

PRESS KIT

April 2011

Sommaire

- 1 ■ Group overview
- 2 ■ Businesses
- 3 ■ An international culture
- 4 ■ Recent highlights
- 5 ■ Human Resources
- 6 ■ 2010 revenues and results
- 7 ■ Cegedim stock market performance
- 8 ■ Appendix

Companies of the « CRM and strategic data » sector
Companies of the « Healthcare professionals » sector
Companies of the « Insurance & services » sector

Contacts

Cegedim

Aude BALLEYDIER
Press and Communication Manager
aude.balleydier@cegedim.com
www.cegedim.com
TEL: +33 (0) 1 49 09 68 81

Jan Eryk UMIASTOWSKI
Chief Investment Officer
Chief Investor Relations
www.cegedim.com/finance
investor.relations@cegedim.com
TEL: +33 (0) 1 49 09 33 36

Presse Papiers

Guillaume de CHAMISSO
Press Officer
guillaume.dechamisso@pressepapiers.fr
TEL: +33 (0) 1 77 35 60 99

Cegedim Group overview

Vocation

Cegedim is a global technology and services company specializing in the healthcare field. Cegedim offers services, IT tools, specialized software, and information flow and database management services. Its solutions are targeted to health professionals, healthcare industries, pharmaceutical companies, healthcare professionals, and insurance companies.

The world leader in life-sciences CRM (Customer Relationship Management), its traditional business focus, Cegedim supports the major pharmaceutical companies in their CRM projects (*appendix 1*).

Cegedim has also positioned itself as **one of Europe's leading producers of medical and paramedical management software**, and also designs management applications dedicated to the health insurance sector. Structured, communicating and scalable, these software programs are integrated into the Cegedim Group's healthcare flow management systems (*appendix 2*).

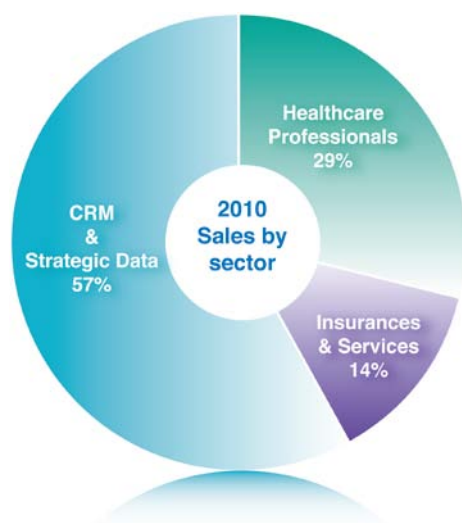
Capitalizing on its skills in professional software publishing and complex information processing, the Group also **offers solutions dedicated to health insurance players, as well as high value-added management solutions** for its many customers concerned with issues related to outsourcing and computerized exchanges (*appendix 3*).

Cegedim is constantly developing and exploiting synergies among its activities, with the stated ambition of being one of the chief intermediaries for healthcare sector professionals and partners and positioning itself at the heart of their information needs.

Key figures

Founded	1969
Cegedim's 2009 Revenues	€27 million
Workforce	8, 500 employees
Countries	80 countries, 5 continents
Listed on NYSE Euronext Paris, compartment B	Since 1995 - ISIN: FR0000053506

Activities



Cegedim is organized into **three activity sectors**:

- **CRM and strategic data**
- **Healthcare professionals**
- **Insurance and services**

Jean-Claude Labrune – Chairman & CEO, Founder of the Cegedim Group

Jean-Claude Labrune is graduated from the Ecole Nationale Supérieure des Arts et Métiers.

Cegedim (for **CE**ntre de **GE**stion, de **D**ocumentation, d'**I**nformatique et de **M**arketing) was founded in 1969 by a group of pharmaceutical companies that wanted to pool their IT resources and document research expertise.

In short order, **Jean-Claude Labrune**, who initiated the project, saw that the concept could be applied to other pharmaceutical company activities, such as a physician database and, more generally, collecting information for sales and marketing departments.

Pierre Marucchi – Managing Director

Pierre Marucchi is graduated from the *Ecole Nationale Supérieure des Télécommunications*, Stanford University (USA), and the *Centre d'Etudes Supérieures Bancaires*. He was also a Member of the Institute of French Actuaries.

Mr. Marucchi began his career in 1977 at Crédit Lyonnais, where he held various technical and commercial positions.

Deputy Managing Director of Cegedim, which he joined in 1984, **Pierre Marucchi** is very involved in the Group's external growth operations both in France and abroad and supervises the Financial, Legal, Quality, and HR Departments.

A leader in the healthcare sector

Since 1995, Cegedim has been organizing its "*Trophées Cegedim*" awards, which annually recognize the innovation and drive of pharmaceutical industry players.

The winners are selected on the basis of studies conducted by Cegedim's subsidiaries.

In 2010, 17 awards were bestowed on individuals from drugs and pharmaceutical companies that distinguished themselves in three different fields: Marketing, Market Research, Sales Forces and Management.

Sustainable development

As part of its international strategy, **Cegedim has naturally become involved in sustainable development issues** to help promote:

- social equity among its employees and in the local communities of the 80 countries in which it operates,
- environmental conservation by minimizing the environmental impact of the Group's activities,
- economic efficiency.

To this end, Cegedim Group launched its sustainable development program in September 2008 at the urging of the Group's management.

Christened the "**Cegedim Compact**", it takes its cue from the United Nations' Global Compact.

Businesses

CRM and strategic data

Main customers: essentially pharmaceutical companies (the world's 400 largest pharmaceuticals companies are Cegedim clients)

Activity: help the sales and marketing divisions of pharmaceutical companies understand:

- **Where their medicines are sold** and in what **quantities**,
- **By whom their products are prescribed and why**,
- **How to optimize** sales and measure the effectiveness of their sales and marketing campaigns.

This is why Cegedim develops exclusive **strategic databases** that provide better knowledge of:

- Pharmaceutical products,
- Prescribers,
- Pharmaceutical companies' sales and marketing actions,

and specific **CRM tools dedicated** to pharmaceutical companies' sales forces (medical reps):

- The physician database: **OneKey**
- The CRM software: **TEAMS, Trends, Target and Mobile Intelligence**

Market share:



Geographic presence:

- more than 80 countries, 5 continents
- sales outside France represent more than 70% of revenues

Competition:

- **CRM:** Oracle (Siebel), SAP, Update, Veeva Systems and local competitors
- **Strategic Data:** IMS Health, Taylor Nelson Sofres plc, GFK, Synovate and local competitors

History:

- **1969:** first databases launched
- **1974:** start of direct marketing service activities
- **1979:** CRM activities in France launched
- **1990:** international expansion begins
- **1996:** medical samples management
- **2005:** international activities represent more than 50% of full-year turnover
- **2007:** acquisition of US company Dendrite International
- **2009:** The OneKey database is available in 73 countries and includes more than 6 million healthcare professionals
- **2010:** Following the successful integration of the Dendrite activities, Cegedim Dendrite becomes Cegedim Relationship Management.

