PRESS RELEASE

Half-Year Financial Information as of June 30, 2016
IFRS - Regulated Information - Audited

Cegedim: a mixed first-half 2016 marked by revenue growth and margins temporarily pinched by investments and the start of business with new clients

- Interest expense fell considerably in Q2 2016
- Continuing activities returned to positive earnings in Q2 2016
- Robust investment program had an impact
- 2016 revenue target revised upward, but EBITDA expectations revised lower

Disclaimer: Pursuant to IAS 17 as it applies to Cegelease's activities, leases are now classified as financial leases, resulting in an adjustment to the Q1, Q2 and Half-year 2015 figures published in 2015. Readers should refer to the last annexe of this press release for full details of the adjustments. All of the figures in this press release reflect the adjustments.

CONFERENCE CALL ON SEPTEMBER 15, 2016, AT 6:15PM CET

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Boulogne-Billancourt, September 15, 2016

Cegedim, an innovative technology and services company, posted consolidated H1 2016 revenues from continuing activities of €215.5 million, up 4.3% on a reported basis and 3.6% like for like compared with the same period in 2015. EBITDA came to €25.7 million in the first half, down 26.9% year on year.

Like-for-like growth at the *Health insurance, HR and e-services* division picked up in the second quarter relative to the first despite the ongoing migration of clients over to SaaS/cloud offerings. EBITDA declined at all of the Group's operational divisions as a result of the investments being made in human resources and innovation in order to speed up the transition of software products to cloud-based formats and swiftly roll out the Group's new BPO offerings. Profitability has been negatively affected during this business model transition. *Cegedim* expects to begin seeing the initial positive impact of its investments, reorganizations and transformations in 2017, with a full impact in 2018.

As proof that its clients see the relevance of its new strategy, *Cegedim* is revising upward its target for 2016 revenues. However, as this is a pivotal year in the Group's transformation, *Cegedim* is also lowering its EBITDA target for 2016.

This new business model will enable *Cegedim* to enjoy greater customer loyalty, closer client relationships, simpler operating processes, more robust offerings and stronger geographic positions. The changes now under way will also boost the share of recurring revenues, improve sales growth and predictability, and enhance the Group's profitability.

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Public company with share capital of 13,336,506.43 euros
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Simplified income statement

	H1 2016		H1 2015		Chg.
	In €m	In %	In €m	In %	In %
Revenue	**215.5**	100%	**206.7**	100%	**+4.3%**
EBITDA	**25.7**	11.9%	**35.1**	17.0%	(26.9)%
Depreciation	**(16.4)**	-	**(14.8)**	-	+10.8%
EBIT before special items	**9.2**	4.3%	**20.3**	9.8%	**(54.4)%**
Special items	**(3.7)**	-	**(4.2)**	-	(10.1)%
EBIT	**5.5**	2.6%	**16.1**	7.8%	**(65.8)%**
Cost of net financial debt	**(23.9)**	-	**(23.2)**	-	+2.6%
Tax expenses	**(1.7)**	-	**(2.1)**	-	(18.9)%
Consolidated profit from continuing activities	**(19.0)**	(8.8)%	**(8.3)**	(4.0%	**+128.7%**
Net earnings from activities held for sale	**(0.8)**		**32.5**	-	n.m.
Profit attributable to the owners of the parent	**(19.8)**	(9.2)%	**24.2**	11.7%	n.m.
EPS before special items	**(1.1)**		**(0.3)**		+267.9%

In the second quarter of 2016, *Cegedim* posted consolidated revenues from continuing activities of €109.3 million, up 2.9% on a reported basis. Excluding an unfavorable currency translation effect of 1.3% and a 1.9% boost from acquisitions, revenues rose 2.4%. In like-for-like terms the *Health Insurance, HR and e-services* division's revenues rose by 10.3%, whereas the *Healthcare professionals* division's revenues fell by 6.3%.

In first half 2016, *Cegedim* posted consolidated revenues from continuing activities of €215.5 million, up 4.3% on a reported basis. Excluding an unfavorable currency translation effect of 0.9% and a 1.6% boost from acquisitions, revenues rose 3.6%. In like-for-like terms the *Health Insurance, HR and e-services* division's revenues rose by 9.6%, whereas the *Healthcare professionals* division's revenues fell by 3.0%.

