PRESS RELEASE

Public company with share capital of 13,336,506.43 euros
Trade and Commercial Register: Nanterre B 350 422 622
www.cegedim.com

First-half financial information at June 30, 2012
IFRS – Regulated information - Audited

Cegedim: Focus on Innovation and Deleveraging

- A remaining tough economic climate
- Extension of the Performance Improvement Program
- Management remains confident in respecting financial targets

Paris, September 19, 2012 – Cegedim, a global technology and services company specializing in the healthcare field, generated consolidated first-half 2012 revenues of €453.3 million and operating income from continuing operations of €37.6 million.

After a broadly satisfactory first quarter, in line with internal objectives, the second quarter was hit by weaker economic conditions and an economic slowdown in many developed countries. This was particularly pronounced from June onwards. Against this backdrop, more clients adopted a wait-and-see position, which directly affected revenues.

The drop of revenues in H1 has a negative impact H1 EBITDA. In this tough climate, Cegedim remains confident in its future growth potential and maintained its focus on innovation and deleveraging, and extended its Performance Improvement Program.

Moreover, the Group considers it is able to meet its covenants as of December 2012 and has a satisfactory level of liquidity.

- **Simplified income statement**

	H1 2012		H1 2011		Δ
	€M	%	€M	%	
Revenues	**453.3**	**100%**	**458.6**	**100%**	**-1.2%**
EBITDA from ordinary activities	68.3	15.1%	75.4	16.4%	-9.5%
Depreciation	-30.7		-34.0		-9.7%
Operating income from continuing operations	**37.6**	**8.3%**	**41.4**	**9.0%**	**-9.2%**
Exceptional operating income / expenses	-2.0		-2.7		-26.4%
Impairment of goodwill on acquisition	-115.0		-		n.m.
Operating income	**-79.4**		**38.7**		**n.m.**
Net cost of financial debt	-21.6		-21.0		+2.7%
Tax expenses	-2.4		-1.0		145.5%.
Share of earnings of equity-accounted affiliates	0.8		0.5		+71.4%
Consolidated profit	**-102.6**		**17.1**		**n.m.**
Profit attributable to the owners of the parent	-102.6		17.1		n.m.

** at constant structure and exchange rates*

Consolidated revenues came to €453.3 million, down 1.2% on a reported basis and down 2.7% like for like. Whereas the *Healthcare Professionals* and *Insurance and Services* sectors posted like-for-like growth of respectively 0.3% and 5.4%, *CRM and Strategic Data* sector revenues fell by 6.7%. The CRM solution users decrease during H1 2011 creates an unfavorable base effect, and was expanded in June 2012 with the wait-and-see position of clients regarding market studies.

EBITDA from continuing operations amounted to €68.3 million compared with €75.4 a year earlier. Operating income from continuing operations amounted to €37.6 million, down 9.2% from end-June 2011. It includes a moderate increase of €3 million (+1.3%) of payroll costs and an already appreciable decrease of external charge (€-2.4 million) that were chiefly linked to the reduction of external service providers. Purchases used up to €3.1 million, resulting from the *Cegelease* recovery. The margin from continuing operations thus goes from 9.0% to 8.3%, mainly because of the one point margin decrease of the *CRM and strategic data* sector.

The unfavorable variation of activity during H1 2012 in the *CRM and strategic data* sector, especially in mature countries of American and European zones, led the Group to update, on June 30, 2012, impairment tests on this sector. It shows up an estimated €115 million value loss. Thus, operating income amounts to a loss of €79.4 million.

Note that the cost of net financial debt remains stable at €21.6 million. On the other hand, the effective tax rate came to 17.1%, similar level to that of June 2010, compared to 5.5% at end-June 2011 leading to an €1.4 million increase of tax expense.

Consolidated net profit attributable to the owners of the parent came to a loss of €102.6 million and earnings per share came to €1.01, compared with €1.41 over the first six months of 2011.

Analysis of business trends by sector

- **CRM and strategic data**

First-half 2012 sector revenues came to €237.2 million, down 4.8% on a reported basis. The Pharmapost divestment had a negative impact on revenue growth of 0.5% thus currencies had a positive impact on revenues of 2.3%. As a result, H1 like-for-like* revenue was down by 6.7% relative to June 2011.

