

Q1-2014 Financial Report

CRM &
Strategic
Data

Healthcare
Professionals

Insurance
& services

 cegedim



→ January - March 2014

Interim Financial Report

Not Audited



Interim Report

1st Quarter

2014

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Statement by the company officer responsible for the 2014 first quarter financial report

I hereby certify that, to the best of my knowledge, the condensed interim consolidated statements have been prepared in accordance with applicable accounting standards and provide a true and fair view of the assets, financial position and profit or loss of the parent company and of all consolidated companies and that the Interim Management Report gives a true and fair picture of the significant events during the first three months of the fiscal year and their impact on the financial statements, of the main related party transactions as well as a description of the main risks and uncertainties for the remaining nine months of the fiscal year.

The condensed first quarter consolidated statements presented in this document have been reviewed by the Audit Committee and the Board of Directors.

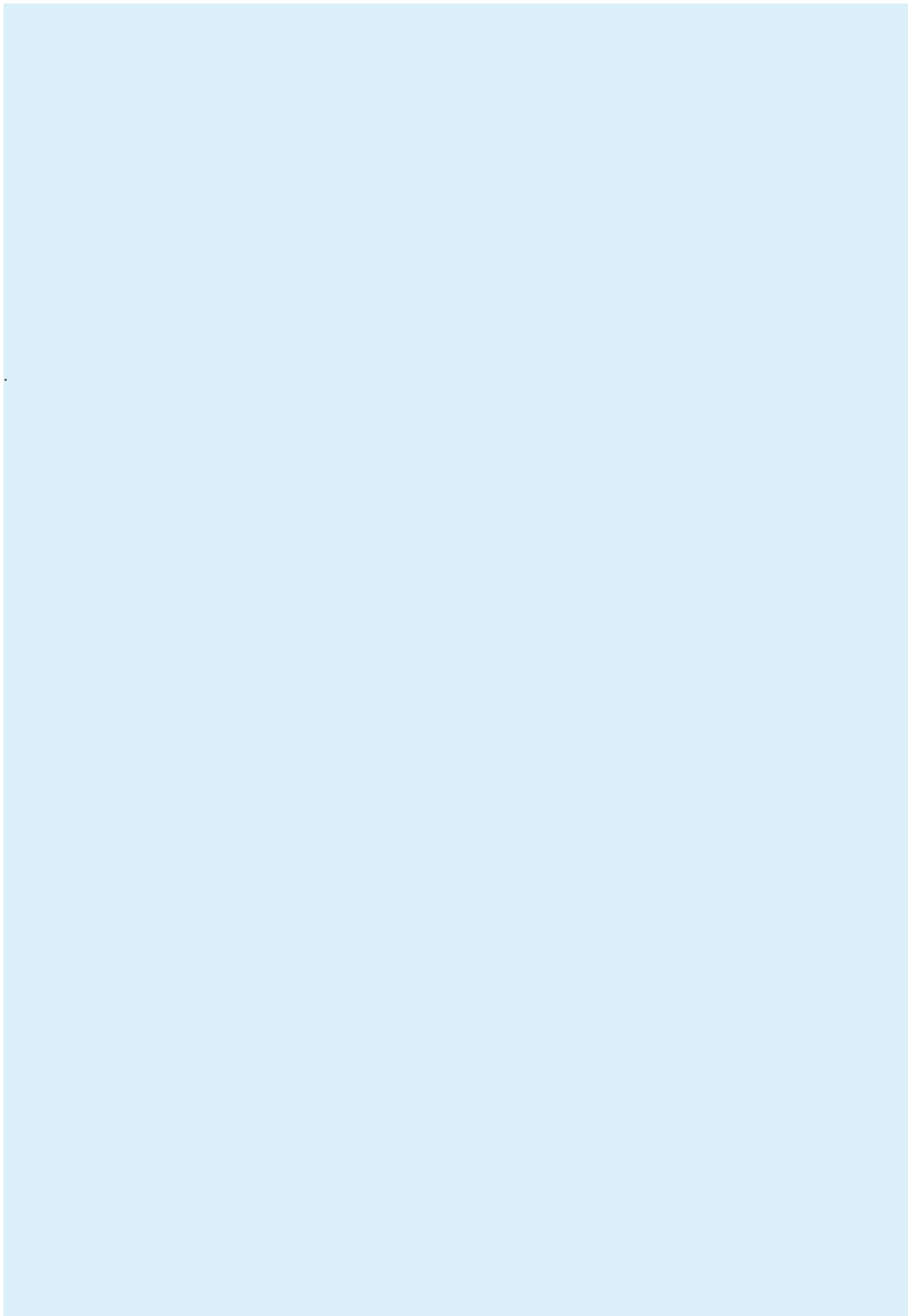
Done in Boulogne-Billancourt, May 27, 2014.

Jean-Claude Labrune
Chairman & CEO
Cegedim S.A.



Cegedim “at a glance”.

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Cegedim's Operating Divisions Presentation

Cegedim is a leading provider of technology and information services dedicated to the healthcare industry, serving customers in more than 80 countries on five continents.

Cegedim is a leading provider of technology and information services to the healthcare industry, serving customers in more than 80 countries on five continents. The Group designs, develop, implement, market, sell and technically support a wide range of information technology services, including specialized software and database management services. It targets various segments of the healthcare industry, including (1) pharmaceutical, biotech and other healthcare companies, (2) healthcare professionals and (3) health insurance companies.

Founded in France in 1969, *Cegedim S.A.* has been publicly listed on NYSE Euronext Paris Exchange since 1995.

Cegedim operations are organized into three operating divisions based on type of product offering and client base: *CRM and Strategic Data*, *Healthcare Professionals* and *Insurance and Services*.

CRM and Strategic Data

The *CRM and Strategic Data* division supports the marketing and service operations of pharmaceutical, biotech, other healthcare companies and other businesses by providing them with software, data and analysis. The range of products and services includes (i) databases containing information on medical practitioners and prescribers, including Cegedim *OneKey* database, (ii) sales and marketing management systems, including Cegedim CRM software, (iii) strategic marketing and medical research, (iv) software and analytical systems for assessing the effectiveness of advertising and promotional activity and (v) business intelligence services. Additionally, the Group provides compliance services which allow pharmaceutical, biotech and other healthcare companies to better communicate the correct usage of drugs and help them ensure that their marketing activities comply with applicable laws and regulations.

In particular, the Group believes its *OneKey* database, which contains information on more than 13.7 million healthcare professionals worldwide, is the most comprehensive database of healthcare professionals currently available. It allows Cegedim users to obtain accurate information on healthcare professionals in various sectors and helps them strengthen their relationships with customers.

The clients of the *CRM and Strategic Data* division include all of the top 20 global pharmaceutical companies as measured by revenue in the year ended December 31, 2012. The CRM software, databases and market research are also used by several companies in the food service, automotive and other industries.

Healthcare Professionals

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

Insurance 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) 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 *e-business* services.



Executive, supervisory bodies and statutory auditors

as of March 31, 2014

Board of Directors

Jean-Claude Labrune
Chairman of the Board of Director

Laurent Labrune

Aude Labrune-Marysse

Pierre Marucchi
Representative of FCB

Anne-Sophie Hérèlle
Representative of Bpifrance

Valérie Raoul-Desprez
Appointed by Bpifrance

Anthony Roberts
*Representative of Alliance Healthcare
France*

Philippe Tcheng
Representative of GERS GIE

Jean-Pierre Cassan
Independent Board Director

Jean-Louis Mery

Statutory Auditors

Grant Thornton
Represented by Solange Aiache

Mazars
Represented by Jérôme de Pastors

Audit Committee

Valérie Raoul-Desprez
Chairman

Aude Labrune-Marysse

Pierre Marucchi

Jean-Pierre Cassan
Independent Board Director

Nomination 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 Hérèlle

General Management

Jean-Claude Labrune
Chairman & Chief Executive Officer

Pierre Marucchi
Managing Director

Karl Guenault
Chief Operational Excellence Officer

Operational Management

Laurent Labrune
Cegedim Relationship Management

Bruno Sarfati
Cegedim Strategic Data

Alain Missoffe
Cegedim Healthcare Software

Philippe Simon
Cegedim Insurance

Arnaud Guyon
Cegedim e-business

Jérôme Rousselot
Cegedim SRH



Investor Information

Clarity, Simplicity, Transparency.

ISIN
FR0000053506

Reuters
CGDM.PA

Bloomberg
CGM

Market
**NYSE Euronext
Paris**

Cegedim at a glance

**Cegedim shares trade up at
21.5% on Q1 2014**

Debt refinancing on April 2014

**Credit rating B+ confirmed on
April 7, 2014**

Overview of Cegedim shares

During the **1st Quarter 2014**, Cegedim shares developed positively. The closing price at the end of March was up 21.5% at €27.80. The closing price reached their high of €28.00 on-February 27, 2014.

<i>in euro</i>	1 st Quarter		Year
	2013	2014	2013
Share price (€)	25.00	27.80	22.89
Average for the period	22.56	25.39	22.02
High for the period	26.97	28.00	26.97
Low for the period	19.14	23.00	18.48
Market capitalization (€m)	349.9	389.1	320.4
Outstanding shares (m)	14.0	14.0	14.0

Shareholder Structure

<i>as of March 31, 2014</i>	Number of shares	Number of voting rights ^(a)	% of capital	% voting rights
FCB	7,361,044	14,668,437	52.6%	68.9%
Bpifrance	2,102,061	2,102,061	15.0%	9.9%
Cegedim SA	46,340	0	0.3%	0.0%
Public	4,487,728	4,507,723	32.0%	21.2%
Total	13,997,173	21,278,221	100.0%	100.0%

(a) Total number of voting rights that may be exercised at Shareholders' Meetings

Investor Information

Credit Rating

B+

Stable Outlook

Credit rating

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

Credit rating

S&P's

Assessed on April 26, 2013

Confirmed on April 7, 2014

B+, Stable outlook

Market financing

On April 7, 2014, *Cegedim* launched an additional bond offering of €100 million, upsized to €125 million on the issue date, 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 €300 million of 6.75% Senior Notes due in 2020 that the Group issued on March 20, 2013.

The proceeds from the offering were used, among other things, to finance the redemption of €105,950,000 of outstanding bonds due 2015 (at a price of 108.102%), 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 Reg S	FR0010925172	XS0906984272
Isin Rule 144A	-	XS0906984355

