



# Cegedim Investor Update

**Gilbert Dupont**  
**16<sup>th</sup> Forum Life Sciences**  
May 29, 2018

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations and assumptions that we believe to be reasonable when made, but that may not prove to be accurate. By their nature, forward-looking statements involve risk and uncertainty. Consequently the company cannot guarantee their accuracy and their completeness, and actual results may differ materially from those the company anticipated due to a number of uncertainties, many of which the company is not aware of.

Additional information concerning important factors that may cause the company's actual results to differ materially from expectations and underlying assumptions, please refer to the reports filed by the company with the 'Autorité des Marchés Financiers'.

Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.



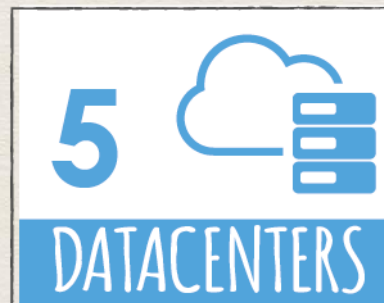
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Cegedim  
at glance

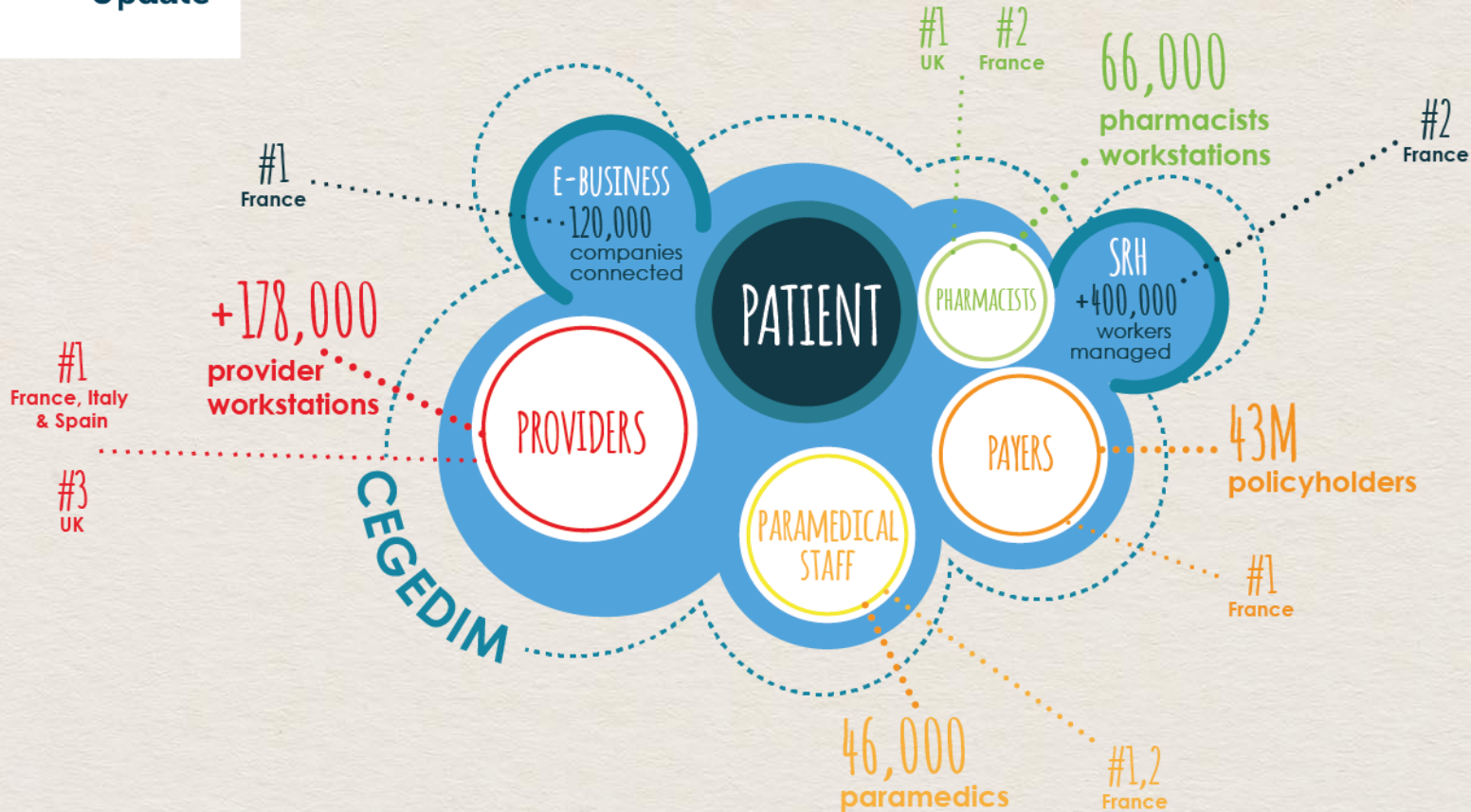
An **innovative technology** and **services** company in the field of **digital data flow management** for healthcare ecosystems and B2B, and a **business software publisher** for healthcare and insurance professionals



