-business, e-collaboration and the outsourcing of payroll and human resources.

6.1.2 The Group's division

Healthcare Professionals

This division provides (i) software that meets the daily needs of pharmacists, physicians, healthcare and paramedical networks in the US and in the EMEA region, 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 administrative services, including installation, maintenance and hosting, as well as training and call center services related to its products.

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

Insurance and 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) 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 exchange (Cegedim e-business).

GERS Activities and Reconciliation

This division groups together the following: (i) sales statistics activities of GERS's pharmaceutical products in France and in Romania, and of Santestat as well as (ii) the Pharmastock company (medical sample management).

It also includes (iii) activities intrinsic to the status as head of the Group, which cannot be attributed to a single division or to a particular activity (such as the Group's strategic management, the production of consolidated information, and financial communications) and (iv) activities supporting the Group's three operational sectors (such as bookkeeping, human resources and cash assets management, legal assistance, and marketing).

Discontinued activities: *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 range of products and services includes (i) databases for healthcare professionals and other prescribers, including the OneKey database, (ii) management solutions for marketing and sales activities, and in particular, of the CRM platforms, (iii) medical and strategic marketing studies, (iv) software and other tools for measuring the efficacy of promotional and advertising activities, and (v) business intelligence services.

In addition, this division 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 CRM and Strategic Data division, the OneKey database, which contains information on more than 14.3 million healthcare professionals and organizations around the world, is the most comprehensive database of its kind. It provides Cegedim's clients with relevant information on healthcare professionals in various fields and helps them strengthen their relations therewith.

6.1.3 Degree of dependency

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

The portion of 2014 revenues (excluding discontinued business activities) realized with the largest client is 1.2%, with the five largest, 4.6% and with the ten largest 8.3%. Furthermore, none of the Group's clients, with the exception of the largest one, accounted for more than 1% of revenue in 2014.

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 DETAILS OF BUSINESS ACTIVITIES

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

6.2.1 Table of business activities and main products

Healthcare Professionals

For General Practitioners, Specialists, Paramedics & Pharmacists

Cegedim Healthcare Software

Software for Pharmacists
- *Alliadis • Cegedim Rx*
- *Webstar*
- *Next Software • Pharmec*

Software for Doctors
- *Cegedim Logiciels Médicaux*
- *INPS • HDMP*
- *Millennium • Stacks • Pulse*

Software for Paramedics
- *RM Ingénierie*

Medication Database
- *RESIP - BCB*

Medexact
Digital Promotion

RNP
Promotional Information

Cegelease
Medical Financial Leasing

Insurance & Services

For Healthcare Insurance Players & Clients in All Business Sectors

Cegedim Assurances
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 Outsourcing
Integration and Services

Kadrige
e-detailing and e-collaboration

GERS Activities & Reconciliation

For the Life Sciences Industries & Group Internal Services

GERS SAS - Infosanté - Santestat
Sales Statistics for Pharmaceutical Products

Pharmastock
Medical Sample Management

Cegedim Hébergement
Healthcare Data Hosting

Corporate Services
Accounting, HR Management, Legal Assistance and Marketing

DISCONTINUED ACTIVITIES

CRM & Strategic Data

For the Life Sciences Industries

Cegedim Relationship Management
CRM Platform
- *MI-Mobile Intelligence™*
- *Organization Manager™*

Data Optimization
- *OneKey™*
- *Icomed™ / Docscan™*
- *Physician Connect™*

Regulatory Transparency
- *AggregateSpend360™*

Social Networks
- *Docnet™*

Reportive
Business Intelligence

Cegedim Strategic Data
Market Research Studies

Itops Consulting - Cegedim Analytics
Data & Sales Force Optimization

Cegedim Communication Directe
Corporate Databases and Associated Services

6.2.2 Business activities of the Healthcare Professionals division

Cegedim Healthcare Software (CHS)

The Cegedim Healthcare Software (CHS) Business Unit coordinates and bands together all of the Group's computerization activities for healthcare professionals. It has over 220,000 physician and paramedical workstations and 87,000 pharmaceutical workstations using its solutions in nine countries (Belgium, Chile, Spain, the United States, France, Italy, Romania, the United Kingdom and Tunisia). In 2014, CHS grew stronger in Web software and in the development of the Patient Ecosystem, a true platform of exchanges between patients and healthcare professionals.

CHS operates in four areas:

- software for pharmacists (Alliadis, Cegedim Rx, Webstar, Next Software and Pharmec);
- medical software (CLM, INPS, HDMP, Millennium, Stacks 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 pharmacy typologies:

- independent pharmacists and pharmacists with mutual health insurer agreements;
- pharmacies organized as SELs (independent professional companies), with product offerings that allow colleagues to network;
- pharmacist groups for whom, to date, the Alliadis solutions are the most popular, indeed the sole solution for some.

Since 40% of French pharmacies are equipped with its software applications and more than 50% of drug flows are managed through its software applications, the Alliadis Group is the preferred partner of the leading pharmaceutical laboratories for implementing information and communications systems designed for pharmacists.

In a dynamic regulatory environment (pharmaceutical records, substitution goals, traceability, abolition of the vignette, unit dose dispensing, fees, SCOR (prescription scanning), the HPST la [(1)] requiring continuous changes in the IT tool, Alliadis engages very early on with professional bodies. For example, Alliadis was the first IT services company to deploy pharmaceutical records and SCOR to its customers.

Likewise, anticipating the new pharmaceutical 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 of a patient's health data 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.

This pragmatic development strategy convinced the Giphar grouping (1,300 pharmacies) to create, in 2013 with Alliadis, a joint venture for the development of a new business software, the fruit of the experience of each of the two parties: business expertise and future vision for Giphar, mastery of technologies and management of multidisciplinary healthcare 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' expectations, particularly through *NTPharm*, its Sales division dedicated 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 continues to be 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 500 million prescriptions every year. The majority of leading pharmacy chains such as: Asda, Alliance Boots, the Co-operative Group, Sainsburys, Tesco, Morrisons and Superdrug all use one of Cegedim Rx's solutions as well as many independent pharmacies.

(1) HPST: Hôpital, Patients, Santé, Territoires (the Hospital, Patient, Health & Territories Law).

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.

Cegedim Rx has ISO 27001 certification and offers products for:

- hardware distribution and engineering;
- support and training for users;
- sale of consumables.

WEBSTAR HEALTH

Webstar Health is a leading supplier in England of Web-based systems to support the claims administration and performance management of locally commissioned pharmacy and optical services.

The solutions are provided through two IT platforms:

- *ServicePact* for pharmacy services;
- *OptoManager* for optometry services.

Managing over 150 locally commissioned services for the National Health Service and Local Authorities, Webstar Health's services ensure that pharmacy and optical practice providers have payment claims processed in a timely and efficient manner and that both clinical and activity data about the commissioned services is available to payers.

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 over all of the Tunisian territory. Already heavily involved in IT support for reimbursement systems installed by the healthcare authorities, Next Software relies upon Cegedim's experience in matters of therapeutic databases (Claude Bernard Database) and electronic information exchange in order to add value to its offering.

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 colleagues, the scientific community and pharmaceutical laboratories.

An interconnection platform for players in the pharmaceutical industry is also under development. This platform will make it possible to establish and disseminate a unified drug code system, while promoting trade flow exchanges 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 over 35% 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 dedicated solutions for private practitioners (general and specialist), multidisciplinary healthcare facilities and hubs, as well as healthcare centers:

- for private practitioners: the *Crossway* and *Médiclick* software, and *monLogicielMedical.com* hosted in Cegedim's HADS environment *Hébergement Agréé de Données de Santé* (Approved Healthcare Data Hosting), ensures a simple and effective management of patient records;
- for multidisciplinary healthcare facilities and hubs: a specific version of *monLogicielMedical.com* is adapted to the expectations of data-sharing between the various healthcare professionals (physicians and paramedics) brought together within a single structure. This version received ASIP's label;
- for the following healthcare centers: *Crossway CDS* makes medical management of the centers possible. This is combined with a solution for third-party payment management.

The *Resip FSE* and *MLM-FSE* software, utilized on their own or integrated into a medical software, make it possible to create electronic treatment forms which comply with the latest regulatory standards in force.

Cegedim Logiciels Médicaux' software changes over time in accordance with regulatory requirements—such as HAS accreditation (risk management), integration of electronic health insurance services, and tracking of 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 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 around 2,000 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 French-speaking regions, HDMP enjoys a unique

(1) NPS is the leader in terms of the number of physicians' software workstations installed in the Windows environment in the UK.

positioning. Its *Health One* solution is used in the fields of occupational medicine, prevention centers, healthcare centers, with more than 2,500 users. 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 [(1)] medical software publisher, with *Millewin* installed on nearly 17,500 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 3,600 Gps and Sosepe with 3,700 Pediatrics).

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 [(2)] 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 identification, adaptation, and integration of solutions in order to meet the needs of healthcare professionals. The primary market for Stacks is the Spanish public 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 Systems provides market leading electronic healthcare management solutions with its fully integrated suite of products and service solutions. These solutions successfully address the requirements of healthcare reform and are being developed to provide eligible providers with certified electronic health records ("EHR's[(5)]") in the United States. The incentive programs undertaken by the US Department of Health and Human Services have encouraged the adoption of these healthcare technologies beginning in 2011. Additionally, Pulse Systems continues to develop and adapt its proprietary software solutions including practice management ("PM"), electronic data interchange ("EDI") and patient portal solutions in order to meet continuing government mandates as well "best practices" to remain at the forefront of these technologies. In addition to licensing its technologies to medical organizations, Pulse also utilizes its technologies to deliver market-leading service solutions to its client network. 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 (Série4000) for paramedical professions: Nurses, physiotherapists, speech therapists, orthoptists, chiropodists, podiatrists, midwives.

Designer of France's first practice management software for physiotherapists in 1984, RM Ingénierie has positioned itself as one of the leading [(3)] providers in France of management software solutions for paramedical practices, with over 39,500 users.

Launched at the end of 2012, its solution Simply Vitale, on a touchscreen tablet for professional nurses, met with quick success, and over 2,500 nurses are now equipped with this system. The monLogicielMedical.com management solution for multidisciplinary healthcare facilities and hubs operating in hosting mode was developed in partnership with several subsidiaries of the Group and can communicate with Simply Vitale.

In 2014, RM Ingénierie launched KINAPSYS, a premier tool of Rehab-Gaming. Based on the utilization of Microsoft's sensor Kinect®, this is a system offering global patient management in a physical rehabilitation context through entertaining exercises specifically developed for a therapeutic goal.

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 software aid *(Logiciel d'Aide à la Prescription* – LAP). In October 2014, the *BCB* obtained Version 2 of the HAS authorization, which takes into account certifications of hospital software and future certifications of software for pharmacies and online drug sales.

The *BCB* is integrated into the various trade software which equips pharmacies, physicians' offices, and healthcare establishments (hospitals, clinics, assisted-living senior residence, etc.) produced by Cegedim but also by other medical software publishers. 8,300 pharmacies, 25,500 physicians and 500 healthcare establishments utilize the *BCB* this way on a daily basis.

68 hospital institutions, including three teaching hospitals [(4)] are otherwise equipped with *BCB Dexther*, a Web consultation solution. *BCB Dexther* is also available on Smartphones and on iOS tablets and Androïd.

(1) Millennium is the leading publisher of physicians' software in terms of the number of workstations installed in Italy.

(2) Stacks is the leader for physicians' software in terms of the number of workstations installed in Spain.

(3) EHR: Electronic Health Record. A concept defined as the grouping together of a patient's healthcare information. This electronic data can be shared within different medical establishments, and be exchanged between health professionals. There is also the Electronic Patient Record (EPR), and the Personal Health Record (PHR).

(4) CHU: Teaching Hospital (Centre Hospitalier Universitaire).

(5) RMI boasts the highest number of electronic care sheets sent by physiotherapists, speech therapists, podiatrists and orthoptists (source GIE SESAM-Vitale, data as of January 2015).

Others 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 physicians who have Cegedim Logiciels Médicaux medical software interconnected to the Cegedim server. It allows information exchange and in particular, the downloading and distribution of advertising campaigns.

In October 2014, MedExact launched a new product in partnership with the *Quotidien du Médecin*: *ScreenWeb*.

As a companion to the physician screen-saver, this new medium makes it possible to increase the visibility of a client advert.

It offers a space on the Quotidien du Médecin site with an insert present in the weekly analysis column of the *Grand Ecran* health news, and posting in interstitial form.

MedExact also offers *MailExact* emailing applications for (dissemination by targeted emails of scientific or environment product information, through expert interviews, press clippings or surveys) and *Flash Thérapeutique* for the dissemination of product news (launches, new indication, etc.) to the email in-boxes of over 130,000 general and specialist practitioners.

MedExact also markets *Docnet*, a professional social network to help physicians find peers or organizations, establish contacts with them, search the *BCB Dexther* online drug database and use an e-mail module called Docbox that provides email marketing information.

Promotional information

RÉSEAU NATIONAL DE PROMOTION (RNP)

RNP is the point of reference [1] in France for all provisions of service in pharmacies and drugstores in matters concerning:

- pharmacy media (display windows);
- structural and opportunistic merchandising (linear, counter, etc.);
- livening of the point of sale (dramatizations, facilitators);
- point-of-sale surveys.

Equipped with Androïd tablets, the 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 has targeting and measuring tools for all of its activities, guaranteeing the ROI of the activities undertaken, and making it possible to measure, a posteriori, the number of contacts on key targets.

Furthermore, being the exclusive partner of major groups, RNP manages all of their promotional activities.

With the installation of custom-made LED screens in more than 100 strategic window displays distributed throughout the territory, RNP has also become the leader in digital displays in pharmacies.

Lastly, RNP makes auxiliary merchandising and can also provide additional sales teams upon request.

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 on-site advertising in terms of number of pharmacies covered by its display network.

OVERVIEW OF THE HEALTHCARE PROFESSIONALS 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 – BCB (Resip)	Medication database	Aids in practice management, including with respect to e-prescription revenue cycle management and electronic healthcare records	Hospitals, physicians and pharmacists	User subscriptions	France, United Kingdom, Tunisia
Cegedim Logiciels Médicaux Stacks	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
MedExact RNP	Promotional services	Displays advertising and promotions to users of our server-connected software and in POS	Healthcare companies, including pharmaceutical, cosmetic and biotech companies	Service fees	France
Cegelease	Financial services	Leasing services	Retail pharmacies and healthcare professionals	Broker	France

6.2.3 Business activities of the insurance and services division

Cegedim Assurances

The Cegedim Assurances Business Unit includes all of the Group's solutions and services for insurers, mutual insurers, social welfare institutions and intermediaries through its subsidiaries Cegedim Activ, Midiway, Cetip and iGestion. This unit brings together competencies across the entire chain of information sharing between healthcare professionals, insurance organizations and managers of compulsory and supplemental insurance plans.

IT for healthcare insurers

CEGEDIM ACTIV

With over 40 million policyholders managed through its solutions, Cegedim Activ is the leader today [(1)] of software and services dedicated to personal insurance (health and welfare).

Its offerings go out to all players in the market: insurance companies, mutuals, social welfare institutions and intermediaries.

In this regard, Cegedim Activ has a unique combination of know-how:

- the business expertise of its assistants;
- the availability and integration of technology solutions;
- outsourcing solutions in IaaS, PaaS and SaaS modes, supported on a private Cloud;
- management of healthcare flows, with more than 350 million electronic exchanges of invoices (EDI) per year.

MIDIWAY

Midiway designs and implements online services on the Internet and on mobile devices, for healthcare professionals, personal insurance companies, and their clients (insureds and businesses): online sales with electronic signature, "responsive design" extranet on mobile devices, and mixed 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 2014 by remaining the leading [(2)] third-party payment management platform with its SPsanté 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 insureds, with more than 2.7 billion services paid for each year.

In 2014, Cetip's flow receipt and management platform thus processed nearly 154 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 Électronique* – DRE) on the market, also including exchanges with hospitals. It is interesting to note that one of the areas experiencing the highest growth rate is hospitals, confirming Cetip's position of leadership in this segment.

Management Services

IGESTION

iGestion offers management services on behalf of third parties, in supplemental health and provident insurance, to insurance companies, provident institutions, mutuals, and intermediaries.

This offering enables these entities to outsource all or part of their business processes. During the year 2014, priority was given to the implementation of a fully-industrialized management services platform, offering to our clients very competitive rates.

Cegedim e-business

Specialized in electronic data interchange since 1989, Cegedim designs, develops and markets e-invoicing, archiving of information with probative value, electronic signature, EDI, and management of SEPA payment instruments through its Cegedim e-business Business Unit. This unit also manages the flow processing solutions of GIE Edipharm, GIE Diagdirect, Hospitalis and Qualitrans-Telepharma.

CEGEDIM EDI

Dedicated to Electronic Data Interchange (EDI), the Cegedim EDI offers electronic management of all documents circulating between companies. Born from a partnership struck with GIE Edipharm in 1991 for 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 to medical analysis laboratories and to the animal health sector.

(1) *Cegedim Activ's customers manage more than 40 million policyholders, thus establishing the Company as market leader (health insurance, death and disability insurance, savings) in France.*

(2) *Cetip is the French leader in terms of number of third-party payment flows handled per year.*

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 business. 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 *(Direction Générale des Impôts)*.

Edipharm, operated by Cegedim EDI, enhanced its solution through:

- having developed, in the framework of direct sales, an electronic contract signature service for pharmacies and their suppliers. This service organizes signature formalities and ensures the traceability and legal archiving of contracts;
- offering a new electronic catalog service aimed at all clients 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, which manages all types of documents (paper, structured files, images), supports all exchange protocols and formats, interfacing with all information systems. GIS processes over 300,000 million accounting flows annually, for the 100,000 clients connected to its network.

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 putting suppliers and purchasers in contact and enabling them to exchange invoices with all the connected companies via a unique connection, irrespective of the electronic data systems, formats and solutions used;
- the expertise of the Cegedim e-business teams, which assist clients in implementation and 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:

- "electronic supplier invoicing" for digitizing all supplier invoices, regardless of the means of receipt (electronic, paper, etc.) and to integrate them automatically in the ERPs;
- clients e-invoicing, for handling all client invoices electronically and issuing them in electronic format using invoicing systems.

GIS EDI

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 more particularly, in the health, mass-market retailing, automotive, industrial, transportation and services sectors.

These proven and secure solutions are based on international standards and norms and are certified by GS1.

GIS workflow

The GIS Workflow offer is the combination of a collaborative configurable workflow which adapts to a business's processes and organizations and a unified portal which ensures access to consistent information for everyone in the company and for the company's business partners. Available in SaaS mode, GIS Workflow allows an electronic solution to be rapidly deployed for handling management processes and access to electronic data interchange.

GIS sign&archive

The GIS sign&archive offering is an electronic signature and legal archiving service. The documents are signed, time-stamped and archived in a highly secure electronic safe; It makes it possible to give probative value to any type of sensitive document, such as invoices, pay stubs, contracts, etc.).

GIS payments

The *GIS payments* offering is at the core of Cegedim's competencies. It draws together Cegedim's expertise and know-how for paper-free invoices, and Cegedim Global Payments for the processing of cash inflows. This is a new, simplified electronic-payment instrument, made available to clients on the GIS portal for the payment of their invoices. It results in a drastic reduction of the costs of collection for the supplier.

GIS financing

This new offering is the coupling of Cegedim's technologies and expertise, and an innovative player in the area of financing of receivables. The GIS financing offering makes it possible to finance invoices without constraint while awaiting payment. Suppliers of all sizes can thus address their cash needs within 48 hours, by a simple electronic procedure.

CEGEDIM GLOBAL PAYMENTS

Cegedim Global Payments offers a set of solutions and services enabling the optimization of subscription and receivables processes through the proper utilization of the SEPA guidelines (1).

- **MA€A**, the management solution for SEPA payment orders and for the associated payment flows has been selected by more than 150 debit issuers in France and in Europe, and in all activity sectors. MA€A manages over 450 million SDDs ("SEPA Direct Debits") per year.

(1) *SEPA: Single Euro Payments Area.*

- **CG Pass**: Electronic signature.

  CG Pass makes it possible to meet the needs of any company wishing to include electronic payment mechanisms in its business processes. Pursuant to European Regulations, CG Pass is integrated into any business environment, regardless of the route utilized (Web portal, Call Center, Agency, Road Warrior).

- **CG Pay**: Digitization of cash inflows

  Cegedim has designed a new cash-inflow process which is more economical, surer, more rapid, and more user-friendly than other means of payment. Its acceptance is immediate: the media being used by the Payer being a PC or a tablet or a Smartphone.

HOSPITALIS

Hospitalis is a collaborative portal bringing together care-providing institutions and their suppliers, and making it possible to facilitate commercial and logistical exchanges for all hospital-related purchases.

The scope of what Hospitalis offers includes product reference systems, purchase orders, orders, logistical information and invoices.

With over 2 million orders in 2014, and over 1,000 major healthcare organizations, 28 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.

In 2014, Hospitalis enhanced its offer for paperless invoices for healthcare establishments thanks to the opening of legal archiving spaces, which complete automatic payment in the establishment's economic and financial management software.

Hospitalis interfaces with portals of the main reference station of the public and private hospital sector, for which it routes purchase order data 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 (2) in this market, Cegedim SRH provides its *SmartRH* service, which is based on *TEAMS*RH, its own HRIS (3) solution, and offers high 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. 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 modules that can meet the specific needs of every organization:

- payroll and administrative management;
- HR portal;
- HR management and decision-making;
- GPEC (4);
- training;
- time and activity management ("GTA");
- global HR.

(1) Qualitrans-Telepharma is the second OCT (Technical Centralizing Body) in the market in terms of 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 (Skills and Employment Planning).

In addition, this offering stands out due to its approach, which provides, as standard, a payroll applications platform that incorporates 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+): subscription to hosted TeamsRH services, including corrective maintenance, legal updating, and updating pursuant to agreements, to the application;
- *Processing*: partial outsourcing with guiding of the client relationship – Monitoring of payroll processing, operating activities, production and publishing;
- *BPO* (Business Process Outsourcing): total outsourcing with complete management of all payroll processing operations (ISAE 3402 certification);
- *BPO on demand*: choice in a catalogue of services of HR processes to be outsourced (full and final settlement, reporting of payroll details, management of sick leave, monitoring of medical visits, etc.).

Integration and Services

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**: which involves designing and implementing all or part of the IT systems and networks requiring the integration of assorted elements: company directories, collaborative messaging, migration, virtualization, storage, security and supervision;
- **data management**: which groups together services linked to managing IT infrastructures: distribution, asset leasing, on-site technical assistance, fleet management, and outsourcing backups;
- **the BPO**: which puts together distinct business activities aiming to support its clients in the outsourcing of their processes:
  - electronic data processing: receipt, digitization, recognition, extraction and control of data on various contents (forms, inbound documents, invoices in hard copy or electronic form),
  - call center: incoming calls (reception, customer service, user support, etc.) and outgoing (inquiries, surveys, appointment scheduling, BtoB and BtoC telemarketing, etc.), in French and in English, with coverage of working and nonworking hours, and the possibility of overflow management,
  - back office: controls, administration, the putting into place of industrialized processes for the handing of simple or complex business processes, management of applications directly on the client applications or on applications implemented and hosted through us,
  - monitoring: supervision of applications, complete monitoring of electronic security – from the analysis of performances to the optimization of security; providing support for changing electronic security technologies,
  - IT development: strong expertise in several languages and flagship market products (C#, Java, SQL, Active Directory, Exchange, etc.), possibility of stepping in for all desired languages and products.

e-detailing and e-collaboration

KADRIGE

Pioneer in the development of Web and mobile collaborative applications, Kadrige launched, over 5 years ago, one of the first Remote e-detailing solutions (long-distance medical sales calls) making it possible for the life sciences industry to promote its products from a distance to healthcare professionals, and to put truly "multi-channel" strategies into place.

Kadrige's patented solutions can be utilized by medical delegates or area physicians, even with a very weak Internet connection. They also make it possible for their users to be both mobile and connected at the same time, in order to exchange long-distance without either a time or a location constraint, and to optimize their efficiency. They adapt automatically to the configuration of healthcare professionals, in compliance with security constraints. They are now integrated into the CRM platform *Mobile Intelligence*, and fully integrate with all other CRM solutions of the market.

OVERVIEW OF THE INSURANCE AND SERVICES 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 software for migration to SEPA DD	Companies in various sectors	Service fees	France
Cegedim SRH Cegedim Oursourcing	Outsourced services	Includes outsourced administrative services, including with respect to HR and IT	Other companies in various sectors	Service fees	France
Kadrige	Collaborative software	e-collaboration and e-detailing	Healthcare companies and other companies in various sectors	Service fees	More than 25 countries

6.2.4 Business activities of the *GERS Activities and Reconciliation* division

Sales statistics for drugs and healthcare products

GERS SAS

GERS SAS establishes sales statistics for all pharmaceutical products using a unique and comprehensive system that collects data from wholesale distributors, pharmaceutical companies and pharmacists.

The only company to cover the entire distribution channel across all points of sale, GERS SAS offers the widest range of sales statistics: Sell Ins and Sell Outs nationwide right down to pharmacies and healthcare facilities. The reliability of its data has also enabled GERS SAS to develop studies and consultancy services to help pharmaceutical companies marketing with low digital distribution to better understand performance.

The nature and quality of GERS data have become regulatory data for agreements between LEEM (1) and CEPS (2).

INFOSANTÉ

With its subsidiary in Romania, the Cegedim Group offers pharmaceutical product sales statistics. In this country, Cegedim is the market leader (3) in both 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 the Romanian sales data markets, in terms of revenue in relation to its competitors.*

SANTESTAT

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

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

Management of medical samples and promotional material

PHARMASTOCK

Medical promotion requires the implementation, as the need arises, 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;
- physician samples.

In order to respond to obligations of traceability during sample distribution, which pharmaceutical companies must address, Pharmastock relies upon the know-how of the Cegedim Group in matters pertaining to the management of professional health records, and proposes, through its *Tracere* offer, to respond to the specific needs of healthcare salespersons and professionals.

As a pure logistician, Pharmastock also knew to put its know-how to work for industrials of all sectors of activity, and in particular small- and medium-sized businesses, constrained by strong logistical requirements, owing to their retail activity.

Healthcare Data Hosting

CEGEDIM HOSTING

Cegedim has extensive expertise in data management for pharmaceutical companies, and health insurance companies and mutuals, and in healthcare networks (DMP experimentation [1]), as well as in the management of financial flows, paperless documents, and in the outsourcing of HR and payroll processes.

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 successfully renewed this year its ISAE 3402 and SSAE 16 Type II certification, first obtained in 2012, for all of its hosting offers worldwide.

Cegedim thus offers to its customers a complete private Cloud service, based on hosting capabilities and knowledge distributed around the world across three regions: the Americas, Europe and Asia. America (Chesapeake site), Europe (Boulogne-Billancourt campus and Toulouse site) and Asia-Pacific (Singapore site).

The these different Tier III+ level sites, thus distributed, make it possible, on the one hand, for services to be provided continuously, and, on the other, for the implementation of Service Continuity Plans (PCA – *Plan de Continuité d'Activité*) or Disaster Recovery Plans (PRA – *Plan de Reprise d'Activité*) within the same region or between regions.

(1) EHR: Electronic Healthcare Record

OVERVIEW OF THE *GERS ACTIVITIES AND RECONCILIATION* DIVISION'S MANY PRODUCTS AND SERVICES

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
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
InfoSanté	Services	Offers pharmaceutical products sales statistics	Healthcare companies, including pharmaceutical and biotech companies	Sales of these statistics	Romania
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
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

6.2.5 Discontinued Activities (the *CRM* and *Strategic Data division*)

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 range of products and services includes (i) databases for healthcare professionals and other prescribers, including the *OneKey* database, (ii) management solutions for marketing and sales activities, and in particular, of the CRM platforms, (iii) medical and strategic marketing studies, (iv) software and other tools for measuring the efficacy of promotional and advertising activities, and (v) business intelligence services.

In addition, this division 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 *CRM and Strategic Data* division, the *OneKey* database, which contains information on more than 14.3 million healthcare professionals and organizations around the world, is the most comprehensive database of its kind. It provides Cegedim's clients with relevant information on healthcare professionals in various fields and helps them strengthen their relations therewith.

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), the *CRM and Strategic Data* division is a leading [1] provider of technology solutions specifically tailored for the Life Sciences industry.

(1) *According to in-house estimates.*

6

OVERVIEW OF THE DISCONTINUED ACTIVITIES' MANY 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 14.3 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
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
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	United States and Europe,
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

Product/Service or Subsidiary/Subdivision	Type of Offering(s)	Purpose and Use	Main users	Revenue Generation	Geography
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
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
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
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

6.3 THE MARKET: TRENDS BY DIVISION

6.3.1 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 in various market segments for technologies and services continue their rapid growth. According to a Bloomberg Government study of November 2012, it is estimated that the EHR market in the US was $20.9 billion in 2012 and is projected to reach $35.4 billion by 2016.

These 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 robust *Practice Management* and *Complete EHR* provide a desirable solution to physicians.

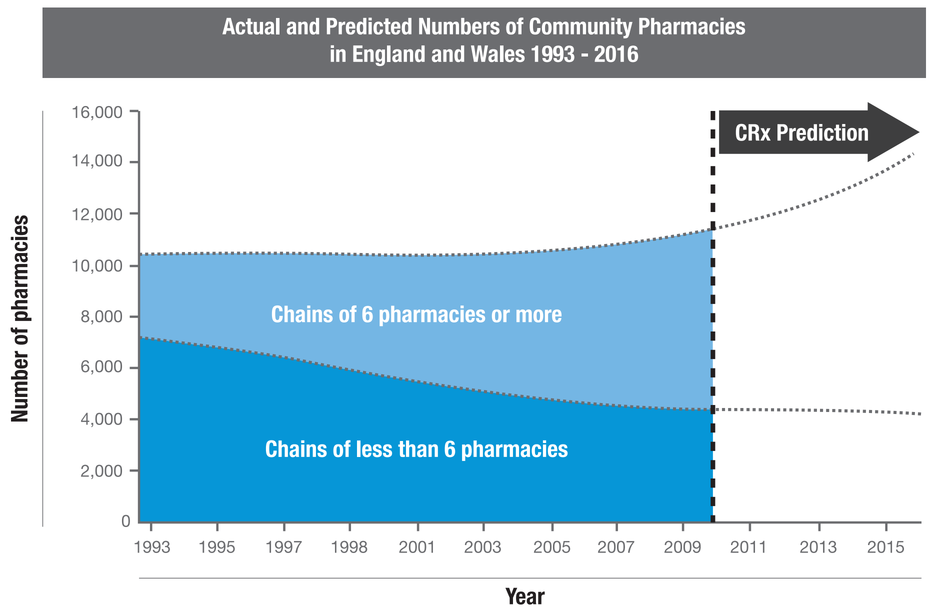
The medical computerization incentive program offers financial incentives including grants for adoption by qualifying "eligible professionals" who implement an EHR that has been certified according to "best practices" criteria established by the US government and use the Complete EHR in a "meaningful 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 incentive program has several phases including Stage 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 eligible provider 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*	%	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.

* *LRMP : List of Registered Medical Practitioners. Physicians that can be registered both as generalists ans specialists.*

COMPUTERIZATION OF PHYSICIANS AND PHARMACISTS IN UNITED KINGDOM

All medical practices are computerized in the United Kingdom.

This is strongly 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 negotiated new framework agreements with the principal GP Systems suppliers during 2014, known as GPSoC-R, a programme that allows GPs to choose an accredited clinical system developed by any of the 4 core suppliers to this program, and enables innovation to be introduced into the market through a series of "add-on" modules. The minimum duration of the new agreement is 3 years with options to extend it further.

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 granted 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 telecommunications network procured and improved by the NHS. 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;
- mandated access to principal suppliers systems via a common interface mechanism;
- patient access to medical services and their own medical records through approved Web gateways and mobile Apps;
- centralized hosting of GP IT systems according to the NHS accreditation standards.

INPS has successfully incorporated all of these features into its *Vision* 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 through Change Control Notices issued and agreed by GPSoC to meet the evolving requirements of general practitioners.

The overall program remains ambitious and demanding for all of the players in the British market.

Pharmacists are also reimbursed for implementing systems that have been accredited for ETP and for connection to the NHS private telecommunications 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 Clinical Commissioning Groups.

Major trends in the French market

FRANCE POPULATION

	In regular practice [1]	In general medicine [1]	In general medicine and independent [1]	Generalist services transmitted electronically [2]	Specialist services transmitted electronically [2]
Physicians	198,760	90,630	52,760	56,395	50,196
	Practicing [3]	Holding a pharmacy license [3])	Assistant pharmacists [3]	Number of pharmacies [3]	Services transmitted electronically [2]
Pharmacists	74,270	27,553	22,604	21,915	22,570
	Practicing [4]	Individual practices [4]	Group practices [4]	Independent or mixed practices [4]	Services transmitted electronically [2]
Physiotherapists	78,061	36,361	22,792	61,618	56,762
	Practicing [4]	Individual practices [4]	Group practices [4]	Independent [4]	Services transmitted electronically [2]
Nurses	600,170	54,930	33,529	98,249	74,593

Sources:
(1) French National Council of Physicians – Atlas of Medical Demography – Situation as of January 1st, 2014.
(2) GIE SESAM-Vitale, data as of December 30, 2014.
(3) Statistics from the French National Council of Pharmacists (l'Ordre National des Pharmaciens) as of January 1st, 2014.
(4) DREES, data as of January 1st, 2014.

COMPUTERIZATION OF PHYSICIANS 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 based 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, in particular, 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 involve recovering data from competing software.

COMPUTERIZATION OF PHARMACISTS IN FRANCE

All French pharmacies are now computerized: the pharmacist software market is thus a market of renewal. 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, fees, prescription scanning (SCOR), new pharmacist responsibilities due to 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.

6.3.2 Insurance and services

Through this division, Cegedim mainly targets players in health insurance and companies in all sectors that are interested in the issues posed by outsourcing and online exchanges.

Major trends in the insurance market in France

Revenue from insurance in France in 2014 was 199 billion euros (source: FFSA), up 6%. This general market trend is carried by personal insurance (including health insurance) that represents over 74% of 2014 revenue and shows 7% growth to 148 billion euros for the year.

In view of the continued economic crisis, the health market remains an important strategic stake for insurance companies. For this reason, revenue in this area grew by 2% to 20 billion euros, and expenditures by health insurers continued to grow as well (up 3% from 2013 to 2014). This inevitable growth in healthcare spending and the program for withdrawal or reduction of reimbursements for certain treatments currently covered by Social Security, 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.

Insurers must rework their offers: increased segmentation, control of the provision of services by turning to the healthcare platforms and to the care networks; rate negotiation with healthcare professionals; control of all management costs.

The year 2014 was marked by three major events:

- The publication of the first National Interprofessional Agreement [1] application texts;
- the new definition of responsible contracts;
- the publication of the call for bids for the management of ACS, put up next to the Third-Party payment offer, said to be “integral” by the French national health insurance fund for employees (CNAMTS, “Caisse nationale de l’assurance maladie des travailleurs salariés”).

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

Since the logical continuity of digitization of public procurement contracts, the State, constrained to accept e-invoices since the 1st of January 2012, wishes to move to electronic invoices in public procurement contracts between 2017 and 2020. The Minister of the Economy and Finance presented, during the Council of Ministers of 25 June 2014, an order pertaining to the development of electronic invoicing. All public entities must accept electronic invoices. The savings generated for the State is estimated at 375 million euros per year. This savings is also accompanied by a gain in productivity. In addition, the Macron draft law provides an amendment aimed at constraining companies progressively to agree to receive electronic invoices.

According to the results of a study carried out by the EESPA (European E-Invoicing Service Providers Association) in June 2014, 840 million electronic invoices were processed and sent in 2013 by the members of the EESPA, representing a significant growth of 19% in comparison to the 706 million estimated for the year 2012.

In matters of payment, the disappearance of interbank payment instruments and of online payments on the 1st of February, 2016, combined with the capabilities of the SEPA mechanisms, enable the emergence of new payment forms in B2C and B2B modes: cheaper, more secure, easier, faster than checks, cards, or wire transfers.

Cegedim is positioning itself as a major player in putting SEPA 2.0 into place.

Principal payroll and HR outsourcing market trends in France

Driven by an economic context which obliges organizations to be more agile and to adapt, the model SaaS (Software as a Service)/ Cloud is a more and more attractive choice for the deployment of HR solutions in a short time frame. This model enables HR to be freed from the growing complexity of legislation, and to allocate their resources on value-added business activities centered around their core business.

Three principal trends stand out, as follows:

- the more and more significant adoption of Business Process Outsourcing (BPO), the most refined form of outsourcing. BPO includes the software, process management, and the necessary employees in order to operate the service;
- the second trend concerns the scope of the services: long limited to Payroll and administrative tasks, SaaS today lends itself to all types of HR processes: digitization of HR supports, talent management, etc. The electronic pays tub is chosen both for its modern and innovative image, as for readily calculable economic reasons;
- Finally, convinced by the rapid gains in productivity as well as by significant financial gains, companies with from 50 to 500 wage-earners no longer hesitate to make the final leap and adopt outsourcing.

In that context, the Gartner Group anticipates a doubling in the use of SaaS within the next 5 years.

