PRESS RELEASE

Quarterly Financial Information as of December 31, 2017
IFRS - Regulated Information - Audited

Cegedim returned to positive revenue and margin growth in 2017

- The business model transformation continues, in line with Group expectations
- Good sales momentum
- Improved profitability
- Cautiously optimistic for 2018

Disclaimer:
The following terms "business model transformation" and "BPO" are defined in the Glossary.

Starting June 30, 2017, the Group has decided to implement recommendation ANC 2013-03 of France's national accounting standards board, which allows companies to incorporate the income of equity-accounted affiliates in the consolidated operating result. Cegedim's 2016 financial statements have been restated as indicated in the accounting principles of our Half-Year Report.

Cegedim announced on December 14 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".
In practice the contribution from these businesses until the effective disposal, if any, to each line of:

- **Cegedim's Consolidated Income Statement (before non-controlling interests) has been grouped under the line "Earnings from discontinued operations"; in accordance with IFRS 5,and their share of net income has been excluded from Cegedim's adjusted net income;**
- **Cegedim's consolidated cash flow statement has been grouped under the line "Cash flow of discontinued operations".**

These adjustments have been applied to all periods presented to ensure consistency of information. In addition, the contribution of Cegelease and Eurofarmat to each line of Cegedim's Consolidated Balance Sheet has been grouped under the lines "Assets held for sale" and "Liabilities associated with assets held for sale".

CONFERENCE CALL ON SEPTEMBER 21, 2017, AT 6:15PM CET
FR: +33 1 72 72 74 03 | **USA:** +1 844 286 0643 | **UK:** +44 (0) 207 1943 759 | **PIN Code:** 41900137#
The webcast is available at the following address: www.cegedim.com/webcast

Boulogne-Billancourt, France, March 20, 2018 after the market close

Cegedim, **an innovative technology and services company, posted consolidated FY 2017 revenues from continuing activities of €457.4 million, up 6.6% on a reported basis and 5.9% like for like compared with the same period in 2016. EBITDA came to €77.5 million in 2017, up 35.0% year on year. EBITDA margin improved significantly to 16.9% in 2017, compared with 13.4% a year earlier.**

2017 represents another positive milestone in the Group's transformation. The revamp of its business model continues, capacity for innovation has been bolstered and the organizational structure has been adjusted to make it even more agile. The disposal of Cegelease end-February 2018, completes the refocus initiated in 2015. 2017 results reflect the combined impact of good sales momentum and improved profitability.

Both operating divisions saw like-for-like revenue growth. *Health Insurance, HR and e-services* division revenues rose by 8.5% and *Healthcare professionals* division revenues increased by 1.4%.

EBITDA growth is mainly due to the significant recovery posted by the *Healthcare professionals* division, itself mostly due to a favorable base effect

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

	2017		2016		Chg.
	€m	%	€m	%	%
Revenue	**457.4**	100.0	**429.3**	100.0	**+6.6%**
EBITDA	**77.5**	16.9	**57.4**	13.4	+35.0%
Depreciation	**(40.1)**	(8.8)	**(34.3)**	(8.0)	+17.0%
EBIT before special items	**37.4**	8.2	**23.1**	5.4	**+61.8%**
Special items	**(18.9)**	(4.1)	**(24.1)**	(5.6)	(21.8)%
EBIT	**18.5**	4.1	**(1.0)**	(0.2)	**n.m.**
Cost of net financial debt	**(6.7)**	(1.5)	**(26.0)**	(6.1)	(74.1)%
Tax expenses	**(4.7)**	(1.0)	**(2.3)**	(0.5)	+101.2%
Consolidated profit from continuing activities	**7.1**	1.5	**(29.5)**	(6.9)	**n.m.**
Net earnings from activities held for sale	**4.1**	0.0	**(1.1)**	(0.3)	n.m.
Net earnings from activities sold	**0.0**	0.9	**3.8**	0.9	-
Profit attributable to the owners of the parent	**11.1**	**2.4**	**(26.7)**	**(6.2)**	**n.m.**
EPS before special items	**0.9**	-	**(1.5)**	-	n.m.
Earnings per share	**0.8**	-	**(1.9)**	-	n.m.