Healthcare professionals

Main customers: doctors, pharmacists and paramedical professionals

Activity: software publishing and medical and promotional information

■ **Healthcare professionals (about 130,000)**

- Software: patient file, prescriptions, diagnosis, SESAM-Vitale card management, etc.
- Promotion: circulation of medical and promotional information directly onto doctors' screens, etc.

■ **Pharmacists (more than 17,000 pharmacy)**

- Software: full-management solution (sales, stocks, electronic transmission of treatment forms, etc.)
- Promotion: advertising and merchandising in pharmacy

Main markets:

■ **Software for pharmacists**

- **France:** Market benefiting from ongoing developments
- The Alliadis Group (Alliance-Conseil, Alliadis, Data Conseil, and Servilog) and Pharmagest Interactive are co-leaders in the pharmaceutical computerization market in France.
- **United Kingdom:** Market subsidized by the British government. **Cegedim** entered this market at the end of 2004, with the acquisition of NDC Health and Enigma Health, which today are combined into one entity called Cegedim Rx. Cegedim Rx is the leader in terms of the number of computerized retail pharmacies in Britain.

■ **Physician software**

- **France:** Rather slow market growth (physicians by nature are somewhat averse to computerization and do not receive public subsidies to encourage them). Cegedim is one of the market leaders. Its main competitors are Compugroup and Hellodoc.
- **United Kingdom:** A dynamic market, subsidized by the government. Cegedim is the second largest player on this market (after EMIS, ahead of iSoft).
- **Belgium:** Cegedim is a first-rank player on very fragmented market in which there is a large number of publishers in the health field including Corilus, Windoc and Epicure etc.
- **Spain:** with 60% of estimated market share with office-based physicians, Cegedim, with its subsidiary Stacks, is the leader in this niche. Indra and Siemens are among its main competitors.
- **United States:** With more than 20,000 units installed across the United States in 35 different specialties, Pulse holds a leading position in the management of electronic medical records.

■ **Promotion:**

- **France:** Cegedim is the French leader, both in pharmacy Point-of-Purchase Advertising (POP), by the number of pharmacies integrated into its display network, and at point of prescription (in view of the number of computerized physicians).

■ **Paramedical software:**

- **France:** The leader with physiotherapists, speech therapists, podologists and orthoptists, RM Ingénierie holds a first-rank position in France in paramedics' computerization; its main competitor is Epsilog.

History:

- **1994 / 1996:** start of doctors' computerization in France and promotional activities dedicated to doctors and pharmacists
- **1998:** computerization of doctors in Great Britain
- **late 2000:** computerization of pharmacists in France
- **2001:** financial leasing activities
- **late 2004:** computerization of pharmacists in the United Kingdom
- **2006:** computerization of paramedical personnel in France, computerization of doctors in Italy, Spain and Chile
- **2008:** acquisition of 01 Santé, which has a strong position in the field of oncology

- **2009:** creation of the Cegedim Healthcare Software business unit to pool and coordinate all of the Group activities dedicated to healthcare professionals
- **2010:** acquisition of Pulse in the United States enabling CHS to become a global player.

Insurance and services

Main customers: players in the insurance field and companies of all sectors

Activity:

- **Insurance, banking, and healthcare:**

- Computerization of health insurers and mutuals
- Flows and direct billing

- **Other services:**

- Electronic Data Interchange
- Outsourced payroll and human resources management
- Provision of outsourced services
- Internet and hosting services

Countries: France, francophone Africa, Great Britain, and Switzerland (Payroll and HR).

History:

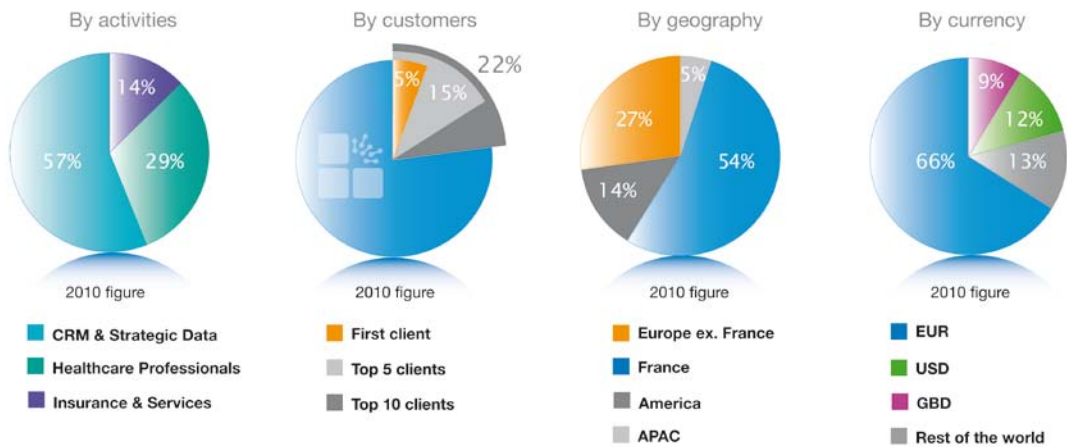
- **1986:** launch of IT services (distribution)
- **1991:** launch of the first electronic data interchange platform for healthcare actors (orders/invoices between pharmaceuticals firms and wholesale distributors)
- **1994:** start of outsourced human resources management services
- **1996:** outsourced management of cash receipts, expansion into managing third-party healthcare payments
- **1999:** computerization of health insurance and mutual companies
- **2006:** launch of isanté activity offering mutual companies and insurers new front office services like non-nomenclature management, articulation with healthcare platforms, the medicalization of services, real-time management of direct billing payment and benefits processing, etc.
- **2008:** acquisition of French company Protectia to help Cegedim strengthen its presence in the personal-insurance market.
- **2010:** global acquisition of Hosta in which Cegedim had been a minority shareholder since 2004.