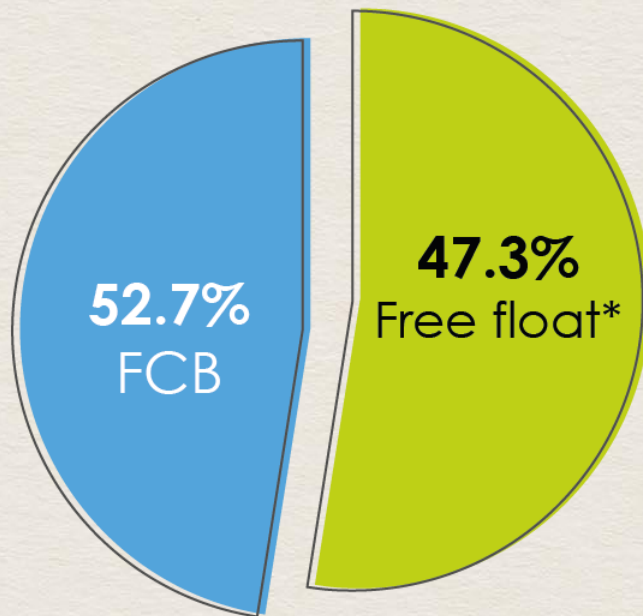
# Cegedim Key Facts



# Cegedim: Unique Connected Healthcare Ecosystem

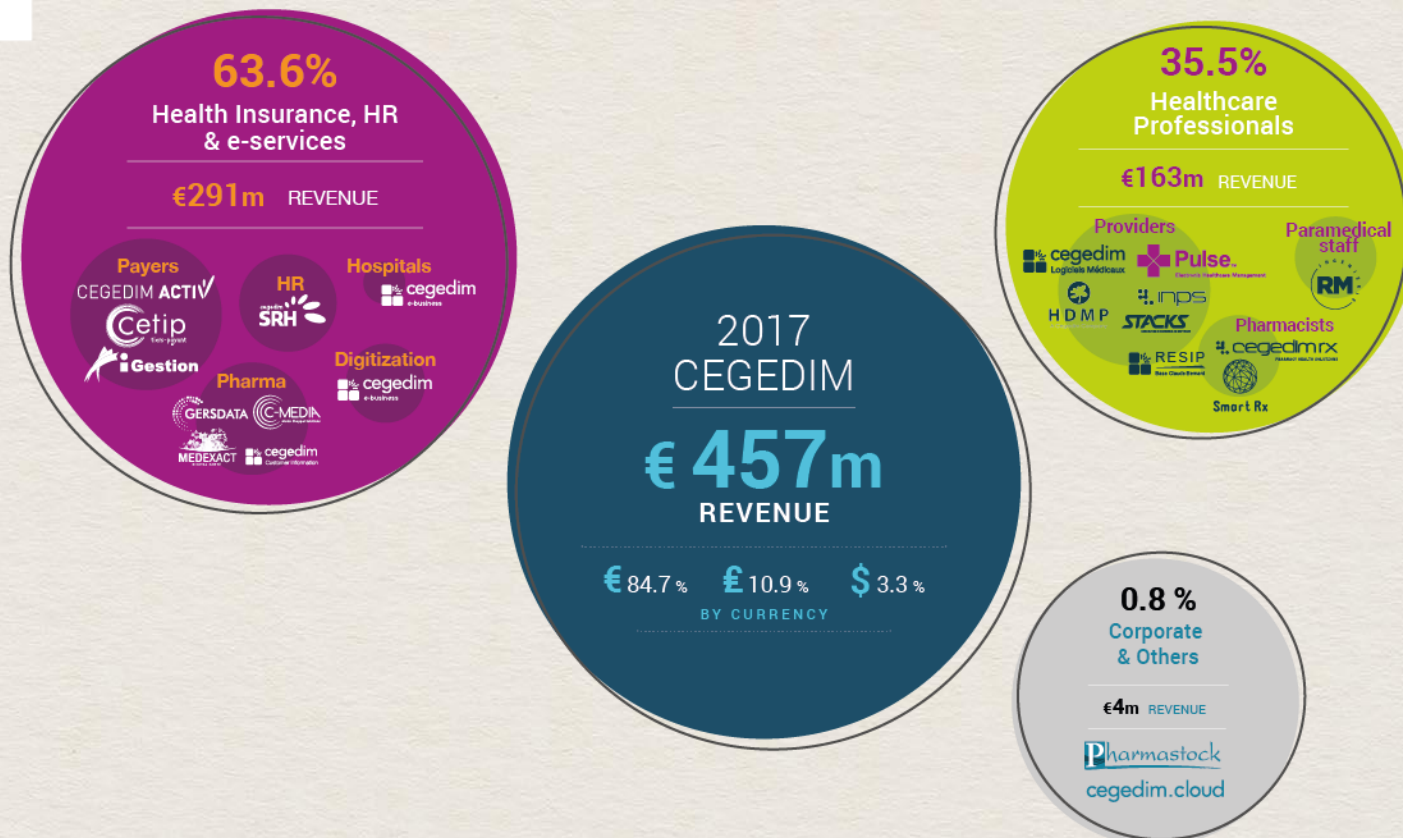


# Shareholder Structure as of March 31, 2018

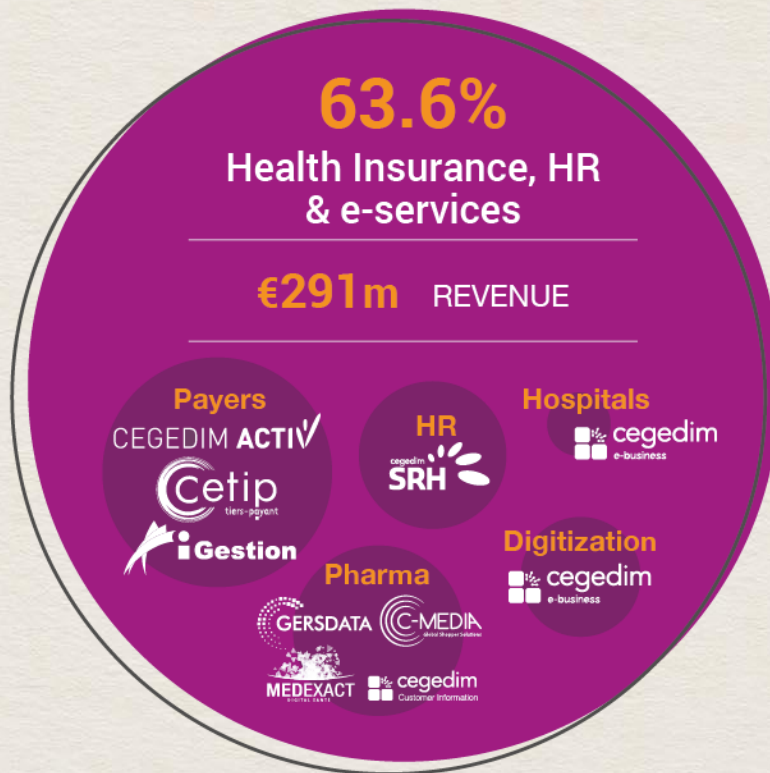


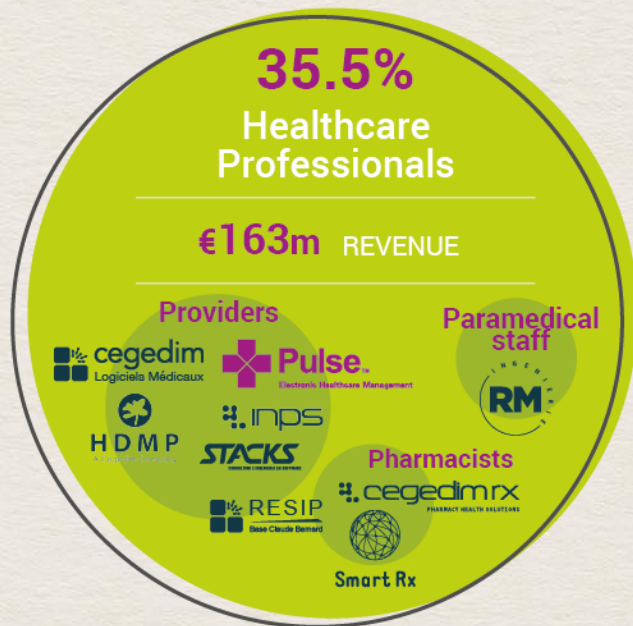
\* including BPI (3%) and cegedim (0.5%)

# Our Clients, Our Divisions





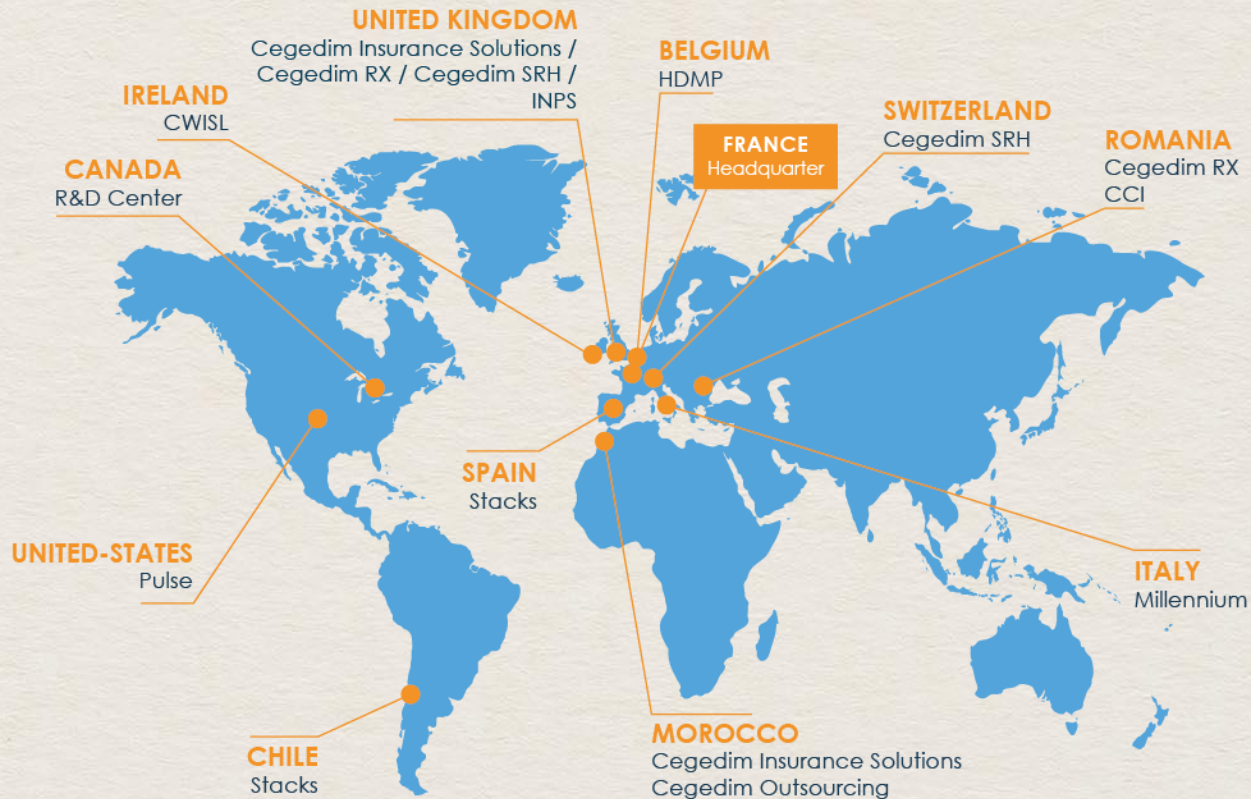




# Strong Position



# Presence in more than 10 countries





2

**Strategy**

From a **Business Model**  
Transformation Plan to an  
**Integrated Connected, Full-Service**  
**Cloud Digital suite**



**Portfolio  
Management**



**Investing in  
Innovation**



**Business Model  
Transformation**



## Portfolio Management

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### Divestment:

- Cegelease



### Acquisitions

- Activus
- Nightingale
- Futuramedia
- B.B.M
- Adaptive apps
- Rue de la Paye

# Cegelease Disposal

## RATIONAL

The Cegelease and Eurofarmat subsidiaries operate principally in the financial domain, are highly valued, and require additional resources to continue pursuing and accelerating their development for the benefit of their clients and employees.