EBITDA declined by €9.4 million, a drop of 26.9%, to €25.7 million. The first-half margin fell to 11.9% from 17.0% a year earlier. The EBITDA trend was attributable to all of the Group's operational divisions and stemmed from investments made in human resources and innovation in order to speed up the transition of software products to cloud-based formats and swiftly roll out the Group's new BPO offerings. Of all the hiring done over the past 12 months, 89% of new contracts started between June 2015 and March 2016.

Depreciation charges rose €1.6 million, from €14.8 million in H1 2015 to €16.4 million in H1 2016.

EBIT from recurring operations fell €11.0 million in the first half of 2016, or 54.4%, to €9.2 million. The margin fell from 9.8% in the first half of 2015 to 4.3% in the first half of 2016.

Special items amounted to a €3.7 million charge in H1 2016 compared with a €4.2 million charge a year earlier. The drop was chiefly due to the booking in 2015 of fees related to the sale of the *CRM and strategic data* division to IMS Health.

The net cost of financial debt rose by €0.6 million, from €23.2 million in the first six months of 2015 to €23.9 million in the first six months of 2016. The increase reflects the payment of an early reimbursement premium on the 2020 bond amounting to €15.9 million in Q1 2016, which was almost entirely offset by the decrease in interest paid in Q2 2016 owing to the debt restructuring the Group performed in January 2016.

Tax fell from a charge of €2.1 million at June 30, 2015, to a charge of €1.7 million at June 30, 2016, mainly due to deferred tax assets.

Thus, the **consolidated net result from continuing activities** came to a loss of €19.0 million at end-June 2016, compared with a loss of €8.3 million in the year-earlier period. **The Group share of consolidated net result** was a loss of €19.8 million at end-June 2016, compared with a profit of €24.2 million at end-June 2015.

Earnings per share before special items came to €1.1 in the first half of 2016, compared with a €0.3 loss a year earlier. Note that Earnings per share before special items came to €0.3 profit in the second quarter, compared with a €0.3 loss a year earlier.

Analysis of business trends by division

- **Key figures by division**

In €m	Revenue H1 2016	Revenue H1 2015	EBIT before special items H1 2016	EBIT before special items H1 2015	EBITDA H1 2016	EBITDA H1 2015
Health Insurance, HR and e-services	124.6	110.7	10.5	12.8	17.8	20.7
Healthcare Professionals	89.4	94.0	1.0	8.5	7.4	14.2
Activities not allocated	1.6	1.9	(2.2)	(1.1)	0.5	0.2
Cegedim	**215.5**	**206.7**	**9.2**	**20.3**	**25.7**	**35.1**

- **Health insurance, HR and e-services**

The division's H1 2016 revenues came to €124.6 million, up 12.5% on a reported basis. The July 2015 acquisition of Activus in the UK made a positive contribution of 3.0%. Currencies had virtually no impact. Like-for-like revenues rose 9.6% over the period.
The *Health insurance, HR and e-services* division represented 57.8% of consolidated revenues from continuing activities, compared with 53.6% over the same period a year earlier.
The division's Q2 2016 revenues came to €64.8 million, up 13.8% on a reported basis. The July 2015 acquisition of Activus in the UK made a positive contribution of 3.5%. Currencies had virtually no impact. Like-for-like revenues rose 10.3% over the period:

This significant H1 2016 revenue growth was chiefly attributable to:

- *Cegedim Insurance Solutions*, bolstered by robust growth in the business of managing third-party payment flows and by its software and services ranges for personal insurance companies, following the start of operation with new clients which more than offset the negative impact of switching its offering to a cloud format. BPO activities for health insurance, with *iGestion*, posted double-digit revenue growth. This division was also bolstered by the acquisition of *Activus* in July 2015.
- Double-digit growth at *Cegedim e-business* following the start of operations with new clients on its Global Invoice Services SaaS platform for digital data exchanges, including payment platforms.
- The start of operations with numerous clients on the *Cegedim SRH* SaaS platform for human resources management, resulting in double-digit revenue growth.