An international culture

Cegedim affirms its presence in more than 80 countries on the 5 continents



2010 revenue distribution:



CRM and strategic data

Cegedim started developing its historical core business activities internationally in the 1990s. These CRM businesses gradually expanded throughout Europe as the company opened subsidiaries in the following countries:

- **1991:** Belgium
- **1992:** Italy, Spain and Portugal
- **1994:** Germany and England
- **1997:** the Netherlands and Switzerland
- **1998:** Greece, Turkey, Hungary and the Czech Rep.
- **1999:** Poland
- **2001:** Romania, Slovakia and Austria

At the same time, these international subsidiaries launched “doctors” databases in these countries. In 1999, the group added entities specializing in certain strategic databases, such as:

- Medimed in Germany and Icomed in Belgium (databases constituted by measuring physicians’ prescription preferences),
- InfoSanté in England and Romania (regional sales statistics on pharmaceutical products based on wholesale distributors’ data).

Established in the 2000s as the European leader in CRM, CEGEDIM has pursued its global development:

- **2001:** CRM affiliates opened in Brazil and United States
- **2002:** acquisition of the CAM Group (measures promotions and the effectiveness of medical reps’ visits)
- **2002:** acquisition of MSM Group (CRM), which covers South and Central America with affiliates in Mexico, Colombia, Ecuador and Guatemala
- **2004:** Cegedim enters the Nordic market with the acquisition of Pharma Marketing group, the main Scandinavian player in CRM and doctor databases, with subsidiaries in Norway, Sweden and Denmark
- Subsidiaries founded in CRM: Tunisia (2002), Russia (2004), Algeria (2004) and Morocco (2005); and in strategic databases: CAM activities launched in China (2004); and panel activities progressively expanded to England, Italy, Belgium and Germany (2004/2005)
- **2005:** acquisition of US company Target Software (the up-and-coming player in SFA and CRM tools in the North American market) and of the Egyptian Trends Technology solution used by more than 1,000 medical reps in Egypt and the Middle East. Acquisition of UK companies Epic and Compufile, which specialize in qualitative studies based on information gathered from doctors
- **2006:** creation of Pharma CRM and Cegedim Strategic Data subsidiaries in Korea, Mexico and Finland
- **2007:** creation of a subsidiary in India and acquisition of US company Dendrite
- **2008:** acquisition of Ultima (supplier of CRM solutions) in Turkey
- **2009:** OneKey, the international reference database for healthcare professionals, is available in 73 countries
- **2010:** acquisition of SK&A enabling Cegedim to strengthen its *OneKey* offer in the United States.

Healthcare professionals

The “**Healthcare professionals**” activities began their international development in 1998:

- **1998:** acquisition of In Practice Systems in England (software publisher for doctors)
- **2003:** acquisition of HDMP in Belgium (doctor’s software)
- **2004:** acquisition of Cegedim Rx (formerly NDC Health) and Enigma in England (software publishing activities for pharmacists)
- **2006:** expansion in Europe with the acquisition of a significant stake in Millennium in Italy, and the acquisition of Stacks, the Spanish leader, which is also present in Chile
- **2009:** acquisition of Next Software (pharmacist software) in Tunisia, enabling Cegedim to strengthen its positions in North Africa

- **2010:** acquisition of Pulse Systems Inc. enabling Cegedim to access the American healthcare professionals market in a very favorable context.

Insurance and services

“Insurance and services” sector activities, historically based in France, are also expanding abroad, notably via the “Cegedim Activ Opérations Maghreb” and “Cegedim Activ Développement Offshore” business units, created in 2008 to support the activities of Cegedim Activ in francophone Africa.

The outsourced payroll and human resources management businesses have operated in the United Kingdom and Switzerland since the late 1990s.

Recent highlights

New trade mark strategy and visual identity for the Group

To strengthen its image, in September 2010 the Cegedim Management decided to simplify the visual identity around the Cegedim trade mark, together with a new logo and used in a variety of forms by all the healthcare Business Units. The use by Business Unit consists in adding a descriptive line specific to each activity to make it easier to read. In this way, Cegedim Dendrite becomes Cegedim Relationship Management.

This decision lies in the willingness to show clients a consistent and unifying image of all the businesses in order to propose the most appropriate products and services to them. It also expresses the success of the Dendrite integration, by including part of its graphic elements in its logo.

Extending the average maturity of the Group's debt

Within the scope of its policy of extending the maturity and diversification of its debt, on 27 July 2010, Cegedim (BB+ S&P) issued 300 million euro of bonds maturing in 2015, with a fixed-rate coupon of 7.00% per annum, payable every six months. The strong demand prompted by this operation was finalized in a half-day, the quality of the profiles and the geographic diversification of the investors, 70% of which are outside France, enabled Cegedim to invest the 300 million euro under favorable terms. At the same time, through this issue, Cegedim proved its capacity to access the financial markets.

External growth

■ For the "CRM and strategic data" sector

In January 2010: acquisition of SK&A Information Services, Inc. (SK&A). This first-rate supplier of healthcare data, based in the USA, has amassed and maintains a database with targeted information on more than 2 million healthcare professionals, including more than 800,000 prescribing physicians. This is the only database of US prescribers and other healthcare professionals for which 100% of email addresses have been verified by phone contact. This acquisition expands and strengthens the Cegedim Group's OneKey offering in the USA.

On 3 June 2010, Cegedim also finalized the **acquisition of the CRM Division and IMS Health's Marketing Direct Suisse**, to supplement and strengthen its offer on the Swiss market. More than 500 users and 30 companies acknowledge the quality and reliability of this division which, for more than 10 years, has been targeting the life sciences industry in Switzerland.

■ In the "Healthcare Professionals" sector

On 27 July 2010, Cegedim **took over Pulse Systems, Inc.**, the first-rank supplier of software and healthcare services in the United States thereby enabling it to access the American market for the computerization of healthcare professionals, in a context that is very favorable to the development of electronic patient records.

Founded in 1997, Pulse Systems developed a very full and upgradeable outpatient solution for managing electronic healthcare records (Electronic Healthcare Records - EHR), called "Pulse Patient Relationship Management". In particular, its offer includes medical practice management (Practice Management Software or PMS), electronic healthcare records (EHR), electronic prescriptions (e-prescription), payment terms, etc. Based in Wichita in Kansas, Pulse employs more than 100 persons.

The company is profitable and should continue to grow in a fast-expanding sector: it expects to quadruple its turnover by 2014.

After Target Software in 2005, Dendrite in 2007 and SK&A at the beginning of 2010, this new acquisition in the United States ideally lies within the Group's global strategy. In particular, it will enable it to develop its other activities in the United States and to transform its European division, Cegedim Healthcare Software, into a world player by using the Pulse solutions to extend its presence on the American market.