## BUYER

**FRANFINANCE**  
Société Générale

## PRICE

≈ **€70m**

- €57.5m for equity
- €13.0m reimbursement of shareholder loan

## TIMING

Signed on Dec. 14, 2017  
Disposal completed on Feb. 28, 2018

## AGREEMENT

Six-year collaboration agreement between Cegedim Group and Cegelease

## IMPACT

Contribution to FY 17

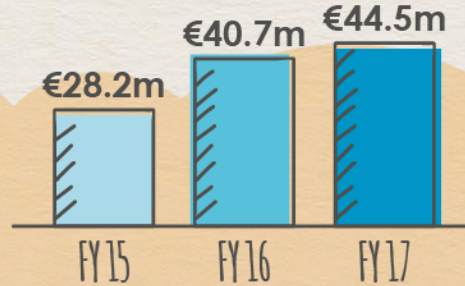
- Revenue: **€13.0m**
- EBITDA: **€5.8m**

## USED OF PROCESS

- **€30m** to repay debt
- Acquisition or debt repayment



## Investing in Innovation



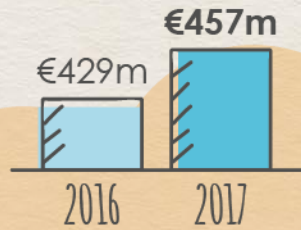
Capitalized R&D

## Business Model Transformation

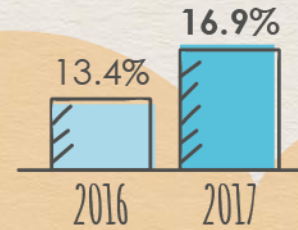
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## Results



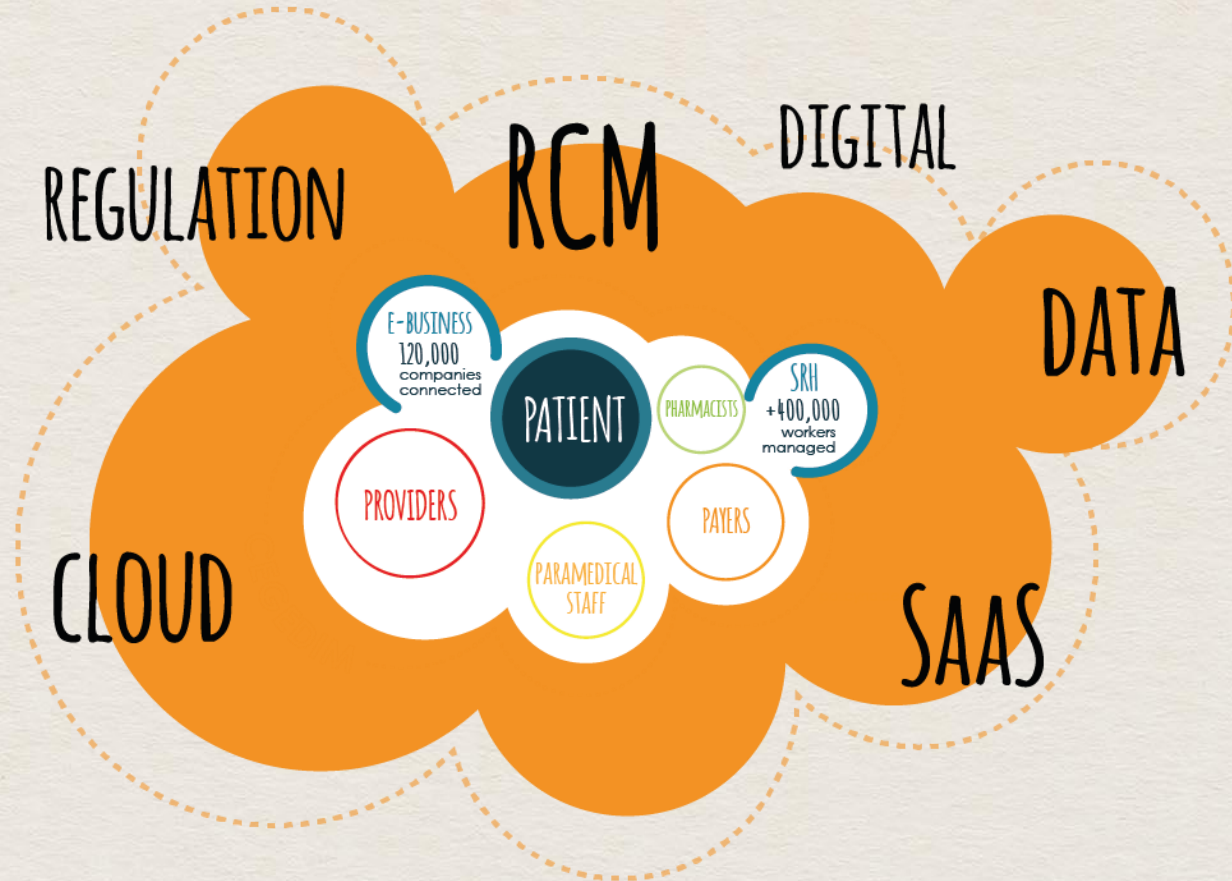
**GROUP REVENUE**  
IFRS-5



**EBITDA MARGIN**  
IFRS-5

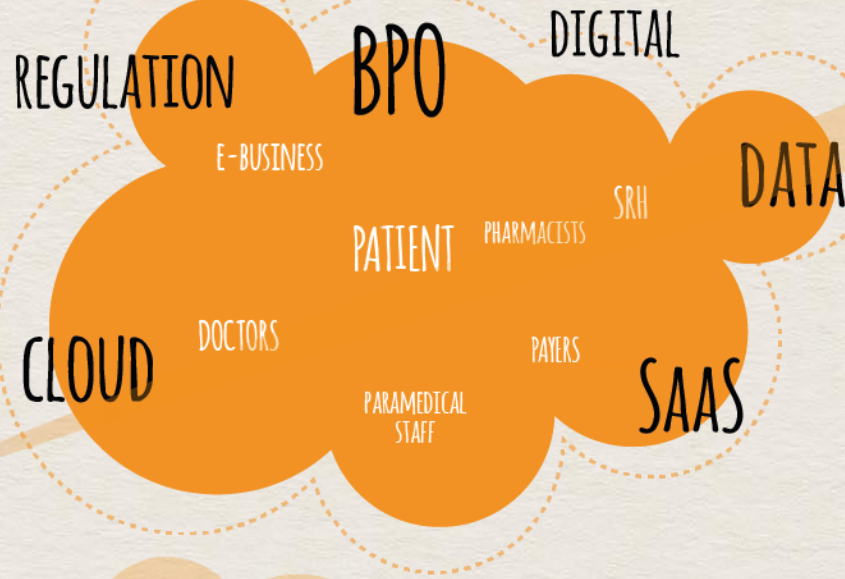


# Many Drivers Ensure Profitable Growth





# Many Drivers Ensure Profitable Growth





Finance

## Cegecim Q1 2018 revenue

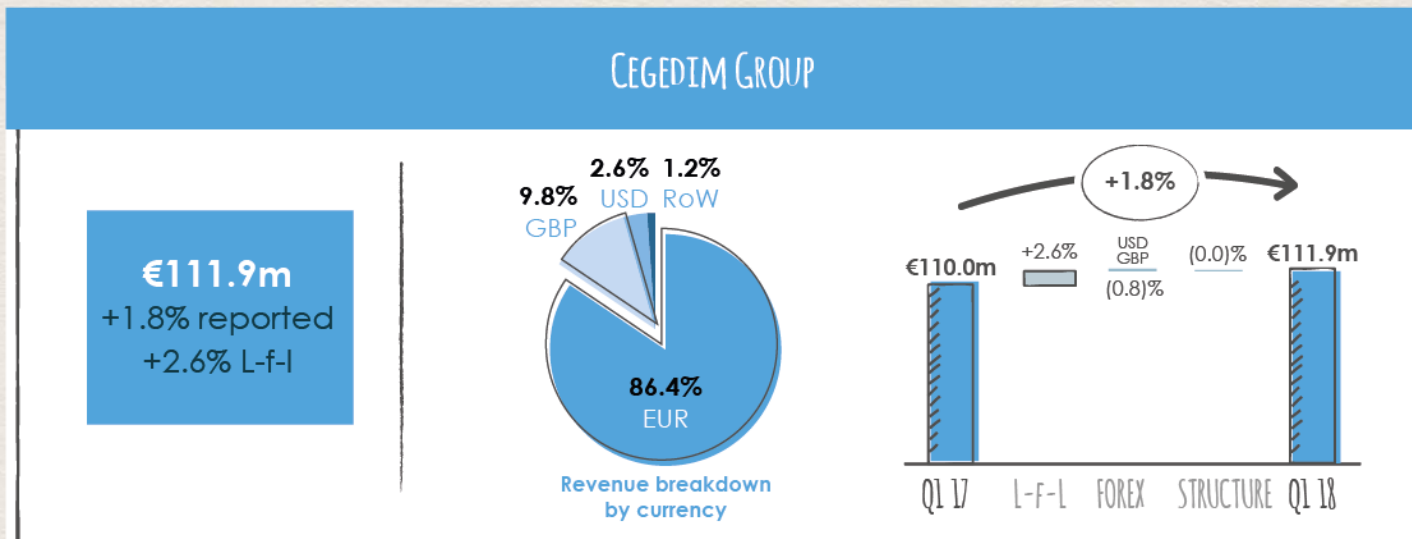
### IFRS 5

Owing to the disposal of the Group's Cegelease and Eurofarmat businesses, announced in 2017 and completed on February 28, 2018, the consolidated 2017 and 2018 financial statements are presented according to IFRS 5, "Non-current assets held for sale and discontinued". See the annexes for more detail.