6.3.3 GERS Activities and Reconciliation

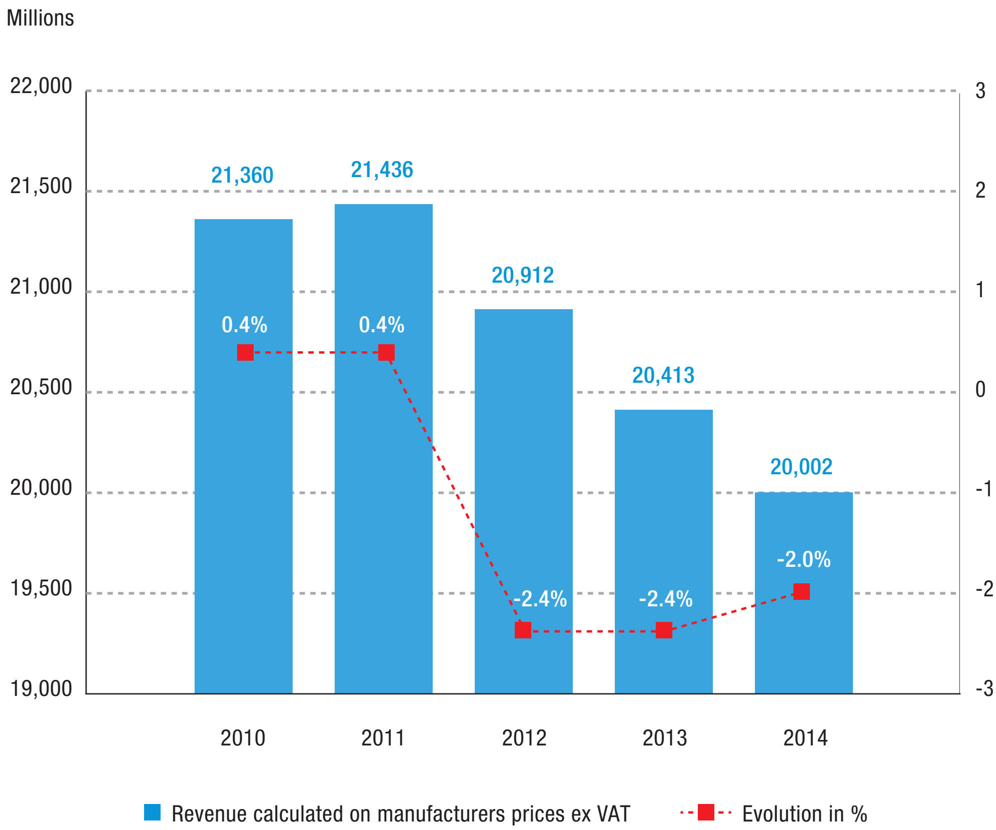
As this division mainly targets pharmaceutical companies in France, the focus is placed on the French drug market.

According to GERS studies which serve as a benchmark [2], the pharmaceutical market posted overall growth of 3.4% in 2014 in France, with varying trends in different market segments: down 2.0% for high-street and up 17.0% for in-hospital. This performance is directly linked to the marketing of innovative treatments to manage hepatitis C.

(1) ANI: National Interprofessional Agreement (Accord National Interprofessionnel).

(2) According to the framework agreement between LEEM and CEPS.

Pharmacy market trends



Source: Sell In GERS data

After two years of negative growth, revenues fell again in the high-street drug market (by 2.0%). The two segments making up the pharmacy market are in decline: down 1.9% for the refundable market (90% of the total high-street market) and down 3.1% for the non-refundable market.

For refundable drugs, price cutting measures are the main reason for this decrease. In 2014, total price cuts (manufacturer's pre-tax price) stood at 675 million euros, contributing 3.7 points to the drop. For the non-refundable market, the classes that contributed to the most to this decline were anti-tobacco products and third and fourth generation contraceptive pills.

Trends in the generic market

In 2014, revenue from refundable generic drugs stood at 3,300 million euros, 801 million packs in volume terms. The rate of generic substitution was 76.5%, down 1.2 points on 2013.

In terms of units, the inventory of generics is growing (up 2.8%) due to the patent expiring on molecules such as escitalopram and celecoxib. In value terms, however, the inventory is declining (down 4.3%). This drop is due to price cutting measures, which had a significant impact on the inventory: European convergence on generics, price drops in generic statins, a large wave of price cuts in October 2014 and the impact of major price drops in 2013. Total decreases stood at 401 million euros, of which 232 million for generics alone.

Trends in the hospital market

In 2014, the hospital market was shaken up by the arrival of new, especially innovative molecules, particularly to treat hepatitis C, which explains the large rise of 17.0%, with just three drugs accounting for 12.6 points of growth in the market. Other classes are also contributing to this growth, such as monoclonal antibodies (up 7.7%) and coagulation factors (up 11.8%).

Growth in non-GHS products available for sale was just 1.7% because this item does not take into account products with temporary authorization or post-authorization. The non-GHS product segment rose 2.5%, buoyed by drugs that have come on the market in the last three years (Jevtana, Perjeta, Yervoy, Zaltrap, Kadcyla, etc.) posting growth of over 120 million euros.

6.4 STRENGTHS

As detailed below, Cegedim's main strengths are:

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

6.4.1 Leadership in each business line

Cegedim confirms its position among major leaders in technologies and services for the healthcare, digital, and BPO sector, thanks to the quality and the diversity of its products and services, and to 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.

For further information, the reader can refer to chapter 6.6: Competitors.

Healthcare Professionals

With over 220,000 physician and paramedic workstations, and with over 87,000 workstations in pharmacies equipped with its software in nine countries (7 in Western Europe, the USA, and Chile), Cegedim is positioning itself in the 1st or 2nd place in seven Western European countries among medical software publishers (according to internal estimates).

Insurance and Services

With about 40 million insureds managed by its software, and more than 350 million EDIs processed annually by its platforms, Cegedim is positioning itself as the leader in France of management software dedicated to personal insurance and of third-party healthcare payment.

Cegedim is reinforcing its position as the premier European electronic invoicing network, with more than 100,000 businesses directly connected, and over 300 million documents processed each year.

GERS Activities and Reconciliation

GERS SAS is positioning itself as one of the French leaders in healthcare product statistics. The only company to cover the entire distribution channel across all points of sale, GERS SAS is now the benchmark of the framework agreement between LEEM and CEPS. It monitors over 800 markets at the most local level for over 190 companies marketing drugs or healthcare products.

Cegedim's leading position in several markets, global reputation, and comprehensive product and service offerings provide the Group with significant 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.

6.4.2 High barriers to entry

There are considerable barriers to entry into the healthcare technology and information services industry, both digital and regarding BPO. This concerns in particular (i) the constitution of durable client relationships, (ii) offering innovative products and services, (iii) managing great volumes of data and transactions and (iv) well-anchored competitor positions.

Cegedim has 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 clearly more specialized, whether in software or in databases, whereas Cegedim is not only able to offer both to address the many needs of its customers, but its software and databases operate extremely well together, allowing users to avoid delays in tailoring other software in order to make it compatible with their database and vice-versa.

Cegedim continues to invest in innovation, which is evidenced by the regular outgo of innovative products, as indicated in chapter 6.4.3.

Cegedim is also capable of managing large amounts of data and flows, and thus to 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.

Furthermore, Cegedim has leading positions in the majority of these fields as indicated in chapter 6.4.7.

6.4.3 Portfolio of innovative and integrated products and services

The Research and Development costs represented 4.7% of the Group revenue in 2014 on the basis of the IFRS 5 figures. For further information, the reader can refer to the opening remark appearing at the beginning of chapter 6.

Healthcare Professionals products and services

In 2014, 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 2014, INPS signed the new framework agreements for GPSoC-R in England and is at an advanced stage of developing various innovative products for the market. Of particular note was the introduction of the new mobile versions of its core *Vision* software for use on tablets and smart phones which is available for use on the 3 major mobile platforms, namely IOS, Androïd and Windows 8.1. 2014 also saw the release of new software aimed specifically at Clinical Commissioning Groups for improved management and analysis of common disease areas like Chronic Kidney disease and COPD.

Cegedim Rx continues to deploy the government's Electronic Prescriptions scheme in England which now has nearly 95% of all pharmacies using the system.

In Scotland Cegedim Rx has completed the delivery of the Electronic Minor Ailment service and the Chronic Medication service. Development is centered on the governments 'drive to deliver more clinical services through pharmacies with the development of a clinical portal called *Healthi* delivering a secure cloud based platform for the recording and management of such services. Currently *Healthi* is being piloted in a multiple pharmacy group assisting clinic nurses to record and monitor the delivery influenza vaccinations.

Webstar Health has continued its expansion in the primary care optometry services market, with the number of services being managed doubling in 2014. In this market, the scope of services has been extended as Webstar Health additionally administers payments to optical practices on behalf of commissioners using a developed application integrated with *OptoManager*. During the year, Webstar Health extended its geographic footprint by establishing operations in South Africa. The initial focus is on deploying a range of health care services, aimed at medical insurers and employers, which can be delivered through a network of nurse-led clinics operating within community pharmacies.

- in Belgium:

Launched in 2009, the eHealth platform has pursued its development since that time, with in particular, the placement into production of numerous new services: Recip-e (electronic prescription), MyCareNet (insurability, chapter IV medication, eDMG and eFact), the UB-MetaHUB system (communication between the first line and the second), the Vitalink first-line safes, and Intermed (storage of SumEHRs, vaccines, medication outlines). Pioneers in this market, HDMP and its eHealth platform realized a true success in Belgium in 2014.

- in Spain and in Chile:

In 2014, Stacks continued to expand mispacientes.es, its Cloud platform for the private sector and insurance companies. With more than 2,000 workstations connecting daily to its platform, Stacks is thus a leading online services provider in the health sector in Spain.

Stacks also further developed in the segment of clinics and private hospitals and equipped five medium-sized hospitals this year across Spain.

In addition, the Cloud *OMIap* solution was rolled out in Catalonia, where 400,000 medical files are now entirely computerized and hosted in the Cloud.

The projects led in Catalonia have been exported to Chile where Stacks signed a new contract with an organization that manages more than 350,000 patients in Santiago de Chile. Furthermore, in the same market, a contract was entered into with the Codelco copper mine, in view of the computerization of Calama hospital. The implementation is scheduled next year.

- in the United States:

In 2014, *the Pulse Complete EHR*, version 5.0, achieved ONC HIT 2014 Edition Complete EHR certification designating that the software is capable of supporting eligible healthcare providers with meeting the Stage 1 and Stage 2 Meaningful Use measures required to qualify for funding under the American Recovery and Reinvestment Act. The Pulse Complete EHR, version 5.0, was certified by ICSA Labs, an Office of the National Coordinator-Authorized Certification, and is compliant in accordance with the criteria adopted by the Secretary of Health and Human Services.

Pulse is eligible to submit quality data to the Center for Medicare and Medicaid Services ("CMS") and is an officially recognized member of the Physician Quality Reporting System ("PQRS") 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.

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 2014, Alliadis was chosen by SRA Orion Grand Sud to provide a simple electronic solution making it possible to consolidate the direct purchases of its 47 pharmacies equipped with different management software. The *Alliance Premium* and *NTPharm* solutions were also referenced in an exclusive manner by the new, very dynamic Pharm & You network, charmed by Alliance Premium's philosophy of management of assortment and of compensated margins, as well as by the Clip Santé concept of communication.

In 2014, Cegedim Logiciels Médicaux contracted with several multidisciplinary healthcare facilities and hubs, thus making it possible to deploy more broadly the online software *monLogicielMedical.com*, adapted to medical and paramedical management. This wholly online software is the fruit of a close synergy between the different subsidiaries of the Cegedim Healthcare Software Business Unit.

The new versions of *Crossway* and *Mediclick*, which received prescription assistance software (LAP, *Logiciel d'Aide à la Prescription*) certification from the *Haute Autorité de Santé*, deployed in 2014, make it possible for users to stay in compliance with respect to regulatory obligations, and are turning more and more towards connectivity (health insurance teleservices, EHRs, connected objects, online client area, etc.)

In 2014, RESIP reinforced its positions on the medical software market. *BCB* has a growing presence on all of the computerized healthcare professionals' stations of the Cegedim Group in France, as well as on those of users of software publishers outside of the Group, which integrate it.

RESIP is also pursuing the development of new functionalities in the *BCB Dexther* Web solution for healthcare facilities, hospitals and clinics, and is industrializing its "foreign" *BCB Dexther* model in order to continue its internationalization. After the United Kingdom (the base is named "Gesmscript") and Tunisia, the placement into service of the *BCB* in Romania ends, and several other projects will see the light of day, in particular in Belgium, Morocco, and Côte d'Ivoire.

Insurance and Services products and services

REGARDING IT FOR HEALTHCARE INSURERS AND MUTUAL FUNDS

In 2014, Cegedim Activ implemented structural changes to its software suites:

- Significant developments were made to *Activ'Infinite* to improve the integration of the business dimension (particularly DSN flows, configuration and branch/company agreement management and products). 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) or its incorporation into insurance provider Aviva, etc.
- The international roll-out of *Activ'Premium* continued with the signing of a health cover contract in Côte d'Ivoire, and the ONEE (National Water and Electricity Board) and the CMIM (the Moroccan interprofessional mutual insurer) choosing our back office solution. The roll-out is set to extend to other countries and beyond the French-speaking world. In terms of functionality, this solution benefited from very significant innovations developed in partnership with other Cegedim Group entities, including Resip, are involved in setting up an online prescription server. 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 and direct-payment services were also introduced and retained by market leaders such as Gras Savoye.
- 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 2014, in particular *Visiodroits* which was rolled out for pharmacists to help them look up rights online and in 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 payment 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 Gras Savoye for outpatient care, in addition to others that joined the third-party payers SP santé and MNH across this entire segment.

Lastly, the registration efforts continued and now more than 190,000 healthcare professionals are registered with *iSanté* and 170,000 with *SP santé*.

DELEGATION OF MANAGEMENT

The year 2014 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. It also saw the introduction of new delegation of management offerings to cover hospital billing or BIA management on a transitional basis or otherwise.

These delegation of management offerings are particularly well positioned to meet the challenges of the National Interprofessional Agreements, which will disrupt the supplemental health insurance market in the coming years.

REGARDING PAPERLESS EXCHANGES

Cegedim adapted its electronic invoicing solution, *Global Information Services (GIS)*, to the new French regulations published in the Official Tax Bulletin on 18 October 2013, which introduces a third mode of electronic tax invoicing called "reliable audit trail". GIS provides management for this new mode through its ePDF solution. It is now implementing the qualified electronic signature for its "signed PDF" solution.

The year 2014 was also that of SEPA's outward progression, marked by the deployment of MA€A, the management software 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 have adopted MA€A, under license or in SaaS mode, and in all fields (credit institutions, media, services, insurers and mutual insurers, asset managers, etc.). In 2014, over 450 million SEPA debits, representing tens of billions of euros, were generated by MA€A throughout all of Europe.

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

REGARDING OUTSOURCED PAYROLL AND HR

In 2014, Cegedim SRH, announced the launching of a new time and activity management (GTA – "Gestion des Temps et des Activités") module; Available in SaaS mode, the solution is 100% integrated with Payroll and delivered with preconfigured controls, which provides security for its deployment and the incorporation of future changes in legislation.

A priority project in 2014, the DSN *Déclaration Sociale Nominative*, an employer payroll and social data statement) is a new legal device which falls within the framework of the law of simplification, and which is going to progressively replace (3 DSN phases, January 2016) all of the "traditional" statements. The DSN system is revolutionary in the world of payroll and declarations; it leads to a technical and business transformation, and generalizes some new concepts: uniqueness of information, convergence of flows, full digitization, and gathering of information in a continuous flow. At the end of 2014, the DSN Teams' functionalities were now delivered for the 2014 phase (first legal stage); phase 2 is in the course of being received by pilot clients of Cegedim SRH, and the delivery of phase 3 has been planned for the start of the 2nd half of the 2015 year.

REGARDING E-DETAILING

With solutions already deployed in over 25 countries, and 12 new contacts recorded since its entry into the Cegedim Group at the start of 2014, Kadrige figures among the leaders in this market, in the face of international competitors such as Indigene Aptilon, and Republic M.

GERS Activities and Reconciliation products and services

GERS SAS continued to develop *gersOrigin*, the pharmacy sale database redeployed to identifying the geographical location of prescribers [(1)], offering data by specialty and by healthcare facility. This data source, coupled with intra-facility consumption Stat'Hop statistics is for the first time providing relevant information on healthcare facilities with weightings by product and therapeutic class.

GERS SAS also launched a new study at points of sale (pharmacies) to give pharmaceutical companies and pharmacists more control over their performance.

6.4.4 Stable and diversified customer base a presence at the core of the healthcare ecosystem

Long-time established relationships and a recognized know-how are the signs of Cegedim's clients' great loyalty. Most of the Group's contracts are for multi-year terms (typically three to five years in the majority of cases) and are then automatically renewable for a shorter term (often, one year) or are open-ended and can be terminated at will, after an advance notice of several months. These contracts enjoy a high overall renewal rate. For Cegedim, these long-term relationships are largely attributable to the following factors: (i) the ability to offer, for over 40 years, award-winning, innovative, and quality products, (ii) the confidence that the company inspires in its clients because of its listing on a stock exchange, which increases the transparency of its financial position, (iii) the financial investment and time dedicated by its clients to the installation of software and databases, such as those of the Group, and (iv) the problems of implementation, associated with any change in supplier, particularly the high costs and time necessary for configuration.

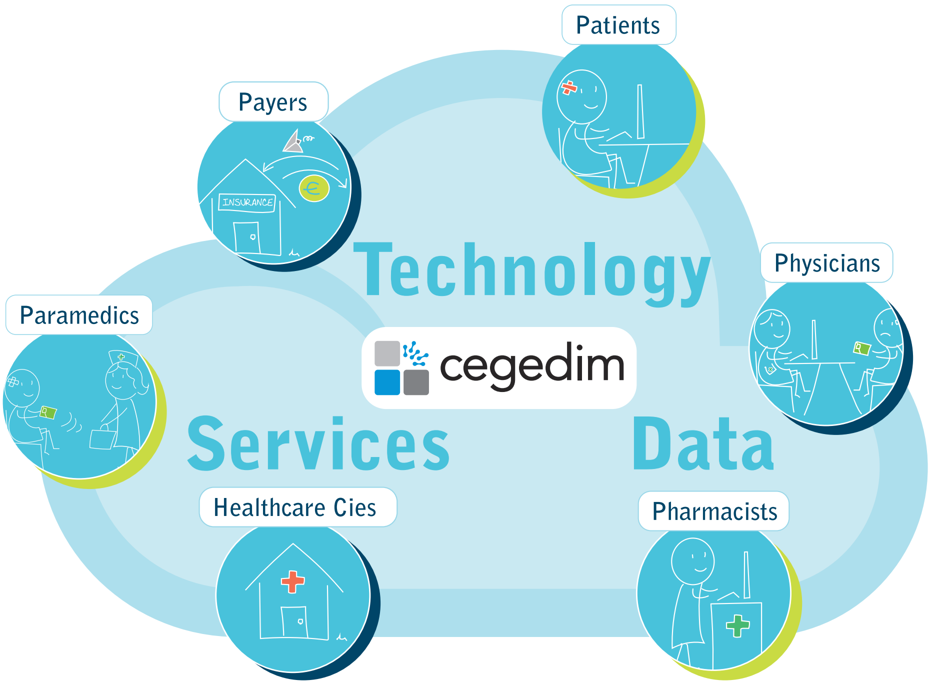
Furthermore, Cegedim's clientele is diversified, both in terms of operational segmentation (physicians, pharmacists, health insurance companies, pharmaceutical laboratories, and other enterprises) and in terms of geographic regions (France, United Kingdom, Spain, etc.), as shown by the distribution of revenue by division.

Its extensive spectrum of activity also enables Cegedim to allocate less concentration per category of client, and not to depend excessively on any single client, as indicated in chapter 6.1.3.

(1) *Anonymized data in accordance with data protection regulations.*

6.4.5 A presence at the core of the healthcare ecosystem

Cegedim offers products and services to various participants in different segments of the healthcare sector, in particular, healthcare professionals, healthcare insurers, and healthcare industries.



6.4.6 Long-term shareholder support, experienced senior management team and qualified personnel

Cegedim is a family-run company which benefits from the significant support of its principle shareholders – FCB SAS, a holding company held by the Labrune family (52.59% of capital and 62.69% of voting rights at December 31, 2014), and Bpifrance Participations (15.02% of capital and 17.94% of voting rights at December 31, 2014). These two companies support the organic and external growth strategies of the Group.

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

The 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.

6.5 STRATEGY

Cegedim's strategy consists of reinforcing its leading positions, to constantly improve and develop new innovative products and services for its clients, all while improving its operational leverage.

6.5.1 Pursuing growth opportunities

Over the long term, Cegedim intends to consolidate its market positions, through organic growth and by targeted external growth (according to opportunities for additional acquisitions).

The Group continues to invest in R&D to support its growth, and is focusing on strategic opportunities which may arise from the changing product, market and regulatory environments in the countries in which Cegedim operates.

Cegedim relies on its assets and leading advantages in order to ensure its organic growth.

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, in particular through the use of software that manages health and pharmacy records. It also benefits from the development of telemedicine and of the coordination of care and patients between healthcare professionals. Lastly, the Group benefits from the transformation of prescription logistics and issuance of medications tied to the emergence of connected objects.

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. It is benefiting from the changes of new healthcare contracts (ACS, ANI, responsible contracts) and from the need for automation of third-party payment processes: control of online rights, online invoicing and payment.

The Group also benefits from the transformation of the global economic model with the digital revolution in all administrative businesses.

Lastly, human resources management businesses are becoming more and more complex, with the integration of management of training, work time, talent, supplemental health and supplemental retirement.

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.

6.5.2 Continuing to improve existing products and services and investing in future products through innovation

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.

Driven by an economic context which obliges organizations to be more agile and to adapt, the SaaS (Software as a Service)/Cloud model is a more and more attractive choice for the deployment of the Group's solutions in a short time frame. The Group also works to constantly adapt its product and service offering to client mobility requirements.

For further details, see chapter 6.4.3 of this Registration Document, which describes the main product innovations.

6.5.3 Improving operating leverage

All while continuing to offer quality products and services, Cegedim is constantly working on the improvement of its operating leverage, the growth of its cash generation, and management of its indebtedness.

In 2015, the Group intends to revisit all of the processes, in order to ensure their adequacy with the size of the new Groupe Cegedim, after the transfer transaction of the CRM and Strategic Health activities to IMS Health.

6.6 COMPETITORS

6.6.1 The Healthcare Professionals division

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 PHYSICIANS

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 most important competitors are the following: 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 20%), after EMIS (market share estimated at 48%), and TPP (30%).

In France: Cegedim Logiciels Médicaux is one of the market leaders [(1)]. Its principal competitors are the German group CompuGroup (with in particular, the AxiSanté and HelloDoc software) and Prokov Editions (MédiStory software).

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. However, the latest certification tests of 2014 brought about a decrease in the software quantity (from 21 to 15) in this market, and the disappearance of very small regional players.

In Spain: with 35% of the estimated general practitioner market share, Cegedim, with its subsidiary, Stacks [(1)], is the leader [(2)] in this corner of the market. Indra and Siemens are among the main competitors in the healthcare field. IBM is a new player in this sector, with whom Stacks is collaborating.

In Italy: Millennium and its subsidiaries hold 43% of the market, and number the following among its competitors: Compogrup (Profim, Phronesis, FPS, Venere, Bracco), Koinè, Iatros, Perseo.

In Romania: Pharmec is a leading player with a market share estimated at 21%. Its offer is seeing competition from a free public application (SIUI) and those of private players, such as: Segas, Setrio, Softeh and Syonic.

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 the NDC Health and Enigma Health companies, which today are combined into one entity called Cegedim Rx. With approximately 50% of estimated market share, and references such as the Alliance Boots pharmacy chains and the Co-operative Pharmacy Group, Cegedim Rx continues to occupy a leading position in a number of computerized British pharmacies.

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

(2) Stacks is the leader for physicians' software in terms of number of workstations installed in Spain.

In Romania: Pharmec is the leading player with a market share estimated at 36%. The company is seeing competition by some well-established private players: Setrio, Softeh, WinSoft, smaller players, and in-house solutions (in the case of pharmacy chains).

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 have limited functionality and suffer from the lack of a Tunisian therapeutic database. Most physicians 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: Leader [(1)] in the management software market for physiotherapists, speech therapists, podiatrists and orthoptists, RM Ingénierie occupies a 1st place position in France in the field of computerization for paramedics, its principle competitor being the Epsilog company.

Thanks to its touch-screen Simply Vitale system, RM Ingénierie experienced tremendous growth of its market share with independent nurses in 2014.

Internationally: the exportation of rehabilitation engineering systems is developing slowly in Europe and in Asia.

DRUG DATABASES

In the area of drug databases: Cegedim's *BCB* and its competitor Vidal are the principal players in this field in France.

In the pharmacy management software market, *BCB* has only one competitor: the Clickadoc base 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 promotion, Cegedim is the French leader [(2)], 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).

6.6.2 The Insurance and Services division

Cegedim Activ is the French leader [(3)] with over 40 million insureds managed by its solutions in the personal insurance computerization market. Its main competitors are generalist consulting, engineering and integration firms such as Sopra Group, Atos, Oracle and Accenture, or software houses such as Linedata and Wyde.

As regards value-added services in the management of third-party payment and adherence to public medical care systems, Cetip (through the two brands *SP santé* and i*Santé*) holds a leading position [(4)] 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.

Regarding paperless exchanges: after a year of highly significant, new commercial successes in 2014, 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 processed each year. Docapost (a subsidiary of La Poste Group), Ariba (SAP) and OB10 (repurchased by Tungsten) are among the main competitors of Cegedim e-business.

(1) RMI boasts the highest number of electronic care sheets sent by physiotherapists, speech therapists, podiatrists and orthoptists (source: GIE SESAM-Vitale, data as of January 2015).

(2) RNP is the French benchmark for on-site advertising in terms of number of pharmacies covered by its display network.

(3) Cegedim Activ's customers manage more than 40 million policyholders, thus establishing the Company as market leader (health insurance, pension plans, savings).

(4) Cetip is the French leader in terms of number of third-party payment flows handled per year.

6.6.3 The GERS Activities and Reconciliation division

GERS SAS is positioning itself as one of the French leaders in healthcare product statistics. The only company to cover the entire distribution channel across all points of sale, GERS SAS is now the benchmark for the framework agreement between LEEM and CEPS.

6.7 NON-RECURRING EVENTS

On October 20, 2014, Cegedim announced the signing of the final contract of assignment of its CRM and Strategic Data division to IMS Health. The transaction will take place following the publication of this document, at the beginning of the second quarter of 2015. Accordingly, the 2014 consolidated financial statements are presented in line with IFRS 5 “Non-current assets held for sale and discontinued business activities.” IFRS 5 defines the manner in which to record non-current assets held for sale. In practice, the *CRM and Strategic Data* activities are presented in the 2014 financial statements as discontinued activities.

With the exception of that event, there is no non-recurring event affecting the information supplied in the present chapter.

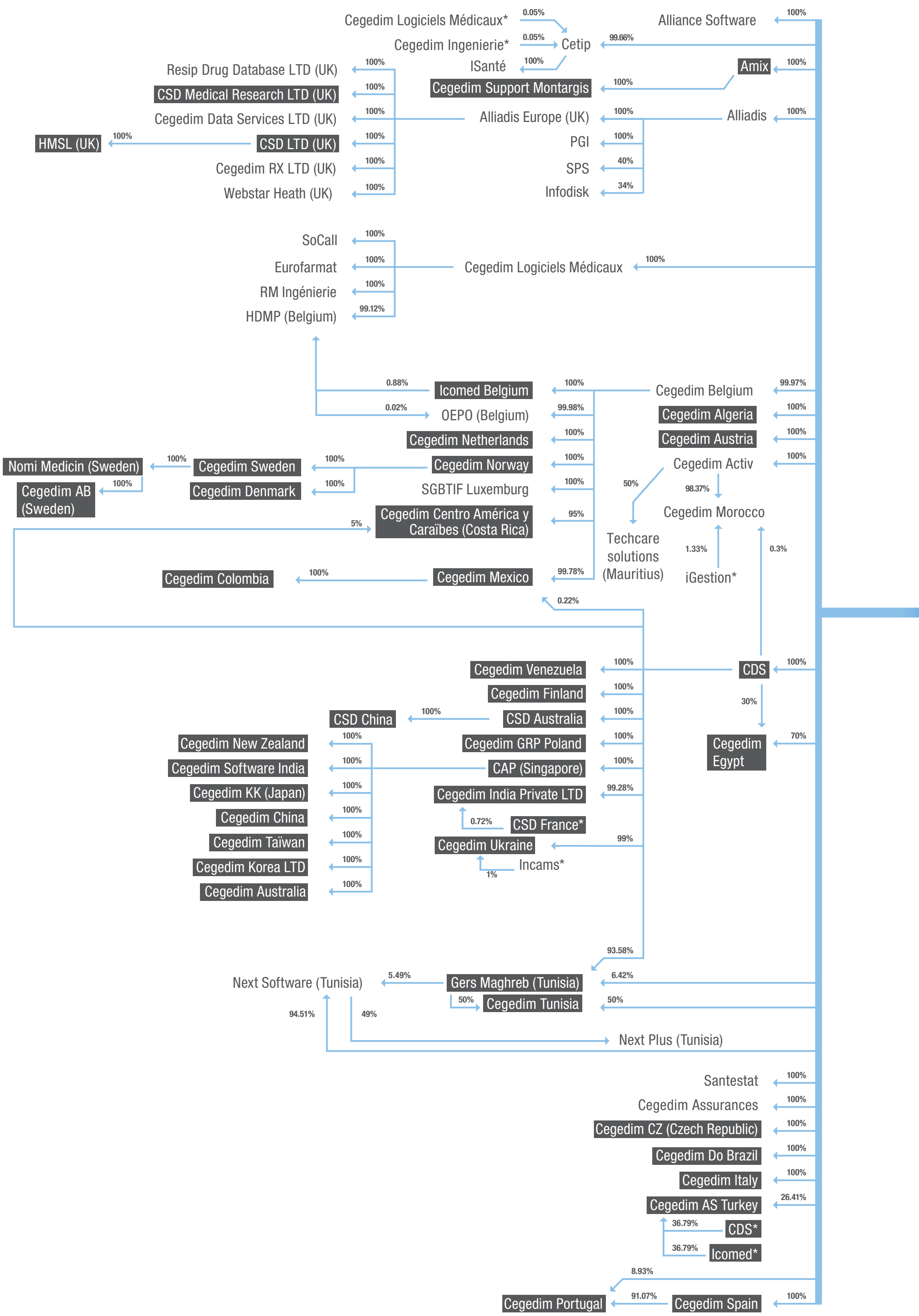
6.8 BASIS FOR ANY STATEMENT MADE BY THE ISSUER REGARDING ITS COMPETITIVE POSITION

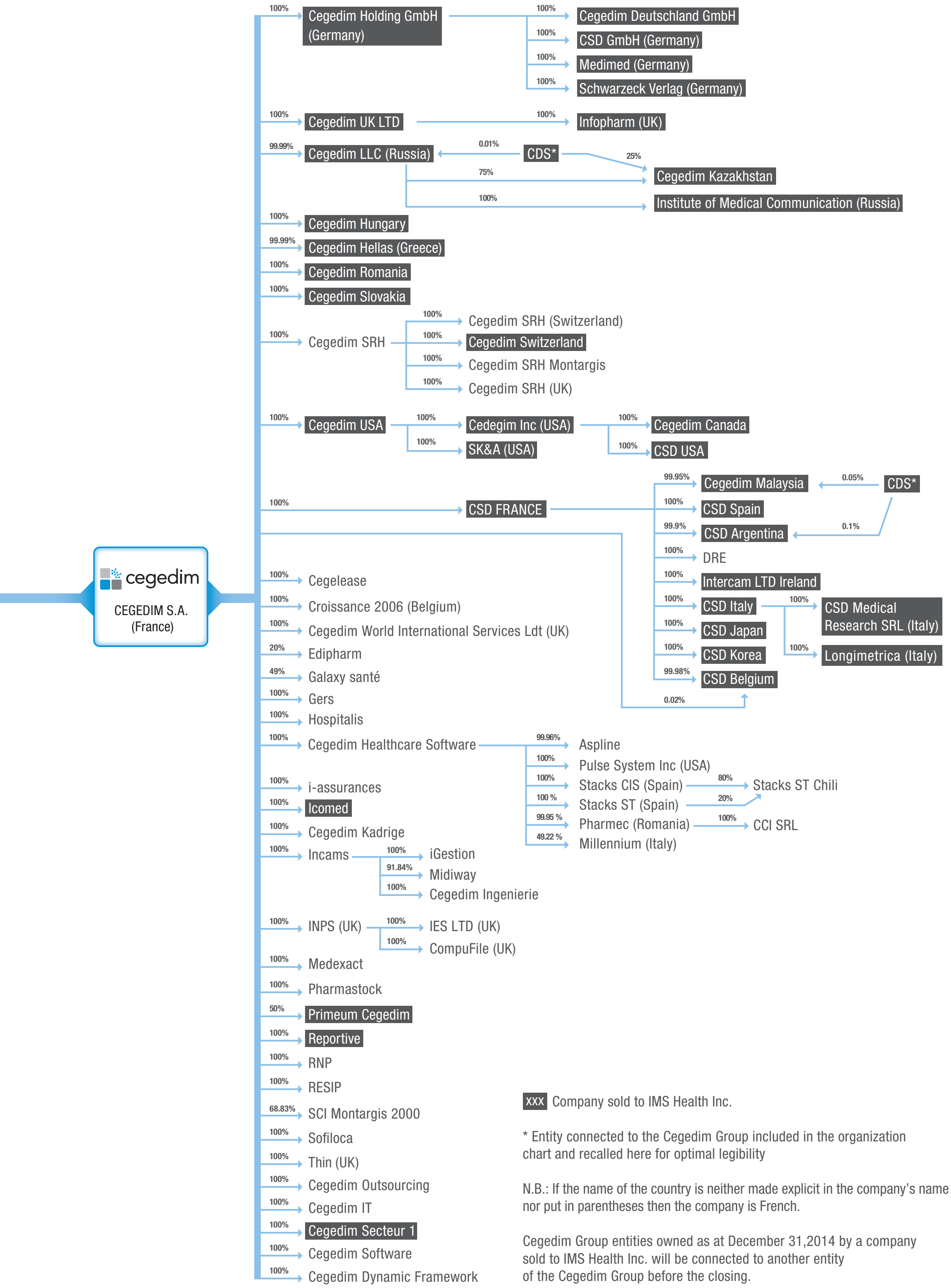
The sources of the figures presented in chapter 6 of this Registration Document are generally cited in the text or explained in the footnotes. The topics discussed in the market information in this chapter were gathered from websites, trade publications, market research, and discussions with pharmaceutical industry experts.

7

ORGANIZATION CHART

Cegedim Group Organization chart as at December 31, 2014





XXX Company sold to IMS Health Inc.

* Entity connected to the Cegedim Group included in the organization chart and recalled here for optimal legibility

N.B.: If the name of the country is neither made explicit in the company's name nor put in parentheses then the company is French.

Cegedim Group entities owned as at December 31,2014 by a company sold to IMS Health Inc. will be connected to another entity of the Cegedim Group before the closing.

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 SIGNIFICANT, EXISTING OR PLANNED TANGIBLE ASSETS, INCLUDING REAL ESTATE LEASED AND ANY MAJOR EXPENSE RELATED TO THEM

Only 17 companies out of the 144 included in the Group's scope of consolidation own buildings or land for a net book value of 4.4 million euros at December 31, 2014.

Most of the companies belonging to the Cegedim Group therefore rent the buildings in which they carry out their businesses.

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. In 2014, the total rent amounts involved (premises and car parks) amounted to 5.3 million euros, excluding occupancy expenses. Rents are established based on market conditions and will remain so.

8.2 USE OF TANGIBLE ASSETS WITH RESPECT TO THE ENVIRONMENT

The use of tangible assets with respect to the environment does not call for any particular remarks.

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, 2014, 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 2014, Cegedim SA's business grew by 0.7%, with revenue increasing from 191.0 million euros to 192.4 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 decreased by 1.9%. Operating expenses increased by 1.5%. In particular, the fiscal year saw:

- an decrease in capitalized production of 0.5 million euros compared to 2013;
- an sharp decrease in write-backs of depreciation, amortization and provisions of 6.2 million euros compared to 2013;
- an increase in other external purchases and expenses of 3.6 million euros compared to 2013;
- an increase in charged payroll and benefit-related expenses of 1.3 million euros compared to 2012;
- a fall in allocations to fixed asset depreciation of 4.2 million euros, a stability in allocations to provisions for current assets, while allocations to provisions for risks and charges increase by 0.6.

The impact as an absolute value of the few changes in other operating income and expense items was insignificant.

Operating earnings were negative of 7.5 million euros, a 7.5 million euros decrease compared to 2013.