■ In the "Insurance and services" market

In June 2010, acquisition of Hosta, a specialist in management on behalf of third parties, in which Cegedim already has a minority shareholding since 2004. This operation makes it possible for the Cegedim Group to continue its development plan and to supplement its solutions portfolio by proposing tailor-made solution to all its clients in the insurance world.

Acquisition of Deskom in September 2010; the French reference player in inter-enterprise (B-to-B) invoicing. This operation enables Cegedim e-business, a department dedicated to professional electronic transfers, to strengthen its leadership in this field even more.

New products

■ In the "CRM and strategic data" sector

With regard to CRM:

The year 2010 was moreover marked by strong commercial dynamism, the successful extension of the new services geographically and the positive effects of the launch of the new Mobile Intelligence offers, particularly in SaaS mode, not only to existing clients but also to new clients.

Furthermore, this year was characterized by these solutions becoming available on new platforms (iPad™ and iPhone™), the development of the compliance offer in Europe, the transformation of the Dendrite model into the Cegedim model (Services versus Licenses), and maintaining a high level of investment in research and development to support the new products.

In 2010, Cegedim Relationship Management also increased its international presence in particular when it opened a new office in the Ukraine thereby enabling it to increase its commercial relations with this country, neighboring Russia and the Commonwealth of Independent States (CIS), and to continue to expand on strongly developing markets such as the emerging countries.

Finally, the operational and commercial integration of SK&A (a company taken over in January 2010) which took a mere 6 months, enabled Cegedim to significantly improve its OneKey offer in the United States.

With regard to the strategic data:

To facilitate interaction with its clients, in 2010 Cegedim Strategic Data (CSD) launched a new, and more dynamic and ergonomic, Web site. This new site has a public section, open to all Internet users and a section dedicated to clients, each pharmaceutical laboratory will from now on have its own on-line secure area where CSD will make its research and reports available.

Furthermore, CSD announced that it is increasing its promotional investments in China as from 2011 (13 cities and towns covered compared with 10 previously). The size of the sales teams and the number of visits grew by 13% in this country compared with 2010, which will increase the growth projections to two digits and the importance that the industry gives to a market considered to be a key one for future profits.

In the field of Business Intelligence (BI), version 9.0 of the software suite, Reportive, launched in 2010, makes decision-making easier in particular by providing new interactive analysis functions. This solution has attracted a large number of clients such as Le Crédit Municipal de Paris, Ed or again the Ville de Vincennes.

■ In the "Healthcare Professionals" sector

In 2010, Cegedim Healthcare Software continued to increase the international synergies between its various entities as well as its position at the core of healthcare data transfers in all countries where the Business Unit operates (Belgium, Chile, Spain, United States, France, Italy, United Kingdom and Tunisia). Some examples:

- **In the United Kingdom:** Cegedim Rx has particularly been granted authorization to integrate the electronic prescription functions into its pharmacy management software, EPS version 2, thereby enabling communications between doctors and pharmacies to be made easier.

On its side, INPS set up a 50/50 joint venture with EMIS, Healthcare Gateway Limited, the aim of which is to facilitate the interoperability of patient data between doctors equipped by these two publishers and any other healthcare professionals in the British healthcare system.

- **In Italy,** Millennium launched MilleACN, a solution enabling doctors to respond to the new regulatory requirements by directly transmitting any information required by the parties concerned (e.g. transmission of medical certificates to the Italian social welfare organization, administrative data for local institutions, etc.).

- **In Belgium:** HDMP has become an active member of the "telemédecin" working group.

- **In Spain:** Stacks which handled the migration of 4 million patient records in 2009 for the local healthcare authorities in the Madrid region (Consejería de Sanidad y Consumo de Madrid), has set up centralized management for the large majority of the region's healthcare centers.

- **In the United States:** CCHIT has certified the full Pulse EHR solution and it is compatible with phase 1 of the "Good Practices" criteria enabling equipped doctors to be paid a subsidy under the HITECH plan, effective since January 1st 2011. To capitalize on its position on this market, Pulse substantially increased its sales team at the end of the year and made its software suite a multiplatform one (PC, iPadTM, iPhoneTM, Smartphone). It should be noted that, during the last three years, the AC Group, a firm specialized in consultancy and research in healthcare IT, awarded '5 stars' to the Pulse solutions. Finally, the States of Arizona, Texas, Florida, Nebraska, Tennessee and Virginia recommended the Pulse Complete EHR solution.

- **In France:** Cegedim Logiciels Médicaux (CLM) was selected to set up and deploy the patient file-sharing platform in the European eSOS project. This project, in which 12 countries in Europe are involved, aims at providing cross-border services which make medical treatment for the citizens of the European Union secure and effective when travelling.

In addition, CLM's news is full of the launches of new offers such as: the far more powerful new version of Médiclick Studio on Mac and PC (Médiclick Studio 5) and the e-FSE on-line teletransmission of care sheets. Aware of the major challenges in medical demographics, and concerned with supporting new doctors in an increasingly demanding environment, CLM has also devised an offer specially adapted to young doctors.

On the other hand, the publisher continued its commitment in the oncology field, particularly with a new major reference: the new oncology department in the Institut Mutualiste Montsouris (IMM) in Paris.

For its part, RESIP launched iMediGuide, an iPhoneTM application for the general public. This application, which is very easy to use, provides access to information on medicines contained in this reference data base. A similar application for iPhoneTM but reserved to healthcare professionals, was very favorably received.

■ **In the "Insurance and services" sector**

With regard to the computerization of insurers and mutual healthcare companies, 2010 was the year in which Cegedim Activ brought several major projects to fruition, particularly:

- the successful migration PREVADIES Ouest Management Centers on ACTIV'Infinite, during the first quarter, a decisive milestone in the program to converge the information systems for the Harmonie Mutuelles Group;
- in nine months, the implementation of a project for managing contributions and Healthcare services on ACTIV'Infinite at MACIF MUTUALITE;
- the production of the ACTIV'Premium solution within the MATMUT Group to support the development of its new healthcare offers;
- the strong commitment by the operators of the Social Security system to migrate to ACTIV'RO, with a portfolio of 1,300,000 persons protected;
- the implementation of the ACTIV'RO solution within the Mutuelle de France Sud, the EOVI and ADREA Groups;
- the signing of the project to set up the information system at the Compulsory Health Insurance Plan (AMO) and the Medical Assistance System (RAMED) in the Republic of Mali.

With regard to the flow and service offers: Le Cetip, the leading operator of direct healthcare investment by insurers, participated in taking account of the data stemming from the supplemental DUO card and circulating the lists of card oppositions to partners. On the basis of what has been learnt from the Duo experience, extended to eight additional departments in 2010, the new "Related Cards" may be on a wider basis in the SESAM-Vitale system as from 2011.