Operating income from continuing operations came to €4.2 million, a €2.8 million decrease over the year-earlier period. As a result, the margin from continuing operations was 1.8%, compared with 2.8% a year earlier.

Mature countries face rising healthcare costs that pose new challenges in an already difficult economic climate. As a result, countries are employing cost-curbing initiatives. These initiatives put constraints on pharmaceutical companies' budgets, which thus adjust downward the number of their medical sales representatives. Thus, about one third of the revenue of this sector is under pressure. This activity has high fixed costs and the impact on margin is rather direct. These penalizing factors specifically come out in Southern European countries (representing 11% of sector revenue).

Cegedim is able to compensate, at least partially, these negative impacts thanks to its products portfolio, its capacity of innovation and its worldwide position. For instance, the Group totally takes advantage of the expansion of emerging countries with, among other, the ram-up of China. In the 12 months ended March 2012, pharmaceuticals sales force levels in that country were up over 17% to 80,000, surpassing the US (72,000 medical reps) for the first time. The Cegedim Group is benefitting from this situation, especially in its market research division. Life sciences companies' strategies give priority to a targeting which help to better understand all factors in the drug decision prescription. This concern finds an answer in Cegedim very sharp offers that index interactions and influence networks within all of its interlocutors with a flexible and multifunctional solution. Cegedim's solutions meet these needs by enabling, for example, better targeting and segmentation strategies that optimize commercial productivity.

Cegedim continues to deliver a steady stream of innovation on these topics (Compliance, CRM on iPad, Multi-channel, etc.).

To adjust its cost structure to keep pace with the trend in sales, the Performance Improvement Program, affecting all areas of expenditure, is extended over the second half of 2012 with a full-year target of savings of around 10 million euros.

- **Healthcare professionals**

First-half sector revenues came to €143.2 million, up 2.1% on a reported basis compared with end-June 2011. Currency effects and acquisitions boosted revenues by respectively 1.5% and 0.3%.

Operating income from continuing operations came to €23.7 million, a 2.9% decrease over the year-earlier period. As a result, the margin from continuing operations was 16.6%, compared with 17.4% a year earlier. This light margin contraction is directly due to *Cegelease* activity increase and to *RNP* margin erosion. Meanwhile, French and UK pharmacists IT activity significantly raises in terms of revenue and margin.

This sector business lines include:

- CHS (*Cegedim Healthcare Software*), which houses software activities catering to pharmacists, physicians, paramedics and medication databases;
- Point-of-sale advertising in pharmacies and health & personal care shops with the *RNP* company;
- Financial leasing with the *Cegelease* company.

- **Insurance and services**

First-half 2012 sector revenues came to €72.9 million, up 5.5% on a reported basis. Roughly no currency or acquisition impact thus Like-for-like* revenues rose 5.4% over the period.

Operating income from continuing operations came to €9.6 million, down 2.8 over the year-earlier period. As a result, the margin from continuing operations was 13.1%, compared with 14.3% a year earlier.

Revenue was hampered by personal insurance companies' hesitancy in the second quarter. At the same time, online third-party payer management services and payroll and HR management services continue to grow at a brisk pace. These gaps, combined with the starting up of numerous clients with the SRH offer, which lead to costs in a first place, penalized H1 margin. Since July, the Group has noticed an activity recovery with health insurers and mutuals.

Financial resources

Cegedim's total consolidated balance sheet at June 30, 2012, was €1.279 billion, down by €115 million compared with end-2011. The dip is chiefly attributable to a €115 million depreciation of goodwill.

Cash and equivalents exceeded the amount of short-term (< 1 year) financial liabilities, at €57.3 million versus €73.1 million a six months earlier.

The balance sheet structure remain robust, with shareholders' equity representing 34% of the total balance sheet compared with 37% at December 31, 2011, a decrease of 16.5% due to the currency effects of €15.9 million, notably involving the dollar, and from an impairment of goodwill explained above.

Net financial debt was €471.2 million compared with €453.3 million six months earlier. The €17.9 million increase is principally attributable to a decrease of €15.8 million in the Group's cash position, reflecting directly the activity drop and a seasonal decline of working capital for €7.9 million. Net financial debt represents 109.4% of shareholders' equity, against 87.8% at end-2011. The Group complied with all of its covenants at end-June 2011. The Group remains confident to meet its convenants at end of December 2012.