Consolidated revenues from continuing activities for 2017 amounted to €457.4 million, a 6.6% increase as reported. Excluding an unfavorable currency translation effect of 0.9% and a 1.6% boost from acquisitions, revenues rose 5.9%. Both of the divisions grew their like-for-like revenues. *Health insurance, HR and e-services* division revenues rose by 8.5%, and *Healthcare professionals* division revenues rose by 1.4%.

EBITDA increased significantly by €20.1 million, or 35.06%, to €77.5 million. The margin also rose, to 16.9% from 13.4% in 2016. The EBITDA performance was chiefly the result of lower purchased used and stable external expenses combined with a lower increase of personnel costs compare to revenue increase.

Depreciation and amortization costs rose €14.3 million to €40.1 million in 2017 compared with €34.3 million in 2016. Most of the increase was due to the €4.2 million increase in the amortization of R&D expenses over the period.

EBIT from recurring operations rose €14.3 million, or 61.8%, to €37.4 million. The margin improved to 8.2% in 2017 from 5.4% in 2016.

Exceptional items amounted to a charge of €18.9 million compared with a charge of €24.1 million in 2016. This decrease is chiefly due to the €3.1 million decline in restructuring costs over the period, to the fact that in 2017 there was no fine relating to the former activity sold in 2007, partially offset by a €1.8 million increase in the allowance for legacy software in the United States and France.

Net cost of financial debt fell by €19.3 million, or 74.1%, to €6.7 million compared with €26.0 million in 2016. The decline reflects the positive impact of refinancing carried out in the first half of 2016.

Tax costs came to a charge of €4.7 million compared with a €2.3 million charge in 2016. The increase was chiefly due to an increase of €2.5 million at income taxes.

Thus, the profit attributable to the owners of the parent came to a profit of €11.1 million compared to a loss of €26.7 million in 2016. **The consolidated net result from continuing activities** came to a profit of €7.1 million compared with a loss of €29.5 million in 2016. **Net profit before special items** came to €0.9 profit per share compared with a €1.5 loss a year earlier. **Earnings per share** were a €0.8 profit compared with a €1.9 loss in 2016.

Analysis of business trends by division

- **Key figures per division**

	Revenue		EBIT before special items		EBITDA	
In € million	*FY 2017*	*FY 2016*	*FY 2017*	*FY 2016*	*FY 2017*	*FY 2016*
Health insurance, HR and e-services	291.1	262.4	28.4	28.6	48.1	43.9
Healthcare professionals	162.5	163.6	10.4	(0.8)	25.0	12.8
Corporate and others	3.9	3.3	(1.3)	(4.7)	4.4	0.7
Cegedim	**457.4**	**429.3**	**37.4**	**23.1**	**77.5**	**57.4**

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

The division's 2017 revenues came to €291.1 million, up 10.9% on a reported basis. The November 2016 *Futuramedia* acquisition in France made a positive contribution of 2.6%. Currency translation had a negative impact of 0.2%. Like-for-like revenues rose 8.5% over the period. The division represented 63.6% of consolidated revenues from continuing activities, compared with 61.1% over the same period a year earlier.
EBITDA rose in 2017, up 9.5%, to €48.1 million, compared with €43.9 million in 2016. EBITDA margin was 16.5% in 17, a decrease of 0.2 point compared with 2016.

The businesses that made the biggest contributions to this growth in revenue and EBITDA were *C-MEDIA*, merger of *RNP* and *Futuramedia* (ad at point of sales in pharmacies and health & wellness shops), *Cegedim SRH* (HR management solutions), *Cegedim e-busine*ss (digitalization and data exchange), sales statistics for pharmaceutical products, and – in the field of health insurance – third-party payment flow management. EBITDA growth was partly offset by the health insurance software and services businesses' switch to SaaS format and by the launch of BPO offerings.

- **Healthcare professionals**

The division's 2017 revenues came to €162.5 million, down 0.7% on a reported basis. Currencies had a negative impact of 2.2%. There was virtually no impact from acquisitions or divestments. Like-for-like revenues rose 1.4% over the period. The division represented 35.5% of consolidated Group revenues from continuing activities, compared with 38.1% over the same period a year earlier.
EBITDA grew significantly by €95.4%, to €25.04 million, compared with €12.8 million in 2016. EBITDA margin was 15.4%, up 7.6 points compared with 2016.