After the direct healthcare investment from optical insurers, the Cetip worked to extend the on-line direct healthcare investment by insurers in the hospital-care field.

With regard to the outsourced management of payrolls and human resources: Due to its efficiency and its adaptability, the *TEAMS^{RH}* platform continues to stand out as a reference HIRS for outsourcing payrolls and managing companies' personnel, in addition to the large number of new commercial successes among firms of all sizes and in all sectors of activity. Among the most recent innovative functions in the *TEAMS^{RH}* platform, particular note should be taken of the launch, in September 2010, of the global and international co-ordination module: *TEAMS Global HR*.

Human resources

The Group's HR policy involves training new graduates in the nature of Cegedim's business while also attracting more experienced candidates to bring their expertise into the Group.

Working conditions, a long-term compensation policy and development opportunities created by growth are among the factors ensuring a low workforce turnover rate in line with statistics for similar activity sectors.

Moreover, the Cegedim Group allocates significant funds to employee training with a view to driving business growth and expanding its service offering. These factors play a leading role in ensuring the continuity and quality of services delivered to the Group's customers.

Workforce characteristics

- 8,500 employees
- 60% abroad (80 countries)
- In more than 100 subsidiaries

An active recruiting policy

To support its development both in France and abroad, **the Group plans to follow the recruitment of new employees in 2011.**

The diverse nature of Cegedim's business and activities position it to offer exciting career opportunities in areas ranging from sales, research and consulting to information technology (technical architecture and operational management of application projects).

In addition to technical qualifications and a sound understanding of its customers' business, Cegedim's hiring criteria include the sharing of values such as innovation, pragmatism and a service focus.

A unique culture

Over the last 40 years, Cegedim has successfully established its own culture and know-how based on a strong sense of identity and values embraced by all of its employees and guiding its ongoing growth and development:

- A flexible organization designed to favor innovation and the company spirit;
- A company culture resolutely oriented to client satisfaction;
- Compliance with the regulations in force and a strong ethic.

2010 Revenues and results

On April 13, 2011, Cegedim published its results for the year 2010:

■ Revenues:	€927m	+6.0%
■ Operating profit from ordinary activities:	€107m	-3.9%

The year 2010 was marked by substantial innovations enhanced by a large number of commercial successes, promising acquisitions and a new visual identity for the Group.

The 2010 consolidated revenue came to 926.7 million euro, an increase of 6.0% on a reported basis. The rise of 3.0% on a reported basis in the second quarter, as expected, offsets the decline in the first nine months. The positive contribution in the last quarter of 2010 by all sectors to the increase in the revenue, on a reported basis as in year-on-year, is proof of the Group's commercial dynamism.

The income from operations, before non-recurring items, came to 107.2 million euro, a decline of 3.9% compared to the end of 2009. This decline may be explained particularly by the increase in the payroll costs which increased by 8.1% following delays in implementing certain CRM projects.

Simplified income statement

	2010		2009		Δ
	€M	%	€M	%	
Revenues	926.7		874.1		+6.0%
EBITDA from ordinary activities	174.0	18.8%	177.8	20.4%	-2.1%
Depreciation	-66.8		-66.3		+0.8%
Operating income from continuing operations	107.2	11.6%	111.5	12.8%	-3.9%
Drop of Dendrite trademark	-104.0		-		n.s.
Exceptional operating income / expenses	-10.8		-11.7		-7.7%
Operating income	-7.6	n.s.	99.8	11.4%	n.s.
Net cost of financial debt	-34.3		-40.3		-14.9%
Tax expenses	+24.3		-5.0		n.s.
Share of earnings of equity-accounted affiliates	0.9		0.4		n.s.
Consolidated profit	-16.8		54.8		n.s.
Profit attributable to the owners of the parent	-16.9		54.7		n.s.

* at constant scope and exchange rates

Outlook

The Group has fixed as its objective for 2011 to increase again the number and quality of its offers on the world healthcare market with growth in its revenue, excluding the any new acquisition and exchange effect.

Cegedim stock market performance

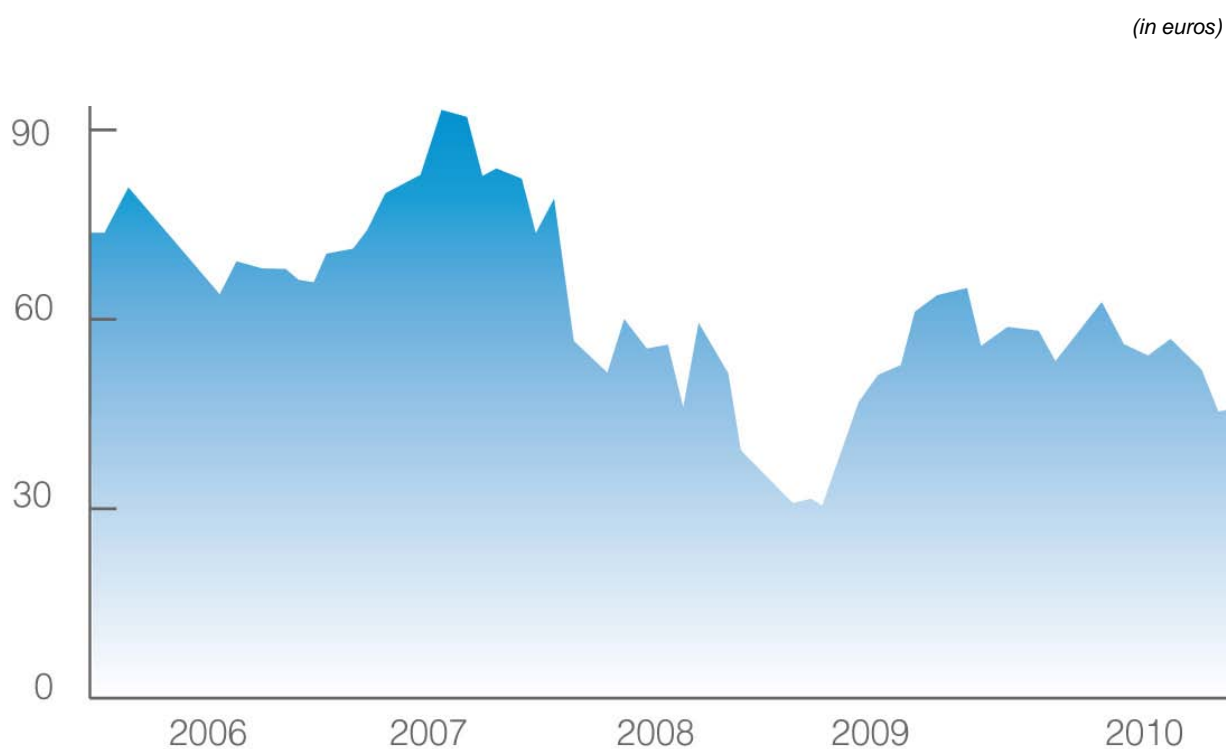
Cegedim's stock was initially offered at €9.52 on the Second Marché of the Paris Stock Exchange in April 1995. It was subsequently listed on NYSE Euronext Paris, compartment B.