In the first half of 2016, division EBITDA fell €2.9 million, or 14.0%, to €17.8 million. The EBITDA margin came to 14.3%, vs. 18.7% a year earlier.
In the second quarter of 2016, division EBITDA fell €1.5 million, or 12.2%, to €10.7 million. The EBITDA margin came to 16.5%, vs. 21.4% a year earlier.

The drop in EBITDA was mainly due to:

- A temporary decrease in the profitability of the *iGestion* and *Cegedim e-business* activities due to the start of operations with numerous BPO clients;
- *Cegedim Insurance Solutions* offerings, due to switching the core products over to SaaS format, the start of operations with numerous new clients, and the start of new projects for existing clients;
- *RNP*, the specialist in traditional and digital displays for pharmacy windows in France, which suffered from a change in the timing of promotional campaigns between 2015 and 2016;

This was partly offset by the good performances of:

- The business of managing third-party payment flows;
- *Cegedim SRH*, despite the start of business with numerous BPO clients.

- **Healthcare professionals**

The division's H1 2016 revenues came to €89.4 million, down 5.0% on a reported basis. Currency effects made a negative contribution of 2.0%. There was no impact from acquisitions or divestments. Like-for-like revenues fell 3.0% over the period.

The *Healthcare professionals* division represented 41.5% of consolidated revenues from continuing activities, compared with 45.5% over the same period a year earlier.

The division's Q2 2016 revenues came to €43.7 million, down 9.2% on a reported basis. Currency effects made a negative contribution of 2.9%. There was no impact from acquisitions or divestments. Like-for-like revenues fell 6.3% over the period.

The decline in first-half and second-quarter 2016 revenues was chiefly attributable to:

- Weaker activity in the computerization of UK doctors, as the market is now moving predominantly to cloud-based offerings. The investments now being made *in Cegedim's* own cloud offering are expected to result in renewed sales growth starting in 2017.
- The negative short-term impact of switching Belgian doctors over to SaaS format.
- The second-quarter impact of the low level of order intake in the pharmacy segment in France in late 2015. The order book weakness has since been reversed, starting in May with the release of the new *Smart Rx* offering – a comprehensive pharmacy management solution built around a hybrid architecture that combines local and cloud-based computing. The new solution will allow networks amongst individual pharmacies and links with healthcare professionals. Thus, revenues are likely to resume their growth in the next few months.

These performances were partially offset by:

- Double-digit growth at *Pulse* in the first half, despite a contraction in June owing to the postponement of certain projects, mainly related to the unit's RCM offerings. The Group also set up a new, more nimble organization in response to a growing and rapidly changing market, particularly in BPO. For example, some changes were made to the local management team, and cloud offerings from Nightingale, acquired in late 2015, are currently being integrated and first modules should be available in a few months and the complete offer in September 2015. These investments efforts will weigh on profitability in the short term, but they will ensure profitable growth over the long run.
- Significant growth in solutions for physical therapists and nurses in the second quarter, which more than made up for the shortfall in the first quarter.

In the first half of 2016, division EBITDA fell €6.7 million, or 47.5%, to €7.4 million. The EBITDA margin came to 8.3%, vs. 15.1% a year earlier.

In the second quarter of 2016, division EBITDA fell €5.3 million, or 68.3%, to €2.5 million. The EBITDA margin came to 5.7%, vs. 16.2% a year earlier.

The decline in EBITDA was chiefly attributable to investments made to ensure future growth. The Group was penalized by the investments it made in:

- France, to develop the new hybrid offering for pharmacies, which it launched in May 2016;
- The US, focusing on Revenue Cycle Management (RCM) activities and SaaS electronic health records (EHR);
- The UK, where it aims to have a cloud-based offering for UK doctors in 2017;

EBITDA felt a pinch in the short term from efforts in the second quarter to switch Belgian doctors over to SaaS format and investments done in the US.

- **Activities not allocated**

The division's H1 2016 revenues came to €1.6 million, down 18.4% on a reported basis and like for like. There were no currency effects and no acquisitions or divestments.

The *Activities not allocated* division represented 0.7% of consolidated revenues from continuing activities, compared with 0.9% over the same period a year earlier.

The division's Q2 2016 revenues came to €0.8 million, down 29.2% on a reported basis and like for like. There were no currency effects and no acquisitions or divestments.