The slight revenue growth combined with the sharp increase in EBITDA reflect the positive base effect on the computerization of doctors in the United States, Belgium and France, and of pharmacists in France. After a rather mixed start to the year, business in the United Kingdom saw a return to fourth quarter revenue growth rates.

- **Corporate and others**

The division's 2017 revenues came to €3.9 million, up 17.2% on a reported basis and like for like. There was no currency impact and no acquisitions or divestments. The division represented 0.8% of consolidated revenues from continuing activities in 2017 and 2016.
EBITDA increased significantly by €3.7 million, to €4.4 million compared with a €00.7 million in 2016.
The positive EBITDA trend was principally due to a favorable base effect.

Financial resources

Acquisition goodwill represented €167.8 million at December 3, 2017 compared with €199.0 million at end-2016. The €31.2 million decrease, equal to 15.7%, was mainly attributable to the classification as assets held for sale of €28.3 million in acquisition goodwill linked to the disposal of Cegelease and Eurofarmat. Acquisition goodwill represented 22.5% of the total balance sheet at December 31, 2017, compared with 28.1% on December 31, 2016.

Cash and equivalents decreased by €2.1 million to €18.7 million at December 31, 2017. This drop was principally due to the classification as assets held for sale of €5.2 million in cash linked to the sale of Cegelease.

Shareholders' equity rose €8.4 million to €197.3 million at December 31, 2017. This trend reflects the results of the €11.1 million net earnings profit attributable to owners of the parent partially offset by a €2.6 million decrease in group exchange gain/losses. Shareholders' equity represented 26.4% of the total balance sheet at end-December 2017, compared with 26.6% at end-December 2016.

Net financial debt amounted to €236.2 million at end-December 2017, up €9.3 million compared with end-December 2016. It represented 119.7% of Group shareholders' equity at December 31, 2017, compared with 120.1% at December 31, 2016.

Free cash flow from operation came to an inflow of €13.4 million compared with an outflow of €2.4 million. This €15.8 million euros increase came mainly from an increase from cash-flow before taxes and interest and a decrease in corporate tax paid partially offset by an increase in working capital requirement.

Outlook

- **Cautiously optimistic for 2018**

With a position in structurally buoyant markets and its strategic refocus complete, Cegedim boasts solid fundamentals, a balanced portfolio of complementary offerings, a diversified client-base, a widespread geographic footprint and the strength of an integrated group. This should enable it to continue its growth momentum and reach a new stage in its development, so it can deliver lasting, profitable growth.

To continue the initiatives it successfully implemented in 2017, Cegedim will maintain a strategy primarily focused on organic growth and driven by a robust innovation policy.

The Group is cautiously optimistic for 2018 and expects moderate organic revenue growth and a similar increase in EBITDA.

In 2018, the Group does not expect any significant acquisitions and is not issuing any earnings estimates or forecasts.

- **Potential impact of Brexit**

In 2017, the UK accounted for 10.9% of consolidated Group revenues from continuing activities and 14.0% 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.

With regard to healthcare policy, the Group has not identified any major European programs at work in the UK and expects UK policy to be only marginally affected by Brexit.

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 2016 Registration Document filed with the AMF on March 29, 2017, under number D.17-0255.

Additional information

The Audit Committee met on March 20, 2018. The Board of Directors, chaired by Jean-Claude Labrune, approved the consolidated financial statement for 2017 at its meeting on March 20, 2017. The audit of the financial statements has been completed. The audit report will be issued once the requisite procedures for the filing of the registration document are completed. The 2017 Registration Document will be available in a few days' time on our website and on Cegedim IR, the Group's financial communications app.

This press release is available in French and English. In the event of any difference between the two versions, the original French version takes precedence. This press release may contain inside information. It was sent to Cegedim's authorized distributor on March 20, 2018, no earlier than 5:45pm Paris time.