Analysts

Equity

Kepler Cheuvreux

Benjamin Terdjman

CM-CIC Securities

Jean-Pascal Brivady

Gilbert Dupont

Mickaël Chane-Du

Natixis Securities

Richard Beaudoux

Société Générale

Patrick Jousseume

Genesta

Guillaume Nédélec

Debt Securities

Exane

Benjamin Sabahi

ODDO

Carole Braudeau

Imperial Capital

Diego Affo

Société Générale

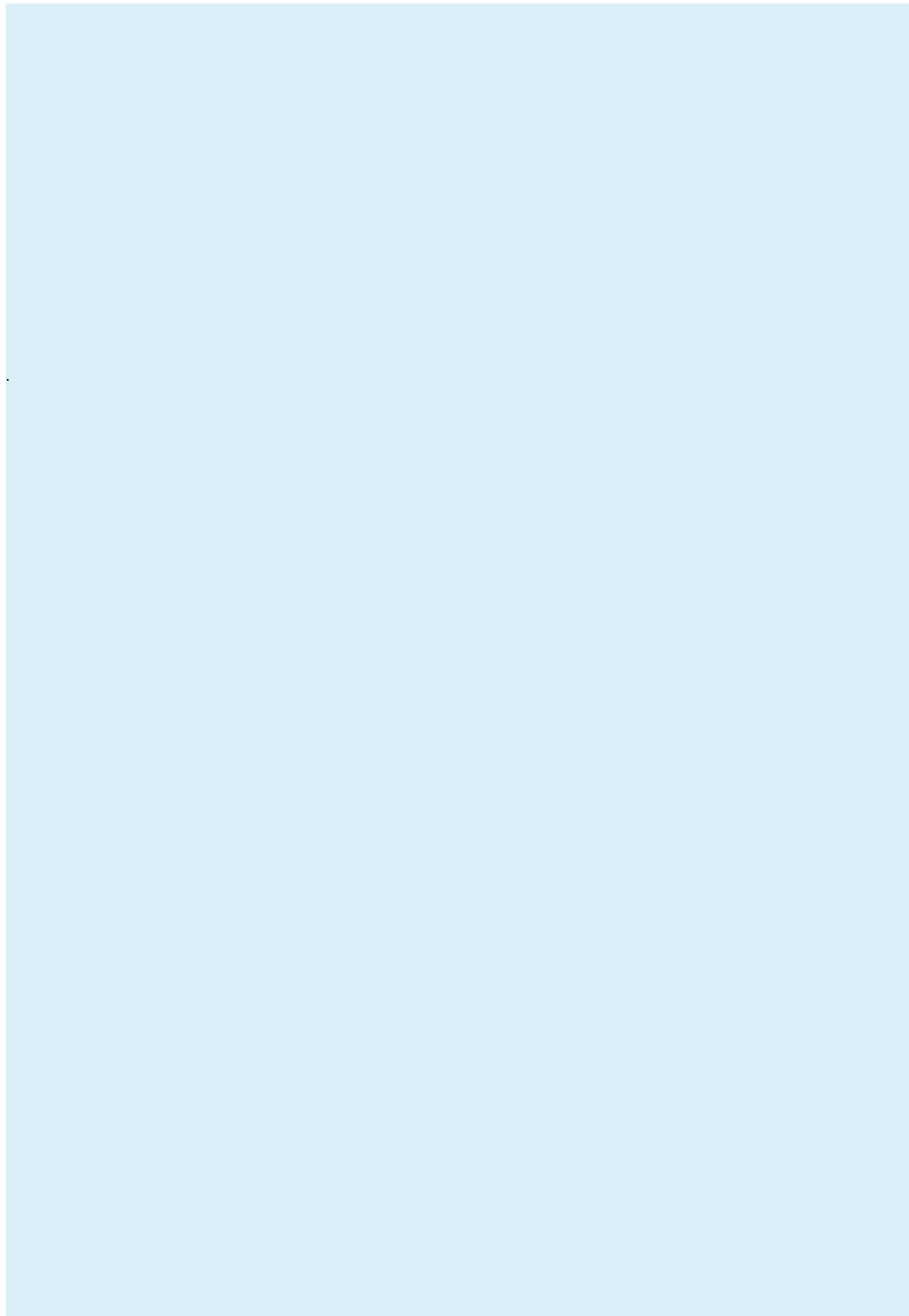
Priya Viswanathan

BofA Merrill Lynch

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J.P. Morgan

Ela.N. Kurtoglu



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Management Discussion

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Cegedim Group

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Q1 Revenue

€204.0m

Q1 EBITDA

€18.0m

Q1 EBIT before special items

€2.3m

of Employees

8,004

Q1 Key Points

Revenue decreased by €3.8m

EBITDA decreased by €1.5m

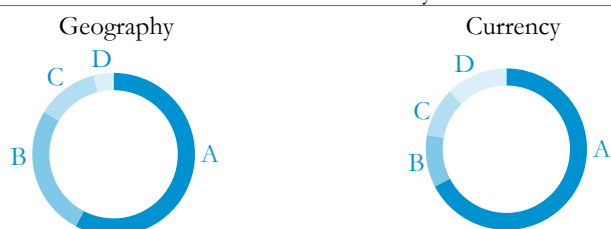
EBITDA margin decreased by 33bps

Revenue decreased by €8.8 million, or 4.1%, from €212.9 million for the first quarter 2013 to €204.0 million for the first quarter 2014. Excluding the positive impact of acquisitions of 0.1% and unfavorable impact of foreign currency translations of 1.5%, revenue decreased by 2.8%.

Following acquisitions and disposals, the Group's scope of consolidation has changed as follow: in the *Healthcare Professionals* division consolidation of the entity *Webstar* (UK) on November 2013. This change in the scope of consolidation made a positive contribution of 0.1% to revenue change in the first quarter 2014.

The near stability at the *CRM and Strategic Data* with a decrease of 1.6% and the decline at the *Healthcare Professionals* division by 7.2% were partly offset by an increase at the *Insurance and Services* division by 2.2% (in each case, on a like-for-like basis).

Revenue breakdown by:



Geography		Currency	
A: France	57.7%	A: EUR	67.4%
B: EMEA excl. France	26.0%	B: USD	10.5%
C: Americas	12.3%	C: GBP	9.8%
D: APAC	4.0%	D: Others	12.4%

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro climbed by 1 point to 67%, and the others currency fell by 1 point to 12% whereas the US dollar and the sterling remained stable respectively at 11% and at 10%. Note that the breakdown of revenue by currency and by geography to establish accounts is very similar.

By geographic region, the relative contribution of France climbed by 1 point to 58% and Americas fell by 1 point to 12%, whereas APAC and EMEA (excluding France) remained stable at respectively 4% and 26%.

By division, the breakdown of Group revenue remains relatively stable. The contribution of *CRM and Strategic Data* and *Healthcare Professionals* fell by 1 point to respectively 48% and to 33%. The contribution of *Insurance and Services* increased by 2 points to 19%.

Quarterly Operational Charges

Purchases used decreased by €3.3 million, or 11.8%, from €28.0 million for the quarter ended March 31, 2013 to €24.7 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, purchases used represented 13.1% for the quarter ended March 31, 2013, compared to 12.1% for the quarter ended March 31, 2014. This decrease in purchases used was primarily due to a reduction in purchase used at INPS (Doctor computerization in the UK) following an exceptional level of activity in 2013 with the NHS and by a decrease of expenses as a result of ongoing cost cutting measure.

External expenses increased by €0.7 million, or 1.2%, from €56.9 million for the quarter ended March 31, 2013 to €57.6 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, external expenses represented 26.7% for the quarter ended March 31, 2013, compared to 28.2% for the quarter ended March 31, 2014. This increase in external expenses was primarily due to higher usage of temporary workers partly compensated by a decrease in expenses due to lower revenue level and ongoing cost-containment efforts.

Payroll costs decreased by €2.2 million, or 1.9%, from €113.1 million for the quarter ended March 31, 2013 to €110.9 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, payroll costs represented 53.1% for the quarter ended March 31, 2013, compared to 54.3% for the quarter ended March 31, 2014. The decrease in payroll costs was primarily due a foreign currency impact. At constant exchange rate, payroll costs are stable. This stability results from ongoing cost-containment efforts. 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 the first quarter of 2014, the impact on payroll cost is a reduction of €0.9 million, compare to €0.7 million for the first quarter of 2013, which correspond to the full year estimated amount prorated for the quarter.

EBITDA decreased by €1.5 million, or 7.6%, from €19.5 million for the quarter ended March 31, 2013 to €18.0 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBITDA represented 9.1% for the quarter ended March 31, 2013, compared to 8.8% for the quarter ended March 31, 2014. This decrease in EBITDA reflected the evolution of revenue, purchases used, external expenses and payroll costs based on the factors set out above.

EBIT before special items (Operating income before special items) decreased by €0.5 million or 17.2% from €2.8 million for the quarter ended March 31, 2013 to €2.3 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBIT represented 1.3% for the quarter ended March 31, 2013, compared to 1.1% for the quarter ended March 31, 2014. This decrease was due to the decrease in EBITDA of €1.5 million, as set above, and in depreciation expenses by €1.0 million from €16.7 million in the quarter ended March 31, 2013 to €15.7 million in the quarter ended March 31, 2014.

Special items amounted in the first quarter of 2014 to a charge of €1.3 million, compare to a charge of €1.1 million one year earlier. The major parts of this cost are related to the restructuring costs from ongoing cost-containment efforts.

Breakdown by nature of special items

<i>In € million</i>	1 st Quarter		FY
	2013	2014	2013
Capital gains or losses on disposals	–	–	–
Restructuring costs	(1.1)	(1.1)	(4.8)
Impairment of goodwill	–	–	(63.3)
Other non-recurring income and expenses	(0.0)	(0.1)	(1.6)
Special items	(1.1)	(1.3)	(66.5)

Breakdown by division

<i>In € million</i>	1 st Quarter		FY
	2013	2014	2013
CRM and Strategic Data	(0.6)	(0.7)	(68.7)
Healthcare Professionals	(0.4)	(0.4)	2.2
Insurance and Services	(0.1)	(0.1)	0.2
Reconciliation	0.0	(0.1)	(0.2)
Special items	(1.1)	(1.3)	(66.5)

EBIT amounts to a profit of €1.0 million, compared to a profit of €1.7 million for the first quarter ended March 31, 2013. The €0.7 million decrease was due to the decrease of EBIT before special items of €0.5 million and an increase in special items of €0.2 million.

Quarterly Financial charges

Total cost of net financial debt decreased by €11.7 million from €21.6 million for the quarter ended March 31, 2013 to €9.9 million for the quarter ended March 31, 2014. This decrease reflects the exceptional payment in March 2013 of €8.9 million premium for the partial 2015 bond buyback.

Tax expense increased by €4.6 million from a credit of €4.1 million for the quarter ended March 31, 2013 to a charge of €0.5 million for the quarter ended March 31, 2014. This increase results from non-capitalization of deferred tax assets and from an increase in income taxes.

Quarterly net profit (loss)

Consolidated net profit amounted to a loss of €9.0 million compared to a loss of €15.4 million for the same period last year. This decrease in consolidated net loss reflected the evolution of revenue, EBIT, special items, cost of net financial debt and tax expense based on the factors set out above. After taking in account minority interests, the **consolidated net profit attributable to the Group** amounted to a loss of €9.0 million, compared to a loss of €15.4 million on first quarter 2013.

<i>In € million</i>	1 st Quarter			Full Year	
	2013	2014	Change	2014	
Revenue	€m	212.9	204.0	(4.1)%	902.3
Purchases used	€m	(28.0)	(24.7)	(11.8)%	(108.3)
External expenses	€m	(56.9)	(57.6)	1.2%	(232.0)
Payroll costs	€m	(113.1)	(110.9)	(1.9)%	(433.5)
EBITDA	€m	19.5	18.0	(7.6)%	155.7
EBITDA margin	%	9.1	8.8	(33)bps	17.3
Depreciation	€m	(16.7)	(15.7)	(6.0)%	63.5
EBIT before special items	€m	2.8	2.3	(17.2)%	92.1
EBIT b. special items margin	%	1.3	1.1	(18)bps	10.2
Special items		(1.1)	(1.3)	14.2%	(66.5)
EBIT	€m	1.7	1.0	(38.1)%	25.6
EBIT margin	%	0.8	0.5	(28)bps	2.8
Cost of net financial debt	€m	(21.6)	(9.9)	(54.2)%	(60.1)
Total taxes	€m	4.1	(0.5)	112.5%	(25.5)
Profit (loss) for the period	€m	(15.4)	(9.0)	(41.7)%	(58.6)



Reconciliation

The *Reconciliation* division encompasses the activities the Group performs as the parent company of a listed entity, as well as the support it provides to the three operating divisions.

Q1 Revenue

€0.2m

Q1 EBITDA

€(1.7)m

Q1 EBIT before special items

€(2.0)m

of Employees

158

Revenue for the *Reconciliation* division increased by €0.1 million, or 35.9%, from €0.1 million in the first quarter of 2013 to a €0.2 million in the first quarter of 2014. The revenue contribution to the Group revenue was not significant.

Revenue breakdown by:



A: France	100.0%	A: EUR	100.0%
B: EMEA excl. France	-	B: USD	-
C: Americas	-	C: GBP	-
D: APAC	-	D: Others	-

EBITDA increased by €0.1 million, or 5.3%, from a loss of €1.8 million in the first quarter of 2013 to a loss of €1.7 million in the first quarter of 2014.

EBIT before special items (Operating income from recurring operations) decreased by €0.1 million, or 6.0%, from a loss €2.1 million in the first quarter of 2013 to a loss €2.0 million in the first quarter of 2014. This decrease in EBIT was due to the decrease in EBITDA by €0.1 million. Depreciation remained stable at €0.3 million.