At end-June 2011, available undrawn credit lines stood at €40 million.

After the net cost of financial debt and taxes, cash flow was €39.7 million, compared with €49.9 million at June 30, 2011, down €10.2 million reflecting the decrease in Group profitability.

The Group's working capital requirement increased by €7.9 million compared with end-December 2011, which is a seasonal recurring effect.

First-half highlights

To the best of the company's knowledge, there were no events or changes of the sort to significantly alter the Group's financial situation during the period. Given the level of activity at end of June, the Group considers it is able to meet its covenants at end of December 2012 and has a satisfactory level of liquidity.

- **Divestment**

Cegedim sold its Pharmapost subsidiary, one of France leading printers of drug information sheets, to the Chesapeake group on April 30, 2012 (see Press Release sent on May 4). Pharmapost, whose synergies with the Group were limited, contributed €5.9 million to Group consolidated revenues in 2011; its contribution to consolidated EBITDA was close to zero.

Significant post-closing transactions and events

On July 3, Cegedim announced the acquisition of ASP Line, France's fourth-largest publisher of pharmacist software, serving more than 1,300 pharmacies present around the country, thus strengthening Cegedim's leadership position in the pharmacy computerization market in France (see Release sent on July 3). Generating synergies with other Group's activities, this acquisition brings with it significant development potential for the years ahead.

Financed by internal financing, these activities represent annual revenues of around €9 million and will be part of the consolidation scope of Cegedim Group from July 1, 2012.

2012 outlook

After a second quarter dampened by the deteriorating economic climate, especially in Europe, the Group expects the economic environment to remain tough overall in the second half of the year.

Against this backdrop, the Group is extending its Performance Improvement Program, while continuing to prioritize innovation and deleveraging. The Group also confirms that it does not plan to make further acquisitions by the end of the year.

As a result, the Group is now expecting for 2012 a slightly increase in revenue combined with a very slightly decrease of its EBITDA compare with 2011.

Financial calendar

The Group will hold a conference call this evening, September 19, 2012, at 6:15 pm in English (Paris time). The call will be hosted by Jan Eryk Umiastowski, Cegedim Chief Investment Officer and Head of Investor Relations.

A presentation of Cegedim Q2 2012 revenue will also be available on the website:
http://www.cegedim.com/finance/documentation/Pages/presentations.aspx

Contact numbers:			Access code:
	+33 1 72 10 50 80	France	74768907#
	+33 1 72 10 50 81	France	
	+49 302 21 51 00 68	Germany	
	+44 203 428 1111	UK	
	12122577611	USA	

September 20, 2012

- SFAF Meeting for 2012 HY Results

November 8, 2012 (after the stock market closes)

- 2012 Q3 Revenue release

Additional information

The Audit committees and the Board of Directors met in the presence of the Statutory Auditors on respectively September 18 and 19, 2012, to close the consolidated accounts for the first half of 2012. The accounts have been audited, and the audit reports certifying Cegedim's financial accounts will be published shortly.

The financial information presented in this press release is taken from the consolidated first-half accounts of Cegedim and will be available in their entirety in the First-Half Financial Report on the website, www.cegedim.fr/finance, on September 20, 2012.

A presentation of Cegedim's first-half results is also available on the website.

- **Revenues by sector and by quarter# :**

Figures rounded to the nearest unit
* at constant scope and exchange rates

Year 2012

€ thousands	*Q1*	*Q2*	*Q3*	*Q4*	*Total*
CRM and strategic data	111,092	126,105			237,197
Healthcare professionals	67,296	75,849			143,145
Insurance and services	35,817	37,115			72,932
Group	**214,205**	**239,070**			**453,274**

Year 2011

€ thousands	*Q1*	*Q2*	*Q3*	*Q4*	*Total*
CRM and strategic data	113,116	136,091	111,982	149,443	510,631
Healthcare professionals	65,502	74,732	53,724	65,837	259,795
Insurance and services	32,893	36,251	31,337	40,557	141,037
Group	**211,510**	**247,073**	**197,043**	**255,837**	**911,463**

- **By sector of activity and geographic zone, the distribution of revenues for the 1st half of 2012 is as follows:**