### IFRS 15

The application of the new IFRS 15 accounting standard "Revenue from contracts with customers" has no material impact on Group revenue

# Overview: Q1-18 Revenue from Continuing Activities



HEALTH INSURANCE, HR  
& E-SERVICES

**€72.9m**

+6.3% reported  
+6.4% L-f-l

HEALTHCARE PROFESSIONALS

**€38.0m**

(5.7)% reported  
(3.5)% L-f-l

CORPORATE & OTHERS

**€1.0m**

# Quarterly Organic Revenue Growth

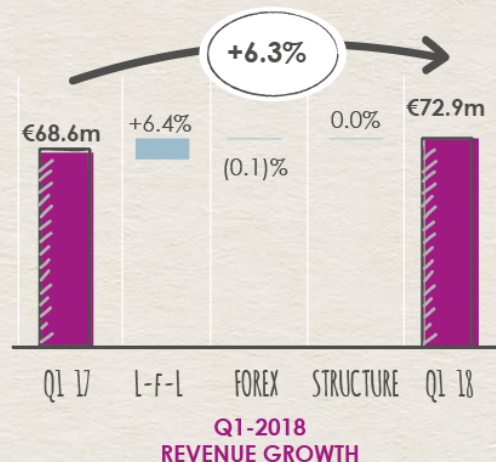
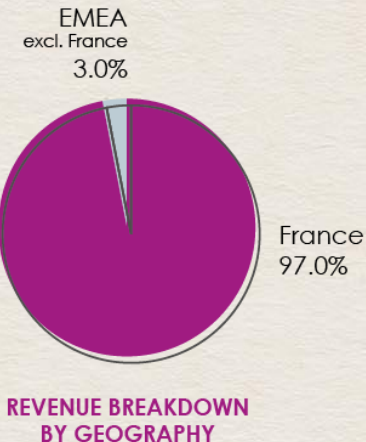
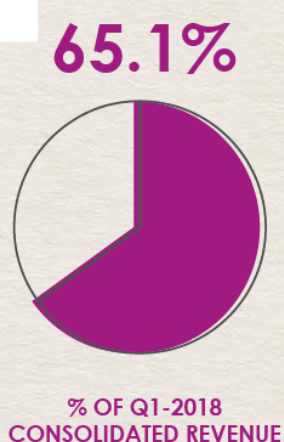
GROUP CEGEDIM

HEALTH INSURANCE,  
HR & E-SERVICES

HEALTHCARE  
PROFESSIONALS







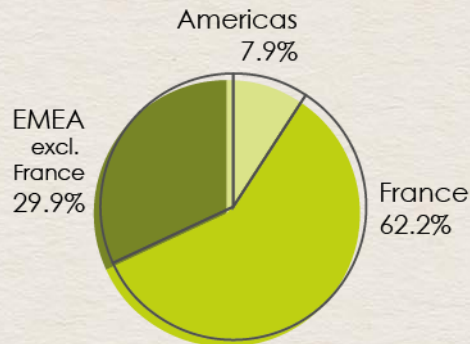
- The businesses that made the bigger contribution to growth were:
  - Cegedim SRH* - SaaS platform for HR management - ;
  - Cegedim e-business* – SaaS platform for digitalization and data exchanges - ;
  - Business of sales statistics for pharmaceutical products ;
  - Software and services for the health insurance companies in UK.
- This performance was partially offset by the impact of:
  - Switching the health insurance company over the SaaS model in France;
  - The timing of *C-Media* – ad space in pharmacies and health & wellness shops -

# Healthcare Professionals Division

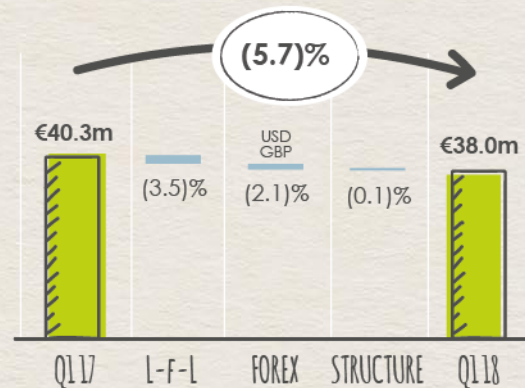
34.0%



% OF Q1-2018  
CONSOLIDATED REVENUE



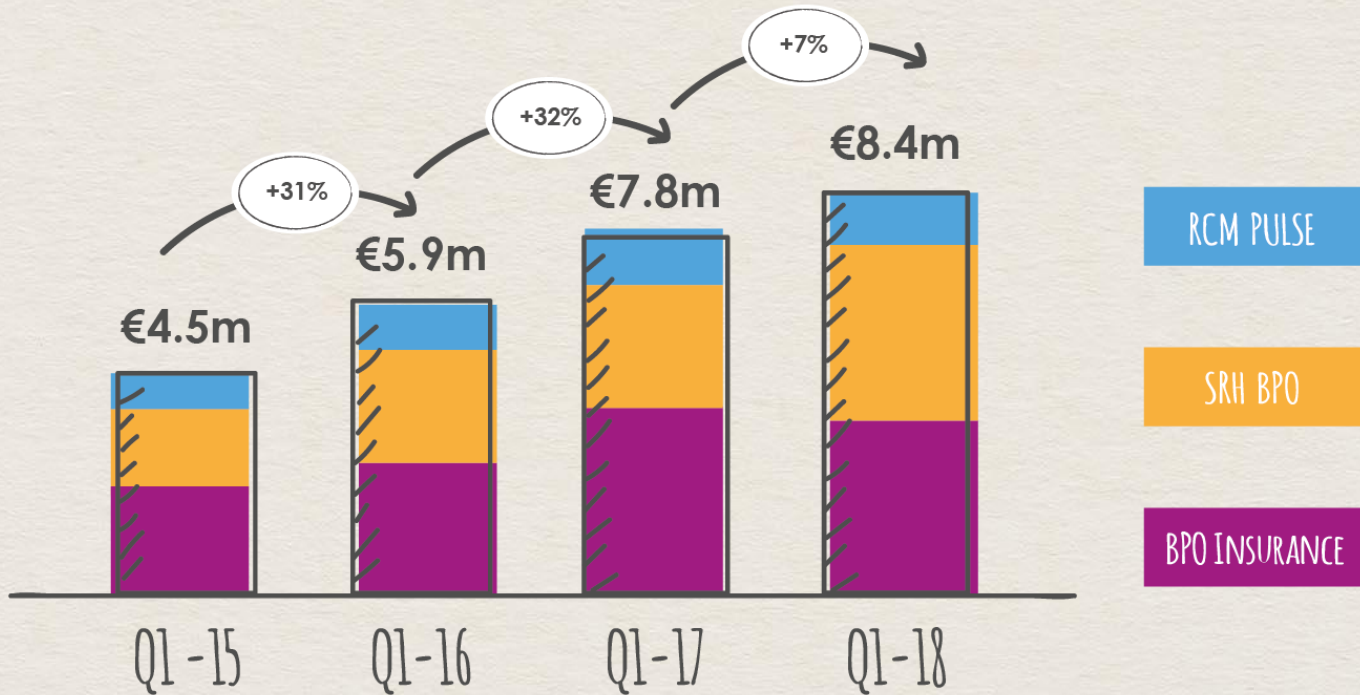
REVENUE BREAKDOWN  
BY GEOGRAPHY



Q1-2018  
REVENUE GROWTH

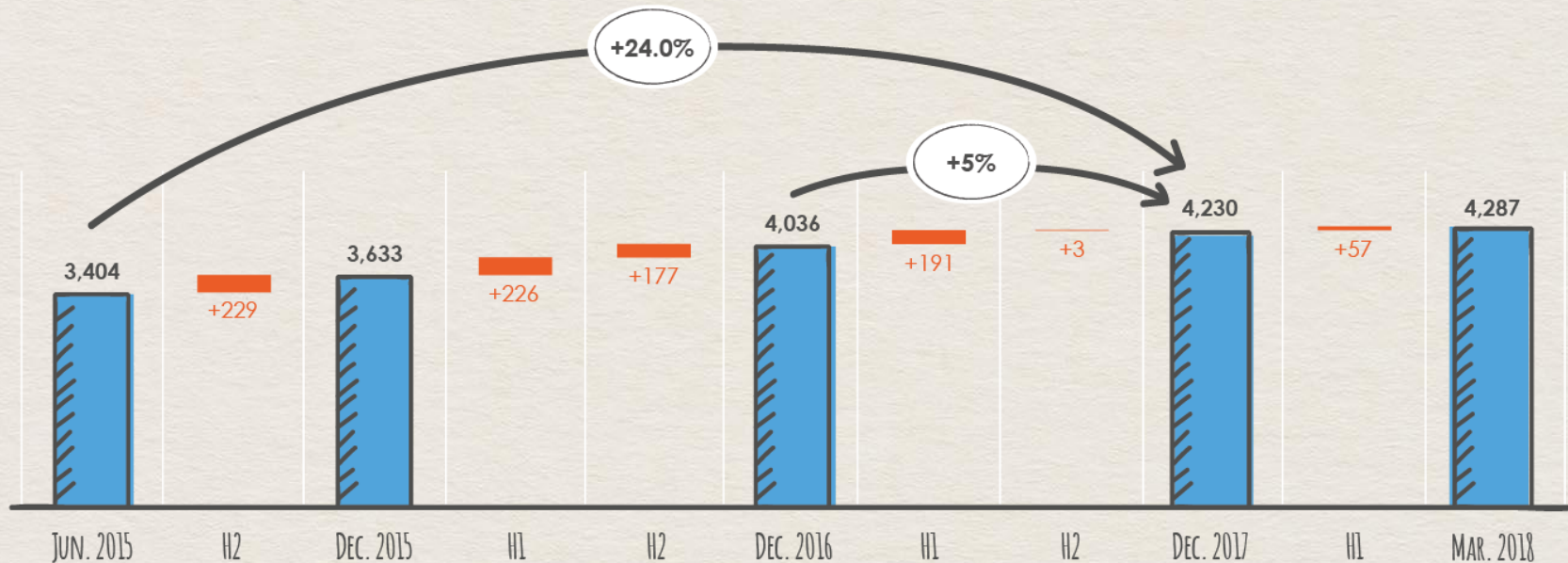
- The growth is negatively affected by the activities of:
  - Computerization of doctors in UK, the US and Spain ahead of new product launches;
- This performance was partly offset by the activity of:
  - Computerization of doctors and allied health professionals in France;
- Stabilization at the activity of:
  - Computerization of French pharmacists