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	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**

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	13,692,542	11,690,911	2,001,630	232,653	242,467	1,526,510
Non-Group suppliers	8,317,927	7,833,328	484,599	207,190	22,502	254,907
TOTAL ACCOUNTS PAYABLE	**22,010,469**	**19,524,240**	**2,486,229**	**439,843**	**264,969**	**1,781,417**

Financial income and expenses

Financial earnings showed a 200.1 million euros loss, compared with a 60.0 million euros loss in 2013. They comprise 270.4 million euros in financial expenses, including 54.4 million euros in interest and related expenses, foreign exchange losses of 0.9 million euros, and allocations to financial depreciation and provisions of 215.0 million euros, including 211.8 million euros in provisions against participating shares related to the upcoming sale of the CRM business and strategic data to IMS Health. Financial income amounted to 69.5 million euros in 2014, taking into account, in part, 7.5 million euros in other interest and related income, 33.8 million euros in financial income from equity interests, 27,8 million euros in write-backs on provisions and transferred expenses, and 0.3 million euros in foreign exchange gains.

Current earnings before tax

Current earnings before tax amounted to loss of 208.4 million euros, compared to loss of 60.0 million euros in 2012.

Non-recurring earnings

Non-recurring earnings were a charge of 3.8 million euros in 2014, a decrease of 4.2 million euros compared to 2013.

Income taxes

Income taxes in 2014 amounted to a credit of 11.5 million euros gain.

Profit (loss) for the period

Profit (loss) for 2014 showed a loss of 201.1 million euros, compared to a loss of 48.9 million euros loss in 2013.

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, 2014, the balance sheet total of Cegedim SA came to 814.3 million euros compared to 1,031.6 million euros for the previous fiscal year, which is a 21.1% decrease.

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

On October 20, 2014, Cegedim, announced that a definitive purchase agreement has been executed for its CRM and Strategic Data division with IMS Health Inc. The transaction will take effect in in early 2015 second quarter, post publication of this document. Consequently the 2014 Financial Statements are reported in compliance with IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 outlines how to account for non-current assets held for sale.

In practice the contribution from these businesses until the effective disposal, if any, to each line of:

- Cegedim's Consolidated Income Statement (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations"; in accordance with IFRS 5,and their share of net income has been excluded from Cegedim's adjusted net income;
- Cegedim's consolidated cash flow statement has been grouped under the line "flow of discontinued operations".

In addition, the contribution of the CRM and Strategic Data division to each line of Cegedim's Consolidated Balance Sheet as of December 31, 2014 has been grouped under the lines "Assets held for sale" and "Liabilities associated with assets held for sale". Data presented with respect to fiscal years 2013 corresponds to historical data and has not been adjusted.

These adjustments have been applied to all periods presented to ensure consistency of information.

These adjustments are presented in the 2014 Registration Document - Consolidated Financial Statements for the year ended December 31, 2014- Notes to the Consolidated Financial Statements, note 23.

		2013	2014	Full Year Change
Revenue	€m	487.6	493.5	+1.2%
Purchases used	€m	(89.7)	(91.4)	+2.0%
External expenses	€m	(124.0)	(125.6)	+1.2%
Payroll costs	€m	(169.6)	(174.3)	+2.7%
EBITDA	€m	91.6	86.9	(5.1)%
EBITDA margin	%	18.8%	17.6%	(117)bps
Depreciation	€m	(39.7)	(37.4)	(5.7)%
EBIT before special items	€m	51.9	49.5	(4.6)%
EBIT before special items margin	%	10.7%	10.0%	(61)bps
Special items	€m	2.0	(11.0)	n.m.
EBIT	€m	53.9	38.5	(28.6)%
EBIT margin	%	11.1%	7.8%	(326)bps
Cost of net financial debt	€m	(56.7)	(47.7)	(15.9)%
Total taxes	€m	(12.8)	(1.4)	(88.8)%
Profit (loss) for the period	€m	(14.3)	(9.4)	+34.2%
Earnings of discontinued activities	€m	(44.4)	(190.3)	n.m.
CONSOLIDATED PROFIT (LOSS) GROUP SHARE	€M	**(58.6)**	**(199.8)**	**N.M.**

2014 Key Data		
Revenue	€493.5m	Revenue increased by €5.9m
EBITDA	€86.9m	EBITDA decreased by €4.7m
EBIT before special items	€49.5m	EBIT before special items decreased by €2.4m

Revenues

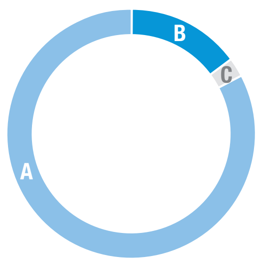
Revenue increased by 5.9 million euros, or 1.2%, from 487.6 million euros for 2013 to 493.5 million euros for 2014. Excluding the positive impact of acquisitions of 0.3% and favorable impact of foreign currency translations of 0.6%, revenue increased by 0.3%.

Following acquisitions, the Group's scope of consolidation has changed as follow: in the *Healthcare Professionals* division consolidation of the entities *Webstar* (UK) on November 2013 and *SoCall* (France) on April 2014.

The positive impact of foreign currency translation was of 3.2 million euros, or 0.6% and come mainly from the positive impact of the Sterling Pound (11.9% of revenue) for 3.2 million euros.

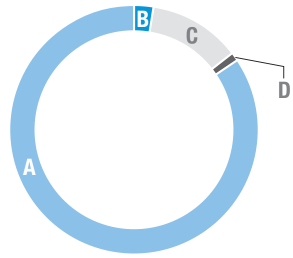
The Like-for-like revenue growth was the result of a 1.1% decline at the *Healthcare professionals* division being more than offset by 2.4% growth at the *Insurance and services* and 2.9% at the *GERS Activities and Reconciliation* divisions.

Geography



A	France	83.0%
B	EMEA excl. France	14.5%
C	Americas	2.5%
D	APAC	-

Currency



A	EUR	84.5%
B	USD	2.5%
C	GBP	11.9%
D	Others	1.1%

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 1 point to 85% of revenue from Group activities, the Pound Sterling fell by 1 point to 12%, while the US dollar and other currencies remained stable at 2% and 1% respectively.

By geographic region, the relative contribution of France to Group revenues climbed by 1 point to 83% and that of EMEA (excluding France) fell by 1 point at 15%. Americas remained stable at 2%.

By division, the breakdown of Group revenue remains relatively stable. The contribution of *Healthcare Professionals, Insurance and Services* and *GERS Activities and Reconciliation* division remained virtually stable at respectively 60%, 33% and 7%.

Operational Charges

Purchases used increased by 1.8 million euros, or 2.0%, from 89.7 million euros for 2013 to 91.4 million euros for 2014. Expressed as a percentage of revenue, purchases used represented 18.4% for 2013, compared to 18.5% for 2014. This increase in purchases used was primarily due to the trend in Cegelease activity.

External expenses increased by 1.5 million euros, or 1.2%, from 124.0 million euros for 2013 to 125.6 million euros for 2014. Expressed as a percentage of revenue, external expenses represented 25.4% both for 2013 and 2014. Capitalized production deducted from external expenses totaled 4.7 million euros versus 4.1 million in 2013. The growth in external expenses mainly reflected greater use of temporary staff.

Payroll costs increased by 4.6 million euros, or 2.7%, from 169.6 million euros for 2013 to 174.3 million euros for 2014. Expressed as a percentage of revenue, payroll costs represented 34.8% for 2013, compared to 35.3% for 2014. Capitalized production deducted from external expenses totaled 18.7 million euros versus 16.2 million in 2013. This increase in payroll costs reflects the increase in number of employees, in salaries and from variable compensation, partially offset by the increase of R&D capitalization costs in 2014.

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 2014, the impact on payroll cost is a reduction of 2.6 million euros, compare to 2.3 million euros for 2013.

EBITDA decreased by 4.7 million euros, or 5.1%, from 91.6 million euros for 2013 to 86.9 million euros for 2014. Expressed as a percentage of revenue, EBITDA represented 18.8% for 2013, compared to 17.6% for 2014. This decrease in EBITDA reflected the trend 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) decreased by 2.4 million euros or 4.6% from 51.9 million euros for 2013 to 49.5 million euros for 2014. Expressed as a percentage of revenue, EBIT represented 10.7% for 2013, compared to 10.0% for 2014. This decrease reflects the decreased in EBIDTA of 4.7 million euros, as set out above, partially offset by a decrease in depreciation expenses of 2.3 million euros from 39.7 million euros for 2013 to 37.4 euros for 2014.

Special items amounted in 2014 to a charge of 11.0 million euros, compared to an income of 2.0 million eurosone year earlier. The major parts of this cost are related to the 5.8 million euros fine imposed by French Competition Authorities (Please also refer to the "highlights of the 2014 fiscal year" in the notes to the Consolidated Financial Statements).

BREAKDOWN BY NATURE OF SPECIAL ITEMS

	Full Year	
In million of euros	2013	2014
Capital gains or losses on disposals	-	-
Restructuring costs	(1.0)	(1.8)
Impairment of goodwill	0.0	(0.9)
Other non-recurring income and expenses	3.0	(8.4)
SPECIAL ITEMS	**2.0**	**(11.0)**

BREAKDOWN BY DIVISION

	Full Year	
In millions of euros	2013	2014
Healthcare Professionals	2.2	(1.5)
Insurance and Services	0.1	(0.9)
GERS Activities and Reconciliation	(0.3)	(8.7)
SPECIAL ITEMS	**2.0**	**(11.0)**

EBIT amounts to profit of 38.5 million euros for 2014, compared to a profit of 53.9 million euros for 2013. The 15.4 million euros decrease, or 28.6%, reflects the decrease of EBIT before special items of 2.4 million euros and an increase in special items charges of 13.0 million euros. Expressed as a percentage of revenue, EBIT represented 11.1% for 2013, compared to 7.8% for 2014.

Financial charges

Total cost of net financial debt decreased by 9.0 million euros from 56.7 million euros for 2013 to 47.7 million euros for 2014. This decrease reflects the demanding comparison caused by accounting charges stemming from the 2013 refinancing.

Tax expense decreased by 11.4 million euros from a charge of 12.8 million euros for 2013 to a charge of 1.4 million euros for 2014. This decrease results from non-capitalization of deferred tax assets in 2014. In 2013, the French integrated tax Group reported a tax loss as opposed to 2014 when it reported a profit.

Net profit (loss)

Consolidated net profit from continuing activities amounted to a loss of 9.4 million euros for 2014 compared to a loss of 14.3 million euros for the same period last year. This improvement in consolidated net loss reflected the trend of revenue, EBIT, special items, cost of net financial debt and tax expense based on the factors set out above.

Consolidated net profit from discontinued activities amounted to a loss of 190.3 million euros for 2014 compared to a loss of 44.4 million euros for the same period last year. This negative trend in consolidated net profit from discontinued activities reflect the impairment of goodwill by 218.9 million euros following the disposal of our CRM and Strategic Data division to IMS Health Inc. After taking in account minority interests, the **consolidated net profit attributable to the Group** amounted to a loss of 199.8 million euros for 2014, compared to a loss of 58.6 million euros for 2013.

Key Data

Healthcare Professionals 60% of consolidated Group revenue

		2013	2014	Full Year Change
Revenue	€m	295.5	295.6	+0.4%
EBIT before special items	€m	35.4	31.1	(12.3)%
EBIT margin	%	12.0%	10.5%	(152)bps
Special items	€m	2.2	(1.5)	n.m.
EBIT	€m	37.7	29.6	(12.3)%
EBITDA	€m	59.7	52.9	(11.4)%
EBITDA margin	%	20.3%	17.9%	(238)bps
Depreciation	€m	(24.2)	(21.8)	(10.1)%

Insurance & Services 33% of consolidated Group revenue

		2013	2014	Full Year Change
Revenue	€m	161.1	165.0	+2.4%
EBIT before special items	€m	24.8	22.8	(8.1)%
EBIT margin	%	15.4%	13.8%	(158)bps
Special items	€m	0.1	(0.9)	n.m.
EBIT	€m	24.9	21.9	(12.0)%
EBITDA	€m	38.6	36.7	(4.9)%
EBITDA margin	%	24.0%	22.3%	(172)bps
Depreciation	€m	(13.8)	(13.9)	+0.7%

GERS Activities and Reconciliation 7% of consolidated Group revenue

		2013	2014	Full Year Change
Revenue	€m	32.0	32.9	+2.8%
EBIT before special items	€m	(8.3)	(4.4)	(47.7)%
EBIT margin	%	(26.0)%	(13.2)%	+1,277bps
Special items	€m	(0.3)	(8.7)	n.m.
EBIT	€m	(8.6)	(13.0)	(51.2)%
EBITDA	€m	(6.7)	(2.7)	+60.4%
EBITDA margin	%	(21.0)%	(8.1)%	+1,291bps
Depreciation	€m	(1.6)	(1.7)	+5.7%

9.2.2 Analysis of the financial position of the Healthcare professionals division

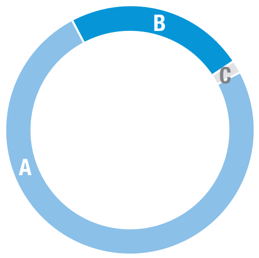
2014 Key Data		
Revenue	€295.6m	Revenue increased by €1.1m
EBITDA	€52.9m	EBITDA increased by €6.8
EBIT before special items	€31.1m	EBIT before special items decreased by €4.4

Revenue for the *Healthcare Professionals* division increased by 1.1 million euros, or 0.4%, from 294.5 million euros for 2013 to 295.6 million euros for 2014. Excluding the positive impact of 0.4% from the acquisitions of the entities *Webstar* (UK) on November 2013 and *SoCall* (France) in April 2014, and the favorable foreign currency translations of 1.1%, revenue decreased by 1.1%.

Expressed as a percentage of total revenue, revenue for the *Healthcare Professionals* division represented 59.9% of 2014, compared to 60.4% in 2013.

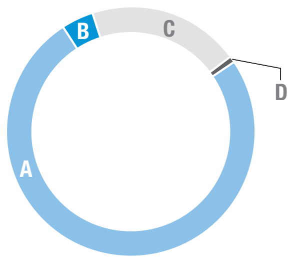
The drop in revenues, excluding the impact of acquisition and currency translation, was mainly due to the decrease in doctor computerization activity in the UK as a result of a demanding comparison caused by the exceptional level of 2013 revenues stemming from the NHS. This performance was partially offset by sustained growth in France in products for doctors. It should be noted that the decrease in revenue during 2014 reflect mainly the decrease in revenue in the first quarter, partially offset by an increase in the third and fourth quarter mainly due to the recovery in French pharmacist computerization, significant growth in UK pharmacist computerization, and robust growth in doctor computerization in Belgium, Spain, the US and France.

Geography



A	France	72.9 %
B	EMEA excl. France	22.9%
C	Americas	4.1%
D	APAC	-

Currency



A	EUR	75.4%
B	USD	4.1%
C	GBP	19.9%
D	Others	0.6%

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 1 point to 75% of revenue from Group activities, the Pound Sterling fell by 1 point to 20%, while the US dollar and other currencies remained stable at 4% and 1% respectively.

By geographic region, the relative contribution of France climbed by 1 point to 73% of Group revenues, while EMEA (excluding France) fell by 1 point to 23%. Americas remain stable at 4%.

EBITDA decreased by 6.8 million euros, or 11.4% from 59.7 million euros for 2013, to 52.9 million euros for 2014. Expressed as a percentage of revenue, EBITDA represented 20.3% for 2013, compared to 17.9% for 2014. The decrease in EBITDA reflects mainly the demanding comparison in the computerization of UK doctors caused by an exceptional level of activity with the NHS in 2013 and the decrease, mainly early this year, in French pharmacists' investments. This decrease in partially offset by an increase in profitability at activity of software for UK pharmacists. It should be noted the improvement in profitability in second half of 2014 in pharmacist computerization activity in France.

EBIT before special items (Operating income before special items) decreased by 4.4 million euros, or 12.3%, from 35.4 million euros for 2013 to 31.1 million euros for 2014. Expressed as a percentage of revenue, EBIT represented 12.0% for 2013, compared to 10.5% for 2014. This decrease in EBIT reflects the 6.8 million euros EBITDA decrease, partially offset by a decrease in depreciation expenses of 2.5 million euros from 24.2 million euros for 2013 to 21.8 euros for 2014.

9.2.3 Analysis of the financial position of the Insurance and services division

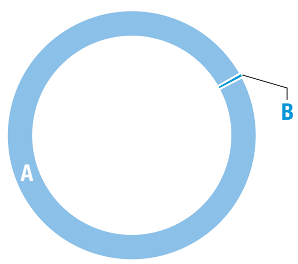
2014 Key Data		
Revenue	€165.0m	Revenue increased by €3.9m
EBITDA	€36.7m	EBITDA decreased by €1.9m
EBIT before special items	€22.8m	EBIT before special items decreased by €2.0m

Revenue for the *Insurance and Services* division increased by 3.9million euros, or 2.4%, from 161.1 million euros for 2013 to 165.0 million euros for 2014. There were no disposals or acquisitions.

Expressed as a percentage of total revenue, revenue for the *Insurance and Services* division represented 33.4% of 2014, compared to 33.0% of 2013.

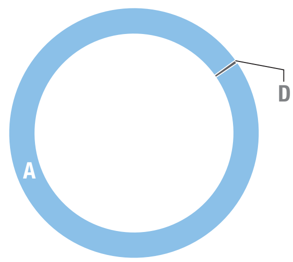
This increase was chiefly attributable to double-digit growth in third-party payer flow management, in human resources solutions *Cegedim SRH*, and electronic invoicing activities *Cegedim e-business*. This growth was partially offset by weakness at the *Cegedim Global Payments* business caused by the transition from a perpetual license model to a SaaS offering.

Geography



A	France	99.5%
B	EMEA excl. France	0.5%
C	Americas	-
D	APAC	-

Currency



A	EUR	99.5%
B	USD	-
C	GBP	-
D	Others	0.5%

EBITDA decreased by 1.9 million euros, or 4.9%, from 38.6 million euros for 2013 to 36.7 million euros for 2014. Expressed as a percentage of revenue, EBITDA represented 24.0% of 2013, compared to 22.3% of 2014. This decrease in EBITDA reflects mainly the development of a SaaS offer at *Cegedim Global Payments*, part of the e-business activity, and the significant investment made at *Kadrige*. It was partially offset by an increase at the activity provided to the Health Insurance companies and *Cegedim SRH*, the provider of human resources management solutions.

EBIT before special items (Operating income before special items) decreased by 2.0 million euros, or 8.1%, from 24.8 million euros for 2013 to 22.8 million euros for 2014. Expressed as a percentage of revenue, EBIT represented 15.4% of 2013, compared to 13.8% of 2014. This decrease in EBIT was primarily due to the decrease by 1.9 million euros in EBITDA.

9.2.4 Analysis of the financial position of the GERS Activities and Reconciliation division

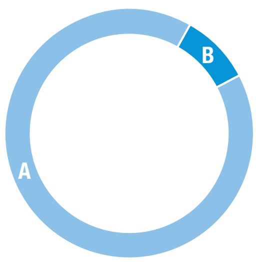
2014 Key Data		
Revenue	€32.9m	Revenue increased by €0.9m
EBITDA	€(2.7)m	EBITDA increased by €4.1m
EBIT before special items	€(4.4)m	EBIT before special items increased by €4.0m

Revenue for the *GERS Activities and Reconciliation* division increased by 0.9 million euros, or 2.8%, from 32.0 million euros for 2013 to 32.9 million euros for 2014. There were no disposals or acquisitions and excluding the minimal unfavorable foreign currency translations, revenue increased by 2.9%.

The division's main source of revenue growth was the continued development of sales statistics for pharmaceutical products.

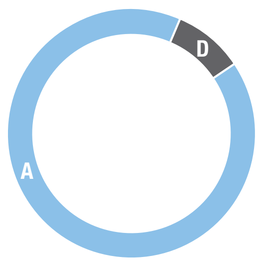
Expressed as a percentage of total revenue, revenue for the GERS Activities and Reconciliation division represented 6.7% of 2014, compared to 6.6% of 2013.

Geography



A	France	91.0 %
B	EMEA excl. France	9.0%
C	Americas	-
D	APAC	-

Currency



A	EUR	91.0%
B	USD	-
C	GBP	-
D	Others	9.0%

EBITDA developed positively by 4.1 million euros, or 60.4%, from a loss of 6.7 million euros for 2013 to a loss of 2.7 million euros for 2014. Expressed as a percentage of revenue, EBITDA loss represented 21.0% of 2013, compared to 8.1% of 2014. This favorable trend in EBITDA reflects the gradual return to breakeven at *GERS activities*, sales statistics for pharmaceutical products.

EBIT before special items (Operating income before special items) developed positively by 4.0 million euros, or 47.7%, from a loss of 8.3 million euros for 2013 to a loss of 4.4 million euros for 2014. Expressed as a percentage of revenue, EBIT loss represented 26.0% for 2013, compared to 13.2% for 2014. This positive trend in EBIT before special items was primarily due to the favorable trend of 4.1 million euros in EBITDA.

9.2.5 Comments on the Cegedim Group consolidated balance sheet

SUMMARIZE CONSOLIDATED BALANCE SHEET

In millions of euros	Note	December 2014	December 2013	Change
ASSETS				
Goodwill		175.4	528.5	(66.8)%
Tangible, Intangible assets		125.8	256.2	(50.9)%
Long-term investments	(a)	12.2	14.0	(12.5)%
Other non-current assets	(b)	36.4	66.0	(44.8)%
Accounts receivable current portion		127.3	230.0	44.7%
Cash & Cash equivalents		44.0	67.0	34.2%
Other Current assets		43.3	59.6	(27.4)%
Assets held for sale		584.9	-	-
TOTAL ASSETS		**1,149.2**	**1,221.2**	**(5.9)%**
LIABILITIES				
Long-term financial liabilities	(c)	476.0	513.6	(7.3)%
Other non-current liabilities		35.5	48.3	(26.5)%
Short-term liabilities	(c)	72.2	24.6	+193.9%
Other current liabilities	(d)	166.8	288.8	(42.2)%
TOTAL LIABILITIES (EXCLUDING SHAREHOLDERS' EQUITY)		**931.2**	**875.4**	**+6.4%**
SHAREHOLDERS' EQUITY	(e)	**218.1**	**345.8**	**(36.9)%**
LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE		**180.6**	**-**	**-**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	(e)	**1,149.2**	**1,221.2**	**(5.9)%**

(a) Excluding equity shares in equity method companies.
(b) Including deferred tax for €42.1 million for December 31, 2013 and €10.6 million for December 31, 2014.
(c) Long-term and short-term liabilities include liabilities under our employee profit sharing plans in the total amount of €9.2 million for December 31, 2013 and €8.3 million for December 31, 2014.
(d) Including "tax and social liabilities" for €69.2 million for December 31, 2014 and €124.8 million for December 31, 2013. 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 €0.1 million for December 31, 2014 and €0.4 million for end of December 31, 2013.

NET FINANCIAL DEBT [f]

In millions of euros	Note	December 2014 IFRS 5	December 2014 Non IFRS 5	December 2013
Long-term debt		476.0	476.9	513.6
Short-term debt		72.2	72.4	24.6
Gross financial debt	(f)	**548.2**	**549.3**	**538.2**
Cash & Cash equivalent		44.0	105.1	67.0
NET FINANCIAL DEBT	(f)	**504.2**	**444.2**	**471.2**
Equity		218.1	218.1	345.8
GEARING	(g)	**2.3**	**2.0**	**1.4**

(f) Gross financial debt equal total debt minus the profit sharing for €8.2 million and others for €0.1 million as of December 31, 2014.
(g) Net financial debt on Total equity ratio.

Consolidated total balance sheet amounted to 1,149.2 million euros at December 31, 2014, a 5.9% decreases over December 31, 2013.

Goodwill on acquisition was 175.4 million euros at December 31, 2014, compared with 528.5 million euros at the end of 2013. This 353.1 million euros decrease is chiefly attributable to an impairment of goodwill of 218.9 euros and a 201.8 million euros reclassification as "Assets held for sale" partiality offset by a 62.7 million euros positive impact form foreign currency mainly due to a reinforcement of the Euro compared to the US dollar and the sterling. Goodwill on acquisition represents 15.3% of the total balance sheet on December 31, 2014, compare to 43.3% on December 31, 2013.

Tangible and intangible assets amount to 125.8 million euros at December 31, 2014, compared to 256.2 million euros at the end of 2013, a decrease by 130.4 million euros, or 50.9%. Tangible assets decrease by 11.6 million euros, down 35.8% compared to December 31, 2013. From 32.3 million euros for 2013 to 20.7 million euros for 2014. On the other hand, intangible assets decreased by 118.9 million euros, down 53.1% compared to December 31, 2013, direct impact of the disposal of the *CRM and Strategic Data* division to IMS Health. Tangible and intangible assets represent to 10.9% of total assets at December 31, 2014 compared to 21.0% at December 31, 2013.

Accounts receivable-short-term portion decrease by 102.7 million euros, or 44.7%, from 230.0 million euros at end of December 2013 to 127.3 million euros at the end of December 2014. This decrease is mainly due to the 115.2 million euros restatement into "assets of activities held for sale".

Cash and cash equivalent came to 44.0 million euros at December 31, 2014, down 22.9 million euros compared with December 31, 2013. This decrease reflects the direct impact of the disposal of the *CRM and Strategic Data* division to IMS Health. Cash and cash equivalent came to 3.8% of total assets at end of December 2014 compared to 5.5% in 2013. Please note that net cash amounted to 38.7 million euros.

Long-term financial liabilities came to 476.0 million euros at December 31, 2014 down 37.6 million euros, or 7.3%, compared with December 31, 2013. This decrease reflects primarily the maturity evolution of the 2015 bonds of 62.6 million euros partially offset by the last April refinancing that translate by an increase of the long-term debt of 19.0 million euros. Long-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 6.2 million euros at end of December 2014.

Short term debts increased by 47.6 million euros, or 193.9%, to 72.2 million euros at December 31, 2014. This increase reflects primarily the maturity evolution of the 2015 bonds of 62.6 million euros and the evolution of overdraft facilities.

Short-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 2.0 million euros at end of December 2014.

Total financial liabilities amounted to 548.2 million euros, an increase of 10.0 million euros. Total net financial debt amounts to 504.2 million euros, an increase of 32.9 million euros compared twelve months earlier. This represents 231.2% of equity as of December 31, 2014 compared to 136.3% as of December 31, 2013. Long-term and short-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of 8.2 million euros and 0.1 million euros of others liabilities at end of December 2014. Thus the net financial liabilities amount to 495.8 million euros. It should be noted that following the disposal of the *CRM and strategic data* division to IMS Health, that will probably take place in early of the second quarter 2015, the pro forma net debt adjusted of 385 million euros of proceed will represents 54.7% of equity as of December 31, 2014.

Shareholders' equity decrease by 127.8 million euros or 36.9% to 218.1 million euros at December 31, 2014, compared to 345.8 million euros at the end of 2013. This decrease reflects the impairments of goodwill on assets held for sale. Total shareholders' equity came to 19.0% of total assets at end of December 2014 compared to 28.3% one year earlier.

Assets held for sale amounted to 584.9 million euros at December 2014. This represents 50.9% of the total assets.

Liabilities associated with assets held for sale amounted to 180.6 million euros at December 2014. This represents 15.7% of the Total Liabilities & shareholders' equity.

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 note 28 of the Financial Statement included in section Consolidated Financial Statement as of December 2014.

The table below sets out Cegedim's principal financing arrangements as of December 31, 2014.

In million of euros	Total	1 year	Less Than 1-5 years	More than 5 years
Bond 2020	425.0	-	-	425.0
Bond 2015	62.6	62.6	-	-
Revolving credit facility	0.0	-	0.0	-
FCB Loan	45.1	-	45.1	-
Overdraft Facilities	5.4	5.4	-	-
TOTAL	**538.1**	**68.0**	**45.1**	**425.0**

As of December 31, 2014, the Group's confirmed credit lines amounted to 80 million euros, of which 80 million euros are undrawn.

9.2.6 Discontinued activities (the CRM and strategic data division)

Revenue amounted to €429.8 million in 2014, up 0.9% on a reported basis compared to one year earlier. EBIT before special items came to €45.3 million, up €5.1 million compared to the same period last year. Thus the EBIT margin before special items came to 10.5% compared to 9.4% a year earlier.

This increase is attributable to the growth in OneKey activities in all of the geographic regions where it is present,, Compliance activities chiefly in Europe, and Market research, mainly in the US, France and Southern Europe. It is worth noting the positive momentum at the Mobile Intelligence's activity, and that the Sanofi Group has extended its supply contract with Cegedim through April 2017.

Following the disposal of this division to IMS Health, an impairment of €218.9 million has been recorded in order to reflect the estimated loss on capital gain from this disposal. Consolidated net profit from discontinued activities amounted to a loss of €190.3 million.

Assets held for sale amounted to €584.9 million at December 2014. This represents 50.9% of the total assets.

Liabilities associated with assets held for sale amounted to €180.6 million at December 2014. This represents 15.7% of the Total Liabilities & Shareholders' Equity.

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 before special items;
- 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.

10

CASH AND CAPITAL

10.1 CEGEDIM SA

Shareholders' equity was 57.5 million euros at December 31, 2013, compared with 259.2 million euros at December 2014. The decrease reflects the decrease in profit and other reserves over the period. Following the provision of 211.8 million euros for equity investments after accepting the offer to sell the CRM and Strategic Data division to IMS Health. Other factors remained stable from 2013 to 2014.

Financial liabilities showed an increase to 597.3 million euros, compared with 591.9 million euros for the previous fiscal year. Considering the positive cash position, net financial debt increase over the period and stood at 596.0 million euros, compared to 589.4 million euros at the end of 2013.

10.2 CEGEDIM GROUP

10.2.1 Cegedim shareholders' equity

The consolidated shareholders' equity totaled 218.1 million euros at December 31, 2014, compared with 345.8 million euros at December 31, 2013. This decrease reflect mainly the impairment of goodwill of 218.9 million euros on assets held for sale. Total shareholders' equity came to 19.0% of total assets at end of December 2014 compared to 28.3% one year earlier.

The portion of equity relating to minority interests is 0.1 million euros at December 31, 2014, compared to 0.4 million euros at December 31, 2013.

10.2.2 Borrowing terms and Cegedim financing structure

Financial liabilities payable in less than one year amounted to 72.2 million euros, and liabilities payable in more than one year came to 476.0 million euros, i.e. a total of 548.2 million euros at December 21, 2014, compared to 538.2 million euros at December 31, 2013. This represented a 10.0 million euros increase.

Considering the positive cash position, the Group's net financial debt amounted to 504.2 million euros at December 31, 2014 compared to 471.2 million euros at the end of 2013, a 32.9 million euros increase. It represents 2.3 times the amount of shareholders' equity as December 31, 2014, compared with 1.4 times as of December 31, 2013.

The Group's operating cash flow before the cost of net financial debt and debt is 141.3 million euros at December 31, 2014, compared to 152.6 million euros at December 31, 2013.

On December 9, 2011, Cegedim SA concluded a deconsolidation transaction with Eurofactor relating to the assignment of receivables for 14.2 million euros as of December 31, 2014, compared to 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	Full Year 2013	Full Year 2014
Gross cash flow	(a)	152.6	141.3
Tax paid		(12.5)	(13.7)
Changes in working capital		9.4	11.4
Net cash provided by (used in) operating activities		149.6	139.0
Of which net cash provided by (used) opertaing activities held for sale		*82.3*	*79.9*
Net cash provided by (used in) investing activities		(72.4)	(75.5)
Of which net cash provided by (used in) investing activities held for sale		*(31.3)*	*(28.8)*
Net cash provided by (used in) financing activities		(42.7)	(26.0)
Of which net cash provided by (used in) financing activities held for sale		*(3.5)*	*(1.3)*
Total cash flows		34.4	37.5
Incidence des variations de cours des devises		(1.7)	8.0
CHANGE DUE TO EXCHANGE RATE MOVEMENTS		**21.5**	**54.2**
NET CASH AT THE BEGINNING OF THE PERIOD		**54.2**	**99.7**

(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 decreased by 10.6 million euros from 149.6 million euros in 2013 to 139.0 million euros in 2014. This decrease reflects a lower tax credit partially offset by a decrease in working capital requirement and in the cost of net financial debt.

Net cash flow used in investing activities increased by 3.0 million euros from an outflow of 72.4 million euros in 2013 to an outflow of 75.5 million euros in 2014. This increase was mainly due to a decrease in disposals of tangible and intangible assets in 2014 compared to 2013 of 3.7 million euros. On the scope of activity held for sell the net cash flow used in investing activities decreased by 2.5 million euros from 31.3 million euros to 28.8 million euros.

Net cash flow used in financing activities amounted to an outflow of 26.0 million euros in 2014, a decrease of 16.7 million euros compare to 2013.This increase is mainly due to the positive impact of 8.7 million euros from bond refinancing that occurred in spring 2013 and 2014 and from the decrease of 4.0 million euros in interest paid on debt. On the scope of activity held for sell the net cash flow used in financing activity decreased by 2.2 million euros from an outflow of 3.5 million euros to an outflow of 1.3 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 11.4 million euros at end of December 2014 compared to end of December 2013. This lower requirement is mainly due to an increase of 13.0 million euros in inventories, accounts receivables and other receivables and a decrease of 24.3 million euros in accounts payable and other liabilities. Total working capital requirement at end of December 2014 and 2013 was respectively 0% and 1.8% of revenues.

Capital expenditures

		Full Year		
In millions of euros	Note		2014 Non IFRS 5	2014 IFRS 5
Capitalized R&D		46.9	49.3	23.3
Maintenance capex		14.6	15.2	13.7
Assets used by Cegelease	(a)	10.1	11.3	11.3
TOTAL CAPITAL EXPENDITURES		**71.6**	**75.8**	**48.3**

(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 (Assets used by *Cegelease* for lease agreements and not transferred to banks). 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 2014, on the scope of the entire Group, capital expenditures were 75.8 million euros, consisting of 49.3 million euros of capitalized R&D, 15.2 million euros in maintenance capex, 11.3 million euros of assets used for lease agreements by Cegelease not transferred to banks. As a percentage of total Group revenue, capital expenditures amounted to 8.3% of 2014. On the scope of continuing activities, capital expenditures were 48.3 million euros, consisting of 23.3 million euros of capitalized R&D, 13.7 million euros in maintenance capex, 11.3 million euros of assets used for lease agreements by Cegelease not transferred to banks. As percentage revenue from continuing activities, capital expenditures amounted to 10.4% of 2014.

The payroll expenses for the R&D workforce represent the majority of the total R&D costs and amounts approximately for 2014 to around 6.3% of total revenue and 6.4% of revenue from continuing activities. 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 fiscal year ended December 31, 2014, on the scope from continuing activities, 23.3 million euros of R&D costs were capitalized. This amount came in reduction of payroll costa and externals expenses. 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 and from Change due to currency exchange rate movements leaded to a positive 45.5 million euros change of cash at end of 2014, of which 3.8 million euros were a positive impact resulting from currency exchange rate movements.

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 chapter 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 OPERATIONS 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 during the FY 2014 have been capitalized in the statutory financial statements for 25.8 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 laboratory sales forces, by focusing on the functions enabling the optimal deployment of the solution and its configuration. A major effort was also made in respect of the *OneKey* database offerings, the cornerstone of the Group's applications.

As co-coordinator of all of the CRM and strategie data's research and development projects, Cegedim continues to promote 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 offerings based on a budget that is relatively comparable each year.

11.2 RESEARCH AND DEVELOPMENT OPERATIONS AT THE CEGEDIM GROUP LEVEL

Research costs 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 is demonstrated, and the Group has the intention, and the financial capacity, to complete the project and to utilize or sell the products resulting from such project;
- the project being developed is likely to generate future economic benefits for 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.

Capitalized development costs recorded in the consolidated financial statements in 2014 amounted to 49.3 million euros, of which 23.3 million euros for discontinued activities. These discontinued activities are registered according to IFRS 5 (cf chapter 9.2.1 and 20). This amount should not be compared with that shown for Cegedim SA. The consolidated financial statements are in fact established according to IFRS 5, which is not the case for the separate financial statements of 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 carried out by the Group involve the "Healthcare Professionals" division for 12.5 million euros, the "Insurance and Services" division for 10.2 million euros, and the "GERS Activities and Reconciliation" division for 0.7 million euros. The projects underway have an average amortization duration of five years, however, some projects are amortized over a period of from 7 to 15 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 services marketed (the cost is allocated to expenses for the fiscal year).

In total, the Cegedim Group allocates approximately 5.4% and 4.7% of its consolidated revenue to research and development respectively for discontinued activities and continuing activities – although this figure does not represent a target.

See also chapter 4 relating to intellectual property.

12

INFORMATION ON TRENDS

The trends applicable at the beginning of 2015 do not show any major differences with those seen during the 2014 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 healthcare economy means that the Group is obliged to make a number of changes across its business sectors.

OPERATING REVENUES AND PRICING POLICY

Cegedim's activity is essentially affected by changes affecting the world healthcare players which are the Group's main clients. The principle impacts are along the lines of: regulations, the economy, technology, demographics, and behavior.

The Group benefits from government healthcare reforms, new ways in which healthcare is delivered, rapid development of new technologies, and changes in relationships between world healthcare players. Lastly, it benefits from the increase in healthcare expenditures, as a result of the aging population and the development of chronic illnesses in the countries where the Group carries on its business activities. This is something which requires the development of management tools for the monitoring of a patient and his medical records, as well as putting into place tools for the coordination of care between healthcare professionals.