Financial calendar

March 21, 2018, at 11:00 am CET	Analyst meeting (SFAF) in Cegedim's auditorium
April 26, 2018, after the market close	First-quarter 2018 revenues
June 19, 2018, at 9:30 am CET	Cegedim shareholders' meeting

March 20, 2018, 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 webcast is available at the following address: www.cegedim.fr/webcast

The presentation on FY 2017 earnings is available: on the website and on the Group's financial communications app, Cegedim IR.

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Appendices

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.

- **Non-recourse factoring agreement**

On May 22, 2017, the Group signed a factoring agreement with a French bank. The non-recourse agreement. The amount of trade receivables sold under the agreement came to €38.0 million at December 31, 2017 over an €38.0 million authorized

- **Partial interest rate hedging**

Cegedim carried out two zero-premium swap agreements on February 17 and May 11, 2017 under which it receives the 1-month Euribor rate if it exceeds 0%, receives nothing otherwise, and pays:

- A fixed rate of 0.2680% on a notional amount of €50 million starting February 28, 2017, and maturing on February 26, 2021.
- A fixed rate of 0.2750% on a notional amount of €30 million starting May 31, 2017, and maturing on December 31, 2020.

- **GIE Isiaklé**

As part of the BPO contract *Cegedim* signed with the Klesia group in September 2016, the two companies created an economic interest group (GIE), held 50/50. In January 2017, *Cegedim* lent Isiaklé €9 million.

- **Tessi litigation**

On February 10, 2017, *Cegedim* was ordered to pay €4,636,000 to the Tessi company for failing to meet certain obligations with respect to an asset sale made on July 2, 2007. The sum was paid on July 21, 2017. *Cegedim* has appealed the ruling. Cegedim has decided to appeal this decision.

- **Acquisition in the UK**

On February 23, 2017, *Cegedim* acquired UK company *B.B.M. Systems* with a 2016 revenues of around €0.7 million and earned a profit.

On May 3, 2017, Cegedim acquired UK company Adaptive Apps. Its 2016 revenues came to around €1.5 million and earned a profit.

- **Euris litigation**

Cegedim, jointly with IMS Health, is being sued by Euris for unfair competition. *Cegedim* has filed a motion claiming that IMS Health should be the sole defendant. After consulting with its external legal counsel, the Group has decided not to record any provisions.

- **Alliadis litigation**

On October 20, 2017, the court of Nîmes ordered *Alliadis* to pay a fine of €2 million as part of a case involving a pharmacist from Remoulins. A subsequent hearing on November 24 set the fine at €187,500.

Significant post-closing transactions and events

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

- **Sale of Cegedim shares held by Bpifrance**

Bpifrance Participations sale of 1,682,146 shares in Cegedim via an accelerated bookbuilding process to French and international institutional investors at a price of 35 euros per share on February 13, 2018. In the context of the transaction, the shareholders' agreement dated 28 October 2009 between M. Jean-Claude Labrune, FCB (family holding controlled by M. Jean-Claude Labrune) and Bpifrance as well as the concert between the parties have been terminated. As a consequence Anne-Sophie Herelle and Bpifrance Participations represented by Marie Artaud-Dewitte have resigned from the board of directors on February 15, 2018. Position held since the Valerie Raoul-Desprez resignation in March 2017.

Cegedim's free-float increases to reach now 44% of capital (vs. 32% before the transaction).

- **Completed disposal of the Cegelease and Eurofarmat**

On February 28, 2018, Cegedim announces that it has completed the disposal of Cegelease and Eurofarmat to FRANFINANCE (Société Générale Group for an amount of €57.5 million.

The parties have decided that Cegelease and the Cegedim Group will continue to collaborate in France under the current terms as part of a six-year collaboration agreement.

The selling price is €57.5 million, plus reimbursement of the shareholder's loan account, which amounted to €13 million. Of this amount, Cegedim will use €30 million to pay down its debt.

The businesses revenue and consolidated EBITDA came to respectively to €13 million and €5.8 million in 2017 and €12.5 million and €5.4 million, in 2016.