# BPO Revenue





# Significant increase in Headcount Between Jan. 2015 and Jun. 2017





3

**Finance**

## FY 2018 Cegedim Outlook as of April 26, 2018

# Potential Impact of Brexit

- Cegedim operates in the UK in local currency, as it does in all the countries where it operates
- No major European health program is at work in the UK

➔ Thus, the impact on the consolidated Group EBIT margin should be marginal

10.9%

UK revenue as a share of 2017 consolidated Group revenue from continuing activities

14.0%

UK EBIT as a share of 2017 consolidated Group EBIT

# Outlook: Prudently confident for 2018

- Today Cegedim is *refocused on its strategic assets and positioned on growing markets with a balanced portfolio of complementary offerings and a diversified client base*
- Strategy focused primarily on **ORGANIC GROWTH** and driven by a **SUSTAINED INNOVATION** policy
- The Group expects for 2018:
  - **L-f-I Revenue and EBITDA margin are expected to grow moderately**

These projections are publicly disclosed on April 26, 2018. The fact that Cegedim includes these projections in this presentation should not be taken to mean that these projections continue to be our projections as of any subsequent date.

## Cegedim FY 2017 Earnings

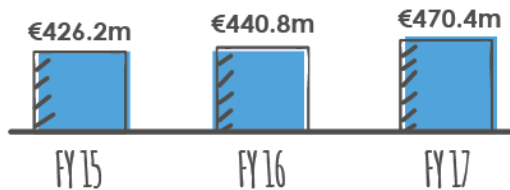
### IFRS 5

Cegedim announced on December 14, 2017 that it had signed a contract for the definitive sale of its Cegelease and Eurofarmat businesses. As a result, the consolidated 2017 financial statements are presented according to IFRS 5, "Non-current assets held for sale and discontinued". See annexes for more details. The disposal was completed on February 28, 2018.

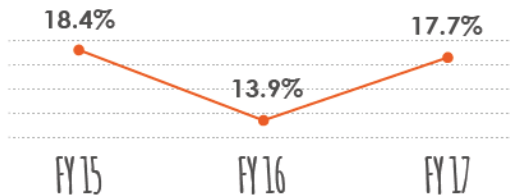


# FY 2017: Return to the 2015 Level

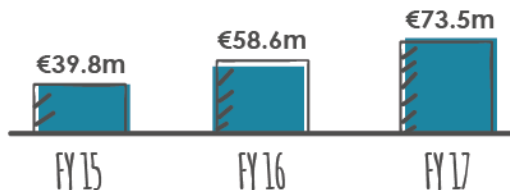
REVENUE



EBITDA MARGIN



NET CASH FLOW  
FROM OPERATING ACTIVITIES



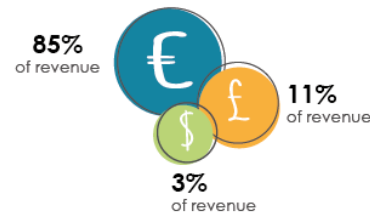
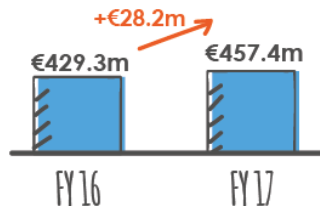
# Impact of Cegelease disposal

In € million	FY 17	Cegelease	FY 17 IFRS 5
<b>Revenue</b>	<b>470.4</b>	<b>13.0</b>	<b>457.4</b>
<b>EBITDA</b>	<b>83.3</b>	<b>5.8</b>	<b>77.5</b>
Margin	17.7%	44.3%	16.9%
<b>EBIT before special items</b>	<b>43.1</b>	<b>5.7</b>	<b>37.4</b>
Margin	9.2%	44.0%	8.2%
<b>EBIT</b>	<b>24.3</b>	<b>5.7</b>	<b>18.5</b>
Margin	5.2%	44.0%	4.1%
<b>Earnings</b>	<b>11.2</b>	<b>4.1</b>	<b>7.1</b>

# FY 2017 Key Take Away

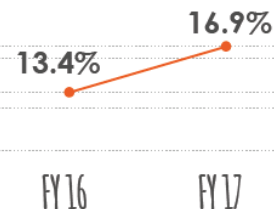
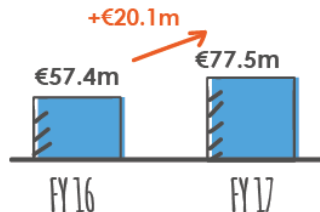
## GROUP REVENUE

€457.4m  
+6.6% reported  
+5.9% L-f-L



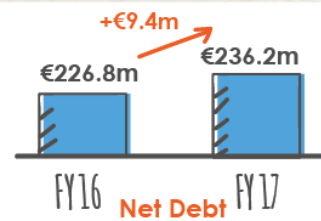
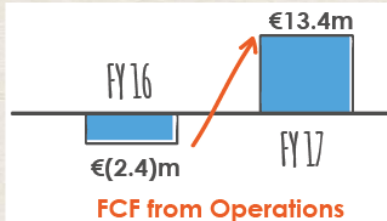
## GROUP EBITDA

€77.5m  
+35.0%

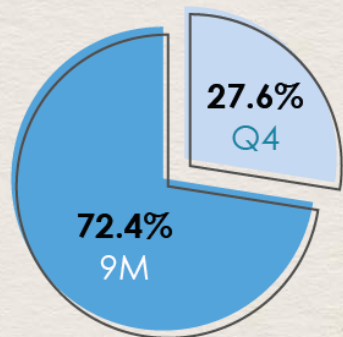
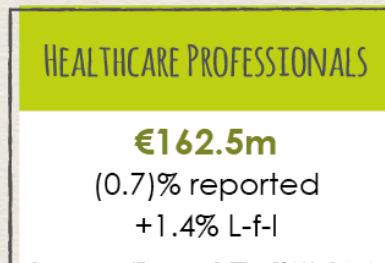
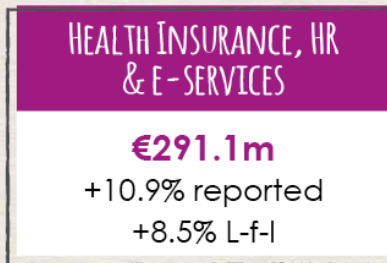
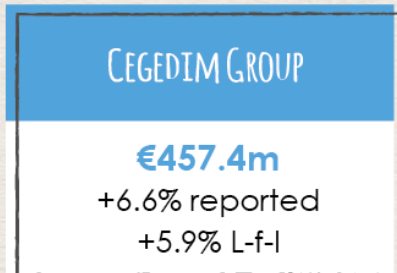