In € million

	1 st Quarter		FY
	2013	2014	2013
Revenue	0.1	0.2	0.6
EBIT before special items	(2.1)	(2.0)	(6.4)
EBIT margin	n.m.	n.m.	n.m.
Special items	0.0	0.1	(0.2)
EBIT	(2.1)	(2.1)	(6.6)
EBITDA	(1.8)	(1.7)	(5.3)
EBITDA margin	n.m.	n.m.	n.m.
Depreciation	0.3	0.3	1.1

Key Data

48% of Group Revenue

<i>In € million</i>		1st Quarter			Full Year
		2013	2014	Change	2013
Revenue	€m	103.6	98.6	(4.9)%	452.8
EBIT before special items	€m	(6.2)	(3.5)	43.6%	38.3
EBIT margin	%	(6.0)	(3.5)	243bps	8.5
Special items	€m	(0.6)	(0.7)	23.1%	(68.7)
EBIT	€m	(6.8)	(4.2)	(37.8)%	(30.4)
EBITDA	€m	1.0	3.4	248.8%	62.7
EBITDA margin	%	0.9	3.5	251bps	13.8
Depreciation	€m	7.2	6.9	(3.7)%	24.4

3 Operating Divisions

CRM and Strategic Data

33% of Group Revenue

<i>In € million</i>		1st Quarter			Full Year
		2013	2014	Change	2013
Revenue	€m	72.0	67.3	(6.5)%	288.8
EBIT before special items	€m	7.2	4.8	(33.8)%	35.5
EBIT margin	%	10.0	7.1	(293)bps	12.3
Special items	€m	(0.4)	(0.4)	(13.5)%	2.2
EBIT	€m	6.8	4.4	(35.0)%	37.7
EBITDA	€m	13.1	10.0	(23.6)%	59.7
EBITDA margin	%	18.2	14.9	(333)bps	20.7
Depreciation	€m	5.9	5.3	(11.1)%	24.2

Healthcare Professionals

19% of Group Revenue

<i>In € million</i>		1st Quarter			Full Year
		2013	2014	Change	2013
Revenue	€m	37.2	38.0	2.2%	160.0
EBIT before special items	€m	3.8	3.0	(22.5)%	24.7
EBIT margin	%	10.3	7.8	249bps	15.5
Special items	€m	(0.1)	(0.1)	(12.7)%	0.2
EBIT	€m	3.7	2.9	(22.7)%	24.9
EBITDA	€m	7.2	6.3	(12.7)%	38.6
EBITDA margin	%	19.3	16.5	(282)bps	24.1
Depreciation	€m	3.3	3.3	(1.6)%	13.8

Insurance & Services



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, database, compliance solutions and research reports.

Q1 Revenue

€98.6m

% of Group Revenue

48%

Q1 EBITDA

€3.4m

of Employees

4,856

Q1 Key Points

Revenue decreased by €5.0m

EBITDA increased by €2.4m

EBITDA margin improved by 251bps

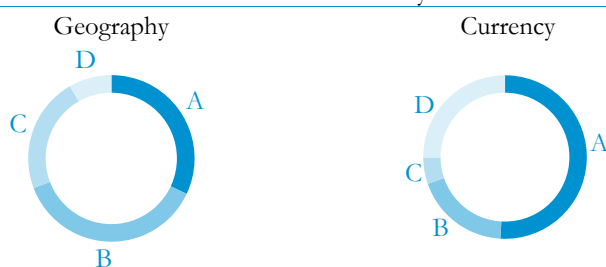
Revenue decreased by €5.0 million, or 4.9%, from €103.6 million for the first quarter of 2013 to €98.6 million for the first quarter of 2014. Excluding unfavorable foreign currency translations of 3.3%, revenue decreased by 1.6%. There were no acquisitions or divestment.

Expressed as a percentage of total revenue, revenue for the *CRM and Strategic Data* division represented 48.7% for the first quarter of 2013, compared to 48.3% for first quarter of 2014.

This decrease in revenue, excluding the impact of acquisition and unfavorable currency translation, was chiefly the result of weaker CRM business in mature countries and the different seasonality of billing in certain activities unrelated to the pharmaceutical industry, which was partly offset by growth in emerging countries, Compliance activities, and products and services linked to the *OneKey* database. It should be noted that market research activities were stable over the period.

Cegedim continues to adjust its product range and its invoicing model to the fundamental shifts in the world pharmaceutical industry.

Revenue breakdown by:



A: France	32.0%	A: EUR	50.9%
B: EMEA excl. France	37.2%	B: USD	18.8%
C: Americas	22.5%	C: GBP	5.2%
D: APAC	8.3%	D: Others	25.1%

The breakdown of revenue by currency has marginally changed since the same period last year: the Euro and the sterling climbed by 1 point at respectively 51% and at 5%, the US dollar fell by 1 point to 19% and others currency remain relatively stable at 25%.

By geographic region, the relative contribution of EMEA (excluding France) climbed by 2 point at 37%, and Americas and APAC fell by 1 point to 23% and 8%, respectively whereas France remain stable at 32%.

EBITDA increased by €2.4 million from €1.0 million for the quarter ended March 31, 2013, to a gain of €3.4 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBITDA represented 0.9% for the quarter ended March 31, 2013, compared to 3.5% for the quarter ended March 31, 2014. This increase results from a favorable trend in the product mix in particular from the growth of products and services linked to the OneKey database. As a result the EBITDA increased whereas revenue decreased.

EBIT before special items (Operating income before special items) increased by €2.7 million from a loss of €6.2 million for the quarter ended March 31, 2013 to a loss of €3.5 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBIT represented (6.0)% for the quarter ended March 31, 2013, compared to (3.5)% for the quarter ended March 31, 2014. This increase in EBIT was mainly due to the increase of €2.4 million in EBITDA.



Healthcare Professionals

This division provides (i) software that meets the daily needs of pharmacists, physicians, healthcare and paramedical networks in the EMEA and U.S. 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.

Q1 Revenue

€67.3m

% of Group Revenue

33%

Q1 EBITDA

€10.0m

of Employees

1,777

Q1 Key Points

Revenue decreased by €4.6m

EBITDA decreased by €3.1m

Negative impact from activity of computerizing French pharmacists and UK Doctors.

Revenue for the *Healthcare Professionals* division decreased by €4.6 million, or 6.5%, from €72.0 million for the first quarter of 2013 to €67.3 million for the first quarter of 2014. Excluding the positive impact of 0.3% of acquisition of the entity *Webstar*, on November 2013, and the unfavorable foreign currency translations of 0.4%, revenue decreased by 7.2%.

Expressed as a percentage of total revenue, revenue for the *Healthcare Professionals* division represented 33.8% for the first quarter of 2013, compared to 33.0% for the first quarter of 2014.

This decrease in revenue, excluding the impact of acquisition and currency translation, was chiefly attributable to weaker sales of pharmacist software in France as a result of pharmacists' changing business model and hesitancy ahead of the upcoming release of a new line of software. Doctor computerization in the UK was also softer as a result of a demanding comparison caused by the exceptional level of 2013 revenues stemming from the NHS.

Revenue breakdown by:



Geography	Percentage	Currency	Percentage
A: France	71.5%	A: EUR	73.3%
B: EMEA excl. France	24.3%	B: USD	4.2%
C: Americas	4.2%	C: GBP	21.9%
D: APAC	-	D: Others	0.6%

The breakdown of revenue by currency has marginally changed since the same period last year: the sterling fell by 1 point at 22% whereas the Euro, the US dollar, and others currency remain relatively stable at 73%, 4%, and 1%, respectively.

By geographic region, the relative contribution of France climbed by 1 point at 72% whereas EMEA (excluding France) and Americas remain stable at respectively 24% and at 4%.

EBITDA decreased by €3.1 million, or 23.6% from €13.1 million for the quarter ended March 31, 2013, to €10.0 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBITDA represented 18.2% for the quarter ended March 31, 2013, compared to 14.9% for the quarter ended March 31, 2014. The decrease in EBITDA reflects mainly the temporarily decrease in French pharmacists' investments and from a demanding comparison at the activity of computerization of UK doctors caused by the exceptional level of 2013 business with the NHS.

EBIT before special items (Operating income before special items) decreased by €2.4 million, or 33.8%, from €7.2 million for the quarter ended March 31, 2013 to €4.8 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBIT represented 10.0% for the quarter ended March 31, 2013, compared to 7.1% for the quarter ended March 31, 2014. This decrease in EBIT was primarily due to a decrease in EBITDA by €3.1 million partly offset by a decrease in depreciation by €0.6 million.



Insurance & Services

This division includes all of the Group's products and services for insurers, mutual and contingency companies and intermediaries predominantly in France. 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 e-business services.

Q1 Revenue

€38.0m

% of Group Revenue

19%

Q1 EBITDA

€6.3m

of Employees

1,213

Q1 Key Points

Revenue increased by **€0.8m**

EBITDA decreased by **€0.9m**

Temporary margin decrease

Revenue for the *Insurance and Services* division increased by €0.8 million, or 2.2%, from €37.2 million for the first quarter of 2013 to €38.0 million for the first quarter of 2014. There were no disposals or acquisitions and there was minimal impact from foreign currency translations.

Expressed as a percentage of total revenue, revenue for the *Insurance and Services* division represented 17.5% for the first quarter of 2013, compared to 18.6% for the first quarter of 2014.

This increase in revenue was chiefly attributable to the continued development in managing third-party payment flows, numerous commercial successes at *Cegedim SRH* (HR solutions) and the roll-out of electronic invoicing solutions by *Cegedim e-business* (electronic data flow solutions).

Revenue breakdown by:



Geography	
A: France	99.6%
B: EMEA excl. France	0.4%
C: Americas	-
D: APAC	-

Currency	
A: EUR	99.6%
B: USD	-
C: GBP	-
D: Others	0.4%

EBITDA decreased by €0.9 million, or 12.7%, from €7.2 million for the quarter ended March 31, 2013 to €6.3 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBITDA represented 19.3% for the quarter ended March 31, 2013, compared to 16.5% for the quarter ended March 31, 2014. This decrease in EBITDA is chiefly attributable the change of consolidated scope with the acquisition of Kadrigé and from the temporally decrease at *Cegedim Insurance* and *Cegedim e-business* partly offset by an increase at *Cegedim SRH*, which makes human resources management solutions.

EBIT before special items (Operating income from recurring operations) decreased by €0.9 million, or 22.5%, from €3.8 million for the quarter ended March 31, 2013 to €3.0 million for the quarter ended March 31, 2014. Expressed as a percentage of revenue, EBIT represented 10.3% for the quarter ended March 31, 2013, compared to 7.8% for the quarter ended March 31, 2014. This decrease in EBIT was primarily due to the decrease by €0.9 million in EBITDA.



Comments on the Consolidated Balance Sheet

Goodwill

€529.1m

Cash & Cash Equivalent

€58.7m

Consolidated total balance sheet amounted to €1,192.2 million at March 31, 2014, a 2.4% decrease over December 31, 2013.

Goodwill on acquisition was €529.1 million at March 31, 2014, compared with €528.5 million at the end of 2013. This €0.7 million increase is chiefly attributable to a reinforcement of euro compare to some foreign currency for €0.4 million and from €0.3 million from external growth. Goodwill on acquisition represents 44.4% of the total balance sheet on March 31, 2014, compare to 43.3% three months prior.

Tangible and intangible assets amount to €259.0 million at the end of the first quarter of 2014, compared to €256.2 million at the end of 2013. Tangible assets remains relatively stable at €32.1 million compare to €32.3 million at end of December 2013. On the other hand, intangible assets increased by €3.0 million, up 1.3% compared to December 31, 2013, reflecting the increase of capitalized development costs partly offset by the amortization of development costs. Tangible and intangible assets represent to 21.7% of total assets compared to 21.0% at December 31, 2013.

Accounts receivable-short-term portion decrease by €29.7 million, or 12.9%, from €230.0 million at end of December 2013 to €200.3 million at the end of March 2014.

Cash and cash equivalent came to €58.7 million at March 31, 2014, down €8.3 million compared with December 31, 2013. This decrease reflects primarily the payment in January of the Bond 2015 semi-annual coupon. Cash and cash equivalent came to 4.9% of total assets at end of march 2014 compared to 5.5% three months earlier. Please note that net cash amounted to €45.1 million, a decrease of €9.1 million, or 16.8%, compare to three months earlier.

First 3 months

Total Debt

€531.2m

Shareholders' Equity

€337.2m

Comments on the Consolidated Balance Sheet

Long-term financial liabilities came to €513.7 million at March 31, 2014 a stable level compared to December 31, 2013. Long-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of €7.1 million at end of March 2014.