Balance sheet as December 31, 2017

- **Assets as of December 31, 2017**

In thousands of euros	***12.31.2017***	***12.31.2016***
Goodwill on acquisition	**167,758**	**198,995**
Development costs	22,887	12,152
Other intangible fixed assets	122,962	127,293
Intangible fixed assets	**145,849**	**139,445**
Property	544	459
Buildings	4,127	4,712
Other tangible fixed assets	28,057	26,548
Construction work in progress	444	508
Tangible fixed assets	**33,172**	**32,227**
Equity investments	913	1,098
Loans	12,986	3,508
Other long-term investments	6,454	4,126
Long-term investments – excluding equity shares in equity method companies	**20,353**	**8,733**
Equity shares in equity method companies	10,072	9,492
Government – Deferred tax	27,271	28,784
Accounts receivable: Long-term portion	210	29,584
Other receivables: Long-term portion		0
Financial instruments	622	-
Non-current assets	**405,308**	**447,260**
Services in progress	78	1,034
Goods	3,567	6,735
Advances and deposits received on orders	325	1,773
Accounts receivables: Short-term portion	118,170	167,361
Other receivables: Short-term portion	71,220	53,890
Cash equivalents	8,000	8,000
Cash	10,718	12,771
Prepaid expenses	8,989	10,258
Current Assets	**221,068**	**261,823**
Asset of activities held for sale	119,847	
Total Assets	**746,223**	**709,082**

- **Liabilities and shareholders' equity as of December 31, 2017**

In thousands of euros	***12.31.2017***	***12.31.2016***
Share capital	13,337	13,337
Group reserves	177,881	204,723
Group exchange gains/losses	(5,008)	(2,391)
Group earnings	11,147	(26,747)
Shareholders' equity. Group share	**197,357**	**188,921**
Minority interests (reserves)	(25)	9
Minority interests (earnings)	14	14
Minority interests	(11)	23
Shareholders' equity	**197,346**	**188,944**
Long-term financial liabilities	250,830	244,013
Long-term financial instruments	928	1,987
Deferred tax liabilities	6,362	6,453
Non-current provisions	25,445	23,441
Other non-current liabilities	56	13,251
Non-current liabilities	**283,621**	**289,145**
Short-term financial liabilities	4,040	3,582
Short-term financial instruments	2	11
Accounts payable and related accounts	46,954	62,419
Tax and social liabilities	83,118	78,810
Provisions	3,025	3,297
Other current liabilities	65,098	82,874
Current liabilities	**202,236**	**230,993**
Liabilities of activities held for sale	63,020	
Total Liabilities	**746,223**	**709,082**

Income statements as of December 31, 2017

In thousands of euros	***12.310.2017***	***12.31.2016***
Revenue	**457,441**	**429,251**
Purchased used	(33,788)	(35,277)
External expenses	(122,453)	(123,100)
Taxes	(7,257)	(7,415)
Payroll costs	(215,434)	(202,657
Allocations to and reversals of provisions	(2,684)	(4,545)
Change in inventories of products in progress and finished products	0	1,034
Other operating income and expenses	(621)	(1,276)
Income of equity-accounted affiliates (1)	2,291	1,368
EBITDA	**77,496**	**57,383**
Depreciation expenses	(40,075)	(34,254)
Operating income before special items	**37,420**	**23,129**
Depreciation of goodwill	-	-
Non-recurrent income and expenses	(18,874)	(24,124
Other exceptional operating income and expenses	**(18,874)**	**(24,124**
Operating income	**18,547**	**(996)**
Income from cash and cash equivalents	631	1,094
Gross cost of financial debt	(8,938)	(29,264
Other financial income and expenses	1,573	2,142
Cost of net financial debt	**(6,734)**	**(26,027)**
Income taxes	(4,002)	(1,473)
Deferred taxes	(699)	(863)
Total taxes	**(4,701)**	**(2,336)**
Share of profit (loss) for the period of equity method companies	(51)	(115)
Profit (loss) for the period from continuing activities	7,061	(29,473)
Profit (loss) for the period from discontinued activities	-	(1,096)
Profit (loss) for the period from activities held for sale	4,099	3,838
Consolidated profit (loss) for the period	11,160	(26,731)
Consolidated Net income (loss) attributable to owners of the parent	**11,147**	**(26,746)**
Minority interests	14	14
Average number of shares excluding treasury stock	13,979,390	13,960,024
Current Earnings Per Share (in euros)	**0.9**	**(1.5)**
Earnings Per Share (in euros)	**0.8**	**(1.9)**
Dilutive instruments	Néant	Néant
Earning for recurring operation per share (in euros)	**0.8**	**(1.9)**