## FCF & NET DEBT

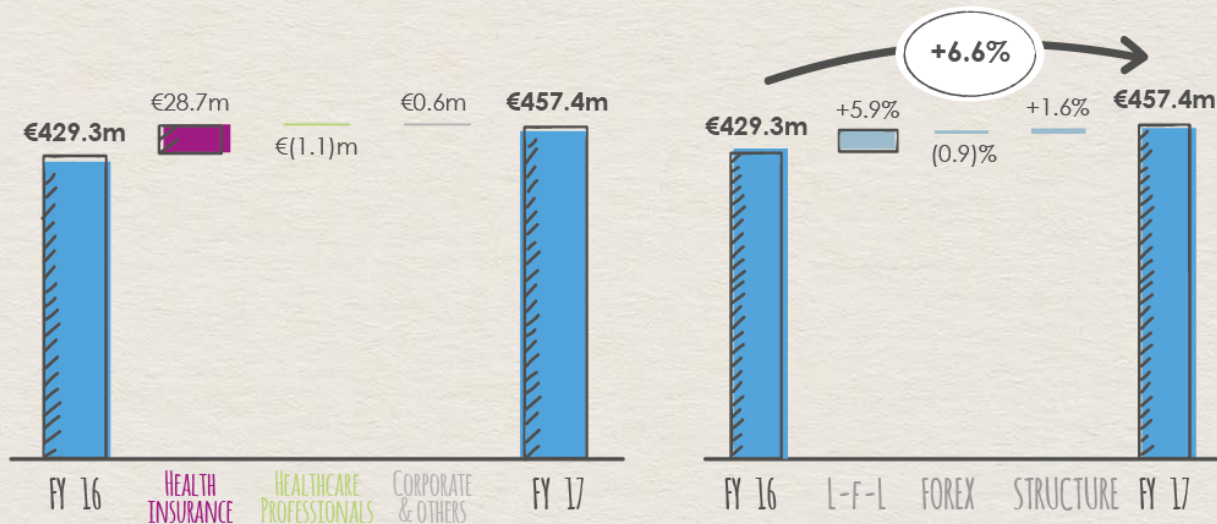
FCF: €13.4m  
Net debt: €13.4m



# 2017 Revenue from Continuing Activities Overview

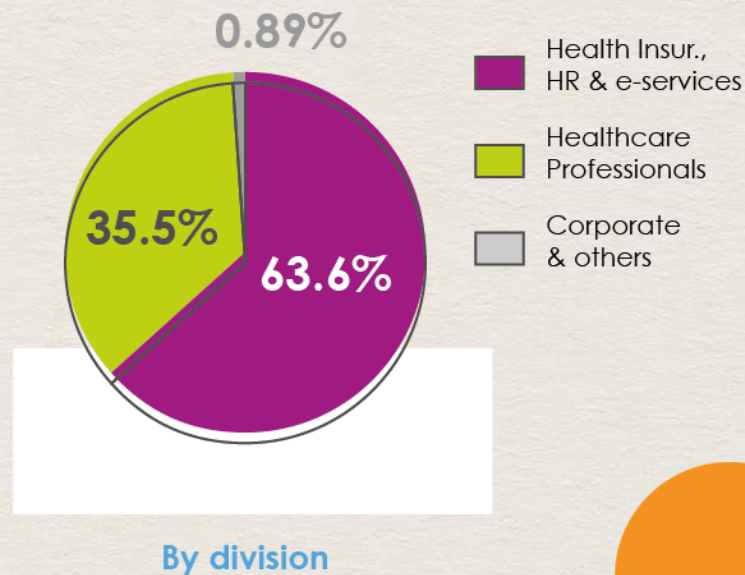
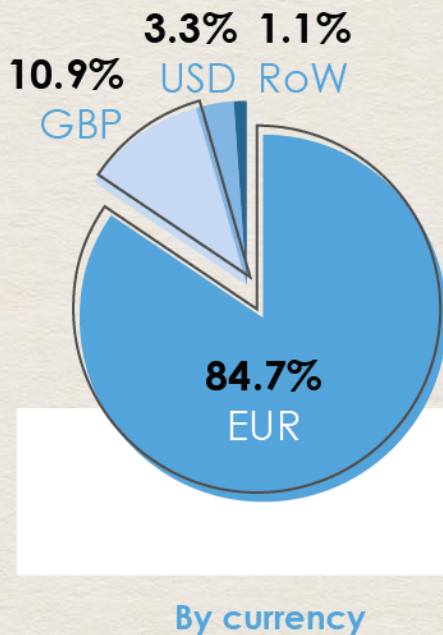
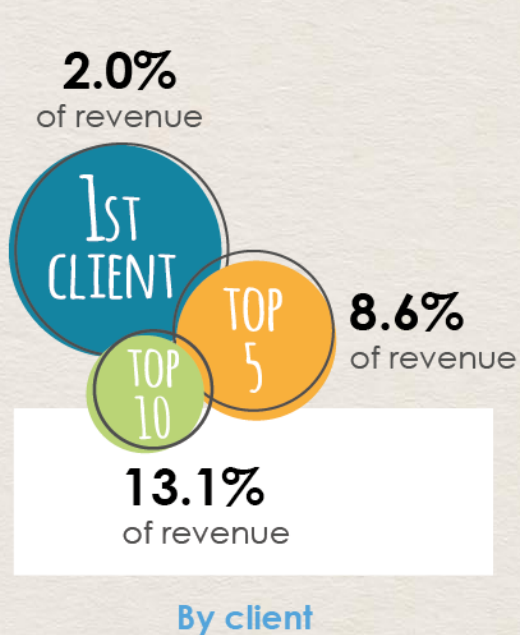


