

PRESS RELEASE

Full-Year Financial Information as of December 31, 2016
IFRS - Regulated Information – Audited

Cegedim is making great strides on its business model transformation, and the strategic repositioning is starting to pay off

- Revenues up 4.4% like for like in 2016
- Adjusted EBITDA lower over the full year but up in the fourth quarter
- Numerous new product launches
- Growth expected to pick up speed in the fourth quarter of 2017

Disclaimer: Cegedim's management believes that the non-IFRS measure of adjusted EBITDA – when considered alongside its IFRS financial statements – is useful for helping investors and its own senior management understand its businesses and current operating trends. Adjusted EBITDA is equal to consolidated EBITDA adjusted for the €4.0m of negative impact from impairment of receivables in the Healthcare Professional division

CONFERENCE CALL ON MARCH 22, 2017, AT 6:15PM CET

FR : +33 1 70 77 09 37

USA : +1 866 907 5928

UK : +44 (0)20 7107 1613

No access code required

The webcast is available at the following address: <http://bit.ly/2lPms19>

Boulogne-Billancourt, March 22, 2017

Cegedim, an innovative technology and services company, posted consolidated 2016 revenues of €440.8 million, up 3.4% on a reported basis and 4.4% like for like compared with the same period in 2015. EBITDA came to €61.4 million in 2016, down 21.8% year on year. Adjusted EBITDA came to €65.4 million in 2016, down 16.7% year on year

The business model transformation initiated in fall 2015 is beginning to pay off, as shown by the increase in like-for-like revenue growth to 5.4% in the fourth quarter and 4.4% over the full year 2016. The decline in EBITDA was chiefly attributable to execution of the transformation plan, which includes transitioning to a business process outsourcing (BPO) model and to SaaS formats, and investing in R&D. Due to a change in strategy with respect to two legal disputes with US clients, the Group signed agreements that led it to reclassify significant receivables as losses in 2016. Because these losses cannot be categorized as exceptional expenses under IFRS, the Group is communicating an adjusted EBITDA figure.

In 2016, the transformation project resulted in several changes in senior management within the *Healthcare professionals* division in the US, UK and France. At the same time, investments devoted to R&D allowed Cegedim to launch a number of new products, notably in SaaS format. For example, the Group began to market its *Smart Rx* product for French pharmacists, *Pulse Cloud Practice Management* for US doctors, *Vision anywhere* for UK doctors, and a full SaaS e-invoicing platform using open source technology. The Group also substantially expanded its BPO offering for US doctors, HR departments and insurance companies, notably signing a major BPO contract with social protection and insurance group KLESIA and at the end of the year with the mutual insurance group YSTIA.

Simplified income statement

	FY 2016		FY 2015		Chg.
	In €m	In %	In €m	In %	In %
Revenue	440.8	100.0%	426.2	100.0%	+3.4%
EBITDA	61.4	13.9%	78.5	18.4%	(21.8)%
Adjusted EBITDA	65.4	14.8%	78.5	18.4%	(16.7)%
Depreciation	(34.3)	-	(30.4)	-	+12.8%
EBIT before special items	27.1	6.1%	48.1	11.3%	(43.7)%
Special items	(24.1)	-	(6.7)	-	+261.5%
EBIT	2.9	0.7%	41.4	9.7%	(92.9)%
Cost of net financial debt	(25.8)	-	(40.8)	-	(36.8)%
Tax expenses	(4.1)	-	17.6	-	n.m.
Consolidated profit from continuing activities	(25.6)	-	19.5	-	n.m.
Net earnings from activities held for sale	(1.1)	-	47.5	-	n.m.
Profit attributable to the owners of the parent	(26.7)	-	67.0	-	n.m.
EPS before special items	(0.9)	-	1.6	-	n.m.

In 2016, **Cegecim** posted consolidated revenues of €440.8 million up 3.4% on a reported basis. Excluding an unfavorable currency translation effect of 1.7% and a 0.8% boost from acquisitions revenues rose 4.4%.

In like-for-like terms the **Health Insurance HR and e-services** division's revenues rose by 10.5%, whereas the **Healthcare professionals** division's revenues fell by 2.8%.

EBITDA declined by €17.1 million or 21.8% to €61.4 million. The full year 2016 margin fell to 13.9% from 18.4% a year earlier. It is worth noting that more than 72% of this decline occurred during the first half of 2016.

Adjusted EBITDA amounted to €65.4 million in 2016, down by €13.1 million or 16.5%. The full year 2016 margin fell to 14.8% from 18.4% a year earlier.