This trend reflects the return to a normal level of billing.

In the first half of 2016, division EBITDA rose €0.2 million year on year to €0.5 million. In the second quarter of 2016, division EBITDA rose €1.0 million year on year to €1.4 million.

Financial resources

Cegedim's consolidated total balance sheet amounted to €666.3 million, at June 30, 2016,

Acquisition goodwill represented €189.5 million at June 30, 2016, compared with €188.5 million at end-2015. The €0.9 million increase, equal to 0.5%, was mainly attributable to the restatement of expected future earn-out payments on the *Activus* and Nightingale acquisitions, totaling €4.7 million; these were partly offset by the euro's appreciation against certain foreign currencies, chiefly the British pound, for a total of €3.7 million. Acquisition goodwill represented 28.4% of the total balance sheet at June 30, 2016, compared with 21.8% on December 31, 2015.

Cash and equivalents came to €10.8 million at June 30, 2016, a decrease of €220.5 million compared with December 31, 2015. The drop was principally due to the early redemption of the 2020 bond for a nominal value of €340.1 million, payment of a €15.9 million early redemption premium, and an €10.6 million deterioration in WCR, partly offset by drawing €169.0 million from the €200 million revolving credit facility. Cash and equivalents represented 1.6% of the total balance sheet at June 30, 2016, compared with 26.8% at December 31, 2015.

Shareholders' equity fell by €29.7 million, i.e. 13.0%, to €198.4 million at June 30, 2016, compared with €228.1 million at December 31, 2015. Shareholders' equity represented 29.8% of the total balance sheet at end-June 2016, compared with 26.4% at end-December 2015.

Net financial debt amounted to €216.6 million at end-June 2016, up €48.9 million compared with end-December 2015. It represented 109.1% of Group shareholders' equity at June 30, 2016.

Before the net cost of financial debt and taxes, cash flow was €29.2 million at June 30, 2016, compared with €35.3 million at June 30, 2015

Highlights

Apart from the items cited below, 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.

- **New credit facility**

In January 2016, the Group took out a new five-year revolving credit facility (RCF) of €200 million. The applicable interest rate for this credit facility is Euribor plus a margin. The Euribor rate can be the 1-, 3- or 6- month rate; if Euribor is below zero, it will be deemed to be equal to zero. The margin can range from 0.70% to 1.40% depending on the leverage ratio calculated semi-annually in June and December (Refer to point 2.4.1.1 on page 13 of the Q2-2016 Quarterly Financial Report).

- **Exercise of the call option on the entire 2020 bond**

On April 1, 2016, *Cegedim* exercised its call option on the entire 6.75% 2020 bond with ISIN code XS0906984272 and XS0906984355, for a total principal amount of €314,814,000.00 and a price of 105.0625%, i.e. a total premium of €15,937,458.75. The company then cancelled these securities. The transaction was financed by drawing a portion of the RCF obtained in January 2016 and using the proceeds of the sale to IMS Health. Following this transaction, the Group's debt comprised the €45.1 million FCB subordinated loan, the partially drawn €200 million RCF, and overdraft facilities.

- **S&P has raised *Cegedim's* rating to BB with positive outlook**

After *Cegedim* announced that it would redeem the entire 6.75% 2020 bond, rating agency Standard and Poor's raised the company's rating on April 28, 2016, to BB with a positive outlook.

Apart from the items cited above, to the best of the company's knowledge, there were no events or changes after the accounts were closed that would materially alter the Group's financial situation.

Significant post-closing transactions and events

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

Despite economic uncertainty and a challenging geopolitical environment, Cegedim is revising its target for 2016 revenues upward. As it indicated in July, the Group is lowering its EBITDA outlook. For the full year 2016, Cegedim expects:

- Like-for-like revenue growth of at least 3% from continuing activities.
- A €10 million decrease in EBITDA compared with 2015. The vast majority of this year-on-year decline occurred in the first half of 2016.

Cegedim expects to begin seeing the initial positive impact of its investments, reorganizations and transformations in 2017, with a full impact in 2018.

The Group does not expect any significant acquisitions in 2016 and does not disclose profit projections or estimates.