The Group also benefits from the growing complexity of medical knowledge, which requires the development of knowledge bases on products and therapeutics, and to equip itself with prescribing and issuance software, including management of prescription guidelines. Lastly, the Group is rolling out a strategy for connected objects, telemedicine, future office biological checks, and rehabilitation tools. Cegedim's products and services also address remuneration policies on healthcare objectives.

The businesses tied to health insurance fall within the framework of the regulatory changes of new insurance contracts (ACS, ANI, responsible contracts) and of the generalization and automation of third-party payer processes (control of online rights, online invoicing and payment).

The Group also pairs the transformation of the economic model of administrative businesses with the digital revolution, and the complexification in human resources management with the handling of training, work-time management, talent management, paperless environment, management of supplemental health, and retirement supplements.

The Group does not foresee any significant changes in its pricing policy, and is exposed to general factors which remain relatively unchanged for the start of 2015. 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 2015, salary changes will be individualized.

The Group is continuing to focus strongly on research and development, so that it may continue to offer solutions adapted to demand and the changing economic model of its clients.

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 2015, Cegedim anticipates consolidated revenue from continuing activities to grow by 1%, excluding the impact of acquisitions and currencies, and anticipates consolidated EBIT before special items from continuing activities to grow by more than 5%.

The Group does not anticipate any significant acquisitions for 2015.

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 affecting Cegedim, please see Chapter 4, "Risk factors".

13 Profit projections or estimates

14

ADMINISTRATIVE AND MANAGEMENT BODIES

14.1 NAME, BUSINESS ADDRESS, AND RESPONSIBILITIES OF THE CORPORATE OFFICERS

14.1.1 Composition of the Board of Directors

The members of the Board of Directors during the 2014 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, represented since September 20, 2013 by Anne-Sophie Hérelle.

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 of the Board	Company	Term	Start	End
Jean-Claude Labrune	Cegedim	Director of the Board	04/12/1989	-
		Managing Director	12/20/1989	-
		Chairman & CEO	08/18/1994	-
	FCB	Chairman (SAS)	06/24/2005	02/05/2013
		Chairman of Supervisory Board	02/05/2013	-
	JCL	Manager	11/30/1994	-
Pierre Marucchi	Cegedim	Representative of FCB on the Board of Directors	04/12/1989	-
		Deputy Managing Director	04/23/2002	-
	IRIS	Manager	1997	-
	Marucchi SAS	Chairman	11/08/2010	
	Chebranmic	Chairman	06/29/2007	
Laurent Labrune	Cegedim	Director of the Board	04/18/2001	-
	FCB	Director of the Board and Deputy Managing Director	11/21/2005	02/05/2013
		Member of the Executive Board	02/05/2013	
Aude Labrune-Marysse	Cegedim	Director of the Board	04/27/2007	-
	FCB	Director of the Board and Deputy Managing Director	11/21/2005	02/05/2013
	FCB	Chairperson of the Executive Board	02/05/2013	

Additionally, Jean-Claude Labrune holds a variety of offices at French and international Cegedim Group subsidiaries:

- 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 various offices at French and international Cegedim Group subsidiaries:

- Director of the Board of Cetip and Reportive;
- Member of the FCB Supervisory Board;
- FCB permanent representative on the Board of Directors of Cegedim and of CHS on the Board of Directors of AspLine;
- Chairman of the following SASs: CSD France, CDS, Cegedim Ingénierie, Chebranmic, DRE, Incams, Cegedim Logiciels Médicaux France, Marucchi, RM Ingénierie, Cegedim Assurances, Cegedim Healthcare Software, Cegedim Software, Cegedim Kadrige, Cegedim Dynamic Framework, Cegedim IT, I-Assurances, Cegedim Secteur 1;
- Managing Director of Cegedim SRH;
- Deputy Managing Director of Reportive;
- Manager of Amix, IRIS, Resip and Cegedim SRH Montargis;
- Chairman of Croissance 2006, Cegedim Italia, Cegedim Switzerland, Stacks Consulting e Ingeniera de Software (Spain), Stacks Servicios Tecnológicos (Spain), Cegedim USA, Cegedim Inc. (USA), Cegedim İş Çözümleri Araştırma ve Danışmanlık Ticaret A.S (Turkey);
- Vice-President of Cegedim Hispania;
- Deputy Director of Cegedim Belgium, Cegedim Strategic Data Belgium, Stacks Servicios Tecnológicos (Chile) and OEPO (Belgium);
- Manager of Health Data Management Partners (Belgium), Icomed Belgium, Millenium (Italy), Cegedim Nederland, Pembroke Fitzwilliam Investment (Ireland), Pembroke European Holding (Ireland), 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), Cegedim World International Services Ldt (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 of Cegedim SRH SAS;
- Permanent representative of Alliadis on the Board of Directors of ASPLine;
- 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.S (Turkey);
- Manager of Cegedim Australia, Cegedim China, Cegedim K.K. (Japan), Cegedim CZ (Czech Republic), 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 the Board of Cetip;
- Managing Director of SCB SAS;
- Manager of Santestat.

Director of the Board	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 Développement	Member of the Office of the Board and of the Board of Directors	09/15/2006	12/31/2014
	Fonds Innobio	Chairman of the Strategy Committee	02/01/2011	01/01/2012
	GIE-GERS	Chairman	02/01/2012	-
	Fondation Paris-Diderot	Member of the Board of Directors	01/31/2012	-
	Sanofi-Aventis France	Director of the Board (as an individual)	05/03/2012	-
	Fondation Université de Bordeaux	Chairman of the Strategy Committee	01/02/2015	-
Jean-Louis Mery	Cegedim	Representative of AHF on the Board of Directors	May 2003	09/23/2010
		Director of the Board	01/08/2010	-
Jean-Pierre Cassan	Cegedim	Director of the Board	01/08/2010	-
	Eratos	Manager	05/25/2004	-
Valérie Raoul-Desprez	Cegedim	Director of the Board	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	-
	Alliance Healthcare IT Services (formerly, Pharmology.com)	Director of the Board	July 2000	-
	Alliance Healthcare Deutschland (formerly, “Anzag GmbH”)	Director of the Board	July 2011	-
Anne-Sophie Hérelle	Cegedim	Representative of Bpifrance Participations on the Board of Directors	09/20/2013	-
	NGE	Member of the Strategic Council	9/28/2011	6/30/2015
	Novasep Holding SAS	Member of the Supervisory Board	11/18/2013	-
	CDC Entreprises Capital Investissement	Board Director	3/24/2011	12/31/2013
	HIME	Member of the Investment Committee	3/1/2013	7/31/2013
	Altia Industry	Board Director	5/28/2014	6/30/2017
	Altrad Investment Authority	Board Director	9/16/2011	8/31/2016
	CDC Entreprises Capital Investissement	Board Director	12/31/2013	6/30/2018
	Cylande	Board Director	12/20/2011	6/28/2019
	Eutelsat Communication	Board Director	11/8/2011	12/31/2017
	Farinia	Board Director	4/27/2009	9/30/2015
	FT1CI	Board Director	3/15/2011	6/30/2015
	G2 Mobility	Board Director	5/17/2013	5/17/2015
	Gruau	Board Director	10/4/2012	6/30/2016

Director of the Board	Company	Term	Start	End
	HPC	Board Director	4/24/2014	10/24/2014
	Isorg	Board Director	7/16/2014	6/30/2017
	Limagrain (CGH)	Board Director	11/2/2014	6/30/2017
	Metnext	Board Director	6/19/2014	-
	Novasep Holding SAS	Member of the Supervisory Board	11/18/2013	-
	NTL Holding	Board Director	6/18/2012	4/30/2015
	Orange	Board Director	5/28/2013	6/30/2017
	Paprec Holding	Board Director	11/9/2012	6/30/2015
	Poxel	Board Director	7/25/2014	7/25/2017
	Stentys	Board Director	3/27/2013	6/12/2014
	Soitec	Board Director	7/2/2013	7/31/2017
	Soprol	Board Director	5/13/2011	6/30/2014
	Tinubu Square	Board Director	10/28/2011	6/24/2017
	Tokheim Luxco (Luxembourg)	Board Director	April 2010	-
	Tokheim Luxco 2 (Luxembourg)	Board Director	April 2010	-
	Tyrol Acquisition 1 (Luxembourg)	Board Director	4/23/2010	6/30/2014
	Tyrol Acquisition 2 (Luxembourg)	Board Director	4/23/2010	6/30/2014
	Vexim	Board Director	5/21/2014	6/30/2018
	Viadéo	Board Director	4/26/2012	6/30/2019
	VIT	Board Director	7/15/2014	7/15/2017
	AD Industrie	Member of the Corporate Governance Committee	12/7/2011	12/31/2019
	Crystal	Member of the Supervisory Board	6/30/2011	6/30/2016
	De Dietrich	Member of the Supervisory Board	10/7/2011	10/6/2017
	Fidec	Member of the Monitoring Committee	7/27/2010	7/23/2015
	Financière du Millénium	Member of the Supervisory Board	10/4/2012	6/30/2016
	Grimaud	Member of the Supervisory Board	11/26/2010	6/30/2016
	Inside Secure	Member of the Supervisory Board and of the Audit Committee	10/1/2010	6/30/2014
	Mäder	Member of the Supervisory Board	9/2/2010	6/30/2017
	Mecachrome	Member of the Supervisory Board	1/7/2014	indefinite
	Mersen	Member of the Supervisory Board	10/30/2013	6/30/2015
	Neoen	Member of the Supervisory Board	6/17/2014	6/30/2017
	Vergnet	Member of the Supervisory Board	5/25/2011	6/30/2015
	Voluntis	Member of the Supervisory Board	1/4/2014	4/4/2020
	Avanquest	Non-voting director	7/28/2010	7/31/2014
	Cerenis	Non-voting director	7/20/2010	12/31/2021
	Financière Carso	Non-voting director	10/4/2011	1/27/2014
	Groupe Gorgé	Non-voting director	6/8/2012	6/30/2017
	Innate Pharma	Non-voting director	6/29/2011	6/30/2014
	Meca Dev	Non-voting director	2/10/2010	-
	Qosmos	Non-voting director	7/28/2011	6/30/2015
	Siclaé	Non-voting director	2/7/2011	1/1/2014
	Valneva	Non-voting director	7/5/2013	6/30/2016
	Vittal Finances	Non-voting director	6/20/2012	-

Director of the Board	Company	Term	Start	End
	Withings	Non-voting director	11/26/2013	-
	Assystem	Member of the Supervisory Board	11/4/2009	2013
	HIME	Board Director	10/14/2009	2013
	SuperSonic Imagine	Board Director	3/22/2013	5/28/2013
	Dailymotion	Non-voting director	10/30/2009	2012
	Tokheim Group	Non-voting director	10/22/2012	10/30/2013
	Windhurst	Board Director	2/10/2011	2013

14.1.2 Experience of Board Directors

- Jean-Claude Labrune is a graduate of the École Nationale Supérieure des Arts et Métiers. During his years of experience 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 École Nationale Supérieure des Télécommunications, Stanford University (USA) and the Centre d'Études Supérieures Bancaires. He is also a member of the Institut des Actuaires Français. 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 École 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 post-graduate degree in international tax law. She joined Cegedim in 1999; then took over the Directorship 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, as 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.
- The Alliance Healthcare France company, a subsidiary of one of the major pharmaceutical wholesalers in Europe, Alliance Boots, also gives Cegedim the benefit of its in-depth knowledge of 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 fully owned subsidiary of Bpifrance, which is itself 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 then Chairman of Alliance Healthcare France.
- Jean-Pierre Cassan, an independent Board Director, Corresponding Member of the Société Française de Cardiologie, Manager of Eratos Santé SARL, Jean-Pierre Cassan is the Honorary Chairman of Companies du Médicament (LEEM) and of the Fédération Française des Industries de Santé (FEFIS), former Vice-Chairman of the Supervisory Committee of Inserm-Transfert, and Chairman of its Strategic Committee. Former Director of Fondation Cœur à Recherche. Former Chairman & CEO of Astra France, then of Astra Zeneca France. Former Director of Afssaps.Former Vice-President of the Institut de Formation des Industries de Santé (IFIS) [Health Industries Training Institute]. Honorable Member of the Collège des Pneumologues des Hôpitaux Généraux (CPHG) [College of Lung Specialists of General Hospitals].
- Valérie Raoul-Desprez is a graduate of ESCP and has more than 25 years of financial experience in an international setting and a solid knowledge of the pharmaceutical, 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 Statement

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 bodies;
- no member of the administrative and management bodies has been prevented by a court from acting in his capacity as a 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 Shares

During the course of fiscal year 2014, the Company acquired 6,912 treasury shares in the framework of plans for the allocation of free shares (see chapter 15.3). The Company transferred, in the framework of the free share plans, 34,150 treasury shares. The Company did not proceed with any transaction for the assignment of treasury shares in 2004, apart from the allocation of free shares.

The Company has set up a liquidity contract with Kepler Cheuvreux of 500,000 euros. At December 31, 2014, the contract involved 1,600 Cegedim shares and 399,905.42 euros in cash.

At December 31, 2014, the Company held 15,527 treasury shares.

Transactions on shares held by corporate officers

Here is a summary statement, to the best knowledge of the Company, of the share transactions of corporate officers over the period running from the 1st of January, 2014, to December 31, 2014:

	Number of shares purchased	Number of shares sold
Jean-Claude Labrune	-	-
FCB	-	-
Laurent Labrune	-	-
Aude Labrune	-	-
Pierre Marucchi	1,274	-
GIE-GERS	-	-
Philippe Tcheng	-	-
Alliance Healthcare France	-	-
Anthony Roberts	-	-
Jean-Pierre Cassan	-	-
Jean-Louis Mery	-	-
Bpifrance Participations	-	-
Anne-Sophie Hérelle	-	-
Valérie Raoul-Desprez	-	-
TOTAL	**1,274**	**-**

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: shareholder and member, with one seat, on Cegedim's Board of Directors;
- GIE GERS: member, with one seat, on Cegedim's Board of Directors.

Contracts with the Alliance Healthcare France and GIE GERS groups were entered into under normal market conditions and represent respectively, revenue amounts less than 0.2% and 0.2% of the Company's consolidated revenue on the basis of the 2014 IFRS 5 revenue.

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, new internal rules of procedure. These internal rules of procedure set, inter alia, the rules governing its composition, aims, functioning, and responsibilities.

Certain important decisions of the Board of Directors (in particular, dissolution or liquidation of Cegedim, issuance of securities, investments, additional debt, agreement referred to in article L. 225-38 of the Code of Commerce, recalling of any member of the Board of Directors appointed upon the proposal of Bpifrance Participations, determination of the annual indicative budget) are taken upon a qualified majority 6/10 vote, including at least one Director of the Board representing Bpifrance Participations, it being specified that the rights of Bpifrance Participations shall be reduced in the event of a reduction in its equity or voting rights.

With regard to the determination of the indicative annual budget mentioned above, Bpifrance Partipications, in particular, has a stronger right of consultation under which, in the event of persistent disagreement between Bpifrance Participations 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 Participation'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 consists of four members of the Board of Directors, including one independent member. The members of the Audit Committee are as follows: 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 Financial Director and the Director of Investments are asked to participate in each meeting of the Audit Committee, as well as the Auditors of the Cegedim Group.

The Audit Committee assists the Board of Directors in ensuring that the Company's individual 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 individual financial statements;
- monitoring the preparation process for financial information;
- the review of the commitment to sell in the sales contract with IMS Health;
- review of the draft agreement for a partial asset contribution to the subsidiary Cegedim Secteur 1;
- the review of the five-year business plan and Cegedim SA forecasted statements;
- review of the Group's financial strategy, especially in regard to refinancing the debt;
- monitoring compliance with rules of independence and objectivity for Auditors.

The Audit Committee meets at least twice each year, prior to the approval of the Company's interim and annual financial statements. The Audit Committee met six times during the course of the 2014 fiscal year, on the dates of March 3, 2014 (by telephone), March 6, 2014, May 23, 2014, June 26, 2014 (by telephone), September 15, 2014, and November 25, 2014.

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 2013 and the interim financial statements for 2014, the Audit Committee reviewed financial reports and other related financial information, following consultation with the Auditors and examination of the Auditors' Reports;
- it examined the various press releases on quarterly revenue, and annual and interim earnings, as well as the various documents of such earnings for presentation to financial analysts;
- operation of the information system: Uniformity of systems between the different entities of the Group; description of the reporting process; required time frames for making monthly financial information available;

The Appointments Committee

The Cegedim Appointments Committee is made up of three members of the Board of Directors, including one independent Director of the Board. The members of the Audit Committee are as follows: Mr. Jean-Claude Labrune, Chairman, Ms. Valérie Raoul-Desprez and Mr. Jean-Pierre Cassan, as the independent Director of the Board.

The main duties of the Appointments Committee are to examine the following matters and to 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 Board Directors by carrying out its own research into potential candidates before making any approaches to the latter;
- formulate a succession plan for executive officers so that proposals for succession can be made to the Board of Directors in the event of an unforeseen vacancy.

The Appointments Committee meets at least once a year, prior to the Board meeting that convenes the Annual General Meeting, and approves the meeting agenda. In 2014, the Appointments Committee met once during the course of the past fiscal year, on March 7, 2013.

In the course of its meetings, the Appointments Committee examined, in particular, its working methods and procedures.

The Compensation Committee

The Compensation Committee is made up of three Directors. M. Jean-Pierre Cassan (Independent Director and Chairman of the Compensation Committee), Ms. Aude Labrune-Marysse and Mr. Jean-Louis Mery.

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 in such regards, 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 convenes the Annual General Meeting, and approves the meeting agenda. In the past fiscal year, the Compensation Committee met twice, on March 7 and on June 18, 2014.

The Strategy Committee

The Strategy Committee is made up of three Directors. The Chairman of the Board chairs the Strategy Committee: Mr. Jean-Claude Labrune, Chairman, Mr. Laurent Labrune and Ms. Anne-Sophie Hérelle.

The Strategy Committee proposes Company development priorities to the Board and identifies potential targets.

It usually meets twice a year. In the past fiscal year, the Strategy Committee met twice, on March 7 and September 27, 2014. Over the course of this meeting, the Strategy Committee examined in particular, its working methods and procedures.

15

COMPENSATION AND BENEFITS

15.1 AMOUNT OF TOTAL COMPENSATION AND BENEFITS OF ANY TYPE PAID DURING THE FISCAL YEAR, WHETHER DIRECTLY OR INDIRECTLY, TO EACH INDIVIDUAL CORPORATE OFFICER, BY CEGEDIM AND BY ANY 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, in relation 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 2014**	**Total Compensation excluding benefits in-kind**	**Fixed portion**	**Variable portion**	**Extraordinary variable portion**	**Directors' fees**	**In-kind benefit amount**	**Type**
Jean-Claude Labrune	507,000	494,000	-	-	13,000	2,990	car
Pierre Marucchi	478,636	300,000	146,636	-	32,000	5,539	car
Laurent Labrune	536,500	236,000	262,000	25,500	13,000	7,181	car
Aude Labrune-Marysse	247,000	234,400	-	-	13,000	8,711	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 Participations.

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 current EBIT of, respectively, the Group, the CRM division, and the activities pertaining thereto.

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. This is with reference to the agreements referred to in article L. 225-38 of the Code of Commerce corresponding to current agreements entered into on normal terms. 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. For 2014, the annual invoicing amounts to 1.4 million euros. This amount corresponds to the re-invoicing of salary expenses and advisers' fees borne by FCB and attributable to Cegedim. The advisers' 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 AMOUNT OF THE SUMS SET ASIDE OR BOOKED BY THE ISSUER OR ITS SUBSIDIARIES FOR THE PURPOSES OF PAYING PENSIONS, RETIREMENT BENEFITS, OR OTHER BENEFITS

There are no specific supplemental retirement plans set up for particular corporate officers.

All the pertinent information related to calculating the provision for retirement compensation is presented in the Accounting Principles and note 16 – Retirement Liabilities – of 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.

The recommendations of November 5, 2009 and June 8, 2010 were authorized by the Extraordinary General Meeting of February 22, 2008, to grant a total 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 No. 3	Plan No. 4	Plan No. 5	Plan No. 6	Plan No. 7
Date of the General Meeting	2/22/2008	6/8/2011	6/8/2011	6/8/2011	6/8/2011
Number of shares authorized by the General Meeting	933,144	1,399,717	1,399,717	1,399,717	1,399,717
Date of the Board meeting	6/8/2010	6/29/2011	9/19/2012	6/4/2013	9/18/2014
Total number of shares than can be allocated	32,540	41,640	31,670	48,870	19,280
Number of recipients	73	85	80	108	34
Date of allocation	6/8/2010	6/29/2011	9/19/2012	6/4/2013	9/18/2014
Date of availability of free shares					
France	6/8/2012	6/28/2013	9/18/2014	6/3/2015	9/17/2016
Abroad	6/8/2014	6/28/2015	9/18/2015	6/3/2016	9/17/2017
End of retention period	6/8/2014	6/28/2015	9/18/2015	6/3/2016	9/17/2018
Shares permanently allocated	27,410	33,360	28,280	46,290	16,280
Shares permanently acquired at 12/31/2013	27,410	33,360	12,640	0	0

15.4 CEGEDIM SA DIRECTORS' FEES

A proposal will be made to the General Meeting to decide upon the total amount of Directors' fees allocated to the Board of Directors for the current fiscal year, which could be set at 120,000 euros.

16

PRACTICES OF THE 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.

Nicolas Manardo joined the Board of Directors on January 8, 2010. His term ended on September 23, 2010 when Bpifrance Participations, represented by Nicolas Manardo, took a seat on the Board. Bpifrance Participations has been represented since September 20, 2013 by Anne-Sophie Hérelle.

Jacques Henri David joined the Board of Directors on January 8, 2010. His term ended on January 31, 2013.

Valérie Raoul-Desprez was elected to the Board of Directors on January 31, 2013 to replace Jacques Henri David for the remainder of his term, i.e., the General Meeting to approve the 2015 financial statements. This co-optation 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, FCB re-invoiced 1.5 million euros of its head office expenses in 2014.

16.3 DISCLOSURES ABOUT THE AUDIT, COMPENSATION, APPOINTMENTS AND STRATEGY COMMITTEES

The Audit Committee met six times in 2014: March 3, 2014 (by telephone), March 6, 2014, May 23, 2014, June 26, 2014 (by telephone), September 15, 2014 and November 25, 2014.

The Appointments Committee met once on March 7, 2014.

The Compensation Committee met twice on March 7 and on September 18, 2014.

In the past fiscal year, the Strategy Committee met twice, on March 7 and November 27, 2014.

See also chapter 14.3 of this Registration Document.

16.4 COMPLIANCE WITH THE CORPORATE GOVERNANCE SYSTEM IN EFFECT IN FRANCE

Cegedim complies with all the provisions of French Corporate law and the French Commercial Code (Code de commerce) governing the operation and organization of its administrative and management bodies. The Company therefore considers that all the legal provisions 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 THE CONDITIONS FOR PREPARING AND ORGANIZING THE WORK OF THE BOARD OF DIRECTORS AS WELL AS THE INTERNAL CONTROL PROCEDURES IMPLEMENTED BY THE COMPANY

(Article L. 225-37 of the French Commercial Code).

Introduction

In accordance with article L. 225-37 of the French Commercial Code, as amended by financial security law No. 2003-706 of August 1, 2003, the purpose of this report is to summarize:

- 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 CEO 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 practices of the Board of Directors

Composition of the Board of Directors

The Board of Directors consisted of ten members as at December 31, 2014.

On November 5, 2009, the Company became a party to the agreement signed on October 28, 2009, between Mr. Jean-Claude Labrune, FCB and Bpifrance Participations, 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.

The Board of Directors met seven times in 2014.

In addition to 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;
- the financial statements and the budget (approval of the 2013 yearly consolidated statements, the 2014 quarterly consolidated statements and the forecasted 2014 statements), the five-year business plan. 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;
- and awards of free shares (restricted shares);
- authorization to be given as part of the sales commitment and the signing of the contract of the sales agreement with IMS Health;
- approval of the draft agreement for the partial asset contribution to the subsidiary of Cegedim Secteur 1.

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 Commercial Code, the Statutory 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 Compensation 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 reserved exclusively 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.

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 achieved and that the published figures are reliable. Its effectiveness relies on how the employees responsible for internal control conduct themselves, without any systematic guarantee that all these objectives will be met. It first ensures that management actions or the performance of operations and employee conduct are consistent with the framework defined by the applicable laws and regulations as well as the values described in the Professional Conduct Charter and the Company's standards and internal rules. It further ensures that the accounting and financial information complies with the standards in force.

The purpose of internal control within the Cegedim Group are based on the following topics:

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 preparation and disclosure 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 expansion, particularly through acquisitions, relies on its ability to identify the external growth opportunities. Here, the measures taken by Cegedim seek to accelerate the incorporation of new businesses, control the risks inherent to growth transactions, and track their performance.

The acquisition of Dendrite International Inc. in May 2007 enabled Cegedim to double its size in its core business activities. Following this major step in the Group's development, 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. 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 complies with the data protection and privacy laws 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 involves 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, General Corporate Affairs, the IT Division, the Communication Division, and the Operational Excellence unit.

In 2010, Cegedim's Board of Directors set up an Audit Committee to ensure that the accounts are accurate and reliable and that information provided is of the highest quality.

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 is 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.

Preparation of the Group's financial statements

The preparation of Cegedim Group's financial statements is based on the following components:

Centralized accounting of the companies of the Cegedim Group

The Cegedim Accounting Division prepares the statutory financial statements for the subsidiaries in the French scope 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 packages. 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 has made it possible for the Company to ensure that the financial information from foreign subsidiaries is 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.

The processes listed below help reinforce internal controls related to the processing of financial and accounting information disclosed by the Cegedim Group.

Consolidation and financial reports: the Group's consolidated financial statements and financial reporting are prepared in accordance with the International Financial Reporting Standards (IFRS), based on the accounting data compiled under the responsibility of the operational entities' managers. The IFRS Standards and IFRIC interpretations used are those adopted by the European Union. The main issues in relation to the Financial Report are subject to specific procedures. These notably include the impairment test of the assets held by the Company during each fiscal year, the assessment of the financial liquidity risk, the valuation of benefits granted to employees, the taxes and commitments not recognized in the balance sheet. The consolidated financial statements are approved and reviewed by the Audit Committee. The Group's accounts are published quarterly. They are subject to an annual audit and a half-year limited review by the Statutory Auditors of the Group.

Budget, management control: every year, each operational entity submits its strategy and annual budget for the upcoming year to General Management. Once validated, this information is integrated into the business plan submitted to the Audit Committee and the Group's General Management. Quantitative and qualitative objectives, used as a basis to assess their annual performance, are then assigned to the operational entities' managers. The budget is subject to regular follow-up items.

Investments/Disposals: all investment and disposal transactions (equity investments, launch of new business activities as well as any other financial commitment, purchase rights, real estate contract, etc.) are subject to the General Management's prior authorization. Transactions exceeding 20 million euros are submitted to the Audit Committee. The file examination and reporting are carried out by the Financial and Investment Division.

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 are regularly implemented under the direct responsibility of the Deputy Managing Director, assisted by a project manager ensuring the interface with the Accounting Department and the Management Control Department. The steps were as follows: (i) a statutory consolidation tool, (ii) an international reporting tool, and (iii) a business intelligence tool allowing analytic information to be analyzed in greater detail.

Key elements of the legal and operational control exercised by the parent company over the subsidiaries

Main disputes are directly followed up by the Group's Legal Department. General Management is kept informed at all times by the Group's Legal Department of the status and the various stages of the dispute, and regularly advises the Audit Committee.

Control of commitments

The General Corporate Affairs office of the Group's Legal Department handles the central supervision of authorizations and delegations and makes sure, when they are established, 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 representations and warranties that they contain and, where relevant, the transnational nature of the transactions 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 General 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 I27001 for its information security, and has created its own process standards, integrating the recently-introduced ISO I20000/ITIL standard for IT service management, ISO I9001 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 Type II accreditation for all of its Data Centers.

Control of operations management

Control of the Group's operations management covers three areas:

- the annual budget preparation process;
- monthly "management" reporting and presentation of annual forecasts;
- 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 to be able 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.

Ad hoc inspections

General Management decides when ad hoc inspections will be made. Other control bodies help determine which inspections should be made and what they should cover. They are also generally involved in conducting such inspections. The scope of these inspections covers all areas relating to internal control.

2015 Objectives

- continue to work at improving the Group’s operating leverage;
- maintain efforts to reduce indebtedness;
- review internal control processes to ensure their adequacy with the new Cegedim Group’s size after the disposal of CRM and strategic data business activities to IMS Health.

Boulogne-Billancourt, on March 25, 2015.

Jean-Claude Labrune

Chairman & CEO

Cegedim SA

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EMPLOYEES

17.1 CEGEDIM GROUP WORKFORCE AT THE YEAR-END

The total number of Group employees (Open-ended contracts and Fixed-term contracts) on the reporting dates for the last three fiscal years are given in the table below: On October 20, 2014, Cegedim, announced that a definitive purchase agreement has been executed for its CRM and Strategic Data division with IMS Health Inc. The transaction will take effect in the beginning of the second quarter 2015, post publication of this document. Consequently the 2014 Financial Statements are reported in compliance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. IFRS 5 outlines how to account for non-current assets held for sale. In practice, the CRM and Strategic Data division has been reported in the 2014 Consolidated Statement as discontinued operations. These adjustments are presented in the 2014 Registration Document – Consolidated Financial Statements for the year ended December 31, 2014- Notes to the Consolidated Financial Statements, note 23. Pursuant to IFRS 5, the table below identifies the employees in business activities which are held for sale (CRM and strategic data).

	12/31/2014	12/31/2013
Health Professionals	1,820	1,790
Insurance and Services	1,305	1,169
GERS and Reconciliation business activities	226	248
Total staff (IFRS 5)	3,351	3,207
Business activities held for sale (CRM and strategic data)	4,571	4,785
TOTAL STAFF	**7,922**	**7,992**

17.2 CORPORATE OFFICER'S INTERESTS IN THE CAPITAL AND STOCK OPTIONS

At December 31, 2014:

- 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 1,304 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 capital and 62.69% 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 10 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 of this Registration Document for the description of the allocated free shares).

17.3 AGREEMENT PROVIDING FOR CEGEDIM EMPLOYEE PROFIT-SHARING PLANS

There are employee profit-sharing agreements in accordance with the legal provisions with application of the ordinary law calculation formula. Upon the employee's discretion, the profit-sharing may be paid into a Mutual Fund or deposited in a current account frozen in the corporate accounts.

At December 31, 2014, the Corporate Mutual Fund consisted of 96,005 Cegedim shares, representing 0.69% of the capital.

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MAIN SHAREHOLDERS

18.1 SHAREHOLDERS

In accordance with article L. 233-13 of the French Commercial Code, 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, 2014 are shown below.

Shareholders	Number of shares held	% held	Number of single votes	Number of double votes		Total votes	% of voting rights
				Shares	Votes		
FCB	7,361,044	52.59%	33,957	7,327,087	14,654,174	14,688,131	62.69%
Bpifrance Participations	2,102,061	15.02%	1	2,102,060	4,204,120	4,204,121	17.94%
Public (1)	4,518,541	32.28%	4,499,488	19,053	38,106	4,537,594	19.37%
Cegedim (2)	15,527	0.11%	-	-	-	-	0.00%
TOTAL	**13,997,173**	**100.00%**	**4,533,446**	**9,448,200**	**18,896,400**	**23,429,846**	**100.00%**

(1) Including the investment by Walgreens Boots Alliance Inc.
(2) 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 capital or of voting rights are FCB, Bpifrance Participations 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 Participations (formerly FSI, Fonds Stratégique d'investissement) is a fully owned subsidiary of Bpifrance, which is itself 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 drive 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, 2014, FCB and Bpifrance Participations together held 67.61% of the shares of the Cegedim Group, and 80.63% 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 crossed the 5%, 10% and 15% shareholding thresholds;
- March 31, 2010: Alliance Healthcare France fell below the 10% shareholding threshold;
- December 15, 2010: Financière de l'Échiquier crossed the 5% shareholding threshold;
- April 22, 2014: Bpifrance Participations crossed the 15% threshold of voting rights as a result of double voting rights attributed to shares held for over four years;
- December 31, 2014: Walgreens Boots Alliance, Inc. announced the crossing of the 5% threshold of Cegedim's capital and voting rights, indirectly through companies it controls. This crossing of the threshold is due to Walgreens Boots Alliance, Inc.'s indirect acquisition of Alliance Boots GmbH – which holds an indirect stake in Cegedim – through AB Acquisitions Holdings Ltd. At the same time, AB Acquisitions Holdings Limited announced that it had gone under these same thresholds, indirectly, through the companies it controls, and therefore no longer held any Cegedim shares.

Bpifrance Participations' stake in Cegedim's capital had an impact upon the Company's governance. See chapter 14 of this Registration Document.

At December 31, 2013, 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	% of voting rights
				Shares	Votes		
FCB	7,361,044	52.59%	53,651	7,307,393	14,614,786	14,668,437	69.00%
Bpifrance Participations	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**	**100.00%**	**6,624,880**	**7,317,128**	**14,634,256**	**21,259,136**	**100.00%**

(1) Including the investment by Walgreens Boots Alliance Inc.
(2) Including the liquidity contract.

18.2 SPECIAL VOTING RIGHTS

See chapter 18.1 above 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 Participations and Jean-Claude Labrune, the Group has amended its governance rules. See chapter 14 of this Registration Document.

18.4 AGREEMENT WHICH MIGHT AT LATER DATE ENTAIL A CHANGE OF CONTROL

Simultaneously with the Memorandum of Understanding signed on October 28, 2009 between Jean-Claude Labrune, FCB and Bpifrance Participations, a discussion ensued on setting up a shareholders' agreement to govern the relations between the different parties to the transaction.

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 29 of the notes to the 2014 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, 2014

Balance sheet assets

In thousands of euros	12/31/2014 Net	12/31/2013 Net
GOODWILL ON ACQUISITION (NOTE 10)	**175,389**	**528,465**
Development costs	12,059	16,791
Other intangible assets	92,979	207,097
INTANGIBLE ASSETS (NOTE 6)	**105,038**	**223,888**
Land	389	389
Buildings	3,637	4,764
Other Property, Plant and Equipment	16,006	27,110
Construction work in progress	697	45
TANGIBLE ASSETS (NOTE 7)	**20,727**	**32,307**
Equity investments	704	704
Loans	2,684	2,464
Other long-term investments	8,834	10,793
LONG-TERM INVESTMENTS – EXCLUDING EQUITY SHARES IN EQUITY METHOD COMPANIES (NOTE 8)	**12,222**	**13,960**
Equity shares in equity method companies (note 9)	8,819	8,599
Government – Deferred tax (note 22)	10,625	42,121
Accounts receivable: portion due in more than one year (note 12)	15,162	14,379
Other receivables: portion due in more than one year (note 13)	1,812	894
NON-CURRENT ASSETS	**349,793**	**864,615**
Services in progress (note 11)	0	186
Goods (note 11)	8,563	10,428
Advances and deposits received on orders	77	428
Accounts receivable: portion due in less than one year (note 12)	127,264	229,958
Other receivables: portion due in less than one year (note 13)	21,931	31,972
Cash equivalents	2,416	3,515
Cash	41,619	63,458
Prepaid expenses	12,708	16,618
CURRENT ASSETS	**214,579**	**356,564**
Assets of activities held for sale (note 23)	**584,857**	**-**
TOTAL ASSETS	**1,149,229**	**1,221,179**

Balance sheet liabilities

In thousands of euros	12/31/2014	12/31/2013
Share capital	13,337	13,337
Share premium	182,955	185,562
Group reserves	157,808	214,419
Group exchange reserves	(238)	(238)
Group exchange gains/losses	63,815	(8,996)
Group earnings	(199,756)	(58,634)
SHAREHOLDERS' EQUITY, GROUP SHARE	**217,921**	**345,449**
Minority interests (reserves)	118	419
Minority interests (earnings)	24	(43)
MINORITY INTERESTS	**142**	**376**
SHAREHOLDERS' EQUITY	**218,063**	**345,825**
Financial liabilities (note 17)	476,024	513,650
Financial instruments	8,094	8,905
Deferred tax liabilities (note 22)	7,620	9,513
Provisions (note 15)	18,680	27,501
Other liabilities (note 19)	1,123	2,421
NON-CURRENT LIABILITIES	**511,541**	**561,988**
Financial liabilities (note 17)	72,192	24,564
Financial instruments	8	7
Accounts payable and related accounts	47,166	108,269
Tax and social liabilities	69,188	124,764
Provisions (note 15)	2,615	5,840
Other liabilities (note 19)	47,808	49,922
CURRENT LIABILITIES	**238,976**	**313,365**
Liabilities of activities held for sale (note 23)	**180,649**	**-**
TOTAL LIABILITIES	**1,149,229**	**1,221,179**

Income statement

In thousands of euros	12/31/2014	12/31/2013
REVENUE	**493,498**	**487,618**
Other operating income	-	-
Purchases used	(91,431)	(89,654)
External expenses (note 20) [(1)]	(125,567)	(124,031)
Taxes	(10,188)	(10,112)
Payroll costs (note 31) [(1)]	(174,254)	(169,631)
Allocations to and reversals of provisions	(4,553)	(3,504)
Change in inventories of products in progress and finished products	-	-
Other operating income and expenses	(561)	925
EBIDTA	**86,946**	**91,611**
Depreciation expenses	(37,411)	(39,674)
OPERATING INCOME BEFORE SPECIAL ITEMS	**49,534**	**51,937**
Impairment of goodwill on acquisition	-	-
Non-recurrent income and expenses	(11,045)	2,001
OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATIONS (NOTE 21)	**(11,045)**	**2,001**
OPERATING INCOME	**38,489**	**53,938**
Income from cash & cash equivalents	426	272
Cost of gross financial debt	(47,909)	(48,506)
Other financial income and expenses	(182)	(8,443)
COST OF NET FINANCIAL DEBT (NOTE 18)	**(47,665)**	**(56,677)**
Income taxes	(6,048)	(4,865)
Deferred taxes	4,610	(7,950)
TOTAL TAXES (NOTE 22)	**(1,438)**	**(12,815)**
Share of net profit (loss) for the period of equity method companies	1,194	1,228
Net profit (loss) for the period from continuing operations	(9,420)	(14,326)
Net profit (loss) for the period from activities held for sale	(190,313)	(44,351)
Consolidated net profit (loss) for the period	(199,733)	(58,677)
GROUP SHARE (A)	**(199,756)**	**(58,634)**
Minority interests	24	(43)
Average number of shares excluding treasury shares (B)	13,962,873	13,948,887
CURRENT EARNINGS PER SHARE FROM CONTINUING OPERATIONS *(IN EUROS)*	**(0.3)**	**(1.0)**
NET EARNINGS PER SHARE *(IN EUROS)* **(NOTE 26) (A/B)**	**(14.3)**	**(4.2)**
Diluting instruments	None	None
DILUTED EARNINGS PER SHARE *(IN EUROS)* **(NOTE 27)**	**(14.3)**	**(4.2)**

(1) Capitalized production is reclassified in payroll costs and external expenses items. See note 40 and note 23 regarding activities held for sale.