Short term debts decreased by €7.1 million, or 28.7%, to €17.5 million at March 31, 2014. This decrease reflects primarily the decrease by €8.0 on accrued interest.

Cash and equivalents exceed short-term financial debt (less than 1 year). Short-term liabilities include liabilities under Cegedim employee profit sharing plans in the total amount of €1.7 million at end of March 2014.

Total financial liabilities amounts to €531.2 million down €7.0 million. Total net financial debt amounts to €472.5 million, an increase of €1.3 million compared three months earlier. This represents 140.1% of equity as of March 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 €8.8 million and €0.3 million of others liabilities at end of March 2014. Thus the net financial liabilities amount to €463.4 million compare to €462.0 million three month earlier.

Shareholders' equity decrease by €8.6 million or 2.5% to €337.2 million at March 31, 2014, compared to €345.8 million at the end of 2013. This decrease reflects the Group reserves decline by €58.7 million partially offset by a positive change of €49.7 million in Group earnings reflecting the impairment of goodwill at end of 2013. Total shareholders' equity came to 28.3% of total assets at end of March 2014 the same level that three months earlier.

Off-Balance sheet commitments

Cegedim S.A. provides guarantees and security with respect to the operational or financing obligations of its subsidiaries in the ordinary course of business. See *note 10* of the *Financial Statement* included in section “*Interim Consolidated Financial Statement*”.

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

In € millions	Total	Less Than		More than
		1 year	1-5 years	5 years
Bond 2020	300.0	—	—	300.0
Bond 2015	168.6	—	168.6	—
Revolving credit facility	0.0	—	0.0	—
FCB Loan	45.1	—	45.1	—
Overdraft Facilities	13.6	13.6	—	—
Total	527.3	13.6	213.7	300.0

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

First 3 months

Summarized consolidated balance sheet

<i>In € millions</i>		March 2013	March 2014	Change	
Assets					
Goodwill		528.5	529.1	0.1%	<i>a) Excluding equity shares in equity method companies</i>
Tangible, Intangible assets		256.2	259.0	1.1%	
Long-term investments	a	14.0	14.3	2.6%	<i>(b) Including deferred tax for €43.4 million for March 31, 2014 and €42.1 million for December 31, 2013</i>
Other non-current assets	b	66.0	67.4	2.2%	
Accounts receivable current portion		230.0	200.3	(12.9)%	<i>(c) Long-term and short-term liabilities include liabilities under our employee profit sharing plans in the total amount of €8.8 million for March 31, 2014 and €8.9 million for December 31, 2013</i>
Cash & Cash equivalents		67.0	58.7	(12.4)%	
Other Current assets		59.6	63.3	6.1%	
Total Assets		1,221.2	1,192.2	(2.4)%	<i>(d) Including "tax and social liabilities" for €120.2 million for March 31, 2013 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</i>
Liabilities					
Long-term financial liabilities	c	513.6	513.7	0.0%	
Other non-current liabilities		48.3	49.8	3.1%	
Short-term liabilities	c	24.6	17.5	(28.7)%	
Other current liabilities	d	288.8	273.9	(5.1)%	
Total Liabilities (excluding Shareholders' equity)		875.4	855.0	(2.3)%	<i>(e) Including minority interests of €0.3 million for March 31, 2014 and €0.4 million for end of December 2013</i>
Shareholders' equity	e	345.8	337.2	(2.5)%	
Total Liabilities & Shareholders' equity	e	1,221.2	1,192.2	(2.4)%	
Net Financial Debt					
<i>In € millions</i>		Decem ber 2013	March 2014		
Long-term debt		506.2	506.4		<i>(f) Gross financial debt equal total debt minus the profit sharing for €8.8 million and others for €0.3 million as of March 31, 2013</i>
Short-term debt		22.9	15.7		<i>(g) Net financial debt on Total equity ratio</i>
Gross financial debt		529.0	522.1		
Cash & Cash equivalent		67.0	58.7		
Net financial debt	f	462.0	463.4		
Equity	g	345.8	337.2		
Gearing		1.3	1.4		



Comments on the Cash Flow Statement

Net Cash Flow from Operating Activities

€28.4m

Net Cash Flow used in investing Activities

€(18.9)m

Net Cash Flow used in Financing Activities

€(18.1)m

Net cash flow from operating activities decreased by €6.8 million from €35.2 million in the first three months of 2013 to €28.4 million in the first three months of 2014. This decrease reflects an increase in taxes paid by €5.9 million following an exceptional refund in Q1 2013 following a voluntarily overpayment in Q4 2012.

Net cash flow used in investing activities increased by €0.9 million from an outflow of €18.0 million in the first three months of 2013 to an outflow of €18.9 million in the first three months of 2014. This increase was mainly due to an increase in acquisition of intangible assets for €1.0 million following the increase in capitalization of R&D.

Net cash flow used in financing activities amounted to an outflow of €18.1 million in the first three months of 2014, an increase of €4.0 million compared to the first three months of 2013 as a result of a decrease of €9.1 million in issuance of new loan partially offset by a decrease in interest paid on debt by €6.2 million following the payment in March 2013 of €8.9 million premium for the partial 2015 bond buyback.

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 €17.4 million at end of March 2014 compared to end of December 2013. This decrease is mainly due to an increase by €1.1 million of inventories and change in work in progress, by a decrease by €27.9 million in accounts receivables and other receivables and an increase of €9.3 million of accounts payable and other liabilities. Total working capital requirement at end of March 2014 was 0.0% of the last twelve months revenues.

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 the first three months of 2014, capital expenditures were €18.9 million, consisting of €12.1 million of capitalized R&D, €4.3 million in maintenance capex, €2.5 million of assets used for lease agreements by *Cegelease* not transferred to banks. As a percentage of revenue, capital expenditures amounted to 9.3 % for the first three months of 2014.

The payroll expenses for the R&D workforce represent the majority of the total R&D costs and amounts approximately for the first three months of 2014 to around 7% of revenue. Although this percentage is not a targeted figure, it has remained relatively stable for the past several years. Of this R&D expenditure, approximately half is capitalize annually in accordance with IAS 38, which requires that (i) the project be clearly identified and the related costs are separable and tracked reliably; (ii) the technical feasibility of the project has been demonstrated, and the Group has the intention and the financial capacity to complete the project and use or sell the products resulting from this project; and (iii) it is probable that the developed project will generate future economic benefits that will flow to the Group. In the quarter ended March 31, 2014 €12.1 million of R&D costs were capitalized, respectively. The remaining parts of R&D costs are recorded as expenses for the period in which they were incurred.

Capital expenditures <i>In € millions</i>	1st Quarter		FY
	2013	2014	2013
Capitalized R&D	10.6	12.1	46.9
Maintenance capex	3.2	4.3	16.3
Assets used by Cegelease	4.1	2.5	10.1
Total capital expenditures	17.9	18.9	73.3

Balance of net cash from operations, net cash from investments operations and net cash from financing operations led to a negative €9.1 million change of cash at end of the first quarter of 2014.

<i>In € million</i>	January - March		FY
	2013	2014	2013
Gross cash flow ^a	18.8	17.0	152.6
Tax paid	(0.1)	(6.0)	(12.5)
Changes in working capital	16.5	17.4	9.4
Net cash provided by (used in) operating activities	35.2	28.4	149.6
Net cash provided by (used in) investing activities	(18.0)	(18.9)	(72.4)
Net cash provided by (used in) financing activities	(14.2)	(18.1)	(42.7)
Total cash flows	3.0	(8.6)	34.4
Change due to exchange rate movements	0.6	(0.5)	(1.7)
Net cash at the beginning of the period	21.5	54.2	21.5
Net cash at the end of the period	25.1	45.1	54.2

(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.*

Main Risks

Activities remain subject to the usual risks inherent in engaging in its trades as well as political and geopolitical risks arising from its international presence for most of its activities and unexpected instances of force majeure.

A description of main risks is available in the *Chapter 4 "Risk factors" p. 25* of the *Cegedim 2013 Registration Document* filed with the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) on March 12, 2014. During first three months of 2014, Cegedim identified no other significant changes.

Employees

On March 31, 2014, the Cegedim Group employed 8,004 people worldwide thus the total number of employees increased by 0.2% compare to end of December 2013 (7,992 employees) and declined by 0.5% compare to end of March 2013 (8,047 employees).

Employees by region

	Mar. 31, 2013	Mar. 31, 2014
France	3,332	3,385
EMEA excl. France	2,564	2,564
Americas	1,241	1,204
APAC	910	851
Total	8,047	8,004

Employees by division

	Mar. 31, 2013	Mar. 31, 2014
CRM and Strategic Data	5,022	4,856
Healthcare Professionals	1,738	1,777
Insurance and Services	1,134	1,213
Reconciliation	153	158
Cegedim Group	8,047	8,004

First Three Months Highlights

To the best of the company's knowledge, there were no events or changes during the period that would materially alter the Group's financial situation.

Related Parties

A description of transactions with related parties is available in the *note 25 page 202*, of the *Cegedim 2013 Reference Document*, filed with the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) on March 12, 2014. During the first three months of 2014, Cegedim identified no other significant related parties.

Outlook

In a changing environment, Cegedim continues to prioritize debt reduction and is striving to improve its operational leverage.

For 2014, the Group expects at least stability in its revenues and operating margin.



Subsequent Events

Structure of debt
at May 27th, 2014

Bond debt at 7.00%
maturing 27 July 2015

€62.6m

Bond debt at 6.75%
maturing 1 April 2020

€425.0m

Revolving credit expiring 10
June 2016, €80 million
undrawn

€80.0m

FCB Loan maturing June
2016

€45.1m

Overdraft facility
15.6 million was drawn

€46.5m

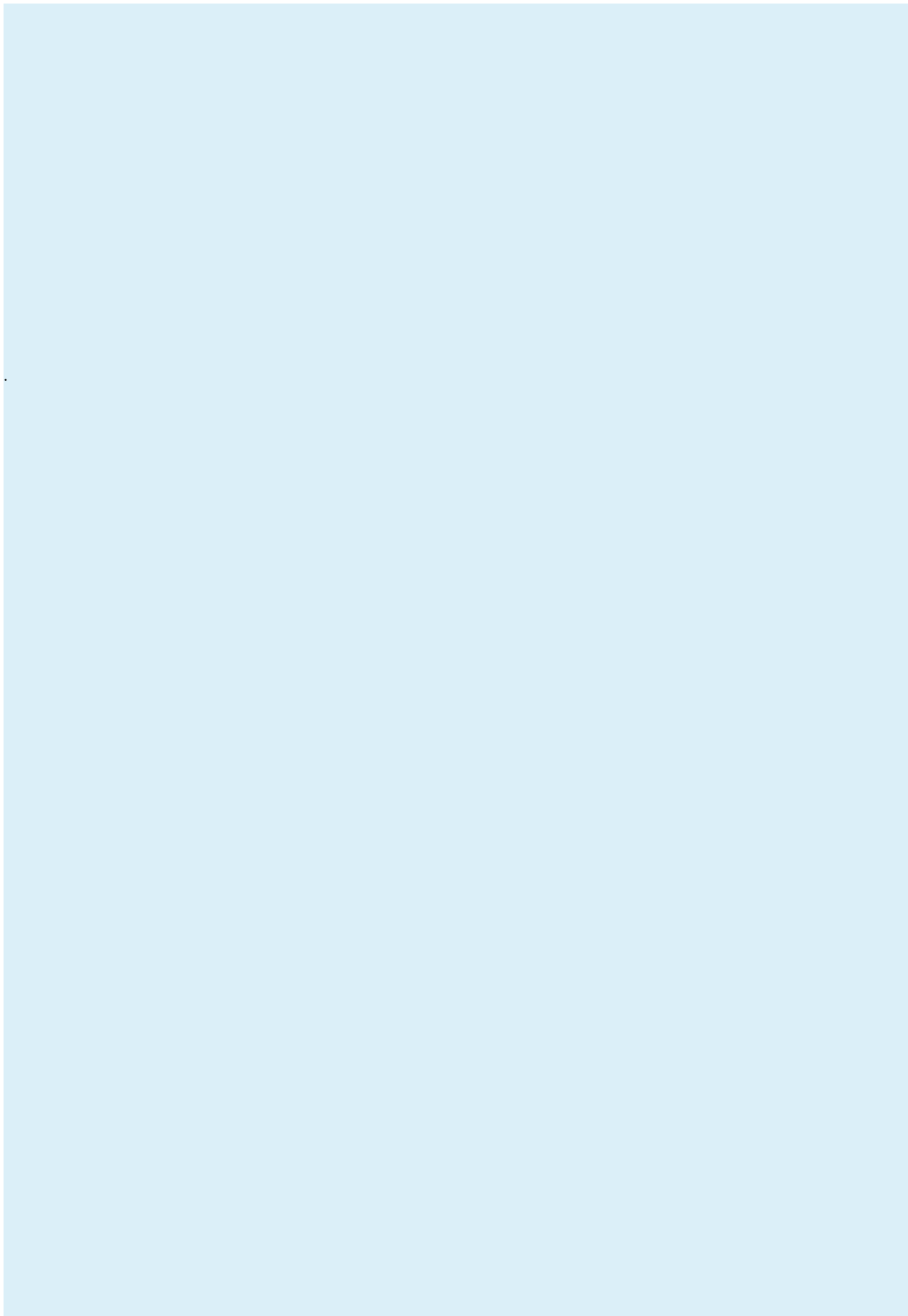
On April 7, 2014, Cegedim launched an additional bond offering of €100 million, upsized to €125 million on the issue date, of its 6.75% Senior Notes due 2020. Apart from the date and price of issuance (105.75% plus interest accrued since April 1, 2014), the new bonds are identical to the €300 million of 6.75% Senior Notes due in 2020 that the Group issued on March 20, 2013. It should be noted that Cegedim was able to issue at 5.60% compared to 6.75% one year earlier.