- **Potential Brexit impact**

In 2015, the UK accounted for 15.1% of consolidated Group revenues and 19.2% of consolidated Group EBIT.

Cegedim deals in local currency in the UK, as it does in every country where it is present. Thus, Brexit is unlikely to have a material impact on Group EBIT.

The figures cited above include guidance on Cegedim's future financial performances. This forward-looking information is based on the opinions and assumptions of the Group's senior management at the time this press release is issued and naturally entails risks and uncertainty. For more information on the risks facing Cegedim, please refer to points 2.4, "Risk factors and insurance", and 3.7, "Outlook", of the 2015 Registration Document filed with the AMF on March 31, 2016, as well as point 2.4, "Risk factors", of the Interim Financial Report of Q1 2016.

Financial calendar

September 16, 2016, at 10am CET	Analyst meeting (SFAF meeting)
November 29, 2016, after market closing	Q3 2016 earnings
December 14, 2016, at 1:30pm	7th Investor Day

September 15, 2016, at 6:15pm (Paris time)

The Group will hold a conference call hosted by Jan Eryk Umiastowski, Cegedim Chief Investment Officer and Head of Investor Relations.
The H1 2016 revenue presentation is available at:

The website: http://www.cegedim.fr/finance/documentation/Pages/presentations.aspx

The Group's financial communications app, Cegedim IR. To download the app, visit:
http://www.cegedim.fr/finance/profil/Pages/CegedimIR.aspx

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Informations additionnelles

The Audit Committee met on September 13, 2016, and the Board of Directors met on September 15, 2016, to review the first half of 2016 consolidated financial statements.

The interim financial report for the first half of 2016 is available:

- on our website

In French: http://www.cegedim.fr/finance/documentation/Pages/rapports.aspx

In English: http://www.cegedim.com/finance/documentation/Pages/reports.aspx

- on Cegedim IR, the Group's financial communications app

To download the app, visit http://www.cegedim.fr/finance/profil/Pages/CegedimIR.aspx.

Appendices

Balance sheet as June 30, 2016

- **Assets as of June 30, 2016**

In thousands of euros	*06.30.2016*	*12.31.2015[(1)]*
Goodwill on acquisition	**189,473**	**188,548**
Development costs	28,101	16,923
Other intangible fixed assets	102,106	108,166
Intangible fixed assets	**130,208**	**125,089**
Property	459	459
Buildings	4,907	5,021
Other tangible fixed assets	17,634	16,574
Construction work in progress	1,149	51
Tangible fixed assets	**24,149**	**22,107**
Equity investments	1,098	1,098
Loans	3,138	3,146
Other long-term investments	7,584	5,730
Long-term invetsments – excluding equity shares in equity method companies	**11,820**	**9,973**
Equity shares in equity method companies	9,258	10,105
Government – Deferred tax	27,274	28,722
Accounts receivable: Long-term portion	26,945	26,544
Other receivables: Long-term portion	609	1,132
Non-current assets	**419,736**	**412,219**
Services in progress	0	0
Goods	9,484	8,978
Advances and deposits received on orders	620	218
Accounts receivables: Short-term portion	162,431	161,923
Other receivables: Short-term portion	45,179	32,209
Cash equivalents	8,000	153,001
Cash	2,765	78,298
Prepaid expenses	16,500	16,666
Current Assets	**244,980**	**451,293**
Assets of activities held for sale	1,563	768
Total Assets	**666,280**	**864,280**

(1) Restated see note "Correction of the accounting treatment of the finance lease business in the group consolidated financial statement.

- **Liabilities and shareholders' equity as of June 31, 2016**

In thousands of euros	*06.30.2016*	*12.31.2015(1)*
Share capital	13,337	13,337
Group reserves	205,317	139,287
Group exchange gains/losses	(433)	8,469
Group earnings	(19,775)	66,957
Shareholders' equity, Group share	**198,445**	**228,051**
Minority interests (reserves)	9	39
Minority interests (earnings)	(26)	41
Minority interests	(17)	79
Shareholders' equity	**198,429**	**228,130**
Long-term financial liabilities	223,000	51,723
Long-term financial intruments	3,052	3,877
Deferred tax liabilities	6,322	6,731
Non-current provisions	20,451	19,307
Other non-current liabilities	13,595	14,376
Non-current liabilities	**266,422**	**96,014**
Short-term financial liabilities	4,335	347,213
Short-term financial instruments	5	5
Accounts payable and related accounts	54,295	54,470
Tax and social liabilities	66,823	70,632
Provisions	2,953	2,333
Other current liabilities	72,422	61,657
Current liabilities	**200,832**	**536,311**
Liabilities of activities held for sale	597	3,823
Total Liabilities	**666,280**	**864,280**

(1) Restated see note "Correction of the accounting treatment of the finance lease business in the group consolidated financial statement".