Statement of consolidated earnings

In thousands of euros	12/31/2014	12/31/2013
CONSOLIDATED NET PROFIT (LOSS) FOR THE PERIOD	**(199,733)**	**(58,677)**
Other items included in total earnings:		
Unrealized exchange gains/losses	72,760	(22,752)
Free shares award plan	(389)	(76)
Hedging of financial instruments (net of tax)	(587)	2,841
Hedging of net investments	-	-
Actuarial differences relating to provisions for pensions	(24)	(218)
ITEMS RECOGNIZED AS SHAREHOLDERS' EQUITY NET OF TAXES	**71,760**	**(20,206)**
Total earnings	(127,973)	(78,883)
Minority interests' share	24	(39)
GROUP SHARE	**(127,997)**	**(78,844)**

Statement of changes in consolidated shareholders' equity

In thousands of euros	Equity	Reserves tied to capital	Conso. reserves and earnings	Unrealized exchange gains/ losses	Total Group share	Minority interests	Total
Balance as at 01/01/2012	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					-		-
▪ 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 (1)					-	(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					0	(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
▪ 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
Earnings for the fiscal year			(199,757)		(199,757)	24	(199,733)
Earnings recorded directly as shareholders' equity							
▪ Transactions on shares			(389)		(389)		(389)
▪ Hedging of financial instruments			(587)		(587)		(587)
▪ Hedging of net investments							
▪ Unrealized exchange gains/losses				72,760	72,760		72,760
▪ Actuarial differences relating to provisions for pensions)			(24)		(24)	-	(24)
TOTAL EARNINGS FOR THE FISCAL YEAR			(200,757)	72,760	(127,997)	24	(127,973)
Total transactions with shareholders							
▪ Capital transactions						(53)	(53)
▪ Distribution of dividends (1)						(74)	(74)
▪ Treasury shares			650		650		650
TOTAL TRANSACTIONS WITH SHAREHOLDERS			650	-	650	(127)	523
Other changes		(2,606)	2,380		(226)		(226)
Change in consolidation scope			(5)	51	46	(131)	(85)
BALANCE AS AT 12/31/2014	13,337	182,955	(41,948)	63,577	217,921	142	218,063

(1) The total amount of dividends is distributed in respect of common shares. There are no other classes of shares. There were no issues, repurchases or redemptions of equity securities between 2012 and 2014, except for the shares acquired under the free share award plan.

Cash flow statement

In thousands of euros	12/31/2014	12/31/2013
Consolidated net profit (loss) for the period	(199,733)	(58,677)
Share of earnings from equity method companies	(1,265)	(1,275)
Depreciation and provisions (1)	278,817	127,421
Capital gains or losses on disposals	2,241	(397)
CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAXES	**80,060**	**67,072**
Cost of net financial debt	48,854	60,060
Tax expenses	12,427	25,483
OPERATING CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAXES	**141,341**	**152,615**
Tax paid	(13,676)	(12,451)
Changes in working capital requirements for operations: Requirement	-	-
Changes in working capital requirements for operations: Surplus	11,350	9,424
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES AFTER TAX PAID AND CHANGE IN WORKING CAPITAL REQUIREMENTS (A)	**139,015**	**149,588**
Of which net cash flows from operating activities of discontinued operations	**79,919**	**82,288**
Acquisitions of intangible assets	(52,768)	(51,051)
Acquisitions of tangible capital assets	(22,596)	(22,340)
Acquisitions of long-term investments	(1,405)	(2,914)
Disposals of tangible and intangible capital assets	960	4,674
Disposals of long-term investments	-	-
Impact of changes in consolidation scope	(595)	(1,697)
Dividends received from equity method companies	941	884
NET CASH FLOWS CONNECTED TO INVESTMENT OPERATIONS (B)	**(75,463)**	**(72,444)**
Of which net cash flows connected to investment operations of discontinued operations	**(28,785)**	**(31,300)**
Dividends paid to parent company shareholders	-	-
Dividends paid to the minority interests of consolidated companies	(74)	(94)
Capital increase through cash contribution	(53)	-
Loans issued	125,000	300,000
Loan repayments	(107,197)	(290,857)
Interest paid on loans	(39,396)	(43,413)
Other financial income and expenses paid or received	(4,310)	(8,339)
NET CASH FLOWS RELATED TO FINANCING OPERATIONS (C)	**(26,030)**	**(42,703)**
Of which net cash flows related to financing operations of discontinued operations	**(1,300)**	**(3,515)**
CHANGE IN CASH EXCLUDING CURRENCY AFFECT (A + B + C)	**37,522**	**34,441**
Impact of changes in foreign currency exchange rates	7,966	(1,668)
CHANGE IN CASH	**45,488**	**32,773**
Opening net cash	54,227	21,454
Closing net cash (note 17)	99,714	54,227

(1) Including impairment of goodwill on acquisition in the amount of 63,000 thousand euros as at December 31, 2013 and 220,023 thousand euros as at December 31, 2014.

20.1.2 Notes to the consolidated financial statements

20.1.2.1 Highlights of the 2014 fiscal year

SIGNING OF THE BINDING CONTRACT TO SELL THE CRM AND STRATEGIC DATA DIVISION

On June 24, 2014, Cegedim announced that it received a firm offer from IMS Health Inc. to acquire the new CRM and Strategic Data division for 385 million euros in cash.

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385 million euros in cash on a «no cash-no debt» basis and subject to certain adjustments depending on the Group's net debt at the sale date, and on the CRM and Strategic Data division's change in net working capital, 2014 revenue and strategic data.

In late December 2014 the European Commission gave the go-ahead to the buyout of the CRM and Strategic Data division by IMS Health. The decision is conditioned upon the divestment by IMS Health of part of its «syndicated promotional database» activity in Europe, which represents revenue of 2 million dollars. This authorization from the European Commission occurs in conjunction with the December 5, 2014 expiration of the review period of the transaction by the U.S. anti-trust authority.

Proceeds from the transaction will be used for repaying the debt, thus strengthening Cegedim's consolidated balance sheet and consolidated income statement.

The transaction will let Cegedim refocus on applications and data bases for healthcare professionals and health insurance companies, as well as on its fast-growing multi-sector business lines such as e-business, e-collaboration and outsourcing payroll and human resources.

The sale of the CRM and strategic data division will become effective in April 2015, as planned.

This transaction caused the Group to impair the goodwill in the CRM and Strategic Data segment of 219 million euros to reflect the estimated future capital loss on the disposal.

REFINANCING OPERATION

On April 7, 2014 Cegedim floated a bond issue of 100 million euros, increased during the day to 125 million euros, as an addition to its 6.75% bond maturing in 2020. Except for the date and issue price (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the bonds issued in the 300 million euros 6.75% bond financing maturing in 2020, issued on March 20, 2013. Note that Cegedim was able to borrow at 5.60% as compared to 6.75% one year earlier.

The proceeds from such bond issue served, among other uses, to fund the redemption of 105,950,000 euros of bonds maturing in 2015 (at 108.102% of par), to pay the bond issue premium and issue costs, and to repay overdraft facilities.

Our debt structure at this point is therefore as follows:

- 62.6 million euros bond at 7.00% maturing on July 27, 2015;
- 425 million euros bond at 6.75% maturing on April 1, 2020;
- revolving credit of 80 million euros maturing June 10, 2016, undrawn as of December 31, 2014;
- overdraft facilities.

COMPANY ACQUISITION

On April 15, 2014 Cegedim completed the acquisition of the French company SoCall, based in Sèvres, whose main business is installing and running secretarial and land-line telephone systems for the offices of healthcare professionals. Handling customer calls, messages, appointments and consultation logs, the company operates in some fifty medical offices. Financed by equity, the business acquired represents annual revenues of less than 0.3 million euros on a full year basis and has contributed to the Group's scope of consolidation since the second quarter of 2014.

COMPETITION AUTHORITY FINE

On July 08, 2014 the Competition Authority imposed a fine of 5.8 million euros on Cegedim following a formal complaint by the Euris company for anticompetitive practices in the French market for databases for medical professionals.

This decision was appealed to the Paris *Cour d'Appel*. Since the decision of the Competition Authority was immediately enforceable, Cegedim paid the fine in October 2014. Note that this risk had been indicated in point 4.3.24 of the 2013 Registration Document as well as in the *Note d'opération* ("Securities Note" or "Transaction note") published at the time of the bond issue last April.

PLACEMENT OF CEGEDIM'S B+ RATING UNDER POSITIVE WATCH BY S&P

Following the signing of the final sales agreement for the CRM and strategic data division, Standard and Poor's on October 24, 2014 placed the B+ rating of Cegedim and its bonds on credit watch with positive implications.

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.

SIGNIFICANT POST BALANCE SHEET TRANSACTIONS AND EVENTS

To the Company's knowledge, there have been no events or changes liable to materially alter the Group's financial situation since the closing date.

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 for the period ended December 31, 2014 were prepared in accordance with international accounting standards. International accounting standards include IFRS ("International Financial Reporting Standards"), 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 25, 2015, and will be submitted to the General Meeting for approval.

NEW STANDARDS AND INTERPRETATIONS APPLICABLE FROM JANUARY 1, 2014

The new IFRS standards, interpretations and modifications, as adopted by the European Union for fiscal years beginning on or after January 1, 2014, were applied by the Company, and did not result in any significant changes in the valuation methods for the assets, liabilities, income and expenses.

NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS APPLICABLE AS FROM JANUARY 1, 2014

The following standards are applicable as from January 1, 2014:

- amendment to IAS 28 "Investments in Associates and Joint Ventures." IAS 28 has been amended to conform with changes made following the publication of IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities";
- amendment to IAS 32 "Presentation: Netting of Financial Assets and Financial Liabilities" clarifies the meaning of "currently has a legal enforceable right to set-off the recognised amounts", and states that some comprehensive netting systems can be considered equivalent to settlement on the basis of the net amount. This amendment was adopted by the European Union on December 29, 2012, and must be applied retrospectively for fiscal years beginning on or after January 1, 2014;
- amendments to IAS 36 "Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets". These amendments were adopted by the European Union on December 19, 2013, and must be applied retrospectively for annual periods beginning on or after January 1, 2014;
- amendments to IAS 39 and IFRS 9: "Novation of Derivatives and Continuation of Hedge Accounting". These amendments were adopted by the European Union on December 19, 2013, and must be applied retrospectively for fiscal years beginning on or after January 1, 2014;
- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements" supersedes IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers";
- IFRS 12 "Disclosure of Interests in Other Entities". The purpose of IFRS 12 is to require disclosures enabling readers of financial statements to evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from interests in unconsolidated structured entities, and the participation of minority interests in the activities of consolidated entities;
- IFRIC 21 "Levies".

The analysis conducted by the Group on its investments, covering all periods presented, showed that the new definition of control ushered in by IFRS 10 does not alter the scope of consolidation.

None of the other standards has a material impact on the Group's consolidated financial statements.

STANDARDS, INTERPRETATIONS, AND AMENDMENTS NOT YET ADOPTED BY THE EUROPEAN UNION

New standards, amendments to existing standards and interpretations not yet adopted by the European Union, are the following:

- IFRS 9 "Financial Instruments", effective from January 1, 2018 and not yet adopted by the European Union.

VALUATION BASES

General principal

The financial statements are mainly prepared using the historical cost principle, with the exception of derivative instruments and financial assets available for sale, which are measured at 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 10);
- the valuation of retirement obligations (assumptions described in note 16).

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 deemed to exist if the parent company directly or indirectly has 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, such as joint ventures, 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 net profit (loss) of companies consolidated using the equity method" on a specific line of the consolidated net 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 the IFRS 3 – "Business Combinations" standard.

The identifiable assets, liabilities and contingent liabilities of the 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 negative goodwill 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."

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 on the acquisition date.

Intangible assets of which the useful life is over are then assessed and recognized according to the cost model. Their depreciable base is amortized over its useful life. They may be depreciated in the event of a loss of value (cf. § depreciation of assets).

The useful life of intangible assets is reviewed periodically. If necessary, resulting changes are recognized.

Intangible assets, with the exception of business 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 applicable, impairments are recorded as "Other non-recurring income and expenses from operations."

Research and development/Internally developed software

Research costs 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 to 20 years	Straight-line	Very limited number of projects
Strategic projects	8 to 10 years	Straight-line	Limited number
Current developments	5 years	Straight-line	Core of the Group's projects
Targeted projects	2 to 4 years	Straight-line	Limited number

Tangible assets (IAS 16)

Tangible assets consist primarily of computer hardware and industrial equipment and are recorded at their acquisition 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 useful service life, the depreciable basis used being the acquisition cost less any estimated residual value, if applicable.

The following depreciation modalities (period and method) are used:

Description	Average length	Mode
Computer hardware		
Microcomputers for office use	3 to 4 years	Straight-line
Server systems	5 to 15 years	Straight-line
Industrial equipment		
Printing equipment	8 to 10 years	Straight-line
Industrial equipment and machinery	5 to 8 years	Straight-line
Fixtures and facilities	8 to 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 (workshops, warehouses, storage areas, etc.) for which separate depreciation plans have been established based on the useful life of the various components (structure, facades and waterproofing, general and technical facilities, fixtures).

Tangible assets are depreciated straight-line over their economically useful life.

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 such 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)

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 done using indicators that will let any loss of value be identified, including the anticipated productivity of the asset or business opportunities. If a loss of value has occurred, 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.

Impairment tests are performed on the Cash Generating Units (CGUs) to which these assets may be allocated.

The recoverable amount of a CGU is the higher of its fair value less costs to sell and value in use.

An impairment loss is recognized if the recoverable value 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.

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.

Cash Generating Units (CGU)

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 with the assistance of an independent consulting firm. The separation was reviewed in the first half of 2013, with the same 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.)

Since this reorganization, the Cegedim Group has four CGUs, plus a «Reconciliation» segment that was not intended to include operating activities, except, on a temporary basis in 2014, the GERS activities reclassified into this segment when they were taken out of the CRM and Strategic Data segment being held for sale.

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 substantial synergies, as their operations cover a shared area of skills and databases;
- Healthcare Professionals: this segment includes all services provided to medical professionals. There are two major industry software and components constituting two CGUs, which distinguish services for physicians from services for pharmacists;
- Insurance and Services: this sector is a CGU in itself. It brings together the know-how needed to develop services for insurance companies, mutuals and other organizations involved in the processing chain 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. Such allocation is also consistent with the manner in which the Group's management monitors the performance of operations.

Value in use

The value in use of a CGU is determined using the discounted cash flows (DCF) method. Business plans are constructed by making five-year forecasts under the assumptions used by the Group's different operating managers in their strategic plans. These are reviewed by the Audit Committee and approved by the Board of Directors. The expected cash flows beyond the fifth year of the plan are represented by a terminal value, which is determined using a margin projected from the average margin appearing in the business plans.

Discount rate

The Group uses a single discount 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 with whom we increasingly write multinational contracts. To comply with the requirements of paragraphs 55 and 56 of IAS 36, the discount rate used is calculated from a business segment's weighted average cost of capital before taxes. The rate is applied to operating cash flows before income taxes. The Group engages an independent firm of experts to calculate this discount rate. The calculations make use of sample comparable stocks and of benchmark indexes to determine Cegedim's specific risk premium and beta coefficient, as well as a target debt ratio applicable to the the industry in which the Group competes. The formula is updated as market conditions require and at least once per year.

Perpetual growth rate

The perpetual growth rate chosen is based on economic data that is weighted so as to reflect the specificities of the Cegedim Group.

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 acquisition 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, 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 recorded as 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 in progress. 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 benefits associated with them are substantially transferred to the said third parties, notably with regard to accounts receivable, and if the factoring company bears the credit risk and the recovery time risk.

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 is constituted in order to cover technical dilution debits (assets, 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 ANC recommendation No. 2013-02 dated November 7, 2013, 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 at January 1, 2014.

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, in particular, 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 standards 32 and 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 finance leases, the financial liability recorded to offset the tangible asset is initially recorded at the fair value of the leased asset or, if latter value should be 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 hedged risk (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 the amortized cost. Changes in the value of the derivative are recorded in shareholders' 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 shareholders' equity in relation to the derivative for the same period are transferred to the income statement.

When a derivative does not meet the criteria for 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 recognized 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.

Revenue from new software licenses with fixed or open-ended terms is entered into the accounts (under the condition that the Group does not have any other obligations to fulfill) if there is an agreement with the client, if delivery and acceptance are completed, if the amount of revenue and the related costs can be measured reliably, and if the economic benefit connected to the transaction will come back 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.

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 (their settlement is neither planned nor likely in the foreseeable future) and may be, if applicable, transformed into capital increases.

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) with the net cash generated by the transactions of the fiscal year. The opening and closing cash positions include cash and cash equivalents which are made up of investment instruments less overdrafts.

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 inherent in the headquarters of a publicly traded corporation, support functions for the Group's three operating segments, and those CRM activities that will not be transferred to IMS.

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 to 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 financing costs, 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, 2014. The amount of the loans exposed to the interest rate risk was zero as at December 31, 2014, 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 (11.9%) 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	1,038	6,989
Off-balance-sheet position	-	-
Net position after management	**1,038**	**6,989**

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 the USD would have a negative impact of 5.1 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 euros. On the basis of the 2014 fiscal year, if all other currencies remain 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 582 thousand euros on Cegedim's revenue, and 326 thousand euros on its operating income.

Currency effects had a total negative impact of 3.2 million euros on revenue in 2014. It should be noted that the pound sterling had a negative effect of 3.2 million euros.

The amount of exchange gains or losses on revenue is determined by recalculating the 2013 revenue based on the 2014 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 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 Services	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
Cegedim Kadrige	137, rue d'Aguesseau	Boulogne	790172092	100.00%	100.00%	FC
Cegedim Prestation Conseil Outsourcing	15, rue Paul Dautier	Vélizy	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	99.88%	99.88%	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	100.00%	100.00%	FC
Pharmacie gestion informatique	ZA de Kerangueven	Hanvec	391865847	100.00%	100.00%	FC

Companies	Main establishment	City	Siren	% of control	% owned	Method
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
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%	FC
Services Premium Santé (SPS)	100, rue des Fougères	Lyon	513188771	40.00%	40.00%	FC
Socall	1, avenue de la Cristallerie – Entrée B	Sèvres	527551790	100.00%	100.00%	FC
Sofiloca	137, rue d'Aguesseau	Boulogne	348940255	100.00%	100.00%	FC
Companies consolidated using the equity method (France)						
Edipharm	137, rue d'Aguesseau	Boulogne	381819309	20.00%	20.00%	MEE
Galaxysanté	Zone industrielle, route de Feuquières	Grandvilliers	800997868	49.00%	49.00%	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 Algeria	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 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 Customer Information SRL	Romania	Bucharest	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 Brazil	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	100.00%	100.00%	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 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
Cegedim 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 SR. Ltd	Great Britain	Chertsey, Surrey	100.00%	100.00%	FC
Cegedim SRH SA Switzerland	Switzerland	Geneva	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
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

Companies	Country	City	% of control	% owned	Method
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 Ltd	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 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 Internal Services Limited	Great Britain	London	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
InPractice 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
Nordisk Medicin Information AB	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 Tecnológicos SL	Spain	Barcelona	100.00%	100.00%	FC
Stacks Servicios Tecnológicos 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%	MEE
Tech Care Solutions	Ile Maurice	Ebene	50.00%	50.00%	MEE

The Art & Stratégie, Netfective Technologie, Teranga Software and Quality Flux companies are held at 20% or less and are not consolidated.

The Next Plus company, held at 49%, is consolidated using the full consolidation method as the Group has exclusive control, the stewardship being exercised by Next Software.

NOTE 2 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					
Galaxysanté	49.00%	-	MEE	-	Creation
Socall	100.00%	-	FC	-	Acquisition
Cegedim SRH SA Switzerland	100.00%	-	FC	-	Creation
Cegedim Customer Information SRL (Romania)	100.00%	-	FC	-	Creation
Companies leaving the consolidation scope					
Cegedim Malaysia SDN	100.00%	100.00%	FC	FC	Liquidation
Cegedim Centroamerica y el Caraibe	100.00%	100.00%	FC	FC	Liquidation
Proval	99.36%	99.36%	FC	FC	Liquidation
Cegedim Tunisia	-	100.00%	-	FC	Merged with GERS Mahgreb

NOTE 3 2014 segment information

Income statement items as at December 31, 2014

	(in thousands of euros)	Health Profes-sionals	Insurance and Services	GERS and Reconci-liation	Continuing activities as of 12/31/2014	Discontinued business activities	IFRS 5 Restatements	Total as of 12/31/2014	Total France	Total rest of world
Sector income										
A	Outside Group sales	295,597	165,023	32,878	493,498	429,779	(11,748)	911,529	1	911,528
B	Sales to other Group sectors	1,237	2,636	10,682	14,556			14,556	12,670	1,886
A + B	**Total sector revenue**	**296,834**	**167,659**	**43,560**	**508,054**	**429,779**	**(11,748)**	**926,085**	**12,670**	**913,414**
Sector earnings										
D	**Operating income before special items**	**31,073**	**22,811**	**(4,350)**	**49,534**	**45,298**		**94,832**		
E	**Current EBITDA**	**52,867**	**36,740**	**(2,662)**	**86,946**	**66,202**		**153,148**		
Operating margin (in %)										
D/A	Operating margin before special items outside Group	10.5%	13.8%	(13.2)%	10.0%	10.5%		10.4%		
E/A	EBITDA margin from ordinary activities outside Group	17.9%	22.3%	(8.1)%	17.6%	15.4%		16.8%		
Depreciation expenses by sector										
	Depreciation expenses	21,794	13,929	1,688	37,411	20,904		58,315		

Geographical breakdown of consolidated 2014 revenue at 31 December 2014

In thousands of euros		France	Eurozone excluding France	Pound sterling zone	Rest of World	12/31/2014
Continuing operations	Geographical breakdown	409,706	6,389	59,683	17,720	493,498
	%	83%	1%	12%	4%	100%
Continuing operations	Geographical breakdown	117,778	83,202	20,488	196,564	418,031
	%	28%	20%	5%	47%	100%
Continuing operations	Geographical breakdown	527,484	89,591	80,171	214,284	911,529
	%	58%	10%	9%	24%	100%

Balance sheet as at December 31, 2014

In thousands of euros	CRM and Strategic Data	Health Professionals	Insurance and Services	GERS and Reconciliation	12/31/2014	Total France	Total rest of world
Sector assets (net values)							
Goodwill on acquisition (note 10)	-	126,365	48,696	327	175,389	103,495	71,893
Intangible assets	1,210	54,893	44,292	4,643	105,038	63,529	41,508
Property, Plant and Equipment	1,929	10,022	3,697	5,079	20,727	15,508	5,219
Equity shares accounted for using the equity method (note 9)	-	8,744	74	-	8,819	23	8,796
NET TOTAL	**3,139**	**200,024**	**96,760**	**10,050**	**309,972**	**182,555**	**127,416**
Investments during the year (gross values)							
Goodwill on acquisition (note 10)	-	153	308	-	461	461	-
Intangible assets	457	13,957	11,138	986	26,538	18,938	7,600
Property, Plant and Equipment	1,051	16,042	1,556	1,088	19,737	17,077	2,660
Equity shares accounted for using the equity method (note 9)	-	8	-	-	8	8	-
GROSS TOTAL	**1,507**	**30,160**	**13,001**	**2,074**	**46,744**	**36,484**	**10,260**
Sector liabilities (1)							
Non-current liabilities							
Provisions		8,894	8,272	1,513	18,680	18,676	3
Other liabilities		1,123	-	-	1,123	-	1,123
Current liabilities							
Accounts payable and related accounts		24,572	10,911	11,684	47,166	36,134	11,032
Tax and social liabilities		24,987	35,396	8,805	69,188	61,804	7,384
Provisions		1,192	1,210	213	2,615	2,615	0
Other liabilities		23,677	17,440	6,691	47,808	42,299	5,509

(1) Cegedim SA's contribution to liabilities is still allocated by default to the CRM and Strategic Data segment, with no segment breakdown.

NOTE 4 2013 segment information

Income statement items as at December 31, 2013

Changes have been carried out regarding the IFRS financial statements as at December 31, 2013, initially published on April 7, 2014. These changes reflect the elimination of the CRM and Strategic Data segment by reclassifying GERS activities as «GERS and Reconciliation Activities» and including the US dollar zone in «Rest of World.»

	(in thousands of euros)	Health Profes-sionals	Insurance and Services	GERS and Reconci-liation	Continuing activities as of 12/31/2014	Discontinued business activities	IFRS 5 Restatements	Total as of 12/31/2014	Total France	Total rest of world
	Sector income									
A	Outside Group sales	294,497	161,148	31,973	487,618	425,846	(11,208)	902,256	515,549	386,707
B	Sales to other Group sectors	1,029	2,886	10,732	14,647			14,647	12,961	1,687
A + B	**Total sector revenue**	**295,526**	**164,034**	**42,705**	**502,265**	**425,846**	**(11,208)**	**916,903**	**528,510**	**388,394**
	Sector earnings									
D	**Operating income before special items**	**35,436**	**24,814**	**-8 313**	**51,937**	**40,196**		**92,133**		
E	**Current EBITDA**	**59,683**	**38,643**	**(6,715)**	**91,611**	**64,066**		**155,677**		
	Operating margin (in %)									
D/A	Operating margin before special items outside Group	12.0%	15.4%	(26.0)%	10.7%	9.4%		10.2%		
E/A	EBITDA margin from ordinary activities outside Group	20.3%	24.0%	(21.0)%	18.8%	15.0%		17.3%		
	Depreciation expenses by sector									
	Depreciation expenses	24,247	13,829	1,598	39,674	23,870		63,544		

Geographical breakdown of consolidated 2013 revenue at December 31, 2013

In thousands of euros		France	Euro zone excluding France	Pound sterling zone	Rest of World	12/31/2013
Continuing operations	Geographical breakdown	402,061	6,203	62,720	16,634	487,618
	%	2745%	42%	428%	114%	3329%
Continuing operations	Geographical breakdown	113,488	83,016	19,629	198,505	418,638
	%	27%	20%	5%	48%	100%
Continuing operations	Geographical breakdown	515,549	89,219	82,349	215,139	902,256
	%	57%	10%	9%	24%	100%

Balance sheet as at December 31, 2013

In thousands of euros	CRM and Strategic Data	Health Professionals	Insurance and Services	GERS and Reconciliation	12/31/2013	Total France	Total rest of world
Sector assets (net values)							
Goodwill on acquisition (note 10)	360,868	119,539	48,058	-	528,465	120,827	407,638
Intangible assets	128,389	46,775	45,149	3,575	223,888	194,033	29,855
Property, Plant and Equipment	14,456	9,101	4,157	4,594	32,307	18,985	13,323
Equity shares accounted for using the equity method (note 9)	96	8,419	85	-	8,599	112	8,487
NET TOTAL	**503,809**	**183,834**	**97,449**	**8,169**	**793,260**	**333,956**	**459,303**
Investments during the year (gross values)							
Goodwill on acquisition (note 10)	-	1,987	200	-	2,187	200	1,987
Intangible assets	27,623	12,035	10,648	745	51,051	43,971	7,080
Property, Plant and Equipment	3,878	16,785	1,365	270	22,298	17,629	4,699
Equity shares accounted for using the equity method (note 9)	-	-	53	-	53	-	53
GROSS TOTAL	**31,501**	**30,807**	**12,265**	**1,015**	**75,588**	**61,800**	**13,788**
Sector liabilities [(1)]							
Non-current liabilities							
Provisions	12,053	8,033	6,856	558	27,501	25,932	1,568
Other liabilities	2,421	-	-	-	2,421	-	2,421
Current liabilities							
Accounts payable and related accounts	68,772	23,116	11,156	5,226	108,269	44,810	63,459
Tax and social liabilities	64,888	25,652	30,475	3,749	124,764	80,022	44,742
Provisions	3,595	1,278	917	50	5,840	2,679	3,161
Other liabilities	13,307	22,400	13,846	369	49,922	34,267	15,655

(1) Cegedim SA's contribution to liabilities is still allocated by default to the CRM and Strategic Data segment, with no segment breakdown.

NOTE 5 Impact of change in consolidation scope

1) On the balance sheet (at the closing date)

In thousands of euros	Consolidated before change at 12/31/2014	Change 2014	Consolidated after change at 12/31/2014
Goodwill on acquisition	175,236	153	175,389
Other non-recurring assets (excluding goodwill on acquisition)	174,385	19	174,404
Current assets	214,487	92	214,579
TOTAL BALANCE SHEET	**564,108**	**264**	**564,372**

The figures used do not refer to consolidation entry values but to the values approved as at December 31, 2014.

At the acquisition date, the impact of the companies entering the consolidation was:

- on assets: 66 thousand euros;
- on liabilities: 69 thousand euros.

2) On the Income Statement (at the closing date)

In thousands of euros	Consolidated before change at 12/31/2014	Change 2014	Consolidated after change at 12/31/2014
Revenue	493,404	94	493,498
Operating income	38,678	(189)	38,489
Consolidated net profit (loss) for the period	(199,542)	(190)	(199,732)

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 2014, acquisitions of companies and business assets, and the payment of earnouts were self-financed in the amount of 150 thousand euros.

NOTE 6 Intangible assets

In thousands of euros)	12/31/2013	Opening reclassification and correction	Acquisitions	Change in scope	Decrease	Change in rate	Assets held for sale	12/31/2014
Development costs	16,791	(11,054) (2)	7,942	-	(862)	627	(1,385)	12,059
Internal software (1)	314,931	11,383 (2)	41,414	-	(200)	3,894	(195,413)	176,009
External software	90,376	(329)	3,412	(6)	(2,530)	2,671	(43,397)	50,197
TOTAL GROSS VALUE	**422,098**	**0**	**52,768**	**(6)**	**(3,592)**	**7,192**	**(240,195)**	**238,265**
Software amortization	198,210	0	35,523	(8)	(2,069)	3,057	(101,486)	133,227
TOTAL DEPRECIATION AND AMORTIZATION	**198,210**	**0**	**35,523**	**(8)**	**(2,069)**	**3,057**	**(101,486)**	**133,227**
TOTAL INTANGIBLE ASSETS – NET VALUES	**223,888**							**105,038**

(1) The projects that stem from internal development and are 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 in the amount of 11 million euros corresponds to the commissioning of projects.

NOTE 7 Property, Plant and Equipment

In thousands of euros	12/31/2013	Opening reclassification and correction	Acquisitions	Change in scope	Decrease	Change in rate	Assets held for sale	12/31/2014
Land	479	-	-	-	-	7	(97)	389
Buildings	9,686	716	4	-	(2)	(44)	(2,255)	8,105
Other Property, Plant and Equipment	142,288	(589)	21,755	(229)	(25,162)	5,130	(63,563)	79,630
Construction work in progress	41	(157)	821	-	-	-	(9)	696
TOTAL GROSS VALUE	**152,494**	**(30)**	**22,580**	**(229)**	**(25,164)**	**5,093**	**(65,925)**	**88,819**
Depreciation of land	91	-	-	-	-	6	(97)	-
Depreciation of buildings	4,922	293	763	-	-	(13)	(1,497)	4,468
Depreciation of other tangible assets	115,174	(323)	21,097	(246)	(23,191)	4,436	(53,323)	63,624
TOTAL DEPRECIATION	**120,187**	**(30)**	**21,860**	**(246)**	**(23,191)**	**4,429**	**(54,917)**	**68,092**
TOTAL INTANGIBLE ASSETS – NET VALUES	**32,307**							**20,727**

NOTE 8 Non-current long-term investments (excluding shares from equity method companies)

In thousands of euros	12/31/2013	Reclassification	Acquisitions/ provisions	Change in scope	Reductions/ reversals	Change in rate	Assets held for sale	12/31/2014
Equity investments [1]	1,066	-	-	-	-	-	-	1,066
Loans	2,496	-	534	-	(4)	4	(313)	2,717
Security deposits	10,225	1,606 [2]	2,574	5	(2,656)	228	(3,820)	8,162
Other financial assets	586	-	-	-	(16)	102	-	672
TOTAL GROSS VALUE	**14,373**	**1,606**	**3,108**	**5**	**(2,676)**	**334**	**(4,134)**	**12,617**
Provisions for equity investments	363	-	-	-	-	-	-	363
Provisions on loans	32	-	-	-	-	-	-	32
Provisions on other long-term financial investments	18	-	(18)	-	-	-	-	-
TOTAL PROVISIONS	**413**	**-**	**(18)**	**-**	**-**	**-**	**-**	**395**
TOTAL INTANGIBLE ASSETS – NET VALUES	**13,960**	**1,606**	**3,126**	**5**	**(2,676)**	**334**	**(4,134)**	**12,222**

(1) Including Netfective in the amount of 899 thousand euros.
(2) Deposits initially classified as non-current assets.

NOTE 9 Equity-method investments

1) Value of shares in companies accounted for by the equity method

In thousands of euros	% owned as at 12/31/2013	Shareholders' equity as at 12/31/2013	Group share of total net shareholders' equity 2013	Goodwill on acquisitions	Provision for risks	Net value of shares in companies accounted for by the equity method as at 12/31/2012
Edipharm	20.00%	160	32			32
Infodisk	34.00%	(46)	(16)			(16)
Millennium	49.22%	11,328	5,576	2,859		8,434
Primeum Cegedim	50.00%	192	96			96
Tech Care Solutions	50.00%	105	53			53
TOTAL		**11,739**	**5,741**	**2,859**	**0**	**8,599**

In thousands of euros	% owned as at 12/31/2014	Profit (loss) as at 12/31/2014	Group share of profit (loss) as at 12/31/2014	Shareholders' equity as at 12/31/2014	Group share of total net shareholders' equity as at 12/31/2014	Goodwill on acquisition	Provision for risks	Net value of shares in companies accounted for by the equity method as at 12/31/2014
Edipharm	20.00%	7	1	167	33	-	-	33
Infodisk	34.00%	(9)	(3)	(55)	(19)	-	-	(19)
Millennium	49.22%	2,452	1,207	11,980	5,897	2,859	-	8,755
Tech Care Solutions	50.00%	(23)	(12)	82	41	-	-	41
Galaxysanté	49.00%	1	1	16	8	-	-	8
TOTAL		**2,428**	**1,194**	**12,191**	**5,960**	**2,859**	**-**	**8,819**
Primeum Cegedim	50.00%	141	71	258	129	-	-	129
TOTAL ASSETS HELD FOR SALE		**141**	**71**	**258**	**129**	**-**	**-**	**129**

2) Change in the 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 01/01/2014	8,599
Distribution of dividends	(924)
Capital increase	-
Share of profit (loss) for the period (2014)	1,194
Newly consolidated companies	8
Reclassification of assets held for sale	(58)
SHARES ACCOUNTED FOR USING THE EQUITY METHOD AS AT 12/31/2014	**8,819**

NOTE 10 Goodwill on acquisitions

At December 31, 2014, goodwill amounted to 175 million euros, as against 528 million euros at December 31, 2013. This change is mainly due to the reclassification of goodwill in businesses disposed of, valued at 361 million euros in late 2013. Paragraph 90 of IAS 36 states that the CGUs to which goodwill was allocated should be tested at least annually and whenever there is reason to fear an impairment. This impairment is defined as the difference between the recoverable amount of the CGU and its book value.

