

Quarterly Financial Information as of December 31, 2013
IFRS – Regulated Information – Not audited

Cegedim: 2013 like-for-like* revenues down slightly

- Like-for-like revenues fell 0.5% in the fourth quarter
- *CRM and strategic data* division revenue was stable in the fourth quarter after growing by 1.7% in the third quarter
- The Group expects its 2013 operating margin from recurring operations to improve by 0-50 basis points

Paris, January 28, 2013 – [Cegedim](#), a global technology and services company specializing in the healthcare field, saw its revenues decline by 0.5% like for like in the fourth quarter of 2013. Its consolidated revenues fell by 2.6% on a reported basis, to €254.0 million. Over the full year 2013, revenues amounted to €902.3 million, down 2.1% on a reported basis and 0.5% like-for-like*.

In the fourth quarter, organic growth at the *Insurance and services* division and stability at the *CRM and strategic data* division offset nearly all of the decline at the *Healthcare professionals* division. Over the full year, organic growth at the *Healthcare professionals* and *Insurance and services* divisions nearly compensated for the decline at the *CRM and strategic data* division.

The Group continues to prioritize innovation; given its unique positioning, this allows Cegedim to anticipate the transformational shifts in the health market and maintain leadership positions in all of the markets in which it operates. This focus on innovation has enabled the Group to launch a number of new products and services that are already contributing positively to the top line.

This annual revenue figure, just shy of the Group's estimate, is the result of a weaker performance at the *Healthcare professionals* division owing to French pharmacists putting off investment decisions and continued tough conditions in market research. Thus, [Cegedim](#) now expects its 2013 operating margin from recurring operations to improve by 0-50 basis point.

With conditions still challenging, [Cegedim](#) continues to prioritize debt reduction and is still pursuing efforts to improve its operating leverage.

In order to provide more relevant information on its divisions that more closely reflects its internal reporting, [Cegedim](#) will now report on four divisions: *CRM and strategic data*, *Healthcare professionals*, *Insurance and services* and *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. 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.

- **The change in revenues per division for the fourth quarter of 2013 is as follows:**

In the fourth quarter of 2013, *Cegekdim* generated consolidated revenues of €254.0 million, down 2.6% on a reported basis and 0.5% like for like* compared with the same period in 2012. Acquisitions had a marginal impact and currencies had a negative effect equal to 2.2%.

€ thousands	4th quarter 2013	4th quarter 2012	Q4 2013/2012 change	
			Reported	L-f-L*
CRM and strategic data	133,207	137,839	-3.4%	+0.1%
Healthcare professionals	75,194	78,637	-4.4%	-3.5%
Insurance and services	45,306	44,316	+2.2%	+2.2%
Reconciliation	306	122	n.m.	n.m.
Group	254,013	260,915	-2.6%	-0.5%

* at constant scope and exchange rates

- **The change in revenues per division over FY 2013 is as follows:**

Over the full year 2013, *Cegekdim* generated consolidated revenues of €902.3 million, down 2.1% on a reported basis and 0.5% like for like* compared with the same period in 2012. Acquisitions and divestments had a positive net impact of 0.2% and currencies had a negative effect equal to 1.8%.

€ thousands	2013	2012	change	
			Reported	L-f-L*
CRM and strategic data	452,821	482,864	-6.2%	-3.0%
Healthcare professionals	288,844	287,255	+0.6%	+0.4%
Insurance and services	159,965	151,235	+5.8%	+5.8%
Reconciliation	626	419	n.m.	n.m.
Group	902,256	921,773	-2.1%	-0.5%

* at constant scope and exchange rates

Analysis of business trends by division

- **CRM and strategic data**

In the fourth quarter of 2013, the division's revenues amounted to €133.2 million, down 3.4% on a reported basis. Currencies had a negative impact of 3.5%, whereas the effects of acquisitions were marginal. Like-for-like* revenues rose 0.1% over the period.