	France	*EMEA ex France*	*Americas*	*APAC*
CRM and strategic data	32%	34%	24%	10%
Healthcare professionals	72%	24%	4%	0%
Insurance and services	99%	1%	0%	0%
Group	**55%**	**26%**	**14%**	**5%**

- **By sector of activity and currency, the distribution of revenues for 1st half of 2012 is as follows:**

	Euro	*USD*	*GBP*	*Others*
CRM and strategic data	50%	20%	4%	26%
Healthcare professionals	74%	4%	22%	0%
Insurance and services	99%	-	-	1%
Group	**65%**	**12%**	**9%**	**14%**

- **Balance sheet at June 30, 2012**

Assets

in thousands of Euros	*06/30/2012*	*12/31/2011*
Goodwill on acquisition	**626,008**	**725,058**
Development costs	33,608	24,446
Other intangible fixed assets	168,750	167,002
Intangible fixed assets	**202,358**	**191,448**
Property	398	409
Buildings	5,296	5,147
Other tangible fixed assets	34,710	35,958
Construction work in progress	2,772	2,594
Tangible fixed assets	**43,176**	**44,108**
Equity investments	443	443
Loans	1,382	1,400
Other long-term investments	11,443	9,637
Long-term investments - excluding equity shares in equity method companies	**13,267**	**11,480**
Equity shares in equity method companies	7,790	7,645
Government - Deferred tax	50,861	48,093
Accounts receivable : Long-term portion	16,232	14,498
Other receivables : Long-term portion	599	651
Non-current assets	**960,291**	**1,042,982**
Services in progress	649	305
Goods	11,580	10,274
Advances and deposits received on orders	1,206	1,151
Accounts receivable : Short-term portion	200,943	222,350
Other receivables : Short-term portion	27,514	25,778
Cash equivalents	13,762	14,041
Cash	43,563	59,087
Prepaid expenses	19,082	17,347
Current assets	**318,300**	**350,334**
Total Assets	**1,278,591**	**1,393,316**

Equity and Liabilities

in thousands of Euros	*06/30/2012*	*12/31/2011*
Share capital	13,337	13,337
Issue premium	185,562	185,562
Group reserves	297,469	263,439
Group exchange reserves	-238	-238
Group exchange gains/losses	36,909	21,058
Group earnings	-102,633	32,580
Shareholders' equity, Group share	**430,404**	**515,737**
Minority interests (reserves)	420	407
Minority interests (earnings)	42	90
Minority interests	**462**	**497**
Shareholders' equity	**430,866**	**516,234**
Long-term financial liabilities	484,851	483,744
Long-term financial instruments	13,967	14,094
Deferred tax liabilities	13,410	12,862
Non-current provisions	24,659	25,154
Other non-current liabilities	4,465	7,142
Non-current liabilities	**541,352**	**542,996**
Short-term financial liabilities	52,764	51,871
Short-term financial instruments	28	27
Accounts payable and related accounts	78,902	92,079
Tax and social liabilities	103,881	119,517
Provisions	4,496	5,075
Other current liabilities	66,301	65,516
Current liabilities	**306,372**	**334,085**
Total Liabilities	**1,278,591**	**1,393,316**

- **Income statement at June 30, 2012**

in thousands of Euros	*06/30/2012*	*06/30/2011*
Revenue	**453,274**	**458,584**
Other operating activities revenue	-	-
Capitalized production	24,817	22,536
Purchases used	-52,140	-49,018
External expenses	-119,177	-121,566
Taxes	-7,431	-7,456
Payroll costs	-228,758	-225,757
Allocations to and reversals of provisions	-2,063	-1,980
Change in inventories of products in progress and finished products	348	122
Other operating income and expenses	-570	-28
EBITDA	**68,299**	**75,437**
Depreciation expenses	-30,714	-34,023
Operating income from continuing operations	**37,586**	**41,414**
Impairment of goodwill	-115,000	-
Non-recurrent income and expenses	-2,018	-2,740
Other non-recurrent income and expenses	**-117,018**	**-2,740**
Operating income	**-79,432**	**38,674**
Income from cash and cash equivalents	384	401
Gross cost of financial debt	-16,763	-17,697
Other financial income and expenses	-5,220	-3,740
Cost of net financial debt	**-21,599**	**-21,036**
Income taxes	-7,275	-5,040
Deferred taxes	4,881	4,065
Total taxes	**-2,394**	**-975**
Share of profit (loss) for the period of equity method companies	833	486
Profit (loss) for the period before earnings from activities that have been discontinued or are being sold	-102,591	17,148
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	-102,591	17,148
Attributable To Owners Of The Parent	**-102,633**	**17,085**
Minority interests	42	63
Average number of shares excluding treasury stock	13,960,606	13,964,415
Current Earnings Per Share (in euros)	**1.01**	**1.41**
Earnings Per Share (in euros)	**-7.35**	**1.2**
Diluting instruments	none	none
Diluted Earnings Per Share (in euros)	**-7.35**	**1.2**