% of FY17 consolidated  
GROUP REVENUE

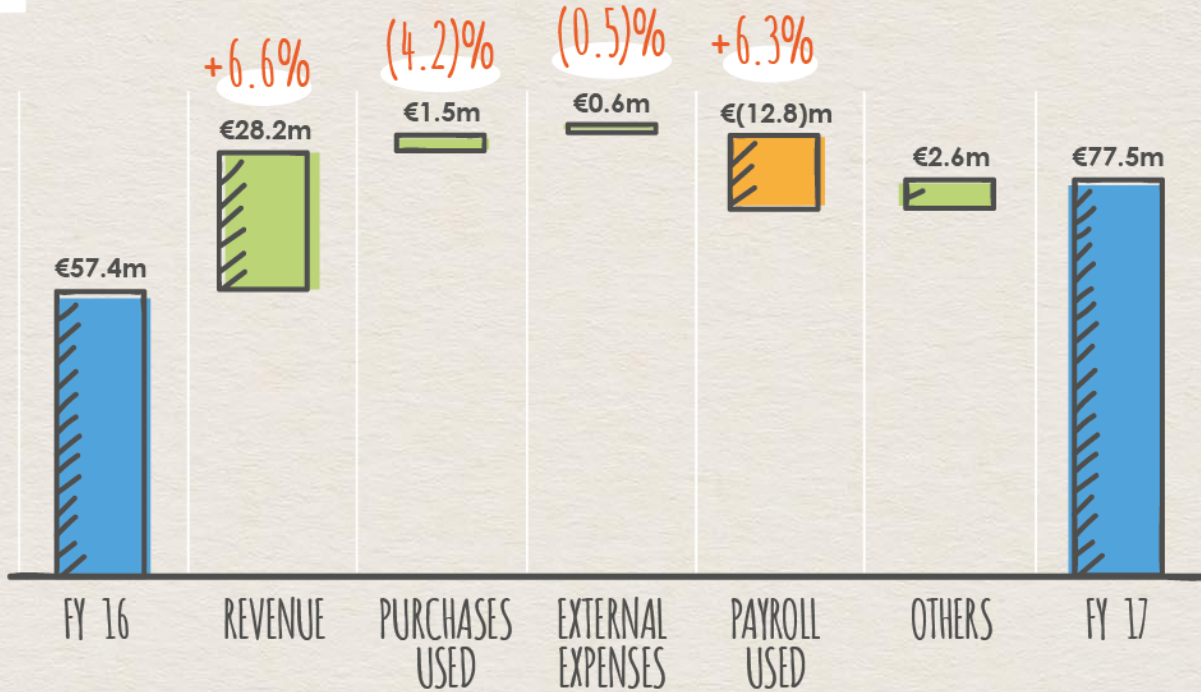




# Well diversified revenue source



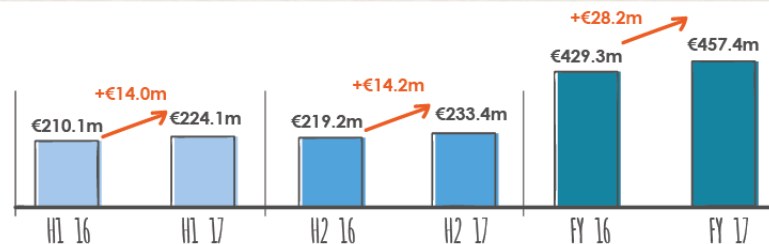
# FY 2017 EBITDA Trend



# 2017 H1 and H2 Performance

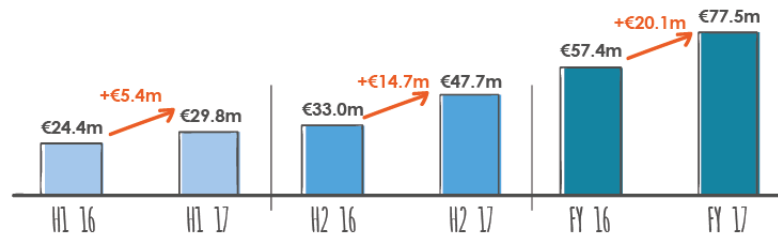
## GROUP REVENUE

€457.4m  
+6.6% reported  
+5.9% L-f-L



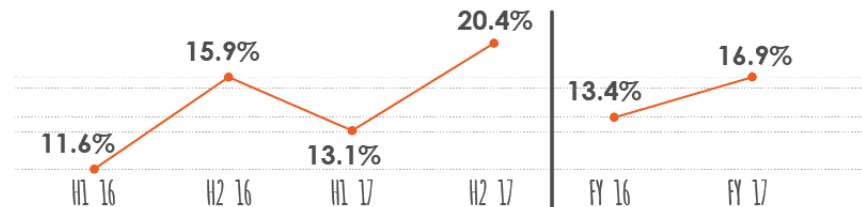
## GROUP EBITDA

€77.5m  
+35.0% reported

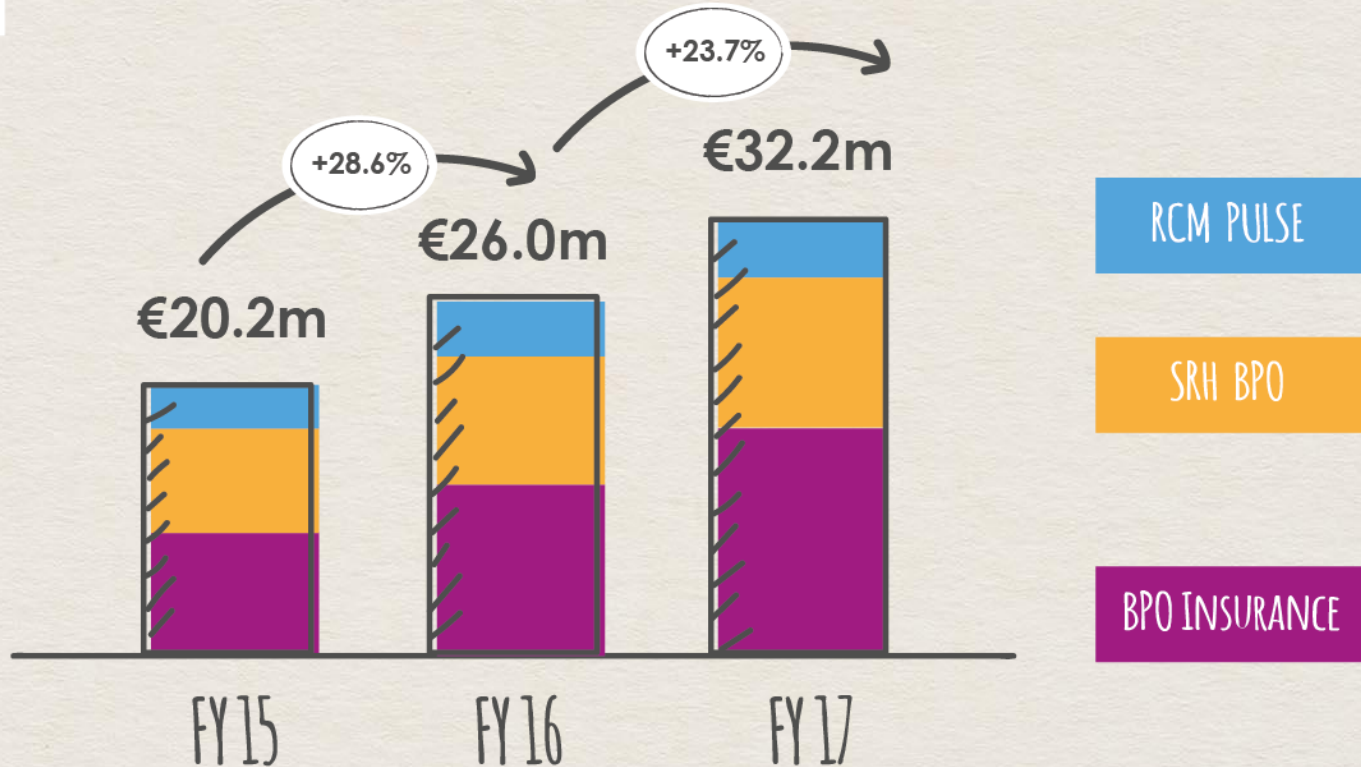


## GROUP EBITDA MARGIN

16.9%  
up 357bps



# 2017 BPO Revenue

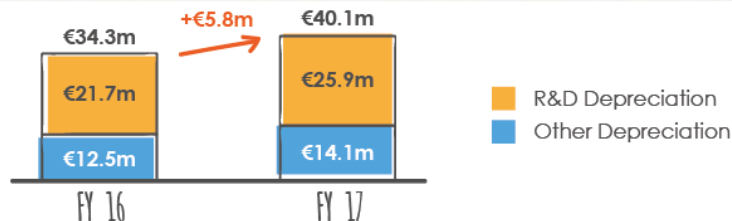




# FY17: From EBITDA to Net earnings

## DEPRECIATION EXPENSES

€4.2 million increased due to the amortization of R&D expenses



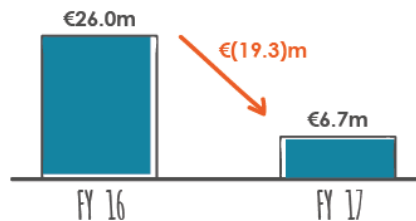
## SPECIAL ITEMS

Allowance for legacy software mainly for Pulse and Alliadis



## COST OF NET DEBT

Positive impact of 2016 debt restructuring

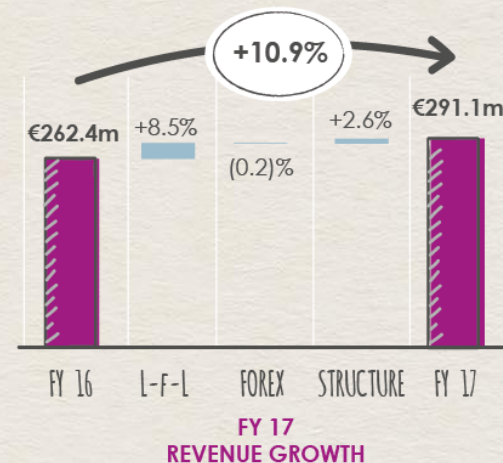
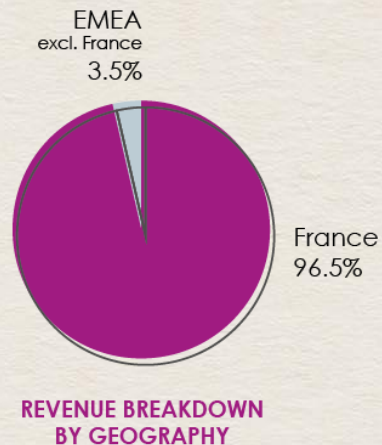


# FY 2017 Profit & Loss Statement

In € million	FY 16	FY 17	% change
<b>Revenue</b>	<b>429.3</b>	<b>457.4</b>	<b>+6.6%</b>
<b>EBITDA</b>	<b>57.4</b>	<b>77.5</b>	<b>+35.0%</b>
Margin	13.4%	16.9%	+357bps
D&A	(34.3)	(40.1)	+17.0%
<b>EBIT before special items</b>	<b>23.1</b>	<b>37.4</b>	<b>+61.8%</b>
Margin	5.4%	8.2%	+279bps
Special items	(24.1)	(18.9)	+(21.8)%
<b>EBIT</b>	<b>(1.0)</b>	<b>18.5</b>	<b>n.m.</b>
Margin	(0.2)%	4.1%	+429bps
Cost of net financial debt	(26.0)	(6.7)	(74.1)%
Total Taxes	(2.3)	(4.7)	+101.2%
<b>Earnings from continuing activities</b>	<b>(29.5)</b>	<b>7.1</b>	<b>n.m.</b>
Earnings from discontinuing activities	(1.1)	0.0	n.m.
Earnings from activities held for sales	3.8	4.1	+6.8%
Net earnings	(26.7)	11.2	
<b>Earnings before special items per share</b>	<b>(1.5)</b>	<b>0.9</b>	<b>n.m.</b>
<b>Earnings per share</b>	<b>(1.9)</b>	<b>0.8</b>	<b>n.m.</b>

# HY 17 Health Insurance, HR & e-services P&L

In € million	FY 16	FY 17	% change
<b>Revenue</b>	<b>262.4</b>	<b>291.1</b>	<b>+10.9%</b>
<b>EBITDA</b>	<b>43.9</b>	<b>48.1</b>	<b>+9.5%</b>
Margin	16.7%	16.5%	(22)bps
D&A	(15.3)	(19.7)	+29.0%
<b>EBIT before special items</b>	<b>28.6</b>	<b>28.4</b>	<b>(0.9)%</b>
Margin	10.9%	9.7%	(116)bps
Special items	(0.3)	(2.4)	n.m.



This significant revenue growth, combined with EBITDA growth, was chiefly attributable to:

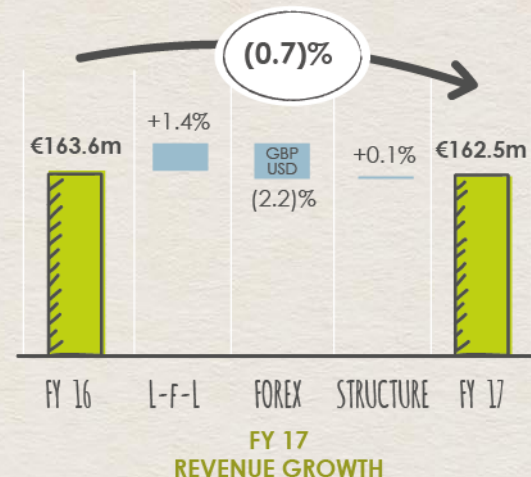
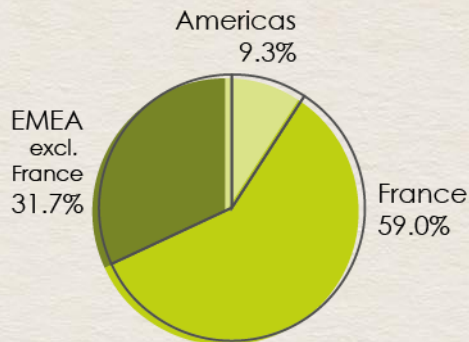
- At point-of-sale advertising in pharmacies, which now has a stronger digital offering since acquiring Futuramedia;
- At *Cegedim SRH* (SaaS platform for HR management)
- At *Cegedim e-business* (SaaS platform for electronic data exchange including payment and process digitalization)
- The business of pharmaceutical product sales statistics
- Processing third-party payment flows