Like-for-like* revenues for the full year 2013 fell by 3.0% relative to 2012. Acquisitions and currencies had negative impacts of respectively 0.4% and 2.9%. Thus, division revenues at year's end beat its expectations.

The *CRM and strategic data* division represented 50% of the Group's consolidated revenues compared with 52% a year earlier.

Business stabilized in the fourth quarter even though market research revenues fell by more than 10% in the quarter. The drop was offset by:

- Double-digit growth in Compliance activities, particularly in the US and France due to those countries' setting up of "Transparency" regulations;
- Strong growth by offerings linked to the OneKey database. The number of users rose substantially in Europe and, to a lesser extent, in the US. User numbers in China took off late in the year, proof that *Cegedim* is taking the right approach to the market.

The launch of new Compliance offerings, CRM tools for the medical devices market, and services related to *OneKey* are promising sources of future growth. The Group continues to pursue its investment policy, which will soon enable *Cegedim* to enrich its offering of products for the medical affairs market, among other areas.

The *Cegedim Strategic Data* activity (Market Research) having not achieved its 2013 financial target, the Group is currently reviewing the mid-term trends for this division.

- **Healthcare Professionals**

In the fourth quarter of 2013, the division's revenues amounted to €75.2 million, down 4.4% on a reported basis. Acquisitions had a positive effect equal to 0.2%, whereas currencies had a negative impact of 1.0%. Like-for-like* revenues fell 3.5% over the period.

Like-for-like* revenues for the full year 2013 rose by 0.4%. Acquisitions had a positive effect equal to 1.3%, whereas currencies had a negative impact of 1.1%. Thus, division revenues grew over the year, but by less than initially expected.

The *Healthcare professionals* division represented 32% of consolidated Group revenues compared with 31% last year.

Pharmacy computerization activities were hurt by:

- French pharmacists' hesitancy to invest in a difficult economic period and in light of future release of new Group offers, and
- The completion of the electronic prescription roll-out in the UK.

The decline was partly counterbalanced by robust growth in computerization activities for doctors, physical therapists and nurses in Europe, particularly in France.

The launch of cloud solutions for use in medical centers offers promise for future growth, and the upcoming "patient portal" will allow *Cegedim* to enrich its offering still further.

- **Insurance and services**

The division's fourth quarter 2013 revenues came to €45.3 million, up 2.2% on a reported basis and like for like*. Currencies had virtually no impact and there were no acquisitions or divestments.

Revenues for the year 2013 grew by 5.8% on a reported basis and like for like* relative to 2012. As a result, the division's full year growth outpaced its initial expectations.

The *Insurance and services* division represented 18% of consolidated Group revenues compared with 16% the previous year.

Division revenues grew in the fourth quarter despite a demanding comparison. Growth was driven notably by:

- [Cegedim SRH](#), provider of human resources solutions, which continues to garner numerous commercial successes, resulting in double-digit growth; and
- [Cegedim e-business](#), provider of electronic document solutions, which generated brisk growth owing to the ramp-up of SEPA business.

The launch of SEPA solutions is already providing promising sources of future growth, and the expansion of payment offerings will enable [Cegedim](#) to further enrich its range of products and services.

2013 highlights

On March 20th, Cegedim issued a €300 million senior Reg S/144A bond with a coupon of 6.75% maturing April 1, 2020. 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;
- Pay fees and charges related to these transactions.

On April 26th, 2013, Standard and Poor's upgraded its rating on Cegedim and its two bonds to "B+ with stable outlook".

Following the appointment of Valérie Raoul-Desprez to replace Jacques-Henri David in January 2013, [Cegedim](#) Board of Directors welcomed, last September, Anne-Sophie Hérelle as the permanent representative of Bpifrance. Anne-Sophie Hérelle replaced Nicolas Manardo.

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.