The recoverable amount is defined by IAS 36.18 as the higher of an asset's fair value of less costs of disposal and its value in use (the discounted cash flows expected by the Company for that asset).

The 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.

Sector	12/31/2013	Reclassification	Scope	Impairment	Translation gains or losses and other changes	Impairment of assets held for sale	Assets held for sale	12/31/2014
CRM and Strategic Data	360,867	(949)	(742)	(2,120)	63,617	(218,869)	(201,804)	-
Health Professionals	119,540	292	1,253	-	5,280	-	-	126,365
Insurance and Services	48,058	330	308	-	-	-	-	48,696
Reconciliation	-	327	-	-	-	-	-	327
TOTAL GOODWILL ON ACQUISITION	**528,465**	**-**	**819**	**(2,120)**	**68,897**	**(218,869)**	**(201,804)**	**175,389**

The CRM and Strategic Data segment

On October 20, 2014, Cegedim announced the signing of a final sales contract for its CRM and Strategic Data division to the US company IMS Health Inc. subject to a number of conditions precedent that should be met at the beginning of the second quarter of 2015. The selling price was set at 385 million euros, which was to be adjusted for the amount of cash, debts and change in working capital in the operations disposed of, as compared to a normative level. Since the Group considers the sale to be highly likely, the fair value for the CRM and Strategic Data segment was therefore set at the determined selling price. This led to the recognition of a future capital loss estimated at 219 million euros, which was set against goodwill of the CRM and Strategic Data segment. In accordance with IFRS 5, the unrealized exchange gains (+64 million euros) were not included in the gains from the disposal. They will be recycled into profit and loss when the sale is fully completed.

Other Group business segments

At the end of 2014, impairment tests were conducted in the three CGUs making up the Group's two operating business segments.

- The Healthcare Professionals segment includes two CGUs, Software for Doctors and Software for Pharmacists.
- The Insurance and Services segment constitutes one CGU.

The tests consisted of updating the main assumptions underlying the measurement of assets allocated to Group CGUs.

These tests, it will be remembered, are intended not only to justify the value of goodwill on acquisition (175 million euros) but also of all the assets necessary to operate the CGUs (or 308 million euros tested at the close of 2014). As in prior years, the Group called on an outside firm to help perform these tests.

The main actuarial assumptions used are as follows:

	12/31/2014	12/31/2013
Discount rate	8.90%	9.92%
Perpetuity growth rate		
- Healthcare Professionals	2% Doctors 1.5% Pharmacists	2%
- Insurance and Services	2%	2%

The trends shown in the business plans are as follows:

The revenue growth assumptions used over five years are on average 5.3% for Software for Physicians, 1.9% for Software for Pharmacists and 5.8% for Insurance and Services.

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 (+102 basis points);
- changes in the perpetual growth rate of +/- 50 basis points;
- possible temporary margin decline during the 2nd and 3rd years of the plan (50% drop);
- possibility of a prolonged margin decline (average terminal margin further reduced by 260 to 340 basis points);
- possibility of a one-year delay in reaching the margin levels in the plan.

These sensitivity calculations would not lead to an impairment of goodwill. The sensitivity closest to breakeven creates a value in use that is 50 million euros higher than the tested assets.

NOTE 11 Inventory and work in progress

In thousands of euros	Gross values as of 12/31/2014	Provision	Net values as of 12/31/2014	Net values as of 12/31/2013
Services in progress	-	-	-	186
Inventories of goods	9,376	813	8,563	10,428
TOTAL INVENTORY AND WORK-IN-PROGRESS	**9,376**	**813**	**8,563**	**10,615**

NOTE 12 Accounts receivable

In thousands of euros	Current customers	Non-current customers	12/31/2014	12/31/2013
French companies	110,051	15,162 (1)	125,213	149,090
Foreign companies	22,892	-	22,892	102,883
TOTAL GROSS VALUE	**132,944**	**15,162**	**148,106**	**251,973**
Provisions	5,679	-	5,679	7,636
TOTAL NET VALUE	**127,264**	**15,162**	**142,426**	**244,337**

(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 reassessment or judicial 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 22 million euros as at December 31, 2014.

Aging balance

In thousands of euros	Total past-due receivables	Receivables < 1 month	Receivables 1 to 2 months	Receivables 2 to 3 months	Receivables 3 to 4 months	Receivables > 4 months
French companies	17,205	4,653	3,403	2,068	621	6,460
Foreign companies	5,099	982	603	1,262	317	1,934
TOTAL	**22,304**	**5,635**	**4,006**	**3,330**	**938**	**8,394**

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 contracts) are decrecognized from Group assets when the risks and benefits 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 Principles" – Accounts Receivable). Total receivables transferred with transfer of credit risk thus derecognized under IAS 39 in the context of factoring contracts as at December 31, 2014 was 14 million euros. There was no available cash as at December 31, 2014 within the framework of these contracts.

NOTE 13 Other receivables

In thousands of euros	Company debtors	Tax debtors	Other receivables	12/31/2014	12/31/2013
Current receivables					
French companies	353	13,733	6,483	20,569	20,984
Foreign companies	95	767	522	1,383	11,010
TOTAL GROSS VALUE	448	14,501	7,004	21,953	31,994
Provisions	-	-	22	22	22
TOTAL CURRENT RECEIVABLES (NET VALUES)	**448**	**14,501**	**6,982**	**21,930**	**31,972**
Non-current receivables					
French companies	-	-	-	-	-
Foreign companies	-	-	1,812	1,812	894
TOTAL GROSS VALUE	-	-	1,812	1,812	894
Provisions	-	-	-	-	-
TOTAL NON-CURRENT RECEIVABLES (NET VALUES)	**-**	**-**	**1,812**	**1,812**	**894**

NOTE 14 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 votes with double voting rights shares	No. of votes with double voting rights votes	Total votes	% voting rights
FCB	7,361,044	52.59%	33,957	7,327,087	14,654,174	14,688,131	62.69%
FSI	2,102,061	15.02%	1	2,102,060	4,204,120	4,204,121	17.94%
Free float (1)	4,518,541	32.28%	4,499,488	19,053	38,106	4,537,594	19.37%
Cegedim (2)	15,527	0.11%	0	0	0	0	0.00%
TOTAL	**13,997,173**	**100%**	**4,533,446**	**9,448,200**	**18,896,400**	**23,429,846**	**100%**

(1) Including the Walgreens Boots Alliance Inc.
(2) Including the liquidity contract.

NOTE 15 Total current and non-current provisions

Provisions are determined on the basis of estimated future costs for the Company.

In thousands of euros	12/31/2013	Reclassi–fication	Change in consolidation scope	Allowances to additional provisions	Allowances to new provisions	Reversals Provisions used	Reversals Provisions not used	Change in rate	Assets held for sale	12/31/2014
Provision for litigation with employees	2,679	-	-	-	1,229	(616)	(319)	-	(358)	2,615
Other provisions (1)	25	-	-	-	-	-	-	-	(25)	-
Provisions for restructuring	1,978	1,246	-	-	-	(1,903)	(219)	184	(1,286)	-
Other provisions for expenses	1,158	(1,127)	-	-	-	-	-	3	(35)	-
CURRENT PROVISIONS	**5,840**	**119**	**-**	**-**	**1,229**	**(2,519)**	**(537)**	**187**	**(1,704)**	**2,615**
Provisions for restructuring	765	(1,246)	-	-	505	(48)	-	25	-	-
Provisions for employee disputes	48	-	-	-	110	-	(14)	-	(110)	35
Provisions for retirement	24,843	4,531 (2)	-	-	11,402	(8,843)	(46)	56	(14,824)	17,119
Provisions for litigation	33	-	-	-	1	(5)	(9)	(1)	(20)	-
Provisions for guarantees	-	-	-	-	-	-	-	-	-	-
Other provisions for risks	611	-	-	-	318	(565)	(18)	1	(12)	336
Other provisions for expenses	1,200	-	-	-	394	(7)	(398)	-	-	1,189
NON-CURRENT PROVISIONS	**27,501**	**3,285**	**-**	**-**	**12,730**	**(9,467)**	**(485)**	**82**	**(14,965)**	**18,680**
TOTAL CURRENT AND NON-CURRENT PROVISIONS	**33,341**	**3,404**	**-**	**-**	**13,959**	**(11,986)**	**(1,022)**	**269**	**(16,670)**	**21,295**

(1) Provisions for client risks, supplier risks, tax risks.
(2) Retirement provision included in opening social liabilities.

The amounts involved are insignificant if taken individually.

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NOTE 16 Retirement commitments

1) Retirement commitments: French companies

In thousands of euros	Through an Insurance fund	Through a provision for expenses
Pension plan commitments	2,015	17,119

When employees retire, they receive retirement indemnity 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 19,134 thousand euros, including 2,015 thousand euros paid to an insurance company.

The amount of retirement contributions provisioned as expenses during the fiscal year was 2,181 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	2014	2013	2012
Net interest rate	1.89%	3.17%	2.7%
Expected asset yield rate	1.89%	3.17%	2.7%
Wage increases (including inflation)	1.40%	1.70%	1.70%

The discount rate applied for 2014 is 1.89% (Iboxx corporate rate +10 years restated of the two downgrades of January 2) versus 3.17% in 2013.

Demographic assumptions	Mortality	Insee tables H/F 2009-2011		
	Mobility			7.5% per year up to 35 years,
				3.5% up to 45 years,
				1.8% up to 50 years,
				0.9% 51 years and above
Retirement age				Voluntary retirement at 65 years of age
Sensitivity to the discount rate		1.64%	1.89%	2.14%
Commitment		19,853	19,134	18,450

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

The amount of retirement contributions reported as expenses and paid during the fiscal year was 936 thousand euros.

3) Comparison of Actuarial Commitments and Hedge Assets

Economic assumptions	2014	2013	2012
Actuarial commitments	19,134	26,813	29,138
Hedge Assets	(2,015)	(1,970)	(1,910)
Unrecognized prior service cost	-	-	(3,417)
RECOGNIZED LIABILITIES	**17,119**	**24,843**	**23,811**

CHANGE IN THE COST OF THE SERVICES PROVIDED AND IN THE FAIR VALUE OF THE HEDGING INSTRUMENTS

In thousands of euros			12/31/2014
	French companies	**Foreign companies**	**Total**
OPENING ACTUARIAL LIABILITIES (1)	26,408	583	26,991
Assets held for sale	**(8,713)**	**(583)**	**(9,296)**
Cost of services rendered during the fiscal year	1,509	-	1,509
Financial cost for the fiscal year	557	-	557
Unrecognized prior service cost	-	-	-
COSTS FOR THE PERIOD (2)	2,066	(583)	2,066
Benefits paid out (3)	(795)	-	(795)
Actuarial losses (gains) generated during the fiscal year for the obligation (4)	168	-	168
Newly consolidated companies (5)	-	-	-
Companies no longer consolidated (6)	-	-	-
Reclassification (7)	-	-	-
Changes in exchange rate (8)	-	-	-
CLOSING ACTUARIAL LIABILITIES = 1 + 2 + 3 + 4 + 5 + 6 + 7 + 8	19,134	-	19,134
Value of the hedge assets			
Opening fair value of the hedge assets	1,970	-	1,970
Expected return on assets	62	-	62
Contributions	-	-	-
Benefits paid out	-	-	-
Actuarial gains (losses) for the fiscal year generated on assets	(17)	-	(17)
Newly consolidated companies	-	-	-
Companies no longer consolidated	-	-	-
CLOSING VALUE OF THE HEDGE ASSETS	**2,015**	**-**	**2,015**

AMOUNTS RECORDED IN THE BALANCE SHEET AND THE INCOME STATEMENT

In thousands of euros			12/31/2014
	French companies	Foreign companies	Total
Cost of services rendered at the closing date	19,134	-	19,134
Fair value of the hedge assets	(2,015)	-	(2,015)
	17,119	-	17,119
Unrecognized prior service cost	-	-	-
LIABILITIES RECOGNIZED ON THE BALANCE SHEET	**17,119**	**-**	**17,119**
Cost of services rendered during the fiscal year	1,509	-	1,509
Financial cost for the fiscal year	557	-	557
Return on assets	116	-	116
Effect of plan reduction or liquidation	-	-	-
EXPENSES RECOGNIZED IN THE INCOME STATEMENT	**2,182**	**-**	**2,182**

CHANGE IN NET LIABILITIES RECORDED IN THE BALANCE SHEET

In thousands of euros			12/31/2014
	French companies	Foreign companies	Total
OPENING NET LIABILITIES	**24,260**	**583**	**24,843**
Actuarial losses (gains)	185		185
Reclassification of recognized prior service cost – vested rights	-	-	-
Expenses recognized in the income statement	2,182	-	2,182
Benefits paid out	(795)	-	(795)
Contributions paid	-	-	-
Newly consolidated companies	-	-	-
Companies no longer consolidated	(8,713)	(583)	(9,296)
Reclassification	-	-	-
Change in exchange rate	-	-	-
CLOSING NET LIABILITIES	**17,119**	**-**	**17,119**

NOTE 17 Net financial debt

In thousands of euros			12/31/2014	12/31/2013
	Financial	Miscellaneous [1]	Total	
Long-term financial borrowing and liabilities (> 5 years)	424,551	-	424,551	298,349
Medium- and long-term financial borrowing and liabilities (> 1 year, < 5 years)	45,094	6,379	51,473	215,300
Short-term financial borrowing and liabilities (> 6 months, < 1 year)	55,770	1,962	57,732	1,704
Short-term financial borrowing and liabilities (> 1 month, < 6 months)	7,247	-	7,247	5,122
Short-term financial borrowing and liabilities (< 1 month)	1,854	-	1,854	4,992
Current bank loans	5,359	-	5,359	12,746
TOTAL FINANCIAL LIABILITIES	**539,875**	**8,341**	**548,216**	**538,214**
Positive cash	44,036	-	44,036	66,973
NET FINANCIAL DEBT	**495,839**	**8,341**	**504,180**	**471,241**

(1) The miscellaneous item mainly includes employee profit sharing plans in the amount of 7,890 thousand euros.

1) Net cash

In thousands of euros	Financial	12/31/2014	12/31/2013
Current bank loans	5,359	5,359	12,746
Positive cash	44,036	44,036	66,973
NET CASH	**38,677**	**38,677**	**5,427**

2) Statement of changes in net debt

In thousands of euros	12/31/2014	12/31/2013
NET DEBT AT THE BEGINNING OF THE FISCAL YEAR (A)	**471,241**	**486,250**
Operating cash flow before cost of net debt and taxes	141,340	152,615
Tax paid	(13,676)	(12,451)
Change in working capital requirement [1]	11,350	9,424
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**139,014**	**149,588**
Change resulting from investment operations	(74,868)	(70,747)
Impact of changes in consolidation scope	(595)	(1,697)
Dividends	-	-
Increase in cash capital	(53)	-
Impact of changes in foreign currency exchange rates	7,966	(1,668)
Interest paid on loans	(39,396)	(43,413)
Other financial income and expenses paid or received	(4,310)	(8,339)
Other changes	(727)	(8,715)
TOTAL NET CHANGE FOR THE YEAR (B)	**27,031**	**15,009**
iImpact of assets held for sale (C)	59,970	-
NET DEBT AT THE END OF THE FISCAL YEAR (A-B+C)	**504,180**	**471,241**

(1) The net change of 11,350 thousand euros in working capital breaks down as change in inventories and work-in-progress, trade and other receivables in the amount of -12,968 thousand euros, and change in trade and other payables in the amount of 24,318 thousand euros.

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	1,854	7,247	55,770	-	424,551
1-month Euribor rate	5,359	-	-	45,094	-
	7,213	**7,247**	**55,770**	**45,094**	**424,551**

The main loans have conditions concerning the consolidated financial statements. For example, the multicurrency revolving loan facility includes, in particular, a ratio of the level of net indebtedness in relation to consolidated gross operating income (or EBITDA) and a ratio of the level of gross operating income in relation to the level of financing costs.

INTEREST RATE HEDGES

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000	4.58%			(461)				0.50
06/30/2015	12/31/2015	20,000,000	4.58%			(468)				1.01
12/31/2015	06/30/2016	20,000,000	4.58%				(463)			1.52
06/30/2016	12/31/2016	20,000,000	4.58%				(468)			2.03
12/31/2016	06/30/2017	20,000,000	4.58%					(461)		2.53
06/30/2017	12/29/2017	20,000,000	4.58%					(468)		3.04
PAYER PORTION			**4.58%**			**(929)**	**(931)**	**(929)**	**-**	

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.018%	2				0.50
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.018%	2				1.01
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.018%		2			1.52
06/30/2016	12/31/2016	20,000,000		EUR 1 M	0.018%		2			2.03
12/31/2016	06/30/2017	20,000,000		EUR 1 M	0.018%			2		2.53
06/30/2017	12/29/2017	20,000,000		EUR 1 M	0.018%			2		3.04
RECEIVER PORTION				**EUR 1 M**	**0.018%**	**4**	**4**	**4**	**-**	

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000	4.57%			(460)				0.50
06/30/2015	12/31/2015	20,000,000	4.57%			(467)				1.01
12/31/2015	06/30/2016	20,000,000	4.57%				(462)			1.52
06/30/2016	12/31/2016	20,000,000	4.57%				(467)			2.03
12/31/2016	06/30/2017	20,000,000	4.57%					(460)		2.53
06/30/2017	12/29/2017	20,000,000	4.57%					(467)		3.04
PAYER PORTION			**4.57%**			**(927)**	**(929)**	**(927)**	**-**	

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.018%	2				0.50
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.018%	2				1.01
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.018%		2			1.52
06/30/2016	12/31/2016	20,000,000		EUR 1 M	0.018%		2			2.03
12/31/2016	06/30/2017	20,000,000		EUR 1 M	0.018%			2		2.53
06/30/2017	06/30/2017	20,000,000		EUR 1 M	0.018%			2		3.04
RECEIVER PORTION				**EUR 1 M**	**0.018%**	**4**	**4**	**4**	**-**	

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000	4.565%			(459)				0.50
06/30/2015	12/31/2015	20,000,000	4.565%			(467)				1.01
12/31/2015	06/30/2016	20,000,000	4.565%				(462)			1.52
06/30/2016	12/31/2016	20,000,000	4.565%				(467)			2.03
12/31/2016	06/30/2017	20,000,000	4.565%					(459)		2.53
06/30/2017	12/29/2017	20,000,000	4.565%					(467)		3.04
PAYER PORTION			**4.565%**			**(926)**	**(929)**	**(926)**	**-**	

In thousands of euros

Start date	End date	Par value	Rate paid	Rate rec'd	Variable rate	2015 annual flow	2016 annual flow	2017 annual flow	2018 annual flow	Duration
12/31/2014	06/30/2015	20,000,000		EUR 1 M	0.018%	2				0.50
06/30/2015	12/31/2015	20,000,000		EUR 1 M	0.018%	2				1.01
12/31/2015	06/30/2016	20,000,000		EUR 1 M	0.018%		2			1.52
06/30/2016	12/31/2016	20,000,000		EUR 1 M	0.018%		2			2.03
12/31/2016	06/30/2017	20,000,000		EUR 1 M	0.018%			2		2.53
06/30/2017	12/29/2017	20,000,000		EUR 1 M	0.018%			2		3.04
RECEIVER PORTION				**EUR 1 M**	**0.018%**	**4**	**4**	**4**	**-**	

3) Financing

In May 2007, Cegedim took out a 50.0 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 280.0 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. As a result, the aggregate principal amount of bonds outstanding was 280.0 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.

On April 7, 2014 Cegedim floated an bond issue of 100 million euros, increased during the day to 125 million euros, as an addition to its 6.75% bond maturing in 2020. Except for the date and issue price (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the bonds issued in the 300 million euros 6.75% bond financing maturing in 2020, issued on March 20, 2013. The proceeds from these bonds served, among other uses, to fund the redemption of 106 million euros of bonds maturing in 2015 (at 108.102% of par), to pay the bond issue premium and costs pertaining thereto, and to repay overdraft facilities.

Following these operations, as at December 31, 2014, the debt was structured in the following manner:

- 62.6 million euros bond debt at 7.00% maturing July 27, 2015;
- 425 million euros bond at 6.75% maturing on April 1, 2020;
- 80 million euros revolving credit, undrawn, maturing on June 10, 2016;
- 45.1 million euro FCB loan maturing in June 2016;
- 46.5 million euros overdraft facility, 5.4 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, 2014, 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, 2014

Interest expense on bank loans, bonds, charges and commissions totaled 37,279 thousand euros as at December 31, 2014.

The interest related to the shareholder loan for the year 2014 amounted to 2,353 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 hedges (-948 thousand euros) and in profit or loss for their inefficient part and for the related counterparty risk taken into account in accordance with IFRS 13 (1,758 thousand euros).

The fair value at the closing date of hedging instruments amounts to 8,094 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, 2014.

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 flows (> 1 month, < 6 months)	Cash flow (> 6 months, < 1 year)	Cash flows (> 1 year, < 5 years)	Cash flow (> 5 years)
Bank loans and interest	4,814	22,004	78,158	159,844	424,551
Hedging instruments	231	1,154	1,385	5,548	0
Current bank loans	5,359	0	0	0	0
Leasing	0	0	49	117	0
Equity Investments	503	751	901	6,956	0
Miscellaneous including deposits and bonds	0	0	0	133	0

FINANCIAL INSTRUMENTS

Assumption: variable rates December 31, 2014	
EUR 1 month	0.018

CASH FLOW PROJECTIONS – FINANCIAL INSTRUMENTS

In thousands of euros	Rate	2015	2016	2017	2018	Total
Swaps borrowers EUR						
Fixed paid	4.58	929	931	929	0	2,789
Var. rec'd	0.018	4	4	4	0	12
LT SWAPS		**925**	**927**	**925**	**0**	**2,777**
Swaps borrowers EUR						
Fixed paid	4.57	927	929	927	0	2,783
Var. rec'd	0.018	4	4	4	0	12
LT SWAPS		**923**	**925**	**923**	**0**	**2,771**
Swaps borrowers EUR						
Fixed paid	4.565	926	929	926	0	2,781
Var. rec'd	0.018	4	4	4	0	12
LT SWAPS		**922**	**925**	**922**	**0**	**2,769**
TOTAL LT SWAPS		**2,770**	**2,777**	**2,770**	**0**	**8,317**

NOTE 18 Cost of net financial debt

In thousands of euros	12/31/2014	12/31/2013
INCOME OR CASH EQUIVALENT	**426**	**272**
Interest paid on loans, bank charges and commissions	(39,396)	(43,413)
Interest paid on loans	(5,264)	(1785)
INTEREST ON FINANCIAL LIABILITIES	**(44,660)**	**(45,198)**
Other interest and financing costs (1)	(3,249)	(3,308)
COST OF GROSS FINANCIAL DEBT	**(47,909)**	**(48,506)**
Net exchange differences	(298)	(1,846)
Valuation of financial instruments	1,758	(88)
Other financial non-cash income and expenses (2)	(1,642)	(6,509)
OTHER FINANCIAL INCOME AND EXPENSES	**(182)**	**(8,443)**
COST OF NET FINANCIAL DEBT	**(47,665)**	**(56,677)**

In thousands of euros	12/31/2014	12/31/2013
(1) Including Financière Cegedim interest	*2,353*	*2,457*
interest on Ixis debt	*-*	*4*
interest on shareholding	*514*	*604*
TOTAL	**2,867**	**3,065**

(2) Including costs related to old debt (origination, bank covenants, etc.) recognized in expense following the restructuring of the debt in March 2013: 5,815 thousand euros.

NOTE 19 Other liabilities

In thousands of euros	Current		Non-current		Total	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Advances and payments on account	**3,308**	**3,709**	**-**	**-**	**3,308**	**3,709**
Clients – Credits to be established	-	2,158	-	-	-	2,158
Expenses payable	-	49	-	-	-	49
Miscellaneous payables	15,130	10,625	-	1,841	15,130	12,465
Other liabilities	**15,130**	**12,832**	**-**	**1,841**	**15,130**	**14,673**
Debts on acquisition of assets	**22**	**37**	**1,123**	**580**	**1,145**	**617**
Dividends payable	**-**	**1**	**-**	**-**	**-**	**1**
Deferred income	**29,347**	**33,342**	**-**	**-**	**29,347**	**33,342**
TOTAL OTHER LIABILITIES	**47,808**	**49,922**	**1,123**	**2,421**	**48,930**	**52,342**

NOTE 20 External expenses

In thousands of euros	12/31/2014	12/31/2013
Purchases of studies & services and purchases of unstocked goods	(47,388)	(50,461)
External services (leasing, maintenance, insurance)	(34,511)	(32,591)
Other: advertising, seconded personnel, entertainment expenses, postal expenses, etc.	(43,668)	(40,980)
TOTAL EXTERNAL EXPENSES	**(125,567)**	**(124,031)**

NOTE 21 Other non-recurring income and expenses from operations

Other non-recurring income and expenses from operations comprise the following:

In thousands of euros	12/31/2014	12/31/2013
OPERATING INCOME BEFORE SPECIAL ITEMS	**49,534**	**51,937**
Impairment loss on tang. and intang. assets (incl. ECA)	-	-
Restructuring costs	(864)	-
Capital gains or losses on disposals	(1,811)	(1,044)
Other non-recurring income and expenses from operations (1)	(8,369)	3,045
OPERATING INCOME	**38,489**	**53,938**

(1) Including the 5.8 million euros fine for the Euris case, and fees for acquisition operations and fees for 2.3 million euros.

NOTE 22 Deferred tax

1) Tax breakdown

The tax expense recognized in fiscal year income was 1,438 thousand euros, compared with 12,815 thousand euros in December 2013.

This comprised:

In thousands of euros	12/31/2014	12/31/2013
Tax paid		
France	**(2,143)**	**2,796**
Abroad	(3,905)	(7,661)
TOTAL CURRENT TAX	**(6,048)**	**(4,865)**
Deferred taxes		
France	5,954	(8,361)
Abroad	(1,345)	411
TOTAL DEFERRED TAX	**4,610**	**(7,950)**
TOTAL TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT	**(1,438)**	**(12,815)**

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	12/31/2014	12/31/2013
Net profit (loss) for the period	(9,420)	(14,326)
Group share of EM companies	(1,194)	(1,228)
Income taxes	1,438	12,815
Earnings before tax for consolidated companies (A)	**(9,176)**	**(2,740)**
of which French consolidated companies	*(19,095)*	*(18,292)*
of which foreign consolidated companies	*9,920*	*15,552*
Standard tax rate in France (B)	38.00%	38.00%
THEORETICAL TAX EXPENSE (C) = (A) X (B)	**3,487**	**1,041**
Impact of permanent differences	(9,277)	(1,972)
Impact of differences in tax rates on profits	3,642	5,546
Uncapitalized tax on losses	(451)	(11,981)
Asset deferred tax recognized on earlier fiscal years	-	(5,670)
Impact of tax credit	2,428	221
Reversal of previous capitalization	(1,267)	-
Impairment of goodwill on acquisition	-	-
TAX EXPENSES RECOGNIZED IN THE INCOME ACCOUNT	**(1,438)**	**(12,815)**
Effective tax rate	0.00%	0.00%

Out of caution, the Group has not recognized deferred tax for the year on loss-making companies. In 2014, the French Fiscal Group is beneficiary.

Calculation of the standard tax rate in France:

Base	33.33%
Contribution of 3.3% (corporate tax above €763,000)	1.10%
	34.43%
Temporary contribution 10.7%	3.57%
Standard tax rate in France	**38.00%**

The main countries contributing to the "Impact of differences in tax rates on profits" line in the year ended December 31, 2014 are as follows: UK in the amount of 2,132 thousand euros, Ireland in the amount of 746 thousand euros and Luxembourg in the amount of 671 thousand euros.

The amount of tax corresponding to non-capitalized losses for the Group as a whole in the year ended December 31, 2014 was 30,265 thousand euros for French companies and 22,076 thousand euros for international companies. At this stage of the disposal transaction, this information cannot be determined for the scope of continuing operations. The expiry dates of these carryforwards are variable, and depend on the tax laws of each country.

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	12/31/2013	Reclassi–fication	Earnings	Change in consolidation scope	Other changes in equity	Change in exchange rate	Reclassification of assets/ liabilities held for sale	12/31/2014
Tax loss carryforwards and tax credits	14,583	-	506			2,031	(17,120)	0
Pension plan commitments	7,961	-	825	-	(14)	-	(2,933)	5,838
Non-deductible provisions	3,977	-	725	-	-	250	(2,353)	2,599
Updating to fair value of financial instruments	3,338	-	(721)	-	360	-	(0)	2,977
Cancellation of margin on inventory	15	-	(6)	-	-	-	0	9
Cancellation of internal capital gain	6,619	-	140	-	-	-	(6,757)	3
Restatement of R& margin	3,564	-	571	-	-	-	(3,615)	520
Restatement of allowance for the assignment of intangible assets	1,827	-	-	-	-	-	(1,827)	0
Updating to fair value of financial instruments	-	-	-	-	-	-	-	0
Other	11,072	-	(3,385)	-	46	798	(8,074)	457
TOTAL DEFERRED TAX ASSETS	**52,956**	**-**	**(1,344)**	**-**	**392**	**3,078**	**(42,679)**	**12,403**
Unrealized exchange gains/losses	-	-	5,508	-	(5,308)	(200)	-	0
Cancellation of accelerated depreciation	(1,236)	-	380		-	-	14	(843)
Cegelease unrealized capital gain	(1,454)	-	20	-	-	-	(0)	(1,434)
Cancellation of depreciation on goodwill	(3,093)	-	(374)	-	-	-	3,429	(38)
Cancellation of depreciation internal capital gains	(3,258)	-	(633)	-	-	-	3,891	0
Finance lease	(123)	-	13	-	-	-	(1)	(111)
R&D capitalization	(5,320)	-	(629)	-	-	-	(0)	(5,949)
Restatement of the allowance for the R&D margin	(861)	-	(317)	-	-	-	1,059	(118)
Assets from business combinations	(3,533)	-	338	-	-	(448)	3,643	0
Others	(1,469)	-	71	-	-	(371)	865	(904)
TOTAL DEFERRED TAX ASSETS	**(20,348)**	**-**	**4,377**	**-**	**(5,308)**	**(1,019)**	**12,900**	**(9,396)**
NET DEFERRED TAX	**32,608**	**-**	**3,033**	**-**	**(4,916)**	**2,060**	**(29,779)**	**3,006**

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, 2013	**42,121**	**(9,513)**	**32,608**
Impact on earnings for the period	(1,344)	4,377	3,033
Impact on shareholders' equity	3,470	(6,326)	(2,856)
Impact of net presentation by fiscal entity	9,057	(9,058)	(1)
Reclassification of assets/liabilities held for sale	(42,679)	12,900	(29,779)
AS AT DECEMBER 31, 2014	**10,625**	**(7,620)**	**3,005**

NOTE23 Assets held for sale and discontinued or divested operations

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc. The transaction will take place following the publication of this document, at the beginning of the second quarter of 2015. Accordingly, the 2014 consolidated financial statements are presented in line with IFRS 5 "Non-current assets held for sale and discontinued business activities." The IFRS standard defines the manner in which to record non-current assets held for sale.

IFRS 5 affected the 2014 financial statements as follows:

- In the income statement, income and expenses related to the scope of operations disposed of were moved to the item "Profit (loss) for the period from operations being discontinued."
- The Cegedim consolidated cash flow table was moved to the item "Cash flows from operations discontinued or being discontinued."

Such restatements are applied to all of the periods presented in order to make the information coherent.

Furthermore, the contribution of the CRM and Strategic Data operations to each line of Cegedim's consolidated balance sheet at December 31, 2014, is combined in the lines "Assets from discontinued business activities or business activities held for sale" and "Liabilities associated with assets from discontinued business activities or business activities held for sale". The data presented pertaining to fiscal year 2013 is historic data, and has not been adjusted.

1) Assets and liabilities held for sale

As at December 31, 2014, the major classes of assets and liabilities classified as assets and liabilities held for sale were as follows:

In thousands of euros	12/31/2014		12/31/2014
Assets		**Liabilities**	
Goodwill on acquisition	201,804	Financial liabilities	1,068
Intangible assets	138,709	Deferred tax assets	4,145
Property, Plant and Equipment	11,007	Provisions	16,670
Financial assets	4,263	Accounts payable and related accounts	24,534
Deferred tax assets	33,924	Tax and social liabilities	59,492
Services in progress	186	Other liabilities	74,740
Goods	958		
Advances and deposits received on orders	235		
Accounts receivable	115,198		
Other receivables	11,356		
Cash and cash equivalents	61,038		
Prepaid expenses	6,180		
ASSETS HELD FOR SALE	**584,857**	**LIABILITIES HELD FOR SALE**	**180,649**

2) Discontinued operations

In the consolidated income statement presented for comparison, the results of divested operations or operations being divested have been reclassified line by line on the item "Net profit (loss) of operations held for sale."

The main indicators of the consolidated income statement as at December 31, 2014 and December 31, 2013 in respect of discontinued operations are:

In thousands of euros	12/31/2014	12/31/2013
Revenue	**429,779**	**425,846**
Purchases used	(17,539)	(19,032)
External expenses (1)	(119,428)	(117,823)
Taxes	(4,515)	(4,144)
Payroll costs (1)	(218,410)	(217,879)
Allocations to and reversals of provisions	(2,121)	(2,604)
Change in inventories of products in progress and finished products	(2)	(22)
Other operating income and expenses	(1,562)	(276)
EBITDA	**66,202**	**64,066**
Depreciation expenses	(20,904)	(23,870)
Operating income before special items	**45,298**	**40,196**
Impairment of goodwill on acquisition	(218,869)	(63,300)
Non-recurrent income and expenses	(4,636)	(5,242)
Other non-recurring income and expenses from operations	**(223,505)**	**(68,542)**
Operating income	**(178,207)**	**(28,346)**
Cost of net financial debt	(1,188)	(3,383)
Income taxes	(9,413)	(10,022)
Deferred income taxes	(1,576)	(2,646)
Share of net profit (loss) for the period of equity method companies	71	46
NET PROFIT (LOSS) OF ACTIVITIES HELD FOR SALE	**(190,313)**	**(44,351)**

(1) Capitalized production has been reclassified in external expenses and payed costs as explained in the following chart.

In thousands of euros	12/31/2014	12/31/2013
Payroll costs	20,778	21,286
External expenses	5,194	5,322
Capitalized production	25,972	26,608

3) Cash flow from discontinued operations

In thousands of euros	12/31/2014	12/31/2013
Net cash flow generated from operating activities	79,919	82,288
Net cash flow provided by (used in) investing activities	(28,785)	(31,300)
Net cash flow provided by (used in) investing activities	(1,300)	(3,515)

NOTE 24 Lease commitments

Finance leases – Cegedim Group lessee

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	11,799	11,563
Between 1 and 5 years	16,415	15,005
More than 5 years	197	157
TOTAL (A)	**28,411**	**26,725**
UNEARNED FINANCIAL INCOME (B)	**-**	**1,686**
MINIMUM PAYMENTS (A) + (B)	**28,411**	**28,411**

Operating leases – Cegedim Group lessee

The Group lists different types of operating leases in the Group:

- real estate;
- computer equipment;
- photocopiers;
- vehicle leases.

The expense resulting from these leases was 25,846 thousand euros for the year 2014.

Real estate leases are renewable every three-six-nine years.

The Group signs standard leasing agreements.

The discount rate applied is 8.9%.

Payment schedule and present value

In thousands of euros	Lease payments due	Present value of payments
Within one year	8,371	-
Between 1 and 5 years	10,262	-
More than 5 years	892	-
TOTAL	**19,525**	**17,263**

NOTE 25 Restatement of finance lease

Loans related to former finance leases were totally reimbursed during 2011. There is no more restatement of finance leases.

NOTE 26 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 course of the period (i.e. 13,962,873 shares at December 31, 2014 and 13,948,887 shares at December 31, 2013).

Current earnings per share of continued operations amounted to a negative 0.3 euros in respect of fiscal 2014.

Current earnings per share amounted to a negative 14.3 euros in respect of fiscal 2014.

	12/31/2014	12/31/2013
Weighted average number of outstanding ordinary Cegedim SA shares	13,997,173	13,997,173
Less average number of treasury shares held	(34,300)	(48,286)
Number of shares for the calculation of earnings per share	13,962,873	13,948,887

NOTE 27 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., 13,962,873 shares at 12/31/2014 and 13,948,887 shares at 12/31/2013).

NOTE 28 Off-balance-sheet commitments

There is a commitment of 887 thousand pounds sterling related to the Webstar earnout.

GUARANTEES GIVEN BY CEGEDIM TO ITS SUBSIDIARIES

Cegedim IT subsidiary

Guarantee of 3 million euros in favor of Microsoft Ireland Operations Limited for orders made by Cegedim IT and guarantee of 1.5 million euros in favor of Obiane for orders made by Cegedim IT.

InPS subsidiary

Four million pounds sterling guarantee in favor of Lancashire County Council for renewing the lease for the offices in Chertsey (United Kingdom) (authorization of the Board of Directors on April 18, 2013).

All subsidiaries

One-year authorization for all subsidiaries to provide a security, 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 7, 2014).