Depreciation charges rose €3.9 million from €30.4 million for 2015 to €34.3 million for 2016. Amortization of R&D expenses over the period increased by €1.1 million.

EBIT from recurring operations fell €21.0 million in 2016 or 43.7% to €27.1 million. The margin fell to 6.1% in 2016 from 11.3% in 2015.

Special items amounted to a charge of €24.1 million over 2016 compared with a charge of €6.7 million over 2015. This increase was chiefly due to the €5.4 million increase in restructuring costs due to the implementation of new organizational structures, the €4.6 million fine related to the Tessi litigation, the €7.5 million of allowance for legacy software and the impact of moving the corporate headquarters.

The net cost of financial debt amounted to €25.8 million in 2016 compared with €40.8 million in 2015, a decrease of €15.0 million or 36.8%. This figure represented 5.8% of 2016 revenues, compared with 9.6% of 2015 revenues. The decline reflects the positive impact on interest expenses of the early redemption of the bond maturing in 2020 with a coupon of 6.75% in the first quarter of 2016, made possible by the signing of a new revolving credit facility of €200 million with a interest rate of 1.4% in January 2016. During the first half of 2016, interest expenses amounted to €23.9 million compared to €1.9 million in the second half.

Tax amounted to a charge of €4.1 million in 2016 compared with an income of €17.6 million in 2015, a decrease of €21.7 million. This was chiefly due to the non-recognition of deferred tax assets in 2016, contrary to 2015.

Thus, the **consolidated net result from continuing activities** came to a loss of €25.6 million at end-December 2016 compared with a profit of €19.5 million in the year-earlier period. **Earnings per share before special items** came to loss of €1.2 at end of December 2016 compared with a €1.6 profit a year earlier.

Analysis of business trends by division

• Key figures by division

In €m	Revenue		EBIT before special items		EBITDA		Adjusted EBITDA	
	2016	2015	2016	2015	2016	2015	2016	2015
Health Insurance, HR and e-services	262.3	234.7	28.6	30.5	43.9	46.5	43.9	46.5
Healthcare Professionals	175.2	187.2	3.2	18.7	16.9	30.0	20.9	30.0
Activities not allocated	3.3	4.2	-4.7	-1.1	0.7	2.0	0.7	2.0
Cegedim	440.8	426.2	27.1	48.1	61.4	78.5	65.4	78.5

• Health insurance, HR and e-services

The division's 2016 revenues came to €262.3 million, up 11.8% on a reported basis. The July 2015 acquisition of *Activus* in the UK made a positive contribution of 1.4%. Currencies had virtually no impact. Like-for-like revenues rose 10.5% over the period.

The *Health insurance, HR and e-services* division represented 59.5% of consolidated revenues from continuing activities, compared with 55.1% over the same period a year earlier.

This significant 2016 revenue growth was chiefly attributable to:

- *Cegedim Insurance Solutions*, with double-digit growth in the *iGestion* BPO business for health insurance companies and mutual insurers, continued robust growth in the third party payment flow management activity, and a very fine performance in software and services devoted to the personal protection insurance sector, including double-digit growth in the fourth quarter despite the impact of transitioning to SaaS format.
- Excellent momentum at the *Cegedim e-business* unit, and a strong acceleration in the fourth quarter. In addition, *Cegedim e-business* fully benefited from the start of operations with new clients on its *Global Information 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 over the full year.

The division's 2016 EBITDA came to €43.9 million, down €2.6 million, or 5.7%. The EBITDA margin came to 16.7%. vs. 19.8% a year earlier. It is worth noting that the EBITDA was up €0.5 million in Q4 2016 over the same period a year earlier.

The decline in EBITDA took place entirely in the first half of 2016, with a decrease of €2.9 million. EBITDA increased by €0.5 million in the second half of 2016:

- The start of operations with BPO clients for *iGestion*;
- *Cegedim Insurance Solutions* switching its core products over to SaaS format, the start of operations with numerous new clients, and the start of new projects for existing clients;
- A difference in the timing of promotional campaigns in 2016 compared to 2015 for *RNP*.

The impact was partially offset by an increase of activity at *Cegedim e-business* and *Cegedim SRH* and the fine performance in processing third-party payment flows for insurance companies.

- **Healthcare professionals**

The division's 2016 revenues came to €175.2 million, down 6.4% on a reported basis. Currency effects made a negative contribution of 3.7%. There was no impact from acquisitions or divestments. Like-for-like revenues fell 2.8% over the period.