At December 31, 2010, the market capitalization is of €576 million.

Listing: NYSE Euronext Paris – compartment B

- ISIN Code: FR0000053506
- Reuters Code: CGDM.PA
- Bloomberg Code: CGM

Share price since 1995



Appendix 1: The “CRM & strategic data” sector

The purpose of the "**CRM and strategic data**" sector is to provide support for healthcare firms worldwide in their various commercial and medical operations by supplying them with data bases, marketing tools, standard and tailor-made audits.

These various services enable them to optimize their investments by supplying the technical tools and data required to link to the needs of the prescribers who generally use the services concerned.

Cegedim also supplies various "compliance" services so that the right use of the medicine can be known and to check the prescription's compliance with the drug approvals.

Cegedim's solutions combine performance and compliance with the Public Health Code and personal data protection regulations in force in all the countries in which it operates.

In particular, Cegedim offers:

- Tools for optimizing information resources and sales and marketing investments.
- Reports and analysis tools for office and hospital sales forces.
- Databases and tools that provide better knowledge of prescribers.
- Strategic marketing, operational marketing and competitor monitoring tools and studies.
- Performance measurement tools.
- Promotional spending auditing tools.
- Pharmacy order-taking tools.

CRM for the life sciences industry

Cegedim Relationship Management

With 200,000 users in more than 80 countries, Cegedim is the worldwide leader in CRM (Customer Relationship Management) for the life sciences industry. Cegedim Dendrite meets the needs of its customers both regionally and internationally through use of:

- hosting and skills centers worldwide
- the largest and most robust R&D and support structure dedicated to pharmaceutical CRM with the capacity to extend and maximize customer investments

Cegedim Relationship Management's offer includes:

- the global CRM solution Mobile Intelligence
- implementation and support services taking local issues into account
- business intelligence services
- hosting services.

It is based on the *OneKey* data base, the reference file for healthcare professionals. A central point for the Cegedim Group's activities, *Onekey* is now used by more than 7.5 million healthcare professionals and should rapidly exceed 8 million with the success of the operations started, particularly in China, and the acquisition of the American company SK&A in 2010.

Used by everyone from medical representatives to leading players in the healthcare field, *OneKey* assists in identifying the specific needs of various categories of healthcare professionals relating to medical information and provides multiple options for contacting these professionals.

Cegedim Relationship Management is continually innovating with a view to better serving its customers' needs, as demonstrated by its recently launched compliance solutions in Europe.

Business Intelligence

Reportive

Reportive publishes a unique business intelligence software suite. This facilitates the creation and automatic circulation of customized reporting and interactive activity co-ordination management charts (sales teams, marketing, finance, human resources) with the aim of improving the organizations' competitiveness, productivity and efficiency. Nowadays, Reportive is a significant player on the business intelligence software publishing market and has more than 130 clients, including 16 of the 20 largest pharmaceutical laboratories in the world. A large number of Cegedim entities also use the Reportive solution to improve the quality of the service rendered to the clients as well as their own productivity.

Market research studies

Cegedim Strategic Data (CSD)

Cegedim Strategic Data (CSD) is one of the main market study companies specialized in the pharmaceutical industry. With the advantage of its 36 years' experience, CSD offers a wide range of studies and services based on the integration of its numerous data sources (ad hoc studies, promotional data, patient data, communication follow-up, medical studies). This information is collected from the general practitioners and specialists (office-based and hospital), pharmacists and patients.

CSD, nowadays established all over the world, has more than 50 international laboratories and 500 local laboratories among its clients. Its international expertise enables it to provide its clients with analyses comparing one country with another.

Each stage is carried out internally, from the collection of raw data, continuing through their processing, their analysis and their interpretation up to presenting the studies to the clients.

Sales force optimization

Itops Consulting

Itops offers a service for optimizing sales force and medical information sector allocations. Itops is also expanding into the analysis, design, and sectoring of sales forces and support in the implementation of the new structure.

Sales statistics for pharmaceutical products

Gers SAS

On behalf of the profession grouped together in the CIP, Gers SAS manages the reference file of French pharmaceutical products. On behalf of the GERS (Economic Interest Group, grouping together the pharmaceutical laboratories operating in France), it processes and establishes the sales statistics on all the pharmaceuticals by UGA (Geographic Analysis Units), on the basis of the data collected from the wholesale distributors and the laboratories. Since 1999, these statistics may be consulted on line and are available each week.

Cegers

On behalf of the laboratories and the pharmaceutical industry service providers, Cegers is developing tailor-made processing operations on the basis of the sales data stemming from a variety of sources (Gers, IMS, Nielsen and IRI). The customized studies are sent monthly or weekly to the pharmaceutical laboratories' sales teams by means of the various media (micro software, palm, pocket PC, etc.).

InfoSanté

Through its subsidiaries InfoSanté in Romania and Tunisia, the Cegedim Group provides sales statistics on pharmaceutical products.

Santestat

The Santestat panel, constituted from the data collected from pharmacies, provides the pharmacists with the tools required to optimize their pharmacies' management. At the same time, these statistics make it possible to supplement the studies proposed by the Gers, by

providing the pharmaceutical laboratories with the data required to monitor pharmacies' stocks as well as to have a better knowledge of the medicines' distribution circuits.

Medical prescription analysis

Cegedim Customer Information (CCI) – Europe, USA, Canada

Cegedim Customer Information provides pharmaceutical companies defined nominative information on healthcare professionals. Using the *OneKey* database, the world's leading reference among healthcare professionals, CCI offers its customers three main types of studies:

- **Icomed (Medimed in Germany):** measures physicians' preferences for the drugs they prescribe while also gauging the size and profile of their clientele. More than half of all French doctors in 19 branches of medicine inform Icomed of their prescribing habits each year.
- **Doc Scan:** collects specific information on the treatments prescribed by physicians and their preferences with regard to promotions. Doc Scan studies can also be carried out in response to a company's specific needs.
- **Physician Connect:** assesses existing links between opinion leaders and prescribers to identify influence networks among physicians for individual pathologies at the local, regional or national level in relation to therapeutic management or continuing education.