SUBSIDIARY GUARANTEES

Cegedim Activ subsidiary

- Guarantee in favor of the Caisse Nationale de Sécurité Sociale de Casablanca in the amounts of 45 thousand MAD and 11 thousand euros.
- Guarantee in favor of CNOPS in the amount of 264 thousand euros.
- Guarantee in favor of Office National de l'Electricité in the amount of 36 thousand euros.
- Guarantees in favor of ANAM Maroc in the amount of 20 thousand Moroccan dirhams and ANAM in the amount of 8 thousand euros.
- Guarantee in favor of the Kingdom of Morocco in the amount of 60 thousand Moroccan dirhams.
- Guarantee in favor of Caisse Nationale de Sécurité Sociale du Maroc in the amount of 6 thousand euros.

iGestion subsidiary

Guarantee in favor of La Poste for the amount of 80 thousand euros.

RM Ingénierie subsidiary

Guarantee in favor of BTP Andrieu Construction in the amount of 1,837 thousand euros.

Assets held for sale

GUARANTEES GIVEN BY CEGEDIM TO ITS SUBSIDIARIES

Cegedim USA Inc. subsidiary

3.5 million US dollar 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.

SUBSIDIARY GUARANTEES

Cegedim Portugal and Cegedim Inc. USA

Guarantees for Cegedim Portugal, CSD USA and Cegedim Inc. USA in the amounts of 187 thousand euros, 154 thousand, 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 29 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 30.

Identity of Cedegim's parent company: FCB

SA (limited company) held primarily by 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 in the amount of 6,812 thousand euros;
- FCB re-invoiced headquarters costs in the amount of 1,456 thousand euros.
- FCB granted a loan to Cegedim SA in 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 an outstanding debt owed them, resulting in a decrease of the debt owed them, from 50 million euros to 45,094 thousand euros. The interest resulting from this loan for 2014 was 2,353 thousand euros.

In thousands of euros	Companies under joint control or significant influence 12/31/2014	Companies under joint control or significant influence 12/31/2013	FCB 12/31/2014	FCB 12/31/2013	Family companies 12/31/2014	Family companies 12/31/2013
Income	-	239	212	213	-	-
Expenses	-	-	11,433	11,576	1,182	1,181
Loans	-	-	45,094	45,094	-	-
Security deposits	-	-	1,074	1,786	289	293
Receivables	-	239	18	12	-	-
Provisions for receivables	-	-	-	-	-	-
Liabilities	-	-	438	3,610	307	409
Commitments given	-	-	-	-	-	-
Commitments received	-	-	-	-	-	-

NOTE 30 Manager's compensation

Directors' fees paid to Board members increased to 139 thousand euros at December 31, 2014, and are recorded in the "Other external purchases and expenses" item of the income statement. In compliance with the IAS 24 standard, 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 those of 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	31/12/2014	31/12/2013
	gross amount	gross amount
Short-term benefits (wages, bonuses, etc.)	1,698	1,805
Post-employment benefits	None	None
Severance pay	None	None
Other long-term benefits	None	None
BENEFITS RECOGNIZED	**1,698**	**1,805**
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 31 Employee costs

In thousands of euros	12/31/2014	12/31/2013
Wages	(170,093)	(165,627)
Profit-sharing	(4,028)	(3,959)
Free shares award plan	(133)	(46)
PAYROLL COSTS	**(174,254)**	**(169,631)**

NOTE 32 Employees

	12/31/2014	12/31/2013
France	2,413	2,309
International	938	898
TOTAL STAFF	**3,351**	**3,207**

NOTE 33 Dividends

No dividend has been paid for fiscal 2013, in accordance with the decision of the Ordinary General Meeting held on June 10, 2014.

NOTE 34 Equity

As at December 31, 2014, the share capital was made up of 13,997,173 shares (including 15,527 treasury shares), each with a nominal value of 0.9528 euros, i.e. total share capital of 13,336,506 euros.

NOTE 35 Treasury shares

21,180 treasury shares were definitively granted during the course of the month of June 2014, under the June 8, 2010 plan, in the amount of 524 thousand euros.

12,970 treasury shares were definitively granted during the course of the month of June 2014, under the September 19, 2012 plan, in the amount of 302 thousand euros.

Allocation of free shares

The Board of Directors meeting of September 18, 2014 was authorized by the Extraordinary General Shareholders' Meeting of June 10, 2014 to award free shares in a total number not exceeding 10% of the total number of shares comprising the share capital to corporate officers and employees of the Cegedim Group.

Following a resolution of the Extraordinary General Shareholders' Meeting of June 8, 2011, the Board of Directors, at its meetings of June 29, 2011, September 19, 2012 and June 4, 2013, was authorized to award free shares in a total number not exceeding 10% of the total number of shares comprising the share capital to corporate officers and employees of the Cegedim Group.

The Board of Directors meeting of June 8, 2010 was authorized by the Extraordinary General Shareholders' Meeting of February 22, 2008 to award free shares in a total number not exceeding 10% of the total number of shares comprising the share capital to corporate officers and employees of the Cegedim Group.

The main characteristics of the plans are the following:

- the free shares awarded will confer the right to dividends, the distribution of which will be determined as of the award date. 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; The plan dated September 18, 2014 authorized a maximum allocation of 19,280 free shares;
- the allocation of such shares to their beneficiaries will become final after a two-year vesting period 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 said 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 beneficiaries' vesting period. The amount reported as expenses in respect of the 2014 fiscal year was -133 thousand euros.

The main characteristics of the plans are the following:

	Plan of 06/08/2010	Plan of 06/29/2011	Plan of 09/19/2012	Plan of 06/04/2013	Plan of 06/04/2013
Date of the General Meeting	02/22/2008	06/08/2011	06/08/2011	06/08/2011	06/10/2014
Date of the Board of Directors meeting	06/08/2010	06/29/2011	09/19/2012	06/04/2013	09/18/2014
Date of plan opening	06/08/2010	06/29/2011	09/19/2012	06/04/2013	09/18/2014
Total number of shares than can be allocated	32,540 shares	41,640 shares	31,670 shares	48,870 shares	19,280 shares
Initial subscription price	€55.00	€39.12	€15.70	€24.46	€27.11
Date of availability of free shares					
France	06/08/2012	06/28/2013	09/18/2014	06/03/2015	09/17/2016
Abroad	06/08/2014	06/28/2015	18/09/2016	06/03/2017	09/17/2018

Position of plans as at December 31, 2014

	Plan of 06/08/2010	Plan of 06/29/2011	Plan of 09/19/2012	Plan of 06/04/2013	Plan of 06/04/2013
Total number of shares allocated	-	24,470 shares	13,230 shares	40,630 shares	19,280 shares
Total number of shares left to be acquired after recorded exercising of options and canceled options	-	24,470 shares	13,230 shares	26,703 shares	19,280 shares
Adjusted acquisition price of free share allotments					
France	€51.45	€36.04	€15.24	€23.74	€26.31
Abroad	€43.40	€29.95	€13.35	€20.79	€23.04

NOTE 36 Disposal of receivables

On December 9, 2011, Cegedim SA concluded a deconsolidation transaction with the Eurofactor company relating to the assignment of receivables in the amount of 14,087 thousand euros as at December 31, 2014.

NOTE 37 Auditors’ fees

	12/31/2014				12/31/2013			
(in thousands of euros)	**Mazars**	**%**	**Grant Thornton**	**%**	**Mazars**	**%**	**Grant Thornton**	**%**
Auditing, certification, review of individual and consolidated financial statements								
Cegedim SA	200	32.15%	200	40.09%	177	54.86%	177	43.32%
Fully consolidated subsidiaries	278	44.63%	203	40.75%	145	45.14%	231	56.68%
Other work and services directly linked to the Auditors’ assignment								
Cegedim SA	144	23.22%	96	19.16%	0	0.00%	0	0.00%
Fully consolidated subsidiaries	0	0.00%	0	0.00%	0	0.00%	0	0.00%
AUDIT SUBTOTAL	**622**	**100.00%**	**499**	**100.00%**	**322**	**100.00%**	**407**	**100.00%**
Legal, fiscal, social	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Others	0	0.00%	0	0.00%	0	0.00%	0	0.00%
SUBTOTAL OF OTHER SERVICES PROVIDED BY THE NETWORKS TO THE FULLY CONSOLIDATED SUBSIDIARIES	**622**	**0.00%**	**499**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**
TOTAL AUDITORS’ FEES	**584**	**100.00%**	**461**	**100.00%**	**322**	**100.00%**	**407**	**100.00%**

NOTE 38 Subsequent Events

To the best of the Company's knowledge, no events or changes liable to have a significant effect on the Group's financial position have taken place since the closing date.

NOTE 39 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 particular, as regards the CRM and Strategic Data division, customers use the Group's services more at the end of the year because they are analyzing the results of their marketing and sales efforts during the course of the year, and preparing 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.

NOTE 40 Capitalized production

Capitalized production has been reclassified to personnel costs and external costs as shown in the table below.

Accordingly, changes were made to the 2013 financial statements previously published.

In thousands of euros	12/31/2014	12/31/2013
Payroll costs	18,661	16,245
External expenses	4,665	4,061
CAPITALIZED PRODUCTION	**23,327**	**20,307**

20.2 HISTORICAL FINANCIAL INFORMATION – STATUTORY FINANCIAL STATEMENTS

20.2.1 Statutory Financial Statements at December 31, 2014 – Cegedim SA

Balance sheet – Assets

In thousands of euros	Gross amount	Depreciation and provision	12/31/2014 Net	12/31/2013 Net	12/31/2012 Net
Intangible assets					
Development costs	6,398		6,398	5,675	7,153
Concessions, patents, and similar rights	495	373	123	135	147
Goodwill	5,085	174	4,911	5,415	4,911
Other intangible assets	222,918	86,742	136,177	132,003	121,998
Property, Plant and Equipment					
Buildings	3,197	1,597	1,599	1,886	2,132
Technical facilities, tooling	24,112	19,005	5,107	5,838	5,866
Other Property, Plant and Equipment	1,043	930	113	79	113
Construction work in progress	58		58	0	1,717
Financial assets					
Other equity investments	926,889	425,514	501,375	765,286	701,393
Receivables from equity investments	2,442		2,442	211	146
Loans	41,265		41,265	11,491	63,067
Other financial assets	3,890		3,890	3,767	3,921
FIXED ASSETS	**1,237,793**	**534,335**	**703,458**	**931,766**	**912,564**
Inventory and work in progress					
Inventory of goods and raw materials	11		11	15	18
Production of services in progress	0		0	0	0
Goods	0		0	0	0
Advances and deposits made on orders	64		64	60	259
Receivables					
Trade receivables	67,368	972	66,396	66,127	72,588
Other receivables	31,814		31,814	14,704	38,548
Subscribed and called capital not paid	0		0	0	0
Marketable securities	888	53	835	2,134	2,832
Cash and cash equivalents	464		464	361	2,665
Accruals					
Prepaid expenses	4,270		4,270	5,717	6,154
CURRENT ASSETS	**104,880**	**1,026**	**103,854**	**89,119**	**123,064**
Deferred bond issuing costs	6,929		6,929	6,760	5,859
Unrealized exchange losses	75		75	3,906	29
TOTAL ASSETS	**1,349,678**	**535,360**	**814,318**	**1,031,550**	**1,041,516**

Balance Sheet – Liabilities

In thousands of euros	12/31/2014	12/31/2013	12/31/2012
Share capital	13,337	13,337	13,337
Share premiums, merger share premiums	241,706	244,313	244,313
Legal reserves	1,334	1,334	1,334
Regulated reserves	322	972	738
Other reserves	650	46,143	129,774
Retained earnings	0	188	188
Profit (loss) for the period	(201,101)	(48,937)	(82,251)
Regulated provisions	1,217	1,845	2,226
SHAREHOLDERS' EQUITY	**57,464**	**259,193**	**309,656**
Provisions for risks	5,551	8,523	2,240
Provisions for expenses	10,309	9,446	8,508
OTHER PROVISIONS FOR RISKS AND EXPENSES	**15,859**	**17,969**	**10,748**
Financial liabilities			
Other bonds	487,600	468,550	280,000
Loans and liabilities from financial institutions	63,265	76,920	253,105
Miscellaneous loans and financial liabilities	46,447	46,402	46,883
Advances & payments on account received on orders in progress	105	81	163
Operating liabilities			
Accounts payable and related accounts	33,420	30,669	45,085
Tax and social liabilities	24,453	22,537	22,751
Miscellaneous liabilities			
Payables on fixed assets and associated accounts			
Other liabilities	67,647	108,125	44,357
Deferred income	7,279	904	845
LIABILITIES	**730,215**	**754,189**	**693,189**
Unrealized exchange gains	10,779	200	27,923
TOTAL LIABILITIES	**814,318**	**1,031,550**	**1,041,516**

Income statement (part 1)

In thousands of euros	12/31/2014	12/31/2013	12/31/2012
Sale of goods France	0	2	4
Sale of goods outside France	0	0	0
Production of goods sold France	84	24	107
Production of goods sold outside France	895	453	287
Production of services sold France	117,257	123,651	125,290
Production of services sold outside France	74,122	66,845	58,400
NET REVENUE	**192,358**	**190,975**	**184,087**
Stocked production	0	(4)	0
Capitalized production	25,769	26,295	28,785
Write-backs on depreciation, provisions and transferred expenses	2,921	9,090	2,129
Other income	1,941	861	476
OPERATING INCOME	**222,989**	**227,216**	**215,477**
Purchase of goods	0	(2)	(4)
Variations in inventories of goods and raw materials	(4)	(3)	0
Purchase of raw materials and supplies	0	0	0
Other external purchases and expenses	(119,287)	(115,702)	(108,131)
Taxes, duties, and similar payments	(5,076)	(5,222)	(5,006)
Wages and salaries	(53,468)	(51,110)	(51,756)
Payroll taxes	(25,299)	(24,527)	(25,226)
Depreciation of fixed assets	(24,279)	(28,464)	(20,124)
Provisions for current assets	(562)	(607)	(440)
Provisions for risks and expenses	(1,867)	(1,264)	(3,220)
Other expenses	(635)	(256)	(878)
OPERATING EXPENSES	**(230,477)**	**(227,157)**	**(214,786)**
OPERATING EARNINGS	**(7,488)**	**59**	**691**

Income statement (part 2)

In thousands of euros	12/31/2014	12/31/2013	12/31/2012
Financial income from equity investments	33,808	38,572	43,388
Other interest and related income	7,537	8,618	19,835
Write-backs on provisions and transferred expenses	27,798	7,467	7,063
Foreign exchange gains	332	23,865	416
Net gain on disposal of short-term investments	0	0	1
FINANCIAL INCOME	69,475	78,523	70,703
Financial depreciation and provisions	(215,048)	(78,343)	(110,165)
Interest and related expenses	(54,373)	(57,801)	(50,134)
Foreign exchange losses	(943)	(2,400)	(1,622)
FINANCIAL EXPENSES	(270,363)	(138,544)	(161,922)
FINANCIAL RESULT	**(200,888)**	**(60,022)**	**(91,219)**
CURRENT EARNINGS BEFORE TAX	**(208,376)**	**(59,963)**	**(90,528)**
Non-recurring income on management operations	0	0	0
Non-recurring income on capital transactions	6,524	8	4,853
Write-backs on provisions and transferred expenses	1,601	975	500
NON-RECURRING INCOME	8,126	983	5,353
Non-recurring expenses on management transactions	(5,767)		
Non-recurring expenses on capital transactions	(3,790)	(3)	(5,367)
Non-recurring expenses from depreciation and provisions	(2,359)	(594)	(888)
NON-RECURRING EXPENSES	(11,916)	(597)	(6,254)
NET EXCEPTIONAL INCOME/(LOSS)	**(3,791)**	**386**	**(901)**
Employee profit-sharing	(442)	(373)	(195)
Income taxes	11,507	11,013	9,372
TOTAL INCOME	300,590	306,722	291,533
TOTAL EXPENSES	(501,691)	(355,659)	(373,784)
PROFIT (LOSS) FOR THE PERIOD	**(201,101)**	**(48,937)**	**(82,251)**
Net earnings per share *(in euros)*	(14.37)	(3.50)	(5.88)
Earnings before tax per share *(in euros)*	(15.19)	(4.28)	(6.55)
Current earnings before tax per share *(in euros)*	(14.89)	(4.28)	(6.47)

TABLE OF SUBSIDIARIES AND EQUITY INVESTMENTS

Subsidiaries owned at 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	1,048	100.00%	5,553	1,118
GERS SAS	50	(2,537)	100.00%	50	50
Cetip	749	10,105	99.74%	1,216	0
SCI 2000	4	477	68.83%	847	0
Incams	8,038	(581)	100.00%	10,626	1,291
Pharmastock	576	(166)	100.00%	576	576
AMIX	160	(303)	100.00%	8	0
Cegelease	10,000	4,361	100.00%	10,219	0
Cegedim Logiciels Médicaux	1,000	(1,398)	100.00%	30,567	20,493
Icomed	3,087	466	100.00%	189	0
Cegedim SRH	7,000	(1,292)	100.00%	12,451	7,406
RNP	495	420	100.00%	2,430	0
Sofiloca	15	273	100.00%	15	0
Reportive SA	2,478	(387)	100.00%	866	0
CDS	58,008	(2,455)	100.00%	73,204	33,027
MedExact	37	2,223	100.00%	655	0
CSD France	1,000	(8,770)	100.00%	13,335	2,268
Cegedim Activ	13,323	18,161	100.00%	30,000	0
Hospitalis	37	1,804	100.00%	37	0
Resip	159	2,035	100.00%	20,435	0
Alliadis	1,244	2,917	100.00%	44,224	0
Alliance Software	1,563	2,314	100.00%	8,962	0
Premium Cegedim	100	158	50.00%	50	0
Cegedim Software	19,300	(1,997)	100.00%	19,300	0
Cegedim Healthcare Software	10	(1,712)	100.00%	10	0
Cegedim Insurance	0	(3)	100.00%	0	0
Cegedim Dynamic Framework	0	(3)	100.00%	0	0
I-Assurances	0	(3)	100.00%	0	0
Cegedim IT	0	(2)	100.00%	0	0
Cegedim Secteur 1	0	(163)	100.00%	0	0
Cegedim Kadrige	0	(2,358)	100.00%	0	0
Cegedim Austria GmbH	205	(138)	100.00%	205	205
Cegedim Algeria	85	350	100.00%	85	0
Cegedim Belgium	109,075	44,345	99.97%	109,039	0
Croissance 2006 Belgium	1,378	7,222	100.00%	6,243	0
Cegedim CZ Czech Republic	29	1,079	100.00%	1,171	0
Cegedim Trends (Egypt)	14	1,207	70.00%	434	0
Cegedim Holding GmbH	11,559	(472)	100.00%	12,600	0
Cegedim Hellas	25	763	100.00%	28	0
Cegedim Computer Technics (Hungary)	90	(42)	100.00%	89	0
Cegedim World Int. Services Ltd	60,000	2,616	100.00%	60,000	0
Cegedim Italy	4,000	10,374	100.00%	4,025	0
Cegedim Romania SRL	2	1,906	100.00%	1,031	0
Cegedim LLC (Russia)	200	2,219	99.99%	2,096	0
Cegedim SK (Slovakia)	12	384	100.00%	8	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				
4,435				9,012	546	887
0			2,517	26,868	(578)	
1,216				28,114	3,274	
847				263	223	162
9,335				3,677	294	
0				2,096	(13)	
8				2,612	(73)	
10,219	10,000			116,750	3,361	3,429
10,074				22,846	372	
189				12,121	927	
5,045				35,192	1,332	
2,430				23,461	371	1,088
15				2,685	263	350
866	1,000			1,886	27	
40,177				3,934	(2,721)	2,873
655				4,741	419	647
11,067	10,000			25,338	(2,259)	
30,000				77,012	5,379	2,861
37				2,899	1,800	544
20,435				7,422	1,961	1,885
44,224				40,436	796	2,340
8,962				21,481	(54)	
50				0	71	38
19,300				4,573	(659)	
10	12,000			0	(1,711)	
0				0	(1)	
0				0	(1)	
0				194	(2)	
0				381	0	
0				0	(161)	
0			2,471	1,185	(2,250)	
0	275			1,511	65	
85				1,024	45	
109,039	400			6	(6,166)	
6,243				0	275	
1,171				4,429	625	363
434				2,859	735	266
12,600				1,024	(626)	2,244
28				4,493	589	498
89				449	19	
60,000				24	2,580	2,500
4,025				19,715	7,926	1,200
1,031				5,418	1,106	1,958
2,096				14,727	2,220	1,410
8				1,019	211	238

Subsidiaries owned at 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 Spain	810	7,049	100.00%	1,656	0
Next Software (Tunisia)	187	(120)	94.51%	177	0
Cegedim UK LTD	5,172	2,100	100.00%	5,220	0
InPractice Systems (England)	19,845	9,402	100.00%	0	0
THIN (England)	2	(854)	100.00%	188	188
Cegedim USA	478,464	6,233	100.00%	434,544	358,745
Cegedim do Brazil	716	(8,082)	100.00%	716	0
TOTAL – SUBSIDIARIES HELD AT OVER 50%				**925,379**	**425,366**

(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 2014 fiscal year.

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	152	20.00%	3	0
Galaxy Sante	15	1	49.00%	7	
Netfective Technology	675	13,539	6.08%	899	35
NEX & COM	500	1,065	20.00%	13	0
CSD Belgium	62	(744)	0.02%	0	0
Cegedim Portugal	560	949	8.93%	535	113
GERS Maghreb (Tunisia)	564	(112)	7.99%	52	0
TOTAL – SUBSIDIARIES HELD AT LESS THAN 50%				**1,509**	**148**
TOTAL				**926,889**	**425,514**

(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 2014 fiscal year.

Cegedim SA also received 145 thousand euros in dividends in 2014, from its subsidiary Cegedim Turquie. This subsidiary was sold in December 2014, and thus does not appear in the table below.

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				
1,656				13,727	4,471	100
177				116	61	
5,220				17,053	1,640	1,217
0				34,466	2,972	4,203
0				933	63	
75,800				0	(1)	
716	5,709			6,181	(961)	
500,013	**39,384**	**0**	**4,987**	**606,351**	**28,780**	**33,301**

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	25	
7				0	1	
864				7,589	2,280	
13				2,232	(813)	
0				1,065	40	
422				7,318	837	362
52	434			1,045	(277)	
1,362	**434**	**0**	**0**	**19,249**	**2,092**	**362**
501,375	**39,818**	**0**	**4,987**	**625,600**	**30,873**	**33,663**

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20.2.2 Notes to the Statutory Financial Statements at December 31, 2014 – Cegedim SA

DETAILED SUMMARY OF THE NOTES TO FINANCIAL STATEMENTS

NOTE 1 Characteristics of the 2014 fiscal year

A) Financing operation

On April 7, 2014 Cegedim floated a bond issue of 100,000 thousand euros, increased during the day to 125,000 thousand euros, as an addition to its 6.75% bond maturing in 2020. Except for the date and issue price (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the bonds issued in the 300,000 thousand euros 6.75% bond financing maturing in 2020, issued on March 20, 2013. Note that Cegedim was able to borrow at 5.60% as compared to 6.75% one year earlier.

The proceeds of this bond issue were used, among other ways, to finance the 105,950,000 euros redemption of 2015 bonds (at a price of 108.102%), pay the premium along the with associated expenses and repay the bank overdrafts.

Our debt structure at this point is therefore as follows:

- 62,600 thousand euros bond at 7.00% maturing on July 27, 2015;
- 425,000 thousand euros bond at 6.75% maturing on April 1, 2020;
- revolving credit of 80,000 thousand euros maturing June 10, 2016, undrawn as of December 31, 2014;
- overdraft facilities.

B) Company acquisition

On January 15, 2014, Cegedim completed the acquisition of the French company Cegedim Software. This company is developing an equity-financed human-resource software.

C) Fine by the Competition Authority

On July 8, 2014 the Competition Authority imposed a fine of 5.8 million euros on Cegedim following a formal complaint by the Euris company for anticompetitive practices in the French market for databases for medical professionals.

This decision was appealed to the Paris *Cour d'Appel*. Since the decision of the Competition Authority was immediate enforceable, Cegedim paid the fine in October 2014.

Note that this risk had been indicated in point 4.3.24 of the 2013 Registration Document as well as in the Note d'opération ("Securities Note" or "Transaction note") published at the time of the bond issue last April.

D) Signing of a final sales agreement for the CRM and Strategic Data division

On October 20, 2014 Cegedim announced the signing of a binding contract to sell its CRM and Strategic Data division to IMS Health, Inc., for 385,000 thousand euros in cash on a "no cash-no debt" basis and subject to certain adjustments depending on the Group's net debt at the sale date and CRM and Strategic Data division's change in net working capital and 2014 revenue.

In late December 2014 the European Commission gave the go-ahead to the buyout of the CRM and Strategic Data division by IMS Health. The decision depends on the sale by IMS Health of part of its "syndicated promotional data base" business in Europe, with yearly sales of 2,000 thousand dollars. This authorization from the European Commission occurs in conjunction with the December 5, 2014 expiration of the review period of the transaction by the US anti-trust authority.

Proceeds from the transaction will be used for repaying the debt, thus strengthening Cegedim's consolidated balance sheet and consolidated income statement.

The transaction will let Cegedim refocus on applications and data bases for healthcare professionals and health insurance companies, as well as on its fast-growing multi-sector business lines such as e-business, e-collaboration and outsourcing payroll and human resources.

The sale of the CRM and strategic data division will become effective in April 2015, as planned.

At December 31, 2014, this transaction caused the Company to impair the equity held in subsidiaries sold by 212 million euros.

E) Cegedim's B+ rating was placed on positive watch by S&P

Following the signing of the final sales agreement for the CRM and strategic data division, Standard and Poor's on October 24, 2014 placed the B+ rating of Cegedim and its bonds on credit watch with positive implications.

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.

F) Research and development capitalization

Cegedim and its subsidiaries software development costs (composed of payroll costs and external costs) were capitalized for 25,594 thousand euros. The conditions set forth by the General Chart of Accounts were satisfied.

G) Allocation of free shares

On September 18, 2014, the Board of Directors was authorized by the Extraordinary General Shareholders' Meeting of June 10, 2014, to award a maximum of 19,280 free shares to the Directors and employees of the Cegedim Group (see note 28).

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) 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 reliably measure 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.

Amortization 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 190,735 thousand euros, including 25,594 thousand euros for the 2014 fiscal year in Research and Development. The capitalized amount of 25,594 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 126,027 thousand euros. These projects have an average amortization period of 12 years. The other miscellaneous projects, concerning all of Cegedim SA's activity sectors for a total of 64,708 thousand euros, are amortized over an average of five years.

ACQUIRED ASSETS

Acquired intangible assets are valued at their purchase cost and amortized using the straight-line method over their economic lifespan.

B) Property, plant and equipment

Property, plant and equipment acquired 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 five and fifteen years; straight-line method.

FIXTURES AND FACILITIES

Fixtures and facilities have a lifespan of eight to fifteen years (usually being eight 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 Wednesday, December 31, 2014 involve all of the treasury shares intended for the Cegedim Group's managers and employees (see note 28), therefore they are recorded 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 reassessment or judicial 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 9,338 thousand euros as at December 31, 2014. The receivables assigned to the Factor correspond mainly to the security deposit of 1,126 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 commitments

Cegedim SA applies the measures of the ANC recommendation No. 2013-02 dated November 7, 2013 which regulates the valuation of retirement commitments 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 commitments are recognized as a provision for expenses and Cegedim SA has chosen to record actuarial differences in the income statement.

Cegedim SA's commitments 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.

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 recorded 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

Since 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 bond in accordance with the bond's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 1,087 thousand euros.

In 2014, issue expenses related to the 125,000 thousand euros bond (i.e. 1,428 thousand euros), were spread over the remaining period of the bond in accordance with the bond's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 172 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 to 881 thousand euros for 2014.

NOTE 3 Assets

In thousands of euros	12/31/2013	Reclassification peer-to-peer	Acquisitions/ Contributions	Disposals/ Subtractions	12/31/2014
Establishment and development costs	5,675	(4,953)	5,676		6,398
Other intangible assets	182,194	26,036	537	361	208,406
Other intangible assets in progress	20,983	(21,283)	20,393		20,093
GROSS INTANGIBLE ASSETS	**208,852**	**(200)**	**26,606**	**361**	**234,896**
Buildings on un-owned land	-				-
General buildings & facilities	3,197				3,197
Technical facilities, tooling	27,224	40	2,019	5,171	24,112
Office and IT equipment and furniture	1,761		76	793	1,043
Tangible assets under construction	-	(40)	98		58
GROSS INTANGIBLE ASSETS	**32,182**	**-**	**2,193**	**5,964**	**28,410**
Other equity investments (1)	996,214		103,107	169,990	929,331
Loans and other financial investments (2)	20,118		53,289	28,252	45,155
GROSS FINANCIAL INVESTMENTS	**1,016,332**	**-**	**156,396**	**198,242**	**974,486**
TOTAL GROSS ASSETS	**1,257,366**	**(200)**	**185,195**	**204,568**	**1,237,793**

(1) The increase in equity investment value:
- capital increase of certain subsidiaries through exchange for equity and cash contributions (of which Cegedim USA accounted for 73,265 thousand euros).
- Cegedim Software share buyback for 2,000 thousand euros.
The decrease in equity investment value:
- capital reduction of certain subsidiaries from repayment of contributions (of which Cegedim Belgium accounted for 159,947 thousand euros).
- merger of Cegedim Tunisie into GERS Maghreb;
- buyback by Reportive of a portion of its shares before cancellation.

(2) The account "Loans, other long-term investments" is made up of security deposits in the amount of 3,890 thousand euros, 40,003 thousand euros in loans to subsidiaries, and 1,262 thousand euros in loans for construction efforts.
The main loans granted to subsidiaries during the fiscal year were as follows: reportive in the amount of 1,000 thousand euros, CSD France in the amount of 10,000 thousand euros, Cegedim Healthcare Software in the amount of 12,000 thousand euros, Cegedim Software in the amount of 17,300 thousand euros, Incams in the amount of 8,000 thousand euros, and Cegedim Asia Pacific in the amount of 2,000 thousand euros.
The main loan reimbursements to subsidiaries obtained during the fiscal year were as follows: Cegedim Asia Pacific in the amount of 2,000 thousand euros and Cegedim Algérie in the amount of 36 thousand euros.
The decline in loans dues to exchanges for equity involved Incams in the amount of 8,000 thousand euros, Cegedim Software in the amount of 17,300 thousand euros and Cegedim GmbH (Austria) in the amount of 75 thousand euros.

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 and amortization

In thousands of euros	12/31/2013	Allowances	Reversals	12/31/2014
Establishment and development costs	0			0
Other intangible assets	65,624	21,722	57	87,288
Other intangible assets in progress	0			0
AMORTIZATION OF INTANGIBLE ASSETS	**65,624**	**21,722**	**57**	**87,288**
Buildings on un-owned land	0			0
General buildings & facilities	1,331	266		1,597
Technical facilities, tooling	21,386	2,791	5,172	19,005
Office and computer equipment	1,682	42	793	930
AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT	**24,399**	**3,099**	**5,966**	**21,533**
TOTAL DEPRECIATION	**90,023**	**24,821**	**6,023**	**108,821**

In thousands of euros	Straight-line	Declining balance	Accelerated allowances	Accelerated reversals
Establishment and development costs				
Other intangible assets	21,722			
Other intangible assets in progress				
OTHER INTANGIBLE ASSETS	**21,722**	**0**	**0**	**0**
Buildings on un-owned land				
General buildings & facilities	266			
Technical facilities, tooling	2,791		559	1,186
Office and computer equipment	42			
PROPERTY, PLANT AND EQUIPMENT	**3,099**	**0**	**559**	**1,186**
TOTAL ALLOWANCES	**24,821**	**0**	**559**	**1,186**

NOTE 5 Provisions

In thousands of euros	12/31/2013	Allowances	Reversals used	Reversals unused	12/31/2014
Accelerated depreciation	1,845	559		1,186	1,217
REGULATED PROVISIONS	**1,845**	**559**	**0**	**1,186**	**1,217**
Provisions for litigation	285	313	81	29	488
Provision for exchange losses	3,906	75		3,906	75
Provisions for pensions and similar obligations	8,115	752	22		8,845
Provisions for shares allocated to employees	1,331	802		669	1,463
Other provisions for risks and expenses	565			565	0
Provisions for risks on equity investments	3,767	3,079		1,859	4,987
TOTAL PROVISIONS FOR RISKS AND EXPENSES	**17,969**	**5,021**	**103**	**7,028**	**15,859**
Equity investments	230,717	211,840		17,043	425,514
Other financial assets	4,860			4,860	0
Provisions on inventory and work in progress	0				0
Provisions for impairment of accounts receivable	1,037	562	440	187	972
Other provisions for impairment	129	53		129	53
Provisions for impairment of internally developed software	0	1,801			1,801
PROVISIONS FOR IMPAIRMENT	**236,743**	**214,256**	**440**	**22,219**	**428,340**
TOTAL PROVISIONS	**256,556**	**219,836**	**543**	**30,433**	**445,416**
Operating depreciation and reversals		2,429	543	1,449	
Financial depreciation and reversals		215,048	0	27,798	
Non-recurring depreciation and reversals		2,359	0	1,186	

NOTE 6 Due dates for receivables and liabilities

In thousands of euros	Gross amount	At one year or less	At more than one year
Receivables from equity investments	2,442	2,442	
Loans	41,265	17,603	23,662
Other financial assets	3,890	2,876	1,014
Doubtful or litigious customer receivables	334	334	
Other accounts receivable	67,035	67,035	
Employees and related commitments	60	60	
Social Security and other social agencies	1	1	
Government: Corporate tax	6,354	6,354	
Government: Value added tax	1,694	1,694	
Government: Miscellaneous receivables	114	114	
Group and associates	23,405	23,405	
Miscellaneous debtors	185	185	
Prepaid expenses	4,270	4,270	
GRAND TOTAL	**151,050**	**126,375**	**24,676**
Loans granted during the fiscal year	52,281		
Repayments received during the fiscal year	27,591		

In thousands of euros	Gross amount	At one year or less	Between 1 and 5 years	At more than five years
Other bonds	487,600	62,600		425,000
Loans initially due in under 1 year maximum	54,176	54,176		
Loans initially due in more than 1 year	9,089	9,089		
Miscellaneous loans and financial liabilities	46,447	460	45,987	
Accounts payable	33,420	33,420		
Employees and related obligations	11,751	11,751		
Social Security and other social agencies	5,041	5,041		
Government: Value added tax	6,451	6,451		
Government: Other income tax, and other related taxes	1,209	1,209		
Group and associates	57,643	57,643		
Other liabilities	10,003	10,003		
Deferred income	7,279	2,187	4,792	299
TOTAL FINANCIAL LIABILITIES	**730,110**	**254,032**	**50,779**	**425,299**
Loans taken out during the fiscal year	125,000			
Loans reimbursed during the fiscal year	105,950			

NOTE 7 Retirement

	Through an insurance fund	Through a provision for expenses
Retirement obligation covered	1,661 thousand euros	8,845 thousand euros

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 10,506,337euros, including 1,660,962 euros paid to an insurance company.

The actuarial assumptions used are as follows:

Economic assumptions		Net interest rate: 1.89%
		Wage increases: 1% inflation included
Demographic assumptions	Mortality:	The Insee 2009-2011 mortality tables are used
	Mobility:	7.5% per year up to 35 years of age
		5% up to the age of 45
		1.8% up to the age of 50
		0.9% beyond 51 years of age
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, Cegedim Strategic Data France, Decisions Research Europe, Cegedim SRH Montargis, Cegedim Software, ASPLine, Cegedim Assurances, Cegedim Dynamic Framework, I-Assurances, Cegedim IT, Cegedim secteur 1, Santestat, Cegedim Kadrige, Cegedim Healthcare Software and Cegedim Support Montargis;
- the tax consolidation group generated a total tax profit of 6,532 thousand euros as at December 31, 2014. The Group's tax loss carryforwards are netted against this profit in the amount of 3,766 thousand euros, the balance being covered by a portion of the unused tax credits;
- tax expenses are borne by the consolidated companies having made a profit and amount to 13,231 thousand euros;
- the parent company Cegedim recorded a deferred tax income of 13,231 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 Data coming under several balance sheet and income statement items

In thousands of euros	Consolidated companies	Equity Investments	Related companies
Fixed assets			
Dividends due	2,442	0	0
Equity Investments	925,923	965	0
Loans	40,003	0	0
Current assets			
Accounts receivable and associated accounts	29,843	2,430	67
Other receivables	23,513	0	0
Liabilities			
Financial liabilities	0	0	(45,094)
Trade payables and related accounts	(20,291)	(329)	(1,638)
Other liabilities	(57,523)	(120)	0
Investments			
Financial expenses	(5,445)	(2)	(2,353)
Financial income	6,333	0	0
Operations			
Management fees			(1,456)
Rent	(1)		(4,303)

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	12/31/2014
Dividends due	2,442
RECEIVABLES FROM EQUITY INVESTMENTS	**2,442**
Clients – Invoices to be prepared	11,142
TRADE RECEIVABLES	**11,142**
Suppliers, accrued credits	150
Receivables from employees	6
Receivables from government	802
Subsidiaries, repayment of capital due	7,942
OTHER RECEIVABLES	**8,901**
RECEIVABLES FROM EMPLOYEES	**22,485**

NOTE 12 Breakdown of expenses to be paid

In thousands of euros	12/31/2014
Accrued interest payable on loans	9,089
Accrued interest payable on equity investments	40
BORROWINGS AND FINANCIAL LIABILITIES	**9,130**
Suppliers, accrued invoices	11,317
ACCOUNTS PAYABLE AND RELATED ACCOUNTS	**11,317**
Provision for paid holidays	6,256
Reduced work time provision	1,270
Provision CET holidays	164
Other personnel expenses payable	3,619
Government, VAT and Expenses payable	605
TAX AND SOCIAL LIABILITIES	**11,914**
Clients – Credits to be established	12,098
TOTAL	**44,458**

NOTE 13 Breakdown of deferred revenue and accrued expenses

In thousands of euros	12/31/2014
Tolling	154
Transpac IT lines	76
Rent & rental expenses	1,106
Rental of computer hardware	31
Software royalties	379
Maintenance of computer hardware	324
Maintenance software	1,416
Financial expenses	99
Others	684
TOTAL PREPAID EXPENSES	**4,270**
Service revenue	990
Financial income	6,289
TOTAL DEFERRED INCOME	**7,279**

NOTE 14 Bond issue expense

Type	12/31/2013	Increase	Allowances	12/31/2014
Bond issue costs	6,760	1,428	1,258	6,929

Since 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 bond in accordance with the loan's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 1,087 thousand euros.

