

FIRST-HALF 2006 RESULTS

CEGEDIM POSTS FIRST-HALF 2006 OPERATING PROFIT GROWTH OF 10%

Paris, 24 October 2006 – First-half 2006 operating profit at CEDEDIM, the European leader in CRM solutions and marketing studies for the pharmaceutical industry, rose by 10% to €31.8 million.

In thousands of euros	30/06/2006	30/06/2005	Var %	30/06/2005 initially released	Notes
Turnover A	265,769	245,541	8%	245,541	
Self-constructed assets	5,643	4,763	18%	0	(1)
Purchasing	-17,640	-16,671	6%	-16,641	(1)
External costs	-81,495	-76,799	6%	-75,604	(1)
Personnel costs	-123,142	-112,681	9%	-109,204	(1)
Amortization and Provisions	-12,001	-10,336	16%	-12,709	(2)
Other operating income (+) and expenses (-)	-5,320	-4,889	9%	-4,829	(1)
ORDINARY OPERATING PROFIT (EBIT) B	31,814	28,928	10%	26,555	(2)
<i>Ordinary operating margin</i> B/A	12.0%	11.8%		10.8%	
Financial income	2,161	2,654	-19%	2,654	
Cost of financial indebtedness	-4,593	-3,976	16%	-3,950	(3)
NET FINANCIAL COSTS	-2,432	-1,322	84%	-1,296	
Corporation Tax	-10,179	-10,014	2%	-9,387	(4)
Share of profits in affiliate undertakings	-17	46		46	
NET CONSOLIDATED PROFIT	19,186	17,638	9%	15,918	
Group share C	19,105	17,757	8%	16,052	
Minority interests	81	-119		-134	(5)
Number of shares excluding own shares D	9,290,266	9,273,108		9,273,108	
EARNINGS PER SHARE (in euros) C/D	2.06	1.91		1.73	

Consolidated turnover rose 8% to €265.8 million. Ordinary operating profit grew by 10%.

First-half ordinary operating margin came to 12%, compared with 11.8% in the first half of 2005.

Ordinary operating margin IFRS - thousands of euros	Turnover (TO)		EBIT/TO June 2006	EBIT		EBIT/TO June 2005
	30/06/2006	30/06/2006		30/06/2005	30/06/2005	
CRM and strategic data	118,935	20,055	16.9%	18,778	17.1%	
Healthcare professionals	64,129	7,569	11.8%	5,471	10.0%	
Healthcare insurance services	39,557	3,482	8.8%	3,912	10.2%	
Healthcare and strategic data	222,621	31,106	14.0%	28,161	13.8%	
Technologies and services	43,148	707	1.6%	767	1.8%	
TOTAL	265,769	31,814	12.00%	28,928	11.8%	

Operating margin in the “**CRM and strategic data**” sector remained strong at close to 17%, even though, as expected, there was a slight drop in French activities’ growth compared with 2005. CEGEDIM’s continued strong international development and the focus on increasingly more qualitative databases will contribute to sustain growth and margins.

The Group’s “**Healthcare professionals**” activities made the biggest operating margin gains in the first half of 2006. The performance was attributable to software publishing activities – pharmacists’ software in France and doctors’ and pharmacists’ software in the UK. The acquisition of RM Ingénierie, a French company specializing in software designed mainly for physical therapists, has been contributing to consolidated results since March 2006 and is positively impacting earnings per share.

The “**Insurance services**” sector’s operating margin amounted to 8.8% in the first half of 2006 compared with 8.1% over the full year 2005. This performance is in line with the business’ managed growth and the successful harmonization of operational structures. The margin’s fluctuation relative to the first half of 2005 has been notably due to depreciation and amortization charges, which increased by €580,000 in the first half of 2006.

Operating margin at the “**Technologies and services**” division was almost on a par with first-half 2005 despite tougher market conditions for direct marketing activities.

Notes

Some changes have been made to the IFRS accounts closed 30 June 2005 and initially published in the BALO of 31 October 2005. The changes are consistent with the accounting policies used for the IFRS accounts closed 31 December 2005 and are the result of the ongoing adoption of IFRS accounting policies for operations during H2 2005. That adoption process led us to clarify certain analyses. The following amounts have been included in the income statement ended 30 June 2005 presented above:

- (1) €4.763 million of development costs were reclassified as self-constructed assets (previously listed net of the relevant expense lines). The move had no impact on results.
- (2) Depreciation and amortization charges were reduced by €2.372 million, including:
 - €697,000 from the cancellation of the amortization charge for intangible assets acquired in business combinations
 - €1.676 million from changes to the amortization schedules for intangible assets (excluding those acquired in business combinations) and tangible assets
- (3) A €26,000 increase in the financial loss resulting from the conversion of foreign intangible assets acquired in business combinations into currency
- (4) A €627,000 increase corresponding to corporate income tax
- (5) A resulting €15,000 decrease in the minorities’ share of consolidated net profit.

As a result of these factors, ordinary operating profit came to €31.8 million. The financial result is in line with the Group's level of debt, which it incurred in financing recent external growth. The tax burden declined relative to 2005, leading to a consolidated net profit of €19.2 million.

2006 outlook

Our previously announced forecast for 2006 consolidated turnover of approximately €535 million is unchanged.

About CEGEDIM:

CEGEDIM develops exclusive databases and high value added software solutions. Its expertise falls into two divisions. The "Healthcare and strategic data" division comprises services specifically designed for pharmaceutical companies, healthcare professionals and health insurance providers. The "Technologies and services" division covers a variety of sectors.

Established as the European leader in its historic core business, CEGEDIM provides the world's largest pharmaceutical companies with vital support for successful CRM (Customer Relationship Management) and helps measure sales & marketing effectiveness. CEGEDIM's CRM tools, backed by the Group's powerful strategic databases, also provide its clients with a clearer picture of their markets and targets, optimizing both strategies and return on investment.

Founded in 1969, and the only European company operating globally in this market, CEGEDIM employs 4,800 people and generated turnover of €501 million in 2005 in over 60 countries. To learn more, please see our website: www.cegedim.com

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Media inquiries

CEGEDIM
Aude Balleydier
Media Relations
Tel: +33 1 49 09 68 81
aude.balleydier@cegedim.fr

VP COMMUNICATION
Coralie Voigt
Press Officer
Tel: +33 1 40 22 04 01
cvoigt@vp-communication.com

Investor relations

CEGEDIM
Sandrine Debroise
Chief Financial Officer
Tel: +33 1 49 09 22 00
investor.relations@cegedim.fr