Corporate databases, CRM and associated service

Cegedim Communication Directe (CCD)

Cegedim Communication Directe designs, manages and markets a wide range of databases. The leading supplier of business directories in France, CCD provides valuable data that is updated and refined from the acquisition stage to the supply stage through input from an extended range of services.

Cegedim Communication Directe also offers *SIGA*, a software package for managing subscriptions and client information (press and home shopping).

Printing and package inserts

Pharmapost

Pharmapost, an ISO-9001 certified company, is a mass production printing company that specializes in fine paper printing and finishing. In 2010 it produced 470 million pharmaceutical inserts, thus placing it among the leading French producers.

Medical sample management

Pharmastock

The Cegedim Group provides its clients with two sample management packages: *Tracere*, designed to respond to the sample management needs of medical reps and doctors, and *3S*, designed to manage sample requests from healthcare professionals. These offers rely on Pharmastock, a depository pharmaceutical company.

Digital promotion

MedExact

MedExact works in synergy with all the companies in the Cegedim Group whose activity is promotion apart from medical representation: with doctors by circulating advertising campaigns on screen savers (*ScreenPub*) and with pharmacists (promotional tools for creating loyalty and communications, studies on dispensing medicines in pharmacies).

Appendix 2: The “Healthcare professionals” sector

With many years of experience dedicated to healthcare professionals, Cegedim has positioned itself as one of the leading European publishers of medical and paramedical management software.

The Group works daily with pharmacists, general practitioners and specialists, whether they work independently or in group practices, in healthcare centers or networks.

Cegedim’s software responds to the needs of professionals and to the latest technical and regulatory requirements. This a main vector for the transfer of scientific, medical, and promotional information between healthcare professionals at the place of practice.

> Cegedim Healthcare Software

Software for pharmacists

Alliadis

Specializing in pharmacy computerization, the Alliadis group has been providing support to pharmacists since the beginning of the sector’s computerization, i.e. for more than 20 years. It develops and markets comprehensive, integrated software solutions for pharmacists, including the supply of suitable IT equipment.

Alliadis is at the forefront of the latest technological innovations and is meeting its clients’ occupational needs with high value-added and continuously updated solutions. The new regulatory challenges, such as the Pharmaceutical File, development of the SESAM-Vitale environment, substitution targets, the pharmacists’ new missions under the HPST Act, product traceability and product codification all require the development of IT tools in the short and medium term.

In France, 450 employees, 30 skill centers and 2 help-lines deployed around the country provide daily local service at a level of quality that is recognized by the clients. Alliadis holds 41% of the pharmacy computerization market in France.

Cegedim Rx

Cegedim Rx is the United Kingdom’s leading company in the supply of software and computerized services to pharmacies, with a market share of nearly 50%, which represents more than 12,200 pharmacies. Its product offering consists of the *Nexphase* and *Pharmacy Manager PMR* systems, which are used to process more than 180 million prescriptions annually. Cegedim Rx also offers services relating to distribution, hardware installation, and set-up, support, training and consumables sales.

Next Software

The leader in the field of pharmacy computerization with a 25% market share, Next Software is the only company present nation-wide in Tunisia.

Software for doctors and healthcare networks - France

Cegedim Logiciels Médicaux

CLM offers solutions for office-based physicians, oncology institutions and healthcare centers:

- for physicians: *Crossway*, *DocWare*, *Cardiolite*, *Médoclick*, *Eglantine*, *Médigest*, and *Mégabaze* software offer simple and efficient management of patient records.
- for oncology institutions: *Oncobaze* software offers comprehensive management of the workflow for chemotherapy treatments and complete treatment traceability.
- for healthcare centers: *Crossway* software offers medical center management (coupled with a management solution for direct payment).
- *Secure Medical Mail*[®] and Resip FSE software programs, used alone or integrated with medical software; they respectively allow medical information to be shared through secure e-mail and CPS authentication and allow electronic care sheets to be prepared in compliance with the latest regulations in force.

In 2010 the opportunity was taken to increase the usage of international interoperability standards in the LC 2010 range of healthcare software, notably in interactions with intra-professional medical information sharing platforms (DMP compatibility). These platforms are now viewed as the model for tools designed to coordinate and monitor the course of care and are fully integrated into the daily routines of healthcare professionals.

Software for doctors - International

INPS – United-Kingdom

INPS is strengthening its position as leader in the Primary Care sector in the United Kingdom with its *Vision* offer. The reforms undertaken by the National Health Service require different levels of interoperability between healthcare professionals, and In Practice Systems continues to develop and adapt its software solutions in order to meet these requirements for General Practitioners. The *Vision* application is used by almost 10,000 doctors at more than 2,300 primary care locations in the United Kingdom.

HDMP - Belgium

The second-leading player on the Electronic Patient File market for general practitioners in Belgium with the *Health One* solution, HDMP is also very active in sectors involving hospitals, industrial medicine, out-of-hours services, prevention centers, healthcare centers, etc. with more than 2 000 references.

Millennium - Italy

Based in Florence, Millennium, 49% owned by Cegedim, is Italy's leading medical software publisher, with *Millewin* installed on nearly 16,500 workstations. Millennium strengthened its regional presence and became a principal shareholder of two other publishers, one focused on general practitioners and the other on pediatricians. Millennium now directly or indirectly equips more than 22,000 physicians, representing a market share of 39% with Italian general practitioners and 45% with pediatricians.

Stacks – Spain and Chile

The leader in physician software in Spain with more than 30,000 users, Stacks specializes in the analysis, design and development of information systems dedicated to the healthcare sector. Stacks also offers consulting and technical services for identification, adaptation and integration of solutions in order to meet the needs of healthcare professionals.

The primary market for Stacks is the Spanish public sector, which represents more than 60% of its sales. The company has its own commercial network throughout the country. It is also present in South America through its establishment in Chile.

Pulse Systems – United States

Pulse reinforces its position in the management of electronic patient records (Electronic Health Record or EHR), the management of the medical practice and payment follow-up in the United States. The support plans set up by the American Minister of Health and Social Services

encourage the adoption of these medical technologies started in 2011. Pulse Systems is continuing its efforts to develop and upgrade its software solutions to remain on the cutting edge of these technologies. There are more than 20,000 users of Pulse solutions in the United States.