(1) Restatement of the Income of equity-accounted affiliates

In thousands of euros	***12.31.2017 reported***	*Income of equity-accounted affiliates*	*Activities held for sale*	*12.31.2016 restated*
EBITDA	61,410	1,368	(5,395)	57,383
Operating income before special items	27,072	1,368	(5,311)	23,129
Operating income	2,948	1,368	(5,311)	(996)

Consolidated cash flow statement as of December 31, 2017

In thousands of euros	***12.31.2017***	***12.31.2016***
Consolidated profit (loss) for the period	11,160	(26,733)
Share of earnings from equity method companies	(2,241)	(1,253)
Depreciation and provisions	64,435	56,133
Capital gains or losses on disposals	(534)	(548)
Cash flow after cost of net financial debt and taxes	**72,821**	**27,598**
Cost of net financial debt	6,427	25,772
Tax expenses	6,628	4,083
Operating cash flow before cost of net financial debt and taxes	**85,877**	**57,454**
Tax paid	(1,819)	(5,687)
Change in working capital requirements for operations: requirement	(10,574)	-
Change in working capital requirements for operations: surplus	-	6,801
Cash flow generated from operating activities after tax paid and change in working capital requirements (A)	**73,484**	**58,569**
Of which net cash flows from operating activities of held for sales	4,299	4,021
Acquisitions of intangible assets	(48,372)	(46,622)
Acquisitions of tangible assets	(12,251)	(15,209)
Acquisitions of long-term investments	-	-
Disposals of tangible and intangible assets	529	848
Disposals of long-term investments	1,046	-
Change in loans made and cash advance	(10,749)	(1,277)
Impact of changes in consolidation scope	(1,855)	(21,425)
Dividends received from outside Group	893	2,026
Net cash flows generated by investment operations (B)	**(70,759)**	**(81,659)**
Of which net cash flows connected to investment operations of activities held for sales	(674)	(828)
Dividends paid to parent company shareholders	-	-
Dividends paid to the minority interests of consolidated companies	(70)	(87)
Capital increase through cash contribution	-	-
Loans issued	10,500	190,000
Loans repaid	(3,241)	(340,292)
Interest paid on loans	(5,996)	(33,029)
Other financial income and expenses paid or received	(821)	(112)
Net cash flows generated by financing operations (C)	**372**	**(183,520**
Of which net cash flows related to financing operations of activities held for sales	270	(16)
Change In Cash without impact of change in foreign currency exchange rates (A + B + C)	**3,098**	**(206,610)**
Impact of changes in foreign currency exchange rates	(821)	(787)
Change in cash	**2,276**	**(207,398**
Opening cash	20,722	228,120
Closing cash	22,998	20,722

The change in WRC is positively impacted by the factoring and negatively by Cegeelase acquisition of intangible assets and by the Tessi's fine.

Glossary

BPO (Business Process Outsourcing): BPO is the contracting of non-core business activities and functions to a third-party provider. Cegedim provides BPO services for human resources, Revenue Cycle Management in the US and management services for insurance companies, provident institutions and mutual insurers.

Business model transformation: Cegedim decided in fall 2015 to switch all of its offerings over to SaaS format, to develop a complete BPO offering, and to materially increase its R&D efforts. This is reflected in the Group's revamped business model. The change has altered the Group's revenue recognition and negatively affected short-term profitability

Corporate and others: 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: Operating expenses is 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 (L-f-l): 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.

Adjusted EBITDA : Consolidated EBITDA adjusted, for 2016, for the €4.0m of negative impact from impairment of receivables in the Healthcare Professional division

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

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

Net cash: Net cash is 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 4,200 people in more than 10 countries and generated revenue of €457 million in 2017. Cegedim SA is listed in Paris (EURONEXT: CGM).
To learn more, please visit: www.cegedim.com
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