- **Income statements as of June 30, 2016**

In thousands of euros	*06.30.2016*	*06.30.2015*[(1)]
Revenue	**215,509**	**206,661**
Other operating activities revenue	-	-
Purchased used	(16,966)	(20,009)
External expenses	(63,290)	(52,718)
Taxes	(3,684)	(5,728)
Payroll costs	(103,670)	(92,148)
Allocations to and reversals of provisions	(2,454)	(1,529)
Change in inventories of products in progress and finished products	-	-
Other operating income and expenses	240	585
EBITDA	**25,685**	**35,115**
Depreciation expenses	(16,443)	(14,845)
Operating income from recurring operations	**9,243**	**20,270**
Depreciation of goodwill	-	-
Non-recurrent income and expenses	(3,731)	(4,152)
Other exceptional operating income and expenses	**(3,731)**	**(4,152)**
Operating income	**5,511**	**16,118**
Income from cash and cash equivalents	974	1,063
Gross cost of financial debt	(25,458)	(24,984)
Other financial income and expenses	634	674
Cost of net financial debt	**(23,851)**	**(23,247)**
Income taxes	(530)	(1,635)
Deferred taxes	(1,187)	(483)
Total taxes	**(1,717)**	**(2,119)**
Share of profit (loss) for the period of equity method companies	1,082	952
Profit (loss) for the period from continuing activities	(18,974)	(8,295)
Profit (loss) for the period from discontinued activities	(826)	32,450
Consolidated profit (loss) for the period	(19,801)	24,155
Group share	**(19,775)**	**24,164**
Minority interests	(26)	(9)
Average number of shares excluding treasury stock	13,953,978	13,954,653
Current Earnings Per Share (in euros)	**(1.1)**	**(0.3)**
Earnings Per Share (in euros)	**(1.4)**	**1.7**
Dilutive instruments	None	None
Earning for recurring operation per share (in euros)	**(1.4)**	**1.7**

(1) Restated see note "Correction of the accounting treatment of the finance lease business in the group consolidated financial statement.

- **Consolidated cash flow statement as of June 30, 2016**

In thousands of euros	*06.30.2016*	*06.30.2015*(1)
Consolidated profit (loss) for the period	(19,801	24,154
Share of earnings from equity method companies	(1,082)	(995)
Depreciation and provisions	24,511	14,987
Capital gains or losses on disposals	(38)	(30,792)
Cash flow after cost of net financial debt and taxes	**3,591**	**7,354**
Cost of net financial debt	23,854	22,585
Tax expenses	1,722	5,323
Operating cash flow before cost of net financial debt and taxes	**29,167**	**35,262**
Tax paid	(2,251)	(8,682)
Change in working capital requirements for operations: requirement	(10,638)	(25,188)
Change in working capital requirements for operations: surplus	-	-
Cash flow generated from operating activities after tax paid and change in working capital requirements (A)	***16,278***	***1,392***
Of which net cash flows from operating activities of held for sales	*(224)*	*4,830*
Acquisitions of intangible assets	(20,976)	(22,749)
Acquisitions of tangible assets	(7,811)	(6,139)
Acquisitions of long-term investments	-	-
Disposals of tangible and intangible assets	492	1,389
Disposals of long-term investments	(130)	1,717
Impact of changes in consolidation scope	(1,448)	323,982
Dividends received from equity method companies	**-**	12
Net cash flows generated by investment operations (B)	**(29,872)**	***298,212***
Of which net cash flows connected to investment operations of activities held for sales	*(9)*	*(7,482)*
Dividends paid to parent company shareholders	-	-
Dividends paid to the minority interests of consolidated companies	(17)	-
Capital increase through cash contribution	-	-
Loans issued	169,000	-
Loans repaid	(340,262)	(60,848)
Interest paid on loans	(30,491)	(24,951)
Other financial income and expenses paid or received	(566)	(467)
Net cash flows generated by financing operations (C)	**(202,337)**	**(86,266)**
Of which net cash flows related to financing operations of activities held for sales	*(2)*	*(850)*
Change In Cash without impact of change in foreign currency exchange rates (A + B + C)	**(215,930)**	**213,338**
Impact of changes in foreign currency exchange rates	(845)	2,947
Change in cash	**(216,775)**	**216,285**
Opening cash	228,120	99,715
Closing cash	11,345	316,000