In 2014, issue expenses related to the 125,000 thousand euros bond (i.e. 1,428 thousand euros), were spread over the remaining period of the loan in accordance with the bond's maturity (i.e. March 19, 2020).

The total amount for the past fiscal year was 172 thousand euros.

NOTE 15 Share capital

Shareholders	No. of shares held	% held	No. of single votes	No. of double votes	No. of votes with double	Total votes	% voting rights
				Shares	Voting rights		
FCB	7,361,044	52.59%	33,957	7,327,087	14,654,174	14,688,131	62.69%
FSI	2,102,061	15.02%	1	2,102,060	4,204,120	4,204,121	17.94%
Public (1)	4,518,541	32.28%	4,499,488	19,053	38,106	4,537,594	19.37%
Cegedim (2)	15,527	0.11%	0	0	0	0	0
TOTAL	**13,997,173**	**100%**	**4,533,446**	**9,448,200**	**18,896,400**	**23,429,846**	**100%**

Categories of shares	Number of shares					Nominal value
	Closing number of shares	created during the fiscal year	created by division of the par value	Opening number of shares	Closing number of shares	at the start of the fiscal year
Common Shares	13,997,173			13,997,173	0.9528	0.9528

(1) Including the investment by Walgreens Boots Alliance Inc.
(2) Including the liquidity contract.

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NOTE 16 Identity of Cegedim'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 shareholder's equity

In thousands of euros	Equity	Premiums	Legal reserves	Regulated reserves	Other reserves	Retained earnings	Profit (loss) for the period	Total regulated provisions	Total
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
Regulated provisions								169	169
2011 earnings							23,244		23,244
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
Regulated provisions								387	387
2012 earnings							(82,251)		(82,251)
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)
Regulated provisions								-381	(381)
2013 earnings							(48,937)		(48,937)
At 12/31/2013 [(1)]	**13,337**	**244,313**	**1,334**	**972**	**46,143**	**188**	**(48,937)**	**1,845**	**259,193**
Capital increase									0
Decrease in capital									0
2013 earnings		(2,606)			(46,143)	(188)	48,937		0
Dividends									0
Retained earnings									0
Restated reserves				(650)	650				0
Unrecognized prior service cost									0
Regulated provisions								(628)	(628)
2014 earnings							(201,101)		(201,101)
At 12/31/2014 [(1)]	**13,337**	**241,706**	**1,334**	**322**	**650**	**0**	**(201,101)**	**1,217**	**57,464**

(1) Shareholders' equity before distribution.

NOTE 18 Revenue breakdown

In thousands of euros	Revenue France	Revenue outside France	Total revenue as at 12/31/2014
Sales of goods			0
Production of goods	84	895	979
Production of services	117,257	74,122	191,379
TOTAL REVENUE	**117,341**	**75,018**	**192,358**

NOTE 19 Financial earnings

In thousands of euros	12/31/2014	12/31/2013
Financial allowances/reversals	(187,250)	(70,876)
Financial interest expense and income	(46,728)	(46,918)
Dividends received	33,808	38,572
Other financial earnings (incl. foreign exchange gains and losses)*	(717)	19,200
FINANCIAL EARNINGS	**(200,888)**	**(60,022)**

NOTE 20 Non-recurring expenses and income

In thousands of euros	12/31/2014
Penalties, fiscal and criminal fines	(5,767)
Book value of intangible assets sold	(304)
Book value of Property, plant and equipment sold	2
Book value of financial assets sold	(3,488)
Impairment of intangible items	(1,801)
Accelerated amortization and depreciation	(559)
TOTAL EXTERNAL EXPENSES	**(11,916)**
Gain on the disposal of financial assets	6,524
Write-back of accelerated depreciation	1,186
Write-back of extraordinary impairment	415
TOTAL EXTERNAL EXPENSES	**8,126**

NOTE 21 Breakdown of corporate tax

In thousands of euros	Earnings before tax	Tax due	Net earnings after tax
Income from continuing operations	(208,376)	284	(208,092)
Deferred tax income		12,205	12,205
Short-term non-recurring earnings	(3,791)	0	(3,791)
Employee profit-sharing	(442)	0	(442)
Tax related to past financial years		(545)	(545)
Source withholding		(436)	(436)
ACCOUNTING EARNINGS	**(212,608)**	**11,507**	**(201,101)**

NOTE 22 Deferred and latent tax situation

The 2014 fiscal year generated the following expenses deductible over future fiscal years:

- Organic: 192 thousand euros;
- equity investments: 442 thousand euros;
- retirement provision: 752 thousand euros;
- other non-deductible provisions: 552 thousand euros.

Deferred taxes corresponding to 736 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 2014 and are recorded as "Other expenses" in the income statement.

In thousands of euros	12/31/2014	12/31/2013
Short-term benefits (wages, bonuses, etc.)	(898)	(494)
Post-employment benefits	None	None
Severance pay	None	None
BENEFITS RECOGNIZED	**(898)**	**(494)**
Termination benefits	None	None
BENEFITS NOT RECOGNIZED	**NONE**	**NONE**

NOTE 24 Average workforce

Employees	12/31/2014
Management	580
Non-management	418
Trainees	8
TOTAL EMPLOYEES	**1,006**

NOTE 25 Financial debt

In thousands of euros	12/31/2014	12/31/2013
Long-term financial borrowing and liabilities (> 5 years)	425,000	300,000
Medium- and long-term financial borrowing and liabilities (> 1 year, < 5 years)	46,020	214,771
Short-term financial borrowing and liabilities (< 1 year)	72,116	10,294
Current bank loans	54,176	66,806
Total financial liabilities	597,312	591,872
Total positive cash flow	1,299	2,496
NET FINANCIAL DEBT	**596,013**	**589,376**

Financing

In May 2007, Cegedim took out a 50,000 thousand 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 4,900 thousand 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 45,100 thousand 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 280,000 thousand euros.

On July 27, 2010, the Group issued a senior bond at a rate of 7.0% for an amount of 300,000 thousand 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 20,000 thousand euros cancelled them. As a result, the aggregate principal amount of bonds outstanding was 280,000 thousand euros.

On March 20, 2013, Cegedim issued a senior bond at 6.75% for an amount of 300,000 thousand 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% (111,500 thousand euros at par value). When including the accrued but unpaid interest, the total amount stood at 121,500 thousand euros. The bonds still in circulation amount to 168,600 thousand euros;
- to repay the term loan;
- to repay drawings on the revolving credit;
- pay costs and expenditure related to these operations.

On April 7, 2014 Cegedim SA floated a bond issue of 100 million euros, increased during the day to 125 million euros, as an addition to its 6.75% bond maturing in 2020. Except for the date and issue price (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the bonds issued in the 300 million euros 6.75% bond financing maturing in 2020, issued on March 20, 2013.

Note that Cegedim was able to borrow at 5.60% as compared to 6.75% one year ago.

The proceeds of this bond issue were used, among other ways, to:

- finance the 105,950,000 euros redemption of 2015 bonds (at a price of 108.102%);
- pay the premium along the with associated expenses and repay the bank overdrafts.

Following these operations, as at December 31, 2014, the debt was structured in the following manner:

- 62,600 thousand euros bond debt at 7.00% maturing July 27, 2015;
- 425,000 thousand euros bond at 6.75% maturing on April 1, 2020;
- 80,000 thousand euros revolving credit, undrawn, maturing on June 10, 2016;
- 45,000 thousand euros FCB loan maturing in June 2016;
- 46,500 thousand euros overdraft facility, 5,400 thousand 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, 2014, 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 20,000 thousand euros, amortizable until maturity on December 29, 2017;
- 4.57% rate on a notional hedged amount of 20,000 thousand euros, amortizable until maturity on December 29, 2017;
- 4.58% rate on a notional hedged amount of 20,000 thousand euros, amortizable until maturity on December 29, 2017.

The total notional hedged amount was 60,000 thousand euros as at December 31, 2014.

NOTE 26 Off-balance sheet commitments

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 dollars (Board of Directors authorization dated December 27, 2007), reduced to 2.25 million 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).

CEGEDIM IT, SUBSIDIARY

3,000 thousand euros guarantee to Microsoft Ireland Operations Limited for orders placed by Cegedim IT.

1,500 thousand euros guarantee to Obiane for orders placed by Cegedim IT.

ALL SUBSIDIARIES

One-year authorization for all subsidiaries to grant securities, endorsements and other guarantees for a total amount of 5,000 thousand euros provided no single commitment exceeds 2,000 thousand euros (authorized by the Board of Directors on March 7, 2014).

NOTE 27 Treasury shares

In 2014, 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 Extraordinary General Shareholders' Meeting on June 10, 2014 renewed for another 38 months the authorization to award existing shares to employees of the Company and the Cegedim Group on the terms set by the Board on March 21, 2008 and November 5, 2009.

Following a resolution of the Extraordinary Shareholders' Meeting of Wednesday, June 08, 2011, the Board of Directors, in their meetings of June 29, 2011, September 19, 2012 and June 4, 2013, 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.

Following a resolution of the Extraordinary Shareholders' Meeting of February 22, 2008, the Board of Directors, in 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 grant 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 Wednesday, 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,
  - the plan dated Thursday, September 18, 2014 authorized a maximum allocation of 19,280 free shares;
- the allocation of these shares to the beneficiaries will become final at the end of a lock-in period of two years for beneficiaries whose residence for tax purposes is in France as of the award date, and four years for beneficiaries whose residence for tax purposes is not in France as of the award date;
- the shares will be permanently awarded to their beneficiaries on a single condition: no resignation, dismissal, or layoff;
- 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, 2014, Cegedim SA recognized a provision of 1,463 thousand euros in its financial statements.

NOTE 29 Information relating to employee training entitlements

86,042 training hours had been accumulated by employees under the terms of the Individual Right to Training as at December 31, 2014.

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 370,773 euros corresponding to non-deductible expenses.

Consequently, the tax corresponding to said expenses and charges amounts to 140,894 euros.

NOTE 31 Post-closing events

Within the framework of the sale of the CRM and Strategic Data division to the IMS Health group, a spin-off was realized at 31 January 2015 in a new company, CEGEDIM SECTEUR 1, which will be sold on 1st April 2015.

This spin-off did not impact the accounts of 31 December 2014.

20.2.3 Earnings for the last five fiscal years – Cegedim SA

Reporting date	12/31/2014	12/31/2013	12/31/2012	12/31/2011	12/31/2010
Duration of the fiscal 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	192,358,195	190,974,709	184,087,377	177,283,817	170,162,287
Earnings before taxes, profit sharing, depreciation and provisions	972,566	39,909,091	35,116,400	34,317,933	30,639,150
Income taxes	(11,507,075)	(11,012,546)	(9,372,459)	(4,165,197)	(5,208,993)
Employee profit sharing	441,631	372,976	195,158	451,211	287,615
Depreciation and provisions	213,138,813	99,485,405	126,545,120	14,787,823	14,798,566
Profit (loss) for the period	(201,100,804)	(48,936,743)	(82,251,419)	23,244,096	20,761,963
Distributed earnings					13,997,173
Earnings per share					
Earnings after tax, profit sharing, and before allowances, depreciation, and provisions	0.86	3.61	3.16	2.72	2.54
Earnings after tax, profit sharing, allowances, depreciation, and provisions	(14.37)	(3.50)	(5.88)	1.66	1.48
Dividend allotted					1.00
Employees					
Average number of employees	1,006	1,018	1,052	1,077	1,036
Payroll	53,467,633	51,110,333	51,755,987	51,518,673	49,314,464
Sums paid for employee benefits (social security, welfare institutions, etc.)	25,298,555	24,527,369	25,226,189	24,061,562	22,751,129

20.2.4 List of shareholdings as at December 31, 2014

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%	40,176,551
Cegedim Activ	873,900	100.00%	30,000,000
Cegedim Insurance	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%	0
Cegedim Logiciels Médicaux	1,000	100.00%	10,073,973
Cegedim Outsourcing	25,000	100.00%	4,434,991
Cegedim Secteur 1	10	100.00%	100
Cegedim software	193,000	100.00%	19,300,000
Cegedim SRH	9,776,601	100.00%	5,045,101
Cegelease	6,450	100.00%	10,219,374
Cetip	39,340	99.74%	1,215,767
CSD	1,000	100.00%	11,066,950
Edipharm	200	20.00%	3,049
Galaxy Santé	98	49.00%	7,350
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%	9,335,145
MedExact	6,549	100.00%	654,900
Pharmastock	5,000	100.00%	0
Reportive SA	28,295,221	100.00%	865,677
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
Sofiloca	1,000	100.00%	15,245
SCI 2000	159	68.83%	846,739
Netfective Technology	130,725	6.08%	864,226
Nex & Com	240	20.00%	13,332

Companies	Number of shares or units	% owned	Net asset value
2. Foreign companies			
Cegedim USA	10,000.00	100.00%	75,799,546
Cegedim do Brasil	1,736,825.00	100.00%	716,204
Cegedim Holding GmbH	500.00	100.00%	12,599,965
Cegedim GmbH (Austria)	13,000.00	100.00%	205000-205000
Cegedim UK Limited	4,150,000.00	100.00%	5,219,888
In Practice Systems (England)	14,000,000.00	100.00%	1
Thin (England)	100.00	100.00%	0
Cegedim World Int. Services Ltd	60,000,000.00	100.00%	60,000,000
Cegedim Computer Technics	100.00	100.00%	89,427
Cegedim Hellas	11,934.00	100.00%	28,183
Cegedim Roumania SRL	444.00	100.00%	1,030,533
Cegedim SK SRO (Slovakia)	100.00	100.00%	8,125
Croissance 2006 (Belgium)	13,781.00	100.00%	6,242,793
Cegedim Belgium	2,999.00	99.97%	109,038,743
CSD Belgium (formerly: BKL Pharma Consulting)	1.00	0.02%	10
GERS Maghreb (Tunisia)	797.00	7.99%	52,112
Cegedim Algeria	1,000.00	100.00%	85,000
Cegedim CZ (Czech Republic)	1,000.00	100.00%	1,170,796
Cegedim Italy	9,999,882.00	100.00%	4,024,807
Cegedim Trends (Egypt)	28.00	70.00%	434,351
Cegedim Spain	900,000.00	100.00%	1,656,337
Cegedim Portugal	5,000.00	8.93%	421,779
Next Software (Tunisia)	34,424.00	94.51%	177,033
Cegedim LLC (Russia)	100.00	99.99%	2,096,222
TOTAL EQUITY INVESTMENTS, NET VALUE			**501,375,031**
II - Other long-term securities			
1. French companies			
Listed securities			None
2. Foreign companies			**None**
III - Marketable securities			
Shares allocated to employees			322,054
Cheuvreux cash assets			500,000
CFM savings account			66,183
GRAND TOTAL (I + II + III)			**502,263,267**

20.3. INDEPENDENT AUDITORS' REPORTS

20.3.1 Statutory auditor's report on the financial statements

CEGEDIM

Fiscal year ended December 31, 2014

To the Shareholders,

In our capacity as Statutory Auditors, we hereby report to you, for the fiscal year ended December 31, 2014, 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 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 opinion expressed above, we draw your attention to note 1 «Characteristics of the 2014 fiscal year – paragraph D) Signing of the definitive sale agreement of the CRM and Strategic Data Division» and note 2 «Accounting rules and methods – paragraph C) Equity investments and other investments» of the annual financial statements describing the conditions that led the company to record an impairment charge on the subsidiaries of "CRM and Strategic Data Division" held for sale to IMS Health.

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.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

3 - Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Board of Directors and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225- 102-1 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders has been properly disclosed in the management report.

Paris and Courbevoie, March 30, 2015

The Statutory Auditors

Grant Thornton **French Member of Grant Thornton International**	**Mazars**
Solange Aïache	Jérôme de Pastors

20.3.2 Statutory auditors' report on the consolidated financial statements

CEGEDIM

Fiscal year ended December 31, 2014

To the Shareholders,

In our capacity as Statutory Auditors, we hereby report to you, for the year ended December 31, 2014, 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 « Significant events », note 10 « Goodwill on Acquisitions » and note 23 « Assets held for sale, discontinued or sold operations » of the consolidated financial statements, setting out the accounting consequences to December 31, 2014 of the execution of the definitive purchase agreement for its CRM and strategic data division with IMS Health.

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:

IMPAIRMENT TESTS

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 10 to the financial statements provided appropriate disclosures.

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.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As mentioned in the first section of this report, note 10 and 23 of the consolidated financial statements set out the accounting consequences to December 31, 2014 of the execution of the definitive purchase agreement for its CRM and strategic data division with IMS Health.

The Company has applied IFRS 5 "Non-current assets held for sale and discontinued operations" and evaluated the assets and liabilities by taking into account the estimated amount of the transaction. We reviewed the presentation in the financial statements and the evaluation of the CRM and strategic data division activities. We verified that the note «Significant events», note 10 «Goodwill on Acquisitions» and note 23 «Assets held for sale, discontinued or sold operations» of the consolidated 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 16 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 to the Group in the management report.

We have no matters to report regarding its fair presentation and conformity with the consolidated financial statements.

Paris and Courbevoie, March 30, 2015

The Statutory Auditors

Grant Thornton	Mazars
French Member of Grant Thornton International	
Solange Aïache	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, 2014

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. Agreements and commitments submitted to the General Meeting for approval

We have been informed of no agreements and commitments authorized during the last year and requiring the approval of the Shareholders' Meeting by virtue of article L. 225-38 of the French commercial code.

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 2014 (excluding expenses) of 30 323 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 2014 (excluding expenses) of 3,965,949 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 2014 (excluding expenses) of 5,670 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 2014 (excluding expenses) of 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 2014 of 1,354,000 euros.

2.1.3 WITH MS AUDE LABRUNE 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 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 February14, 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 2014 (excluding expenses) of 934,352 euros.

2.1.5 WITH SCI BUR

Nature and purpose: Leasing of premises at 112 rue d'Aguesseau, Boulogne-Billancourt.

Terms: Rent paid in 2014 (excluding expenses) of 86,713 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 30, 2015

The Statutory Auditors

Grant Thornton	Mazars
French Member of Grant Thornton International	
Solange Aïache	Jérôme de Pastors

20.3.4 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

CEGEDIM

Year ended December 31, 2014

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, 2014.

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 30, 2015

The Statutory Auditors

Grant Thornton	Mazars
French Member of Grant Thornton International	
Solange Aïache	Jérôme de Pastors

20.3.5 Independent third-party report on consolidated social, environmental and societal information published in the management report

This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers). This report should be read in conjunction with, and is construed in accordance with French law and professional auditing standards applicable in France.

Financial year ended December 31, 2014

To the Shareholders,

As independent third-party, members of Mazars' network, statutory auditor's of Cegedim, whose accreditation was accepted by COFRAC under the number 3-1058[(1)], 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, 2014, (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 of the management report.

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 Independent Third Party

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 of the CSR Information);
- 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 3 people between December 2014 and March 2015 for a period of about 3 weeks.

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 reasoned opinion, in accordance with ISAE 3000[(2)].

1. ATTESTATION OF COMPLETENESS OF THE 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, in the management report.

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) whose the scope is available on the website www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical 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 (3):

- at the Group Finance Department level, 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;
- at the level of a representative sample of entities(4) selected based on their activity, their contribution to consolidated indicators, their location and a risk analysis; 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 sites contribution to group data equals to an average of 43 % of headcount and from 44 % to 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 would lead 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 La Défense, March 26th, 2015

The Independant Third Party

Mazars

Emmanuelle Rigaudias

CSR & Sustainable Development Partner

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(3) Total headcount as of 31/12/2014, Headcount with breakdown by geographic area, Headcount with breakdown by gender, Headcount average age, Hiring of permanent contracts and fixed-term contracts, Departures (of which dismissals), Electricity consumptions, CO_2 emissions.

(4) Social information : France
Environmental information : France for electricity consumption, whole covered scope (11 countries) for CO_2 emissions.

20.4 AUDIT OF ANNUAL HISTORICAL INFORMATION

20.4.1 Audit of the historical financial information

The statutory financial statements drawn up as at December 31, 2014 (and their comparative financial statements) and the consolidated financial statements drawn up as at December 31, 2014 (and their comparative financial statements drawn up in accordance with IFRS) were audited by the Statutory Auditors. The Statutory Auditors' reports concerning fiscal year 2014 are presented in chapter 20.3 in this Registration Document.

The reports for fiscal year 2013 are presented in the Registration Document filed with the Autorité des Marchés Financiers on March 12, 2014, under Number D. 14-0137. The reports for fiscal year 2012 are presented in the Registration Document filed with the Autorité des Marchés Financiers on March 5, 2013, under Number D. 13-0105.

These reports and the financial statements accompanying them are incorporated by reference in this Registration Document.

20.4.2 Other information contained in this Registration Document having been verified by the independent Auditors

This Registration Document and its appendices were read in their entirety by the Statutory Auditors who reported their findings in a completion letter (lettre de fin de travaux). Their comments, where relevant, are contained 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 MOST RECENT FINANCIAL INFORMATION

As of the date of this Registration Document, the most recent audited information dates back to December 31, 2014.

20.6 INTERIM FINANCIAL INFORMATION

No interim financial information has been published since December 31, 2014.

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 with respect to 2012, 2013 and 2014.

The Group does not plan to pay regular cash dividends. 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 position, cash requirements, contractual restrictions and any other factors that the Board may deem relevant.

In addition, the Group's ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness the Group or its subsidiaries incur.

In accordance with the law, any dividends that have not been claimed within five years of their payment date revert to the French 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, the amounts distributed as dividends for the three previous fiscal years are as follows:

Fiscal year	Number of shares	Deductible income allowance			Non-deductible income allowance
		Dividend		Other income distributed	
		Per share	Total		
2011	13,997,173	None	None	None	None
2012	13,997,173	None	None	None	None
2013	13,997,173	None	None	None	None

20.8 LEGAL AND ARBITRATION PROCEEDINGS

See chapter 4 of this Registration Document.

20.9 SIGNIFICANT CHANGES IN FINANCIAL OR COMMERCIAL POSITION

The Group's financial and commercial position has not changed significantly since the end of the 2014 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, 2014.

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, 2014 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 on its behalf

At December 31, 2014, Cegedim held 15,527 treasury shares.

21.1.4 Total convertible or exchangeable securities or securities with warrants

There are no convertible or exchangeable bonds or bonds redeemable for shares or warrants or any other securities likely to increase the share capital.

21.1.5 Information about and terms of any right of acquisition and/or any obligation attached to the capital subscribed but not paid up or an undertaking to increase share capital

None.

21.1.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option

None.

21.1.7 History of the share capital

Date	Transaction	Number of shares		Premiums (in euros)	Capital (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
	Four-for-one-stock split	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	Four-for-one-stock split	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 through contribution in kind	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 share capital 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 non-distributable 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 Items that may have an impact in the case of a public offering (article 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 capital;
- 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 immaterial 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 without real 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 ARTICLES OF INCORPORATION AND BYLAWS

21.2.1 Cegedim's corporate purpose

According to article 2 of the bylaws, the Company's corporate purpose 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 increase in market share 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 corporate 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 corporate 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 and the bylaws concerning administrative and management bodies

The provisions of the Cegedim bylaws concerning the members of its administrative and management bodies comply with 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 appointed as 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 appointed as 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 appointed as 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 portion of the capital 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 former 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 revert to the French State.

Treasury shares are not entitled to dividends: the related amount is recognized in "retained earnings".

21.2.4 Actions necessary to modify shareholder's 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 Shareholder's 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 the votes in person 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 may 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 the capital, where such conditions are more stringent than is 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 28 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 2014 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

127, 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 2015 is shown below.

It was prepared on the basis of information available as of the date of this report.

- April 28, 2015 after the stock market closes: Release of first quarter 2015 revenues.
- May 27, 2015 after the stock market closes: Release of first quarter 2015 earnings.
- July 28, 2015 after the stock market closes: Release of second quarter 2015 revenues.
- September 21, 2015 after the stock market closes: Release of first six months 2015 earnings.
- September 22, 2015: SFAF meeting – presentation of the earnings for the first six months of 2015 to French financial analysts.
- October 27, 2015 after the stock market closes: Release of third quarter 2015 revenues.
- November 26, 2015 after the stock market closes: Release of third quarter 2015 earnings.

24.3 2014 ANNUAL INFORMATION DOCUMENT

Date	Document name	AMF [1]	Greffe [2]	Cegedim Website [3]
12/24/2014	Convening note for 01/30/2015 Shareholder's Meeting			x
12/16/2014	5th Annual Investor Summit Presentation			x
12/16/2014	Cegedim Hosts its 5th Investor Summit	x		x
12/04/2014	Disclosure of share capital and voting rights as of 11/30/2014			x
11/27/2014	Notice of Meeting €300 million 7.0% Bonds due 2015			x
11/27/2014	Release of Financial Report – 3rd Quarter 2014	x		x
11/27/2014	2014 Q3 Financial Report	x		x
11/27/2014	Presentation of 2014 Q3 results			x
11/27/2014	2014 Q3 results	x		x
11/21/2014	Disclosure of transactions in own shares	x		x
11/10/2014	Disclosure of transactions in own shares	x		x
11/06/2014	Disclosure of share capital and voting rights as of 10/31/2014			x
11/06/2014	Directors' declarations	x		
11/03/2014	Disclosure of transactions in own shares	x		x
10/28/2014	Presentation of 2014 Q3 revenues			x
10/28/2014	2014 Q3 revenues	x		x
10/20/2014	Conference call slideshow regarding the execution of the definitive purchase agreement for its CRM and Strategic Data division			
10/20/2014	Execution of the definitive purchase agreement for its CRM and Strategic Data division			
10/07/2014	Disclosure of share capital and voting rights as of 09/30/2014			x
09/18/2014	Release of Financial Report – 2nd Quarter 2014	x		x
09/18/2014	2014 Half-Year Financial Report	x		x
09/18/2014	Presentation of 2014 Q2 results			x
09/18/2014	2014 Q2 results	x		x
09/04/2014	Disclosure of share capital and voting rights as of 08/31/2014			x
08/26/2014	Disclosure of share capital and voting rights as of 07/31/2014			x
08/01/2014	2013 financial statements and legal appendices		x	
07/29/2014	Presentation of 2014 Q2 revenue			x
07/29/2014	2014 Q2 revenue	x		x
07/18/2014	Disclosure of share capital and voting rights as of 06/30/2014			x
07/10/2014	Half-Year summary of the Cegedim liquidity contract	x		x
06/24/2014	Conference call slideshow rgarding the reception of a binding offer for the major part of its CRM and Strategic Data division			x
06/24/2014	Receipt of a binding offer for the major part of its CRM and Strategic Data division	x		x
06/10/2014	Disclosure of share capital and voting rights as of 05/31/2014			x
06/10/2014	Approval of 2013 financial statements and legal appendices			x
05/27/2014	Release of Financial Report – First Quarter 2014	x		x
05/27/2014	2014 Q1 Financial Report	x		x
05/27/2014	Presentation of 2014 Q1 results			x
05/27/2014	2014 Q1 results	x		x
05/26/2014	Convening note for 06/10/2014 Shareholder's Meeting			
05/09/2014	Disclosure of share capital and voting rights as of 04/30/2014			x
04/29/2014	Presentation of 2014 Q1 revenue			x
04/29/2014	2014 Q1 revenue	x		x

Date	Document name	AMF (1)	Greffe (2)	Cegedim Website (3)
04/14/2014	Announce of results of its Tender Offer for the €300 million 7.0% Bonds due 2015	x		x
04/10/2014	Disclosure of share capital and voting rights as of 03/31/2014			x
04/07/2014	Announce of the pricing of an offering of an additional €125 million of the 6.75% Senior Notes due 2020	x		x
04/07/2014	Announce of the launch of an offering of an additional €100 million of the 6.75% Senior Notes	x		x
04/07/2014	Announce of the Tender Offer for the €300 million 7.0% Bonds due 2015	X		x
04/07/2014	Improved profitability over the first two months of 2014	x		x
03/13/2014	Release of 2013 Registration Document	x		x
03/12/2014	2013 Registration Document	x		x
03/10/2014	Presentation of 2013 Results			x
03/10/2014	2013 Results	x		x
03/07/2014	Disclosure of share capital and voting rights as of 02/28/2014			x
06/02/2014	Disclosure of share capital and voting rights as of 01/31/2014			x
01/28/2014	Presentation of 2013 Revenue			x
01/28/2014	2013 Revenue	x		x
01/07/2014	Disclosure of share capital and voting rights as of 12/31/2013			x
01/13/2014	Acquisition of Kadrige			x
01/06/2014	Half-Year 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 EQUITY INVESTMENTS

Cegedim's equity investments are presented in the organizational chart in chapter 7 of this Registration Document. They are taken into account in preparing the Group's consolidated financial statements in accordance with the methods presented in the accounting principles of the consolidated financial statements in chapter 20.1.

Please find below specific comments about our principal subsidiaries which are not part of activities sold to IMS Health and whose separate revenues exceeded 30 million euros as at December 31, 2014.

25.1 INFORMATION ON CEGEDIM ACTIV

Cegedim Activ's business is publishing, marketing and integrating software and related services dedicated to personal insurance (health, contingency plans). These solutions cover more than 40 million insured people in compulsory and supplemental health and pension plans. The business flow handles more than 350 million transactions. Cegedim Activ's products are intended for all market operators, such as insurance companies, health insurance 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 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. InPS is a recognized leading player among the major Local Service Providers and is also entitled to sell its software to doctors directly, within the framework of the GPSoC (GP Systems of Choice). The Company is continuing to develop its solutions in order to comply with the recommendations of the governmental program of the National Health Service.

25.3 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.

25.4 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, Cegedim SRH provides its SmartRH service, which is based on *TEAMS*^{RH}, its own HRIS solution, and offers high value-added solutions that are tailored to the needs, environment and size of its customers. *TEAMS*^{RH} offers broad functionality, with a wide range of modules that can meet the specific needs of every organization.

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GENERAL MEETING

Annual Ordinary General Meeting held on June 10, 2015.

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 Wednesday, December 31, 2014, 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 draft resolutions are presented below:

FIRST RESOLUTION

The General Meeting, after having heard the reading of 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, 2014, 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 approves the non tax-deductible expenses mentioned in article 39-4 of the French General Tax Code totaling 370,773 euros, as well as the corresponding tax amounting to 140,894 euros.

SECOND RESOLUTION

The General Meeting decides to allocate the whole loss of 201,100,804 euros for the fiscal year to the share premiums

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		
2011	13,997,173	None	None	None	None
2012	13,997,173	None	None	None	None
2013	13,997,173	None	None	None	None

THIRD RESOLUTION

The General Meeting, after having heard the Statutory Auditors' Report on the consolidated financial statements for the year ended December 31, 2014, 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 then vote on the application of these agreements.

FIFTH RESOLUTION

The General Meeting, after having heard the Statutory 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 articles 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 cannot 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 by the use of 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 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 60 euros per share.

This authorization is given for a period of eighteen (18) months, expiring on December 09, 2016. It cancels and replaces the authorization granted by the Combined General Meeting of Shareholders held on June 10, 2014 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.

EIGHTH RESOLUTION

The General Meeting ratifies the decision made by the Board of Directors on March 25, 2015, to transfer the registered office from 127-137 rue d'Aguesseau, 92100 Boulogne-Billancourt to 127 rue d'Aguesseau, 92100 Boulogne-Billancourt as of March 25, 2015.

Accordingly, it also approves the amendment to the articles of incorporation made by the Board at that same meeting in order to meet legal formalities.

NINTH RESOLUTION

The General Meeting takes official note of the compensation paid to officers of the Company as shown in the Registration Document.

TENTH 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

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 before special items: 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 before special items 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.

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.

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.

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.

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.

Net cash: is defined as cash and cash equivalents minus bank overdrafts.

Net Financial Debt: this represents the Company's net debt (noncurrent 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.

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

Operating margin before special items: defined as the ratio of EBIT from continuing operations/revenue.

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.

CORPORATE MANAGEMENT REPORT

In order to facilitate the reading of the Cegedim Group's 2014 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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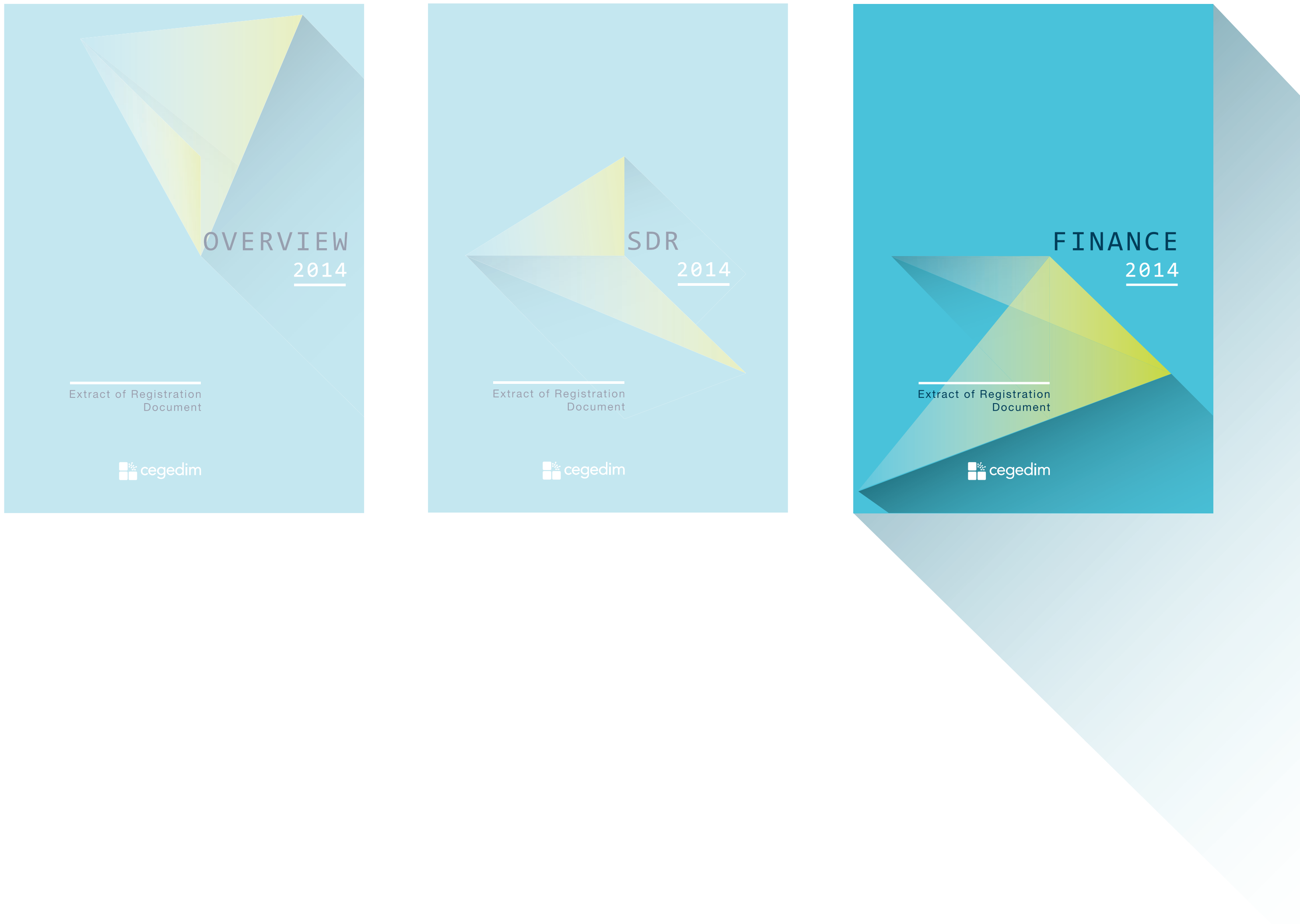

cegedim

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