Significant post-closing transactions and events

In January 2014, [Cegedim](#) acquired:

- Certain assets from French company [Kadrige](#), a pioneer in SaaS e-detailing and collaborative solutions. The deal strengthens Cegedim's multi-channel offering with the addition of reliable and scalable solutions that fit seamlessly into its [Mobile Intelligence](#) CRM platform. The acquisition was financed by internal financing. The acquired assets represent annual revenues of around €2.5 million and will contribute to the Group's consolidated figures from January 1, 2014.
- [Webstar Health](#), the UK leader in health IT consulting and services for pharmacists. The deal adds to [Cegedim's](#) expertise and experience in managing primary care services in UK pharmacies. Financed by internal financing, the acquired business represents annual revenues of around €1.2 million and will contribute to the Group's consolidated figures from January 1, 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.

Outlook

CeGEDIM continues to work on improving its operating leverage, while still prioritizing innovation and debt reduction.

Considering the level of revenues at end-2013, the Group expects its operating margin from recurring operations to improve in a range of 0 to 50 basis points.

Unless market trends change significantly, the Group expects stable revenues in 2014 and around half a point improvement in its operating margin from recurring operations.

Financial calendar

The Group will hold a conference call on January 28th, 2014, 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 2013 Revenue will also be available on the website: <http://www.cegedim.com/finance/documentation/Pages/presentations.aspx>

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**No Access Code
Required**

March 10, 2014 (after the stock market closes)

- 2013 Results announcement

March 11, 2014 - 11h30am - Boulogne-Billancourt (France)

- SFAF meeting

April 29, 2014 (after the stock market closes)

- Q1 2014 Revenue announcement

May 27, 2014 (after the stock market closes)

- Q1 2014 Results announcement

July 29, 2014 (after the stock market closes)

- Q2 2014 Revenue announcement

September 18, 2014 (after the stock market closes)

- H1 2014 Results announcement

October 28, 2014 (after the stock market closes)

- Q3 2014 Revenue announcement

November 27, 2014 (after the stock market closes)

- Q3 2014 Results announcement

Additional information

Complete financial information is available on our website: www.cegedim.com/finance.

A presentation of Cegedim FY 2013 revenues is also available on the website.

Appendices

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

- 2013 Revenues by division and by quarter[#]:

€ thousands	Q1	Q2	Q3	Q4	Total
CRM and strategic data	103,590	108,757	107,267	133,207	452,821
Healthcare professionals	71,961	75,673	66,016	75,194	288,844
Insurance and services	37,192	39,850	37,617	45,306	159,965
Reconciliation	122	84	114	306	626
Group	212,865	224,363	211,014	254,013	902,256

- 2013 revenues by division and by region:

	France	EMEA except France	Americas	APAC
CRM and strategic data	33%	36%	22%	9%
Healthcare professionals	72%	24%	4%	0%
Insurance and services	100%	0%	0%	0%
Group	57%	26%	13%	4%

- 2013 revenues by division and by currency:

	Euro	USD	GBP	Others
CRM and strategic data	51%	19%	4%	26%
Healthcare professionals	74%	4%	21%	1%
Insurance and services	99%	-	-	1%
Group	67%	11%	9%	13%

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 recurring 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 recurring 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). 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.

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

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

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

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

Net cash: defined as cash and cash equivalent minus overdraft

About Cegedim :

Founded in 1969, Cegedim is a global technology and services company specializing in the healthcare field. Cegedim supplies services, technological tools, specialized software, data flow management services and databases. Its offerings are targeted notably at healthcare industries, life sciences companies, healthcare professionals and insurance companies. The world leader in life sciences CRM, Cegedim is also one of the leading suppliers of strategic healthcare industry data. Cegedim employs 8,000 people in more than 80 countries and generated revenue of €902 million in 2013. Cegedim SA is listed in Paris (EURONEXT: CGM).

To learn more, please visit: www.cegedim.com
And follow Cegedim on Twitter: [@CegedimGroup](https://twitter.com/CegedimGroup)

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