The proceeds from the offering were used, among other things, to finance the redemption of €105,950,000 of outstanding bonds due 2015 (at a price of 108.102%), pay the premium and any related fees, and repay the bank overdraft facilities.

When the operation was announced on April 7, 2014, rating agency Standard and Poor's confirmed its B+ rating with a stable outlook for Cegedim and its two bonds.

On April 15, 2014, Cegedim completed the acquisition of French company SoCall, based in Sèvres. SoCall sets up and operates medical administration tasks and manned-line for practices of healthcare professionals. The company manages incoming patient calls, messages, scheduling and records of past consultations for around 50 practices. Financed by internal financing, these activities represent annual revenues of less than €0.3 million and will be part of the consolidation scope of Cegedim Group from Q2 2014.

Apart from the items cited above, to the best of the company's knowledge, there were no events or changes during the period that would materially alter the Group's financial situation. Principal Financing Arrangements.





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Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET ASSETS

<i>(in thousands of Euros)</i>	03.31.2014 - Net	12.31.2013 - Net	Change
GOODWILL ON ACQUISITION (NOTE 3)	529,143	528,465	0.1%
Development costs	22,719	16,791	35.3%
Other intangible fixed assets	204,151	207,097	(1.4)%
INTANGIBLE FIXED ASSETS	226,870	223,888	1.3%
Property	389	389	0.0%
Buildings	4,551	4,764	(4.5)%
Other tangible fixed assets	27,079	27,110	(0.1)%
Construction work in progress	121	45	166.1%
TANGIBLE FIXED ASSETS	32,140	32,307	(0.5)%
Equity investments	704	704	0.0%
Loans	2,464	2,464	0.0%
Other long-term investments	11,153	10,793	3.3%
LONG-TERM INVESTMENTS - EXCLUDING EQUITY SHARES IN EQUITY METHOD COMPANIES	14,321	13,960	2.6%
Equity shares in equity method companies (Note 4)	9,041	8,599	5.1%
Government - Deferred tax (Note 9)	43,373	42,121	3.0%
Accounts receivable : Long-term portion (Note 5)	14,229	14,379	(1.0)%
Other receivables : Long-term portion	795	894	(11.1)%
NON-CURRENT ASSETS	869,912	864,615	0.6%
Services in progress	186	186	0.0%
Goods	11,567	10,428	10.9%
Advances and deposits received on orders	810	428	89.1%
Accounts receivable : Short-term portion (Note 5)	200,295	229,958	(12.9)%
Other receivables : Short-term portion	34,026	31,972	6.4%
Cash equivalents	3,795	3,515	8.0%
Cash	54,900	63,458	(13.5)%
Prepaid expenses	16,687	16,618	0.4%
CURRENT ASSETS	322,267	356,564	(9.6)%
TOTAL ASSETS	1,192,179	1,221,179	(2.4)%

CONSOLIDATED BALANCE SHEET LIABILITIES

<i>(in thousands of Euros)</i>	03.31.2014	12.31.2013	Change
Share capital	13,337	13,337	0.0%
Issue premium	185,562	185,562	0.0%
Group reserves	155,695	214,419	(27.4)%
Group exchange reserves	(238)	(238)	0.0%
Group exchange gains/losses	(8,539)	(8,996)	(5.1)%
Group earnings	(8,971)	(58,634)	(84.7)%
SHAREHOLDERS' EQUITY, GROUP SHARE	336,846	345,449	(2.5)%
Minority interests (reserves)	331	419	(20.9)%
Minority interests (earnings)	8	(43)	(119.0)%
MINORITY INTERESTS	339	376	(9.8)%
SHAREHOLDERS' EQUITY	337,185	345,825	(2.5)%
Long-term financial liabilities (Note 6)	513,700	513,650	0.0%
Long-term financial instruments	9,017	8,905	1.3%
Deferred tax liabilities (Note 9)	9,781	9,513	2.8%
Non-current provisions	28,726	27,501	4.5%
Other non-current liabilities	2,315	2,421	(4.4)%
NON-CURRENT LIABILITIES	563,539	561,988	0.3%
Short-term financial liabilities (Note 6)	17,513	24,564	(28.7)%
Short-term financial instruments	7	7	(0.1)%
Accounts payable and related accounts	87,505	108,269	(19.2)%
Tax and social liabilities	120,223	124,764	(3.6)%
Provisions	4,541	5,840	(22.2)%
Other current liabilities	61,665	49,922	23.5%
CURRENT LIABILITIES	291,454	313,365	(7.0)%
TOTAL LIABILITIES	1,192,179	1,221,179	(2.4)%

CONSOLIDATED INCOME STATEMENT

<i>(in thousands of Euros)</i>		03.31.2014	03.31.2013	Change
Revenue		204,050	212,865	(4.1)%
Other operating activities revenue		-	-	-
Capitalized production		12,126	10,632	14.1%
Purchases used		(24,668)	(27,975)	(11.8)%
External expenses		(57,590)	(56,882)	1.2%
Taxes		(3,774)	(3,849)	(2.0)%
Payroll costs (Note 15)		(110,865)	(113,061)	(1.9)%
Allocations to and reversals of provisions		(1,217)	(2,356)	(48.3)%
Change in inventories of products in progress and finished products		0	92	(100.1)%
Other operating income and expenses		(77)	0	nm
EBITDA		17,984	19,467	(7.6)%
Depreciation expenses		(15,701)	(16,709)	(6.0)%
OPERATING INCOME FROM RECURRING OPERATIONS		2,283	2,758	(17.2)%
Non-recurrent income and expenses		(1,258)	(1,101)	14.2%
OTHER NON-RECURRENT INCOME AND EXPENSES (NOTE 8)		(1,258)	(1,101)	14.2%
OPERATING INCOME		1,025	1,657	(38.1)%
Income from cash and cash equivalents		292	116	151.7%
Gross cost of financial debt		(9,320)	(18,571)	(49.8)%
Other financial income and expenses		(880)	(3,155)	(72.1)%
COST OF NET FINANCIAL DEBT (NOTE 7)		(9,908)	(21,610)	(54.2)%
Income taxes		(2,101)	997	(310.8)%
Deferred taxes		1,586	3,131	(49.3)%
TOTAL TAXES (NOTE 9)		(515)	4,128	(112.5)%
Share of profit (loss) for the period of equity method companies		434	457	(4.9)%
Profit (loss) for the period before earnings from activities that have been discontinued or are being sold		(8,963)	(15,369)	(41.7)%
Profit (loss) for the period net of income tax from activities that have been discontinued or are being sold		-	-	-
Consolidated profit (loss) for the period		(8,963)	(15,369)	(41.7)%
ATTRIBUTABLE TO OWNERS OF THE PARENT	A	(8,971)	(15,379)	(41.7)%
Minority interests		8	10	(20.0)%
Average number of shares excluding treasury stock	B	13,942,008	13,968,793	(0.2)%
CURRENT EARNINGS PER SHARE (IN EUROS)		(0,7)	(1,2)	(52.3)%
EARNINGS PER SHARE (IN EUROS)	A/B	(0,6)	(1,1)	(41.6)%
Diluting instruments		none	none	
DILUTED EARNINGS PER SHARE (IN EUROS)		(0,6)	(1,1)	(41.6)%

STATEMENT OF TOTAL EARNINGS

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013	Change
Consolidated profit (loss) for the period	(8,963)	(15,369)	(41.7)%
Other items included in total earnings:			
Unrealized exchange gains/losses	455	13,061	(96.5)%
Free shares award plan	218	208	4.8%
Hedging financial instruments (net of income tax)	(288)	1,654	(117.4)%
TOTAL OTHER RECYCLABLE ITEMS OF THE OF THE STATEMENT OF TOTAL EARNINGS	385	14,923	(97.4)%
Actuariel differences relating to provisions for pensions	0	24	-
TOTAL OTHER NON RECYCLABLE ITEMS OF THE OF THE STATEMENT OF TOTAL EARNINGS	0	24	(100.0)%
TOTAL EARNINGS	(8,578)	(422)	nm
Minority interests' share	6	10	(40.0)%
ATTRIBUTABLE TO OWNERS OF THE PARENT	(8,584)	(432)	nm

Statement of changes in shareholders' equity

	Capital	Reserves tied to capital	Conso. reserves and earnings	Unrealized exchange gains/losses	Total Group share	Minority interests	Total
<i>(in thousands of Euros)</i>							
Balance 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				0	0		0
• Actuarial differences relating to pension provisions				(7,322)	(7,322)	1	(7,321)
• Unrealized exchange gains/losses			(3,683)		(3,683)		(3,683)
Total earnings for the fiscal year			(84,932)	(7,322)	(92,254)	89	(92,164)
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						(17)	(17)
BALANCE AT 12.31.2012	13,337	185,561	212,360	13,498	424,757	507	425,264
Earnings for the fiscal year			(58,634)		(58,634)	(43)	(58,677)
Earnings recorded directly as shareholders' equity:							-
• Transactions on shares			(76)		(76)		(76)
• Hedging of financial instruments			2,841		2,841		2,841
• Hedging of net investments				0	0		0
• Unrealized exchange gains/losses				(22,756)	(22,756)	4	(22,752)
• Actuarial differences relating to pension provisions ²⁾			(218)		(218)		(218)
Total earnings for the fiscal year			(56,088)	(22,756)	(78,844)	(39)	(78,883)
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 AT 12.31.2013	13,337	185,561	155,784	(9,234)	345,448	376	345,825
Earnings for the fiscal year			(8,971)		(8,971)	8	(8,963)
Earnings recorded directly as shareholders' equity:							-
• Transactions on shares			218		218		218
• Hedging of financial instruments			(288)		(288)		(288)
• Hedging of net investments							-
• Unrealized exchange gains/losses				457	457	(2)	455
• Actuarial differences relating to pension provisions							-
Total earnings for the fiscal year			(9,041)	457	(8,584)	6	(8,578)
Transactions with shareholders:							-
• Capital transactions							-
• Distribution of dividends ⁽¹⁾							-
• Treasury shares							-
Total transactions with shareholders							-
Other changes			(19)		(19)	(43)	(62)
Change in consolidation scope							-
BALANCE AT 03.31.2014	13,337	185,561	146,724	(8,777)	336,845	339	337,185

(1): The total amount of dividends is distributed to common shares. There are no other classes of shares. There were no issues, repurchases or redemptions of equity securities during 2012, 2013 and 2014 except for the shares acquired under the free share award plan