(1) Restated see note "Correction of the accounting treatment of the finance lease business in the group consolidated financial statement"

- **Correction of the accounting treatment of the finance lease business in the group consolidated financial statement**

Cegelease is a wholly owned subsidiary of *Cegedim* which offers since 2001 financing options through a variety of contracts dedicated to pharmacies and healthcare professionals in France.

Initially, these solutions were aimed at serving the pharmacists, who preferred leasing instead of paying up-front, the pharmacies management system software that they bought from the Cegedim group.

As time passed, *Cegelease* diversified its activities. Starting as the exclusive finance lease provider for Cegedim group products, *Cegelease* converted to a broker proposing a variety of leasing solutions (for group products as well as products developed by third parties) offered to a variety of clients (including clients who are not already in business with other group entities).

After the sale of its *CRM and strategic data* business to IMS Health, *Cegedim* investigated in depth these activities and found that they had to be reclassified pursuant to IAS 17 on March 23, 2016 when the 2015 accounts were published.

All the impacts on previous accounts are indicated in the 2015 Registration Document filled with the AMF on March 31, 2016 in Chapter 4.4 point 1.3 on page 89 to 94, as well as in the Q1 2016 Financial Interim Report in point 2.5.1 on page 17 to 19 and in the Q2 2016 Financial Interim Report in point 2.5.1 on page 17.

Impacts on H1 2015 consolidated financial statements are described below:

- **H1 2015 Profit and Loss Statement**

In € million	*06.30.2015 reported(1)*	*Correction of leases*	*06.30.2015 restated*
Revenue	**245,311**	**(38,650)**	**206,661**
Other operating activities revenue	-		-
Purchases used	(45,302)	25,293	(20,009)
External expenses	(59,701)	6,983	(52,718)
Taxes	(5,728)		(5,728)
Payroll costs	(92,148)		(92,148)
Allocations to and reversals of provisions	(1,529)		(1,529)
Change in inventories of products in progress and finished products	-		-
Other operating income and expenses	585		585
EBITDA	**41,489**	**(6,374)**	**35,115**
Depreciation expenses	(21,175)	6,330	(14,845)
Operating income from recurring operations	**20,314**	**(44)**	**20,270**
Depreciation of goodwill	-		-
Non-recurrent income and expenses	(4,152)		(4,152)
Other exceptional operating income and expenses	**(4,152)**		**(4,152)**
Operating income	**16,162**	**(44)**	**16,118**
Income from cash and cash equivalents	1,063		1,063
Gross cost of financial debt	(24,984)		(24,984)
Other financial income and expenses	674		674
Cost of net financial debt	**(23,247)**		**(23,247)**
Income taxes	(1,635)		(1,635)
Deferred taxes	(500)	17	(483)
Total taxes	**(2,135)**	**17**	**(2,119)**
Share of profit (loss) for the period of equity method companies	952		952
Profit (loss) for the period from continuing activities	(8,268)	(27)	(8,295)
Profit (loss) for the period discontinued activities	32,450		32,450
Consolidated profit (loss) for the period	24,182	(27)	24,155
Group share	**24,191**	**(27)**	**24,164**
Minority interests	(9)		(9)

(1) The "Taxes" line was restated pursuant to IFRIC 21 for €1,518 thousand.