- **Consolidated cash flow statement at June 30, 2012**

in thousands of Euros	*06/30/2012*	*12/31/2011*
Consolidated profit (loss) for the period	-102,591	32,670
Share of earnings from equity method companies	-833	-991
Depreciation and provisions	144,085	63,733
Capital gains or losses on disposals	-2,891	415
Cash flow after cost of net financial debt and taxes	**37,770**	**95,827**
Cost of net financial debt.	21,599	37,669
Tax expenses	2,394	6,574
Operating cash flow before cost of net financial debt and taxes	**61,762**	**140,070**
Tax paid	-14,161	-19,776
Change in working capital requirements for operations	-7,853	21,249
Cash flow generated from operating activities after tax paid and change in working capital requirements (A)	**39,748**	**141,543**
Acquisitions of intangible assets	-26,815	-50,538
Acquisitions of tangible assets	-14,504	-29,644
Acquisitions of financial assets	-548	-2,084
Disposals of tangible and intangible assets	566	2,083
Disposals of long-term investments	-	-
Impact of changes in consolidation scope	4,279	-1,422
Dividends received from equity method companies	-	662
Net cash flows generated by investment operations (B)	**-37,022**	**-80,943**
Dividends paid to parent company shareholders	-	-13,953
Dividends paid to the minority interests of consolidated companies	-2	-72
Capital increase through cash contribution	-	-
Loans issued	-	200,000
Loans repaid	-2,135	-222,558
Interest paid on loans	-15,122	-32,300
Other financial income and expenses paid or received	-2,983	1,050
Net cash flows generated by financing operations (C)	**-20,242**	**-67,833**
Change In cash excluding impact of changes in foreign currency exchange rate (A+B+C)	**-17,516**	**-7,233**
Impact of changes in foreign currency exchange rates	979	931
Change In Cash	**-16,537**	**-6,302**
Opening cash	71,730	78,032
Closing cash	55,193	71,730

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• Glossary

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**.**

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

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

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

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

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

EBIT: Earnings Before Interest and Taxes. EBIT corresponds to the net revenue minus operating expenses (such as salaries, social charges, materials, energy, research, services, external services, advertising, etc.). It is the operating income for the Cegedim group.

EBIT from continuing operations: this is EBIT restated to take account of non-current items, such as losses on tangible and intangible assets, restructuring, etc. It corresponds to the operating income from continuing operations for the Cegedim group.

EBITDA: Earnings before interest, taxes, depreciation and amortization. EBITDA is the term used when amortization or depreciation and revaluations are not taken into account. "D" stands for depreciation of tangible assets (such as buildings, machines or vehicles), while "A" stands for amortization of intangible assets (such as patents, licenses and goodwill). It corresponds to the gross operating earnings for the Cegedim group.

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

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

Net bank debt: this represents net financial debt less Cegedim's subordinated debt to FCB.

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

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

Operating margin from continuing operations: defined as the ratio of EBIT from continuing operations/revenue

Contacts:

Aude BALLEYDIER
Cegedim
Media Relations

Tel.: +33 (0)1 49 09 68 81
aude.balleydier@cegedim.com

Jan Eryk UMIASTOWSKI
Cegedim
Chief investment Officer
Investor Relations
Tel.: +33 (0)1 49 09 33 36
investor.relations@cegedim.fr

Guillaume DE CHAMISSO
Presse Papiers Agency
Press Relations

Tel.: +33 (0)1 77 35 60 99
guillaume.dechamisso@pressepapiers.fr