CASH FLOW STATEMENT FROM EARNINGS OF CONSOLIDATED COMPANIES

<i>(in thousands of Euros)</i>	03.31.2014	12.31.2013	03.31.2013
Consolidated profit (loss) for the period	(8,963)	(58,677)	(15,369)
Share of earnings from equity method companies	(434)	(1,275)	(457)
Depreciation and provisions ⁽¹⁾	15,841	127,421	17,137
Capital gains or losses on disposals	108	(397)	39
CASH FLOW AFTER COST OF NET FINANCIAL DEBT AND TAXES	6,553	67,072	1,350
Cost of net financial debt.	9,908	60,060	21,610
Tax expenses	515	25,483	(4,127)
OPERATING CASH FLOW BEFORE COST OF NET FINANCIAL DEBT AND TAXES	16,975	152,615	18,833
Tax paid	(5,981)	(12,451)	(122)
Change in working capital requirements for operations: surplus			
Change in working capital requirements for operations: requirement	17,415	9,424	16,521
CASH FLOW GENERATED FROM OPERATING ACTIVITIES AFTER TAX PAID AND CHANGE IN WORKING CAPITAL REQUIREMENTS (A)	28,409	149,588	35,232
Acquisitions of intangible assets	(12,955)	(51,051)	(11,938)
Acquisitions of tangible assets	(5,441)	(22,340)	(5,989)
Acquisitions of financial assets	(359)	(2,914)	(400)
Disposals of tangible and intangible assets	140	4,674	371
Disposals of long-term investments	0	0	0
Impact of changes in consolidation scope	(317)	(1,697)	(106)
Dividends received from equity method companies	16	884	16
NET CASH FLOWS GENERATED BY INVESTMENT OPERATIONS (B)	(18,917)	(72,444)	(18,046)
Dividends paid to parent company shareholders	0	0	0
Dividends paid to the minority interests of consolidated companies	0	(94)	0
Capital increase through cash contribution	0	0	0
Loans issued	0	300,000	300,000
Loans repaid	(162)	(290,857)	(291,095)
Interest paid on loans	(16,953)	(43,413)	(23,150)
Other financial income and expenses paid or received	(1,002)	(8,339)	89
NET CASH FLOWS GENERATED BY FINANCING OPERATIONS (C)	(18,117)	(42,703)	(14,156)
CHANGE IN CASH EXCLUDING IMPACT OF CHANGES IN FOREIGN CURRENCY EXCHANGE RATE (A + B + C)	(8,625)	34,441	3,030
Impact of changes in foreign currency exchange rates	(508)	(1,668)	579
CHANGE IN CASH	(9,133)	32,773	3,609
Opening cash	54,227	21,454	21,454
Closing cash (Note 6)	45,093	54,227	25,063

(1) Including Impairment of goodwill for €63.3 million as of December 31, 2013.

Changes in the consolidation scope

Companies involved	% held for the fiscal year	% held for the previous fiscal year	Conso. method for the fiscal year	Conso. method for previous year	Comments
Companies entering the consolidation scope					
Galaxysanté	49.00%	-	E.M.	-	Creation
Companies leaving the consolidation scope					
-					

Segment Information as of March 31, 2014

Income statement items

<i>(in thousands of Euros)</i>		CRM and strategic data	Healthcare professionals	Insurance and services	Reconciliation	03.31.2014	Total France	Total rest of world
Sector income								
A	Outside Group revenue	98,558	67,315	38,012	165	204,050	117,678	86,372
B	Revenue to other Group sectors	3,330	1,450	1,148	4,697	10,627	10,288	339
A+B	Total sector revenue	101,889	68,765	39,160	4,863	214,677	127,966	86,711
Sector earnings								
D	Operating income from recurring operations	(3,481)	4,774	2,975	(1,985)	2,283		
E	EBITDA from recurring operations	3,404	10,036	6,265	(1,721)	17,985		
Operating margin from recurring operations (in %)								
D/A	Operating margin from recurring operations outside Group	(3.5%)	7.1%	7.8%	(1,201.2%)	1.1%		
E/A	EBITDA margin from recurring operations Outside Group	3.5%	14.9%	16.5%	(1,041.3%)	8.8%		
Depreciation expenses by sector								
	Depreciation expenses	6,885	5,262	3,290	264	15,701		

Geographical breakdown consolidated revenue as at March 31, 2014

<i>(in thousands of Euros)</i>	France	Euro Zone outside France	Pound Sterling Zone	US dollar Zone	Rest of world	03.31.2014
Geographic breakdown	117,678	19,839	19,918	21,384	25,232	204,050
%	58%	10%	10%	10%	12%	100%

Balance sheet items

<i>(in thousands of Euros)</i>	CRM and strategic data	Healthcare professionals	Insurance and services	Recon- ciliation	03.31.2014	Total France	Total rest of the world
Sector assets (net values)							
Goodwill on acquisition	361,074	119,744	48,325	-	529,143	121,094	408,049
Intangible assets	131,484	47,811	45,160	2,415	226,870	196,625	30,246
Tangible assets	15,629	9,216	4,332	2,963	32,140	19,375	12,765
Shares accounted for under the equity method (Note 4)	139	8,834	68	-	9,041	129	8,912
Total net	508,326	185,606	97,885	5,378	797,194	337,223	459,971
Investments for the year (gross values)							
Goodwill on acquisition	-	-	267	-	267	267	-
Intangible assets	7,106	2,937	2,831	81	12,955	11,409	1,546
Tangible assets	1,531	3,154	727	12	5,423	4,554	869
Shares accounted for under the equity method (Note 4)	-	-	-	-	-	-	-
Total gross	8,636	6,091	3,825	93	18,645	16,230	2,415
Sector liabilities							
Non-current liabilities							
Provisions	13,672	8,235	6,818	-	28,726	26,410	2,315
Other liabilities	2,315	-	-	-	2,315	-	2,315
Current liabilities							
Accounts payable and related accounts	55,535	21,466	9,957	547	87,505	34,602	52,903
Tax and social liabilities	64,594	24,677	30,371	581	120,223	79,728	40,495
Provisions	2,428	1,278	836	-	4,541	2,554	1,988
Other liabilities	15,593	23,903	21,893	275	61,665	45,074	16,591

Segment Information as of March 31, 2013

Income statement items

<i>(in thousands of Euros)</i>		CRM and strategic data	Healthcare professionals	Insurance and services	Reconciliation	03.31.2013	Total France	Total rest of the world
Sector income								
A	Outside Group revenue	103,590	71,961	37,192	122	212,865	121,498	91,367
B	Revenue to other Group sectors	3,226	1,987	1,323	5,080	11,616	11,327	289
A+B	Total sector revenue	106,816	73,948	38,515	5,202	224,481	132,825	91,656
Sector earnings								
D	Operating income from recurring operations	-6,177	7,210	3,837	-2,113	2,758		
E	EBITDA from recurring operations	976	13,129	7,180	-1,818	19,467		
Operating margin from recurring operations (in %)								
D/A	Operating margin from recurring operations outside Group	(6.0%)	10.0%	10.3%	(1,737.3%)	1.3%		
E/A	EBITDA margin from recurring operations Outside Group	0.9%	18.2%	19.3%	(1,495.2%)	9.1%		
Depreciation expenses by sector								
	Depreciation expenses	7,153	5,919	3,343	294	16,709		

Geographical breakdown consolidated revenue as of March 31, 2013

<i>(in thousands of Euros)</i>	France	Euro Zone outside France	Pound Sterling Zone	US dollar Zone	Rest of world	03.31.2013
Geographic breakdown	121,498	19,775	21,345	23,421	26,825	212,865
%	57%	9%	10%	11%	13%	100%

Segment Information as of December 31, 2013

Balance sheet items

<i>(in thousands of Euros)</i>	CRM and strategic data	Healthcare professionals	Insurance and services	Reconciliation	12.31.2013	Total France	Total rest of the world
Sector assets (net values)							
Goodwill on acquisition	360,868	119,539	48,058	-	528,465	120,827	407,638
Intangible assets	129,505	46,775	45,149	2,458	223,888	194,033	29,855
Tangible assets	15,958	9,101	4,157	3,091	32,307	18,985	13,323
Shares accounted for under the equity method (Note 4)	96	8,419	85	-	8,599	112	8,487
Total net	506,428	183,834	97,449	5,549	793,260	333,956	459,303
Investments for the year (gross values)							
Goodwill on acquisition	-	1,987	200	-	2,187	200	1,987
Intangible assets	28,132	12,035	10,648	236	51,051	43,971	7,080
Tangible assets	3,918	16,785	1,365	230	22,298	17,629	4,669
Shares accounted for under the equity method (Note 4)	-	-	53	-	53	-	53
Total gross	32,050	30,807	12,265	465	75,588	61,800	13,788
Sector liabilities							
Non-current liabilities							
Provisions	12,611	8,033	6,856	-	27,501	25,932	1,568
Other liabilities	2,421	-	-	-	2,421	-	2,421
Current liabilities							
Accounts payable and related accounts	73,754	23,116	11,156	243	108,269	44,810	63,459
Tax and social liabilities	67,172	25,652	30,475	1,465	124,764	80,022	44,742
Provisions	3,645	1,278	917	-	5,840	2,679	3,161
Other liabilities	13,355	22,400	13,846	321	49,922	34,267	15,655

Notes to the Q1 -2014 Consolidated Financial Statements

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Note 1 – IFRS Accounting Standards

The Group's first three months consolidated financial statements as of March 31, 2014, have been prepared in accordance with standard IAS 34 - Interim Financial Reporting. They correspond to condensed interim financial statements and do not include all of the information required for annual financial statements. The consolidated financial statements as of March 31, 2014, should therefore be read in conjunction with the Group's consolidated financial statements reported on December 31, 2013.

The accounting principles applied by the Group for the preparation of the interim consolidated financial statements at March 31, 2014, are the same as those applied by the Group at December 31, 2013, and comply with international accounting standards IFRS (International Financial Reporting Standards) as endorsed by the European Union. These accounting principles are described in the section entitled "Accounting Principles" applicable to the consolidated financial statements in the 2013 reference document.

Note 2 – Highlights

To the best of the company's knowledge, there were no events or changes during the period that would materially alter the Group's financial situation.

Note 3 – Goodwill on acquisition

In net value, at March 31, 2014, goodwill on acquisition represents 529 million euros compared to 528 million euros at December 31, 2013. This increase of 0.4 million euro corresponds primarily to the impact of the revaluation of goodwill on acquisition denominated in foreign currencies, including 0.3 million euros due to the euro/pound sterling change.

Sector	12.31.2013	Scope	Impairment	Translation gains or losses and other variations	03.31.2014
CRM and strategic data	360,867	-	-	207	361,074
Healthcare professionals	119,540	-	-	204	119,744
Insurances and services	48,058	267	-	-	48,325
Reconciliation	-	-	-	-	-
TOTAL	528,465	267	0	411	529,143

Note 4 – Equity shares accounted for using the equity method

Value of shares in companies accounted for by the equity method

Entity	% owned 12.31.13	Shareholders' equity as of 03.31.14	Group-share of total net shareholders' equity 2013	Goodwill on acquisition	Risk Provi- sion	Net value of shares in companies accounted for by the EM as of 12.31.13
Edipharm	20.00%	160	32	-	-	32
Infodisk	34.00%	(46)	(16)	-	-	(16)
Millenium	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	-	8,599

Entity	% owned 03.31.14	Profit (loss) 03.31.14	Group share of profit (loss) 03.31.14	Sharehol ders' equity as of 03.31.14	Group-share of total net shareholders' as of 03.31.14	Goodwill on acquisition	Risk Provi- sion	Net value of shares in companies accounted for by EM as of 03.31.14
Edipharm	20.00%	(66)	(13)	94	19	-	-	19
Infodisk	34.00%	(58)	(20)	(104)	(35)	-	-	(35)
Millenium	49.22%	870	428	12,198	6,004	2,859	-	8,862
Primeum Cegedim	50.00%	85	43	277	139	-	-	139
Tech Care Solutions	50.00%	(7)	(3)	99	49	-	-	49
Galaxy Santé	49.00%	0	0	15	7	-	-	7
TOTAL		824	434	12,579	6,183	2,859	-	9,041

Change in value of shares in companies accounted for by the equity method

The change in shares of equity-accounted affiliates can be analyzed as follows:

Shares of equity-accounted affiliates at January 1, 2014	8,599
Distribution of dividends	-
Capital increase	-
Share of earnings at March 31, 2014	434
Perimeter entrance	7
SHARES OF EQUITY-ACCOUNTED AFFILIATES AT MARCH 31, 2014	9,041

Note 5 – Accounts receivable

<i>(in thousands of Euros)</i>	Customers		03.31.2014	12.31.2013
	Current	Non-current		
French companies	119,145	14,299 ⁽¹⁾	133,375	149,090
Foreign companies	88,167	-	88,167	102,883
TOTAL GROSS VALUES	207,313	14,299	221,542	251,973
Provisions	7,017	-	7,017	7,636
TOTAL NET VALUES	200,295	14,299	214,524	244,337

(1): Receivables corresponding to financial leases granted by Cegelease and due for payment in more than one year.