- **H1 2015 Cash Flows Statement**

In € million	*06.30.2015 reported[(1)]*	*Correction of leases*	*06.30.2015 restated*
Consolidated profit (loss) for the period	**24,181**	**(27)**	**24,155**
Share of earnings from equity method companies	(995)		(995)
Depreciation and provisions	21,317	(6,330)	14,987
Capital gains or losses on disposals	(30,792)		(30,792)
Cash flow after cost of net financial debt and taxes	**13,711**	**(6,357**	**7,354**
Cost of net financial debt	22,585		22,585
Tax expenses	5,340	(17)	5,323
Operating cash flow before cost of net financial debt and taxes	**41,636**	**(6,374)**	**35,262**
Tax paid	(8,682)		(8,682)
Change in working capital requirements for operations: requirement	(23,073)	(2,115)	(25,188)
Change in working capital requirements for operations: surplus	-	-	-
Cash flow generated from operating activities after tax paid and change in working capital requirements (A)	**9,881**	**(8,489)**	**1,392**
Of which net cash flows from operating activities of held for sales	*4,830*		*4,830*
Acquisitions of intangible assets	(22,925)	176	(22,749)
Acquisitions of tangible assets	(14,452)	8,313	(6,139)
Acquisitions of long-term investments	-		-
Disposals of tangible and intangible assets	1,389		1,389
Disposals of long-term investments	1,717		1,717
Impact of changes in consolidation scope (1)	323,982		323,982
Dividends received from equity method companies	12		12
Net cash flows generated by investment operations (B)	**289,723**	**8,488**	**298,212**
Of which net cash flows connected to investment operations of activities held for sales	*(7,482)*		*(7,482)*
Dividends paid to parent company shareholders	-		-
Dividends paid to the minority interests of consolidated companies	-		-
Capital increase through cash contribution	-		-
Loans issued	-		-
Loans repaid	(60,848)		(60,848)
Interest paid on loans	(24,951)		(24,951)
Other financial income and expenses paid or received	(467)		(467)
Net cash flows generated by financing operations (C)	**(86,266)**	**0**	**(86,266)**
Of which net cash flows related to financing operations of activities held for sales	(850)	**0**	(850)
Change In Cash without impact of change in foreign currency exchange rates (A + B + C)	**213,338**	**0**	**213,338**
Impact of changes in foreign currency exchange rates	**2,947**		**2,947**
Change in cash	**216,285**		**216,285**
Opening cash	99,715		99,715
Closing cash	316,000	0	316,000

(1) The "Taxes" line was restated pursuant to IFRIC 21 for €1,518 thousand.

- **Q1 2015 Revenue per division**

In € million	06.30.2015 reported	IFRS 5 impact Cegedim Kadrige	Correction of leases	Divisions aggregation	06.30.2015 restated
		(1)	*(2)*	*(3)*	
Health Insurance H.R. & e-services	111.5	(0.8)	-	-	110.7
Healthcare Professionals	76.5	-	-	17.5	94.0
Cegelease	56.1	-	(38.6)	(17.5)	-
Activities not allocated	1.9	-	-	-	1.9
Group Cegedim	**246.1**	**(0.8)**	**(38.6)**	**0**	**206.7**

(1) The Cegedim Group decided to sell the Kadrige activities. These activities are thus isolated in separate lines of the profit and loss statement and balance sheet, according to the IFRS 5 accounting standard.

(2) The correct accounting treatment of the Cegelease finance lease business, for all types of contracts (self-financed, sold except process management, or backed against a bank) requires a correction of the consolidated revenue of €38.6m downward..

(3) The finance lease business accounts for less than 10% of the consolidated revenue or EBITDA, and as such is not isolated anymore within the Group internal reporting. These activities are reported into the « Healthcare professionals » division, where they already belonged until the 2014 annual closing.

Glossary

Activities not allocated: this 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.

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.

Operating expenses: defined as purchases used, external expenses and payroll costs.

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.

Life-for-like data: at constant scope and exchange rates.

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 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 before special items: 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). 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.

EBIT margin: defined as the ratio of EBIT/revenue.

EBIT margin before special items: defined as the ratio of EBIT before special items/revenue.

Net cash: defined as cash and cash equivalent minus overdraft.

About Cegedim:
Founded in 1969, Cegedim is 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 employs more than 3,600 people in 11 countries and generated revenue of €426 million in 2015. Cegedim SA is listed in Paris (EURONEXT: CGM).

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