The **Healthcare professionals** division represented 39.7% of consolidated revenues from continuing activities, compared with 43.9% over the same period a year earlier.

The decline in revenues in 2016 and in the last quarter was chiefly attributable to:

- The transition of clients in certain markets, who are increasingly attracted to cloud-based offerings, over to SaaS versions;
- In the UK, the fact that the Group only began marketing the new SaaS offering to doctors in January 2017;
- The September 2016 release in France 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 allows networks amongst individual pharmacies and links with healthcare professionals. The launch of this new offering, combined with implementation of a new organization, should enable this business to return to growth in the months ahead.

These performances were partially offset by:

- Double-digit growth at **Pulse** over the full year, despite a contraction in the last quarter owing to the postponement of certain projects, mainly related to the unit's RCM offerings. The Group has implemented a new, more responsive organization that should enable the business to return to a path of sustainable growth, particularly in BPO.
- Robust growth in products and services designed for physical therapists and nurses in France;
- Double-digit growth at **Cegelease**, which offers financial leases

The division' 2016 EBITDA came to €16.9 million, down €13.2 million, or 43.8%. The EBITDA margin came to 9.6% vs 16.0% a year earlier. The division' 2016 Adjusted EBITDA came to €20.9 million, down €9.2 million, or 30.5%. The EBITDA margin came to 11.9% vs 16.0% a year earlier. It is worth noting that the Adjusted EBITDA was up €0.5 million in Q4 2016 over the same period a year earlier.

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

- France, to develop the new hybrid offering for pharmacies;
- The US, focusing on Revenue Cycle Management (RCM) activities and SaaS electronic health records (EHR);
- The UK, to launch a cloud-based offering for UK doctors in 2017.

EBITDA felt a pinch from efforts to switch Belgian doctors over to SaaS format and reorganize the business in the US this summer.

The decline was partially offset by an increase in the computerization of physical therapists and nurses in France

- **Activities not allocated**

The division's 2016 revenues came to €3.3 million, down 21.6% 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 1.0% over the same period a year earlier.

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

The division' 2016 EBITDA came division EBITDA came to €0.7 million, down €1.3 million over the same period a year earlier. In the third quarter of 2016.

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

Financial resources

Cegedim's consolidated total balance sheet amounted to €709.1 million, at December 31, 2016.

Acquisition goodwill represented €199.0 million at December 31, 2016, compared with €188.5 million at end-2015. The €10.4 million increase, equal to 5.5%, was mainly attributable to the acquisition in November 2016 in France of **Futuramedia Group** for €17.3 million, partly offset by the euro's appreciation against the British pound, for a total of €4.5

million. Acquisition goodwill represented 28.1% of the total balance sheet at December 31, 2016, compared with 21.8% on December 31, 2015.

Cash and equivalents came to €20.8 million at December 31, 2016, a decrease of €210.5 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 the €21.4 million impact of changes in consolidation scope, partly offset by drawing €190.0 million from the €200 million revolving credit facility. Cash and equivalents represented 2.9% of the total balance sheet at December 31, 2016, compared with 26.8% at December 31, 2015.

Shareholders' equity fell by €39.1 million, i.e. 17.2%, to €188.9 million at December 31, 2016, compared with €228.1 million at December 31, 2015. Shareholders' equity represented 26.6% of the total balance sheet at end-December 2016, compared with 26.4% at end-December 2015.

Net financial debt amounted to €226.8 million at end-December 2016. up €59.2 million compared with end-December 2015. It is worth noting that 41.6m of €59.2m are related to acquisition and to the bond early redemption. It represented 120.1% of Group shareholders' equity at December 31. 2016.

Before the net cost of financial debt and taxes, cash flow was €57.5 million at December 31. 2016, compared with €76.0 million at December 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 14 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.

- **Acquisition of *Futuramedia Group***

Cegedim announced on November 2. 2016, that it had signed a heads of agreement to acquire *Futuramedia Group*. This deal will strengthen the digital offerings of its subsidiary *RNP*, which specializes in pharmacy displays in France. The acquisition was completed on November 30. 2016.

In 2015. *Futuramedia Group* generated revenues of around €5.4 million. It will have an accretive impact on *Cegedim* Group's margins and began contributing to the Group's consolidation scope from January 1. 2017.

- **Kadrige sale**

The Kadrige business was sold to IMS Health on November 9. 2016.