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, doubtful clients 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, is 51 million euros at March, 31, 2014 and was 55 million euros as at December 2013..

Aged balance

As at March 31, 2014	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	24,590	6,281	8,805	1,285	3,393	4,826
Foreign companies	26,611	11,828	5,423	3,277	1,373	4,710
TOTAL	51,201	18,109	14,228	4,562	4,767	9,535

Receivables transferred with transfer of credit risk

The contractual conditions of factoring contracts (concluded in 2011) enable the transfer of the main risks and advantages related to transferred receivables and therefore their removal from the balance sheet.

According to IAS 39, receivables transferred to third parties (factoring contract) are derecognized from the Group assets when the risks and advantages associated with them are substantially transferred to the said third parties and if the factoring company accepts, in particular, the credit risk, the interest risk and the recovery deadline (see “Accounting Policies - accounts receivable” in the 2013 Registration Document).

Total receivables transferred with transfer of credit risk thus deconsolidated under IAS 39 in the context of factoring contracts at March 31, 2014 amounts to 17 million euros, an increase of 1 million euros compared to December 31, 2013.

There is no available cash at March 31, 2014 within the context of these contracts.

Note 6 – Net financial debt

<i>(in thousands of Euros)</i>	Financial	Other ⁽¹⁾	03.31.2014	12.31.2013
Medium- and long-term financial borrowing and liabilities (> 5 y)	298,633	-	298,633	298,349
Medium- and long-term financial borrowing and liabilities (> 1 y, < 5 y)	207,721	7,346	215,067	215,300
Short-term financial borrowing and liabilities (> 6 months < 1 year)	-	1,802	1,802	1,704
Short-term financial borrowing and liabilities (> 1 month, < 6 months)	2,108	-	2,108	5,122
Short-term financial borrowing and liabilities (< 1 month)	-	-	-	4,992
Current bank loans	13,602	-	13,602	12,746
TOTAL FINANCIAL DEBT	522,064	9,148	531,213	538,214
Positive cash	58,695	-	58,695	66,973
NET FINANCIAL DEBT	463,369	9,148	472,517	471,241

(1) The account mainly includes profit sharing for an amount of 8,832 thousand euros.

Net cash

<i>(in thousands of Euros)</i>	03.31.2014	12.31.2013
Current bank loans	13,602	12,746
Positive cash	58,695	66,973
NET CASH	45,093	54,227

Statement of changes in net debt

<i>(in thousands of Euros)</i>	03.31.2014	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	16,975	152,615
Tax paid	(5,981)	(12,451)
Change in working capital requirement ⁽¹⁾	17,415	9,424
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	28,409	149,588
Change resulting from investment operations	(18,601)	(70,747)
Impact of changes in consolidation scope ⁽²⁾	(317)	(1,697)
Dividends	-	-
Increase in cash capital	-	-
Impact of changes in foreign currency exchange rates	(508)	(1,668)
Interest paid on loans	(16,953)	(43,413)
Other financial income and expenses paid or received	(1,002)	(8,339)
Other changes	7,696	(8,715)
TOTAL NET CHANGE FOR THE YEAR (B)	(1,276)	15,009
NET DEBT AT THE END OF THE FISCAL YEAR (A-B)	472,517	471,241

(1) Change in working capital requirement amounts to (17,415) thousand euros and is due to an inventories and work in progress change of 1,121 thousand euros, an accounts receivable and other receivables change of 27,853 thousand euros and an accounts payable and other liabilities change of (9,317) thousand euros.

Bank loans have the following terms:

	< 1 month	> 1 month, < 6 months	> 6 months, < 1 year	> 1 year, < 5 years	> 5 year
Fixed rate	-	2,108	-	162,628	298,633
1-month Euribor rate	13,602	-	-	45,094	-
	13,602	2,108	0	207,721	298,633

The main loans taken out are accompanied by terms involving the consolidated financial statements and related more particularly to net debt compared to the Group's consolidated gross operating margin (or the EBITDA). These ratios, fully satisfied at closing date, are annually certified by the auditors.

Financing

In May 2007, Cegedim received the FCB Loan, a shareholder loan from its largest shareholder, FCB, for an amount of €50.0 million. The shareholder loan agreement between Cegedim S.A. 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 equivalent in shares as a redemption of a portion of debt that decreased the balance of the FCB Loan to €45.1 million.

On June 10, 2011, Cegedim entered into a €280.0 million term loan and multi-currency revolving credit facilities agreement. The Term loan amounts to a notional of €200 million with semi-annual principal repayment of €20 million. The Revolving Credit Facility amounts to a notional of €80 million. The Term Loan and Revolving Credit Facility Agreement terminates on June 10, 2016.

On July 27, 2010, the Group issued a €300.0 million 7.0% senior bonds due July 27, 2015, in an offering that was not subject to the registration requirements of the U.S. 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 proceed to a €20 million bond buy back and cancelled it. As a result, the aggregate principal amount of bonds outstanding was €280.0 million.

On March 20, 2013, Cegedim issued a €300 million 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. Including accrued unpaid interest, the total amount was €121.5 million. There are €168.6 million in bonds still outstanding;
- Repay a term loan of €140 million;
- Repay amounts drawn on a revolving credit facility;
- Pay fees and charges related to these transactions.

As a result, the structure of debt at March 31, 2014 was as follows:

- €168.6 million bond debt at 7.00% maturing July 27, 2015;
- €300 million bond debt at 6.75% maturing April 1, 2020;
- €80 million revolving credit expiring June 10, 2016, undrawn;
- FCB loan of €45.1 millions maturing June 2016;
- Overdraft facility of €46.5 million, €13.6 million was used as of March 31, 2014.

The euro debt's exposure to variations in the euro rate is partially covered with a Euro rate hedge. At March 31, 2014, hedging debt to variations in Euro rates is composed of a three swap no premium one month pre-set Euribor receiver, payer fixed rate defined as follows:

- 4.565% rate on a notional value hedged 20.0 million euros, amortized until due date 12.29.2017;
- 4.57% rate on a notional value hedged 20.0 million euros, amortized until due date 12.29.2017;
- 4.58% rate on a notional value hedged 20.0 million euros, amortized until due date 12.29.2017

The total notional value hedged amounts to 60.0 million euros during the first three months of 2014.

Interest charges on bank loans, bond, bank commission and bank charges totaled 8.9 millions of euros at March 31, 2014.

The interest resulting from the shareholder loan for the first three months of 2014 amounts to 0.3 million euros.

The change in fair value of these derivatives was recognized under equity for the effective part of those qualified as cash flow hedges ((0.5) million euros) and in the income statement for their ineffective part and for those not qualified as hedges under IFRS standards (0.4 million euros).

Note 7 – Cost of net debt

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
INCOME OR CASH EQUIVALENT	292	116
Interest paid on loans	(16,953)	(23,150)
Interest accrued on loans	8,006	5,462
Interests paid on financial debt	(8,947)	(17,688)
Other financial interest and expenses ⁽¹⁾	(373)	(883)
COST OF GROSS FINANCIAL DEBT	(9,320)	(18,571)
Net exchange differences	(922)	855
Valuation of financial instruments	352	(1,260)
Other financial income and expenses	(310)	(2750)
OTHER FINANCIAL INCOME AND EXPENSES	(880)	(3,155)
COST OF NET FINANCIAL DEBT	(9,908)	(21,610)
<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
(1) including interests and financial charges Cegedim (FCB)	251	605
Interest debt Ixis	-	3
Interest over participations	(8)	127
TOTAL	243	735

Note 8 – Other non-recurring income and expenses from operations

Other exceptional operating revenues/expenses can be broken down into the following items:

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
Operating income from recurring operations	2,283	2,758
Impairment loss on goodwill on acquisition.	-	-
Restructuration	(1,134)	(1,073)
Capital gains or losses on disposals	-	-
Other	(124)	(29)
OPERATING INCOME	1,025	1,657

Note 9 – Deferred taxes

Tax breakdown

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
France	21	4,767
Abroad	(2,121)	(3,770)
TOTAL TAX PAID	(2,101)	997
France	703	2,720
Abroad	883	411
TOTAL DEFERRED TAXES	1,586	3,131
TOTAL TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT	(515)	4,128
Of which discontinued activities	-	-
TOTAL TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT	(515)	4,128

Theoretical tax expense and recognized tax expense

The reconciliation between the theoretical tax expense for the Group and the tax expense actually recognized is presented in the following table:

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
Profit (loss) for the period	(8,963)	(15,369)
Group share of EM companies	(434)	(457)
Income taxes	515	(4,128)
Earnings before tax for consolidated companies (A)	(8,882)	(19,954)
<i>of which French consolidated companies</i>	<i>(6,411)</i>	<i>(21,027)</i>
<i>of which foreign consolidated companies</i>	<i>(2,472)</i>	<i>1,073</i>
Normal tax rate in France (B)	38,00%	36,10%
THEORETICAL TAX EXPENSE (C) = (A) X (B)	3,375	7,203
Impact of constant differences	(553)	(410)
Impact of differences in tax rates on profits	651	1,532
Impact of differences in tax rates on capitalized losses	-	-
Uncapitalized taxes on losses	(4,893)	(2,592)
Impact of tax credit	905	(1,605)
Impact depreciation goodwill on acquisition	-	-
TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT	(515)	4,128
Effective tax rate	5,80%	0,00%

In order to be prudent, the Group did not activate the deferred tax for the year on the loss-making companies.

Recognized deferred tax assets and liabilities

Analysis by category of the temporary difference for the net deferred tax position recognized in the balance sheet (before compensation by fiscal entities for deferred tax assets and liabilities):

<i>(in thousands of Euros)</i>	12.31.2013	Reclassi- fication	Earnings	Change in consolidat ion scope	Other changes in equity	Change in exchange rate	03.31.2014
Tax loss carryforwards and tax credits	14,584		-			3	14,587
Pension plan commitments	7,960		11				7,971
Non-deductible provisions	3,978		(8)				3,970
Updating to fair value of financial instruments	3,338		(197)	-	177	-	3,318
Cancellation of margin on inventory	15		-				15
Cancellation of internal capital gain	6,619		2				6,621
Restatement of R&D margin	3,564		153				3,717
Restatement of allowance for the assignment of intangible assets	1,827		-				1,827
Other	11,071		1,156		12	(3)	12,236
TOTAL DEFERRED TAX ASSETS	52,956	-	1,117	-	189	-	54,262
Translation adjustments	0		790		(755)	(35)	0
Cancellation of accelerated depreciation	(1,236)		167				(1,069)
Cegelease unrealized capital gain	(1,454)		(45)				(1,499)
Cancellation of depreciation on goodwill	(3,094)		(121)				(3,215)
Cancellation of depreciation internal capital gains	(3,258)		(157)				(3,415)
Leasing	(124)		3				(121)
R&D capitalization	(5,320)		(138)				(5,457)
Restatement of the allowance for the R&D margin	(861)		(80)				(941)
Assets from business combinations	(3,533)		0			(1)	(3,533)
Other	(1,469)		49			0	(1,421)
TOTAL DEFERRED TAX LIABILITIES	(20,349)	-	469	-	(755)	(36)	(20,670)
NET DEFERRED TAX	32,608	-	1,586	-	(566)	(35)	33,591

The change in deferred taxes recognized in the consolidated balance sheet after compensation by fiscal entities for the deferred tax assets and liabilities can be verified as follows:

<i>(in thousands of Euros)</i>	Assets	Liabilities	Net
At December 31, 2013	42,121	(9,513)	32,608
Impact on earnings for the period	1,117	469	1,586
Impact on shareholders' equity	189	(791)	(602)
Impact of net presentation by fiscal entity	(53)	53	0
AT MARCH 31, 2014	43,373	(9,781)	33,592

Note 10 – Off-balance sheet commitments

Existing cautions at December 31, 2012, did not change significantly during the first three months of 2014.