Software for paramedics

RM Ingénierie

RM Ingénierie offers a full range of software (+4000 line, *BioRescue* rehabilitation solutions and *Bioval*) for paramedical professions: nurses, physiotherapists, speech therapists, orthoptists, chiropodists, podiatrists and midwives. Designer, in 1984, of France's first practice management software for physiotherapists, RM Ingénierie has positioned itself as the French leader in management software solutions for paramedical practices with approximately 30,000 users.

Medication database

RESIP Banque Claude Bernard

RESIP (Recherches et Etudes en Systèmes Informatiques Professionnels) provides healthcare professionals with a scientific database to assist them in prescribing and issuing medications: the *Base Claude Bernard (BCB)*. The *BCB* is integrated into pharmacy management software, software programs for doctors, and hospital healthcare sites and portals.

>Other companies of the healthcare professionals sector

Promotional information

RNP

RNP (Réseau National de Promotion) is the undisputed French benchmark for POS (Point of Sale) advertising in the pharmaceutical and para-pharmaceutical sectors. RNP promoters and merchandisers provide pharmaceutical firms with privileged access to 20,000 pharmacies in France. Its services include: window dressing, installing in-store promotional materials and conducting surveys.

Medical financial leasing

Cegelease

Cegelease, with its *Cofidata*, *Pharmalease* and *Médilease* brands, is a financial leasing company that offers financing options to retail pharmacies and healthcare professionals for the purchase or lease of computer hardware and management systems.

Appendix 3: The “Insurance and services” sector

Leveraging its professional software publishing and complex information processing skills, the Cegedim Group brings together offers in the “**Insurance and services**” sector for major health insurance and technological expertise players intended for partners and customers in all sectors.

> Insurance, electronic payment and health

IT for healthcare insurers

Cegedim Activ

Cegedim Activ’s solutions are now used to manage more than 30 million policyholders in France, making it the leader in software and services dedicated to personal insurance (supplementary health schemes, mandatory health plans, contingency plans, life insurance and retirement). Its products are intended for all market operators: insurance companies, mutual healthcare companies, provident institutions and brokers.

With its expertise in personal insurance, Cegedim Activ works closely with its customers to create innovative offers and help them optimize the profitability of their business. To accomplish this, Cegedim Activ has a unique combination of expertise: the expertise of its employees, the availability of technologies and an offering of consulting, integration, facilities management and healthcare flow management services with 250 million EDI flows per year (Noemie, direct payment by insurers and SESAM-Vitale 1.40).

Cegedim Activ remains dedicated to its development strategy in North Africa and francophone Africa, particularly with the installation of the Compulsory Health Insurance Plan (AMO) and the Medical Assistance Plan (Ramed) in the Republic of Mali.

Flows and electronic payment

Cetip

Cetip is the leader in managing direct healthcare billing and payment flows as historical operator of the Santé-Pharma Association. Cetip handled more than **106 million data flows in 2010** for more than 220 Supplemental Health Insurance agencies, close to 100,000 Healthcare Professionals and 12 million beneficiaries. At present, direct billing and payment extends to all healthcare professionals.

iSanté

iSanté is a national operator which is developing standard or on-line direct healthcare investment by insurers providing better access to healthcare for the policyholders, and the fastest and most secure means of payment for the healthcare professionals. Set up in 2007 within the Cegedim Group, iSanté is growing strongly with a network of almost 100,000 healthcare professionals and 7 million beneficiaries using all or part of its services. iSanté has emerged as one of the most dynamic and innovative operators on the generalized multi-profession market for direct healthcare investment by insurers.

Management service

Hosta

Hosta proposes management services, on behalf of third parties in supplemental healthcare insurance and pensions, to insurance companies, pension institutions, mutual healthcare companies and intermediaries. In this way, these activities carried out on behalf of 20 players in the insurance market, cover the supplemental system for more than 250,000 beneficiaries.

> Other services

Data flow and services offerings

Cegedim EDI

Dedicated to Electronic Data Interchange (EDI), Cegedim EDI offers electronic management of all documents circulating between the companies (orders, follow-ups, invoices, etc.). Initiated through the Edipharm system, mainly between wholesale distributors and laboratories, this activity has quickly spread outside the healthcare market, particularly in the mass distribution and administrative services sectors. In particular, Cegedim EDI offers Global Invoice Services (GIS), the most complete computerization platform in ASP mode on the market.

Hospitalis

Hospitalis is a Web portal that provides information and data exchanges between healthcare institutions and their suppliers, ensuring the global computerization of all procurements of drugs, medical equipment, and laboratory reagents. Hospitalis is now present in over 800 major healthcare institutions, including 23 hospitals, and was used to transmit more than 1.4 million orders in 2010.

Qualitrans-Telepharma

Qualitrans-Telepharma is an OCT (technical concentrator) that centralizes the claims for Electronic Care Sheets issued by pharmacies and allocates them to the appropriate Mandatory and Supplementary healthcare insurers. Qualitrans-Telepharma carries more than 84 millions flows per year for more than 3,000 pharmacists.

The electronic transmission of care sheets complements the Group's software and database solutions. It represents a sustainable solution for everyday contacts with healthcare professionals.

Outsourced payroll and human resources management

Cegedim SRH

Cegedim SRH is one of France's leading providers of outsourced payroll and human resources administration services. It designs, develops and markets a full HR offer incorporating innovative applicative solutions as well as a range of related outsourced and support services. Also operating on the Swiss and British markets, its purpose is to support and advise firm in running their projects, for a more efficient HR information system: payroll management, co-ordination and development of the human capital.

The *TEAMS^{RH}* platform was the market's first comprehensive and scalable HRIS solution developed with 100% Java technology. With its modular architecture and process-oriented approach, *TEAMS^{RH}* delivers quality services suited to companies' outsourcing needs.

Hosting, services and internet

Cegedim Hosting

Cegedim has extensive expertise in facilities management for pharmaceutical companies, insurance providers, and healthcare mutuals and healthcare networks (Electronic Patient File trials), as well as in the management of financial flows and paperless documents. Due to their strategic and sensitive nature, these activities have led the Group's teams to devise architectures with very high availability that meet the security requirements of its customers and, in particular, the standards governing the hosting of medical records.

Cegedim's facilities management services are located in three different geographical zones: America (Chesapeake site in the USA), Europe (Boulogne-Billancourt and Toulouse sites in France), and Asia-Pacific (Bangalore sites in India and Singapore).

These sites, three of which are Tier III+ level (in France and the USA), provide the back-up and launch of Business Continuity Plans (BCP) for coverage of all time zones.

Cegedim Prestation Conseil Outsourcing

Cegedim Prestation Conseil Outsourcing provides infrastructure solutions and facilities management services to companies, allowing them to secure, administer and supervise information systems.