Significant post-closing transactions and events

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.

- **Tessi litigation**

On February 10, 2017, *Cegedim* was ordered to pay €4.636.000 to the Tessi company for failing to meet certain contractual obligations with respect to an asset sale made on July 2, 2007.

Cegedim has decided to appeal this decision. However, because this was an enforceable decision, the sum of €4.636.000 was recorded as Group debt at December 31, 2016, under the heading "Other non-financial debt", and is expected to be paid in 2017.

- **Euris litigation**

Cegedim has received notification that it is being sued jointly with IMS Health by Euris for unfair competition. *Cegedim* has filed a motion claiming that IMS Health should be the sole defendant.

- **Partial interest rate hedging**

To hedge part of the Group's exposure to euro interest rate fluctuations linked to its RCF, the Group carried out an interest rate swap on February 17, 2016. Under the zero-premium swap agreement, *Cegedim* receives the 1-month Euribor rate if it exceeds 0%, receives nothing otherwise, and pays a fixed rate of 0.2680%.

- **Acquisition of B.B.M Systems in the UK**

On February 23, 2017, *Cegedim* acquired UK company B.B.M. Systems through its *Alliadis Europe Ltd* subsidiary. The deal strengthens the Group's expertise in developing Cloud-based products for general practitioners.

B.B.M. Systems had 2016 revenues of around €0.7 million and earned a profit. It will contribute to the Group's scope of consolidation from March 1, 2017.

Outlook

Cegedim continues to reinvent itself in 2017, pursuing innovation and investing in business model transformation. *Cegedim* is making great strides on its transformation. As a result, growth is expected to pick up speed in the fourth quarter of 2017 and lay the groundwork for improving profitability.

Thus, in 2017, *Cegedim* expects:

- Like-for-like revenue growth between 4.0% and 6.0%;
- EBITDA in a range of €66.0 million to €72.0 million inclusive.

Cegedim expects to see the full positive impact of its investments, reorganization and transformation in 2018.

In 2017, the Group does not expect any significant acquisitions and is not issuing any earnings guidance or estimates

- **Potential Brexit impact**

In 2016, the UK accounted for 12.7% of consolidated Group revenues and 14.8% 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.

- **Quarterly statements**

Starting in 2017, *Cegedim* will only publish half-year and annual results. It will, however, continue to publish quarterly revenues.

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 that will be published no later than March 31, 2017.

Financial calendar

March 23 2017. at 10:00am CET	Analyst meeting (SFAF meeting)
April 27 2017. after market closing	Q1 2017 revenues
June 15 2017 at 9:30am CET	Shareholders' meeting
July 27 2017 after market closing	Q2 2017 Revenues
September 21 2017 after market closing	Half-year 2017 earnings

March 22. 2017. 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 FY 2016 earnings presentation is available at:

The website:

The Group's financial communications app. Cegedim IR. To download the app. visit:

<http://www.cegedim.fr/finance/profil/Pages/CegedimIR.aspx>

The webcast is available at the following address: <http://bit.ly/2lPms19>

Contact numbers:	France: +33 1 70 77 09 37	<u>No access code required</u>
	United States: +1 866 907 5928	
	UK and others: +44 (0)20 7107 1613	

Informations additionnelles

The Audit Committee met on March 20, 2017. At its on meeting on March 22, 2017, the board of directors approved the consolidated financial statement for 2016. The audit of the consolidated financial statements has been completed and the audit report will be issued once the verification of the management report has been finalized.

The 2016 Registration Document will be available no later than March 31, 2017:

- 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 December 31. 2016

- Assets as of December 31. 2016

<i>In thousands of euros</i>	09.30.2016	12.31.2015 ⁽¹⁾
Goodwill on acquisition	198,995	188,548
Development costs	12,152	16,923
Other intangible fixed assets	127,293	108,166
Intangible fixed assets	139,445	125,089
Property	459	459
Buildings	4,712	5,021
Other tangible fixed assets	26,548	16,574
Construction work in progress	508	51
Tangible fixed assets	32,227	22,107
Equity investments	1,098	1,098
Loans	3,508	3,146
Other long-term investments	4,126	5,730
Long-term investments – excluding equity shares in equity method companies	8,733	9,973
Equity shares in equity method companies	9,492	10,105
Government – Deferred tax	28,784	28,722
Accounts receivable: Long-term portion	29,584	26,544
Other receivables: Long-term portion	0	1,132
Non-current assets	447,260	412,219
Services in progress	1,034	-
Goods	6,735	8,978
Advances and deposits received on orders	1,773	218
Accounts receivables: Short-term portion	167,361	161,923
Other receivables: Short-term portion	53,890	32,209
Cash equivalents	8,000	153,001
Cash	12,771	78,298
Prepaid expenses	10,258	16,666
Current Assets	261,823	451,293
Assets of activities held for sale	-	768
Total Assets	709,082	864,280