Note 11 – Share capital

At March 31, 2014, the capital is made up of 13,997,173 shares (including 55,165 treasury shares) with a face value of 0.9528 euro, or total capital of 13,336,506 euros.

Note 12 – Treasury shares

Free share awards

Following a resolution of the Extraordinary Shareholders' Meeting of June 08, 2011, the Board of Directors, in their meetings of June 29, 2011, September 19, 2012 and June 04, 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 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 November 5, 2009 authorized a maximum allocation of 28,750 free shares. The plan dated June 8, 2010 authorized a maximum allocation of 32,540 free shares. The plan dated June 29, 2011 authorized a maximum allocation of 41,640 free shares. The plan dated September 19, 2012 authorized a maximum allocation of 31,670 free shares. The plan dated June 04, 2013 authorized a maximum allocation of 48,870 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.

In application of standard IFRS 2, the expense measuring "the benefit" offered to employees is spread out linearly over the period of acquisition of the rights by the beneficiaries. The amount recorded for the first three months of 2014 is income of 218 thousand euros.

The main characteristics of the plan are the following:

	Plan dated 11.05.09	Plan dated 06.08.10	Plan dated 06.29.11	Plan dated 09.19.12	Plan dated 06.04.13
Date of the General Meeting	02.22.08	02.22.08	06.08.11	06.08.11	06.08.11
Date of the Board of Directors meeting	11.05.09	06.08.10	06.29.11	09.19.12	06.04.13
Date of plan opening	11.05.09	06.08.10	06.29.11	09.19.12	06.04.13
Total number of shares than can be allocated	28,750	32,540	41,640	31,670	48,870
Initial subscription price	65.00€	55.00€	39.12 €	15.70 €	24,46 €
Date of free disposal of free shares					
France	11.05.11	06.08.12	06.28.13	09.18.14	06.03.15
Abroad	11.05.13	06.08.14	06.28.15	09.18.16	06.03.17

Plans situation as of March 31, 2014:

	Plan dated 11.05.09	Plan dated 06.08.10	Plan dated 06.29.11	Plan dated 09.19.12	Plan dated 06.04.13
Total number of shares allocated	-	21,180 shares	24,470 shares	27,530 shares	45,040 shares
Total number of shares left to be acquired after recorded exercising of options and cancelled options	-	-	24,470 shares	14,560 shares	38,025 shares
Adjusted acquisition price of free share allotments					
France	61.36 €	51.45 €	36.04 €	15.24 €	23.74 €
Abroad	52.11 €	43.40 €	29.95 €	13.35 €	20.79 €

Note 13 – Employees

	03.31.2014	03.31.2013
France	3,385	3,332
Abroad	4,619	4,715
TOTAL EMPLOYEES	8,004	8,047

Note 14 – Payroll costs

<i>(in thousands of Euros)</i>	03.31.2014	03.31.2013
Wages	(109,682)	(111,822)
Profit-sharing	(965)	(1,030)
Free share awards	(218)	(208)
PAYROLL COSTS	(110,865)	(113,061)

Note 15 – Events occurring after the closing date

On April 7, 2014, Cegedim launched an additional bond offering of €100 million, upsized to €125 million on the issue date, 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 €300 million of 6.75% Senior Notes due in 2020 that the Group issued on March 20, 2013.

It should be noted that Cegedim was able to issue at 5.60% compared to 6.75% one year earlier.

The proceeds from the offering were used, among other things, to finance the redemption of €105,950,000 of outstanding bonds due 2015 (at a price of 108.102%), pay the premium and any related fees, and repay the bank overdraft facilities. As a result, the Group's current debt structure is as follows:

- €62.6 million of 7.00% bonds due July 27, 2015;
- €425 million of 6.75% bonds due April 1, 2020;
- €80 million of revolving credit due June 10, 2016, undrawn as of March 31, 2014;
- Overdraft facilities.

When the operation was announced on April 7, 2014, rating agency Standard and Poor's confirmed its B+ rating with a stable outlook for Cegedim and its two bonds.

On April 15, 2014, Cegedim completed the acquisition of French company SoCall, based in Sèvres. SoCall sets up and operates medical administration tasks and manned-line for practices of healthcare professionals. The company manages incoming patient calls, messages, scheduling and records of past consultations for around 50 practices. Financed by internal financing, these activities represent annual revenues of less than €0.3 million and will be part of the consolidation scope of Cegedim Group from Q2 2014.

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

Note 16 – Seasonality

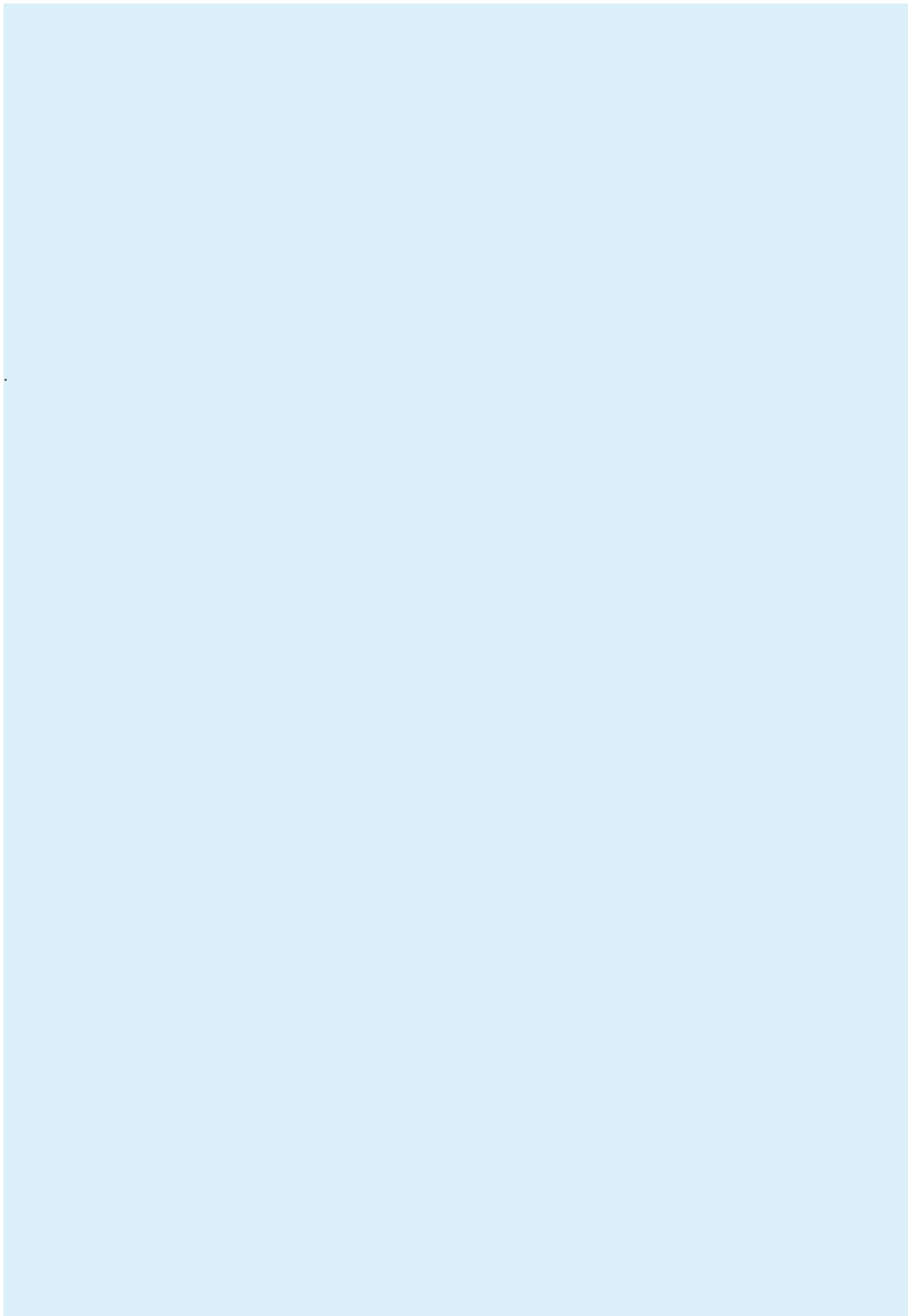
Group activities are marked by some seasonality effects, because, among others, of its software editor activity and its database provider activity.

The operating results of the second and fourth quarters of the year are typically better than the operating results of the two other quarters and, overall, the operating results for the second half of the year are better than those for the first half. This is largely due to the seasonal nature of the business decisions of Cegedim's clients. In particular, with respect to the *CRM and Strategic Data* division, the clients make greater use of Cegedim's services at the end of the calendar year as they consider the results of their marketing and sales efforts over the course of that year and formulate strategies and budgets for the next year. Medical representatives also tend to make greater use of our services at the end of the year as they aim to reach their annual targets. Similarly, the *Healthcare Professionals* and *Insurance and Services* divisions benefit from clients investing in our offerings at the end of the year in order to make full use of their annual budget.



Further Information.

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Glossary

Revenue at constant exchange rate: when changes in revenue at constant exchange rate are referred to, it means that the impact of exchange rate fluctuations has been excluded. The term, “at constant exchange rate” covers the fluctuation resulting from applying the exchange rates for the preceding period to the current fiscal year, all other factors remaining equal.

Revenue on a like-for-like basis: the effect of changes in scope is corrected by restating the sales for the previous period as follows:

- by removing the portion of sales originating in the entity or the rights acquired for a period identical to the period during which they were held to the current period;
- similarly, when an entity is transferred, the sales for the portion in question in the previous period are eliminated.

Life-for-like data: at constant scope and exchange rates.

Internal growth: internal growth covers growth resulting from the development of an existing contract, particularly due to an increase in rates and/or the volumes distributed or processed, new contracts, acquisitions of assets allocated to a contract or a specific project.

External growth: external growth covers acquisitions during the current fiscal year, as well as those which have had a partial impact on the previous fiscal year, net of sales of entities and/or assets.

EBIT: Earnings Before Interest and Taxes. EBIT corresponds to 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 from recurring operations for the Cegedim Group.

Glossary

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). The EBITDA is restated to take account of non-current items, such as losses on tangible and intangible assets, restructuring, etc. It corresponds to the gross operating earnings from recurring operations for the Cegedim Group.

EPS: Earnings Per Share is a specific financial indicator defined by the Group as the net profit (loss) for the period divided by the weighted average of the number of shares in circulation.

Net Financial Debt: this represents the Company’s net debt (non-current and current financial debt, bank loans, debt restated at amortized cost and interest on loans) net of cash and cash equivalents and excluding revaluation of debt derivatives.

Free cash flow: free cash flow is cash generated, net of the cash part of the following items: (i) changes in working capital requirements, (ii) transactions on equity (changes in capital, dividends paid and received), (iii) capital expenditure net of transfers, (iv) net financial interest paid and (v) taxes paid.

Operating margin: Defined as the ratio of EBIT on revenue.

Operating margin before special items: defined as the ratio of EBIT before special items on revenue.

Net cash: defined as cash and cash equivalent minus overdraft.

Reconciliation: division encompasses the activities the Group performs as the parent company of a listed entity, as well as the support it provides to the three operating divisions. The support activities are invoiced to the client subsidiaries at market prices and notably include bookkeeping, human resources and cash management, legal assistance and marketing. The parent company activities are not billable and notably include managing Group strategy, producing consolidated information and financial communications. The Reconciliation division’s activities are performed chiefly by the parent company, Cegedim SA, which also carries out certain operational activities, the most important of which is CRM. Previously, Reconciliation division activities had been housed within the division to which Cegedim SA’s principal operational activity belongs: CRM and strategic data. The new distinction will help to clarify the impact that this unit has on the Group’s accounts.

Special items: are related to capital gains or losses on disposals, restructuring costs, impairment of goodwill and other non recurring income and expenses.



Financial Calendar Contacts

Financial Calendar Contacts

Q1 2014 Results

May 27, 2014

Q2 2014 Revenue

July 29, 2014

Q2 2014 Results

September 18, 2014

Q3 2014 Revenue

October 28, 2014

Q3 2014 Results

November 27, 2014

All publications are released after the stock market closes and are followed by a teleconference in English at 6.15 pm (Paris time)

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Mobile Application

For smartphone and tablettes
On iOS and Android





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