The gains were marginally offset by a decline in software and services for the personal insurance market due to the impact of switching to the SaaS format and in BPO activities for health insurers and mutuals



# HY 17 Healthcare Professionals P&L

In € million	FY 16	FY 17	% change
<b>Revenue</b>	<b>163.6</b>	<b>162.5</b>	<b>(0.7)%</b>
<b>EBITDA</b>	<b>12.8</b>	<b>25.0</b>	<b>+95.4%</b>
Margin	7.8%	15.4%	+756bps
D&A	(13.5)	(14.6)	+7.8%
<b>EBIT before special items</b>	<b>(0.8)</b>	<b>10.4</b>	<b>n.m.</b>
Margin	(0.5)%	6.4%	+685bps
Special items	(14.9)	(14.4)	(3.1)%



Revenue growth over the full year was fuelled by stronger sales in computerization for:

- Doctors in Belgium, France and the US
- Doctors in the UK in Q4, following declines in the first three quarters. Full SaaS version will not be on the market until June
- French pharmacists. After a rather mixed start to the year, business returned to growth
- Nurses, physical therapists, speech therapists, orthoptists, midwives and podiatrists in France

EBITDA was fuelled by

- Pulse, US doctor computerization and RCM activities, Belgium doctors due to a favorable comparisons base
- French doctors and pharmacists



# FCF from Operations

In € million	FY 15	FY 16	FY 17
<b>Cash flow before taxes and interests</b>	<b>76.0</b>	<b>57.5</b>	<b>85.9</b>
Change in working capital requirement	<b>(24.1)</b>	<b>6.8</b>	<b>(10.6)</b>
Corporate tax paid	(12.1)	(5.7)	(1.8)
<b>Net cash flow from operating activities</b>	<b>39.8</b>	<b>58.6</b>	<b>73.5</b>
Acquisition of intangible assets	(51.2)	(46.6)	(48.4)
Acquisition of tangible assets	(10.2)	(15.2)	(12.3)
Disposals of tangible and intangible assets	1.4	0.8	0.5
<b>Free cash flow from operations</b>	<b>(20.2)</b>	<b>(2.4)</b>	<b>13.4</b>

# FY2017 Net Debt Bridge

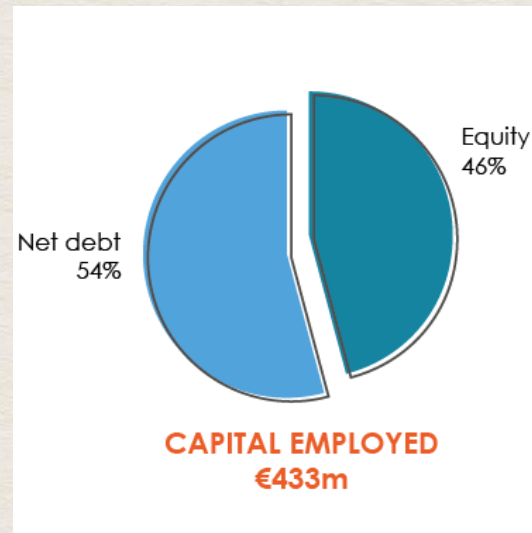
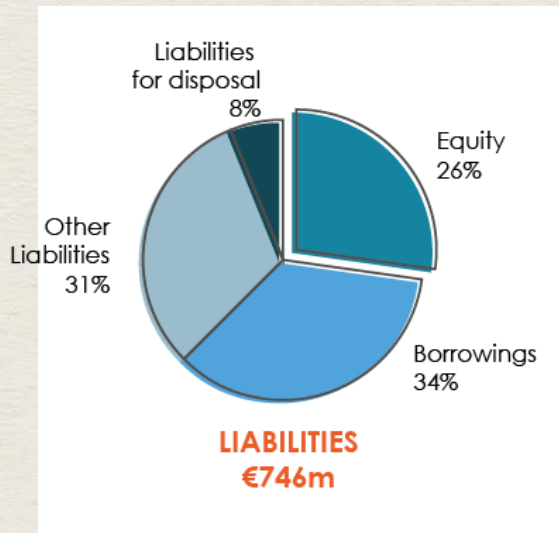
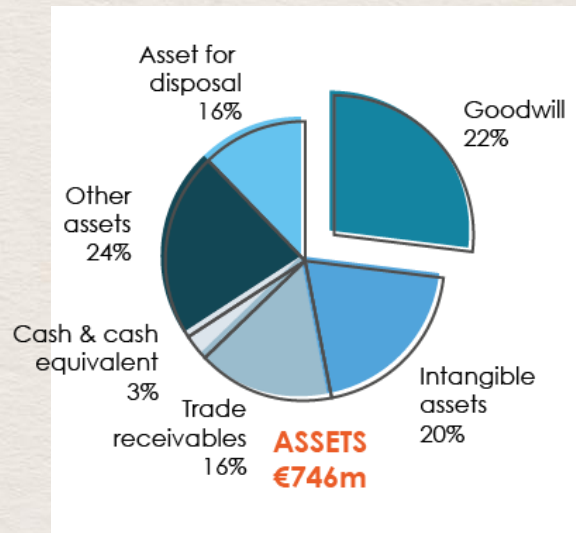
Net debt would have decreased by €5.7m excluding financial investment and the impact of Cegelease disposal



# FY 2017 Balance Sheet

In € million	Dec. 16	Dec.17
<b>Assets</b>		
Goodwill	199.0	167.8
Intangible assets	139.4	145.8
Tangible assets	32.2	33.2
Financial assets	8.7	20.4
Trade receivables, long term portion	29.6	0.2
Other non-current assets	38.3	38.0
Cash & Cash equivalent	20.8	18.7
Trade receivables, short term portion	167.4	118.2
Other current assets	73.7	84.2
<b>Asset of activities held for sale</b>	<b>0.0</b>	<b>119.8</b>
<b>Total assets</b>	<b>709.1</b>	<b>746.2</b>
<b>Shareholders equity &amp; liabilities</b>		
Shareholder equity	188.9	197.3
Long-term financial debt	244.0	250.8
Other non-current liabilities	45.1	32.8
Short-term financial debt	3.6	4.0
Other current liabilities	227.4	198.2
<b>Liabilities of activities held for sale</b>	<b>0.0</b>	<b>63.0</b>
<b>Total equity and Liabilities</b>	<b>709.1</b>	<b>746.2</b>

# FY 2017 Balance Sheet





**Appendices**

Q1 2018 **Revenue**

# Application of IFRS 5

On December 14, 2017, *Cegedim* announced that it had signed a contract for the definitive sale of its *Cegelease* and *Eurofarmat* businesses. The deal was finalized on February 28, 2018. As a result, the consolidated 2017 and Q1 2018 financial statements are presented according to IFRS 5, “Non-current assets held for sale and discontinued”. IFRS 5 governs the accounting treatment for non-current assets held for sale.

In practice, their contribution to each line of *Cegedim's* consolidated income statement (before minority interests) is combined into the “Net profit from activities sold or held for sale” line, and the group share of their net profit is excluded from *Cegedim's* adjusted net profit. Earlier periods have also been restated so that the information presented is comparable.

*The table below shows the impact of the restatement:*

<i>in € thousands</i>	Q1 2018	Q1 2017	Change in %
Revenue from continuing activities	111,941	109,989	+1.8%
Revenue from assets held for sale	2,211	3,926	(43.7)%
IFRS 5 restatement	(182)	(209)	(13.2)%
<b>Group revenues</b>	<b>113,970</b>	<b>113,705</b>	<b>+0.2%</b>

MARCH

20

FY 2017 results  
announcement

MARCH

21

SFAF meeting

APRIL

26

Q1 2018  
revenues  
announcement

JUNE

19

Shareholders  
meeting

JULY

26

Q2 2018  
revenues  
announcement



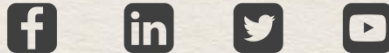
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WEB SITE



WEBCAST



SOCIAL NETWORK



## Appointments Committee

- Jean-Claude **Labrune**  
*Chairman*
- Marcel **Kahn**
- Jean-Pierre **Cassan**

## Audit Committee

- Marcel **Kahn**  
*Chairman*
- Aude **Labrune**
- Pierre **Marucchi**
- Jean-Pierre **Cassan**

## Strategy Committee

- Jean-Claude **Labrune**  
*Chairman*
- Laurent **Labrune**

## Board of Directors

- Jean-Claude **Labrune**  
*Chairman of the Board of Directors*
- Jean-Pierre **Cassan**  
*Independent director*
- Sandrine **Debroise**
- **FCB, SAS**, *represented by*  
Pierre Marucchi
- **GERS, GIE**, *represented by*  
Philippe Tcheng
- Marcel **Kahn**
- Aude **Labrune**
- Laurent **Labrune**

## General Management

- Jean-Claude **Labrune**  
*CEO*
- Pierre **Marucchi**  
*Managing Director*
- Laurent **Labrune**  
*Managing Director*

## Compensation Committee

- Jean-Pierre **Cassan**  
*Chairman*
- Aude **Labrune**
- Marcel **Kahn**

# Cegedim Governance

2018

## Auditors

- **Grant Thornton** *represented by*  
Solange Aiache
- **MAZARS**, *represented by*  
Jean-Philippe Mathorez



Jan Eryk Umiastowski

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