- **Liabilities and shareholders' equity as of December 31. 2016**

<i>In thousands of euros</i>	09.30.2016	12.31.2015 ⁽¹⁾
Share capital	13,337	13,337
Group reserves	204,723	139,287
Group exchange gains/losses	-2,391	8,469
Group earnings	-26,747	66,957
Shareholders' equity. Group share	188,921	228,051
Minority interests (reserves)	9	39
Minority interests (earnings)	14	41
Minority interests	23	79
Shareholders' equity	188,944	228,130
Long-term financial liabilities	244,013	51,723
Long-term financial instruments	1,987	3,877
Deferred tax liabilities	6,453	6,731
Non-current provisions	23,441	19,307
Other non-current liabilities	13,251	14,376
Non-current liabilities	289,145	96,014
Short-term financial liabilities	3,582	347,213
Short-term financial instruments	11	5
Accounts payable and related accounts	62,419	54,470
Tax and social liabilities	78,810	70,632
Provisions	3,297	2,333
Other current liabilities	82,874	61,657
Current liabilities	230,993	536,311
Liabilities of activities held for sale	-	3,823
Total Liabilities	709,082	864,280

- Income statements as of December 31, 2016

<i>In thousands of euros</i>	09.30.2016	09.30.2015 ⁽¹⁾
Revenue	440,846	426,158
Other operating activities revenue	(35,004)	(39,787)
Purchased used	(125,635)	(109,142)
External expenses	(7,793)	(8,856)
Taxes	(206,092)	(187,021)
Payroll costs	(4,727)	(3,415)
Allocations to and reversals of provisions	1,034	-
Change in inventories of products in progress and finished products	(1,219)	577
Other operating income and expenses	61,410	78,513
EBITDA	(34,338)	(30,438)
Depreciation expenses	27,072	48,075
Operating income from recurring operations	-	-
Depreciation of goodwill	(24,124)	(6,673)
Non-recurrent income and expenses	(24,124)	(6,673)
Other exceptional operating income and expenses	2,948	41,402
Operating income	1,367	1,369
Income from cash and cash equivalents	(29,263)	(36,342)
Gross cost of financial debt	2,142	(5,809)
Other financial income and expenses	(25,755)	(40,782)
Cost of net financial debt	(3,308)	(2,383)
Income taxes	(774)	19,996
Deferred taxes	(4,082)	17,612
Total taxes	1,253	1,305
Share of profit (loss) for the period of equity method companies	(25,636)	19,538
Profit (loss) for the period from continuing activities	(1,096)	47,460
Profit (loss) for the period from discontinued activities	(26,732)	66,998
Consolidated profit (loss) for the period	(26,746)	66,957
Group share	14	41
Minority interests	13,960,024	13,958,112
Average number of shares excluding treasury stock	(0.9)	1.6
Current Earnings Per Share (in euros)	(1.2)	4.8
Earnings Per Share (in euros)	Néant	néant
Dilutive instruments	(1.9)	4.8
Earning for recurring operation per share (in euros)	440,846	426,158

• Consolidated cash flow statement as of December 31, 2016

<i>In thousands of euros</i>	09.30.2016	09.30.2015 ⁽¹⁾
Consolidated profit (loss) for the period	(26,733)	66,998
Share of earnings from equity method companies	(1,253)	(1,348)
Depreciation and provisions	56,133	31,546
Capital gains or losses on disposals	(548)	(46,857)
Cash flow after cost of net financial debt and taxes	27,598	50,339
Cost of net financial debt	25,772	40,120
Tax expenses	4,083	(14,431)
Operating cash flow before cost of net financial debt and taxes	57,454	76,028
Tax paid	(5,687)	(12,127)
Change in working capital requirements for operations: requirement	-	(24,072)
Cash flow generated from operating activities after tax paid and change in working capital requirements (A)	6,801	-
Of which net cash flows from operating activities of held for sales	58,569	39,829
Acquisitions of intangible assets	4,021	6,419
Acquisitions of tangible assets	(46,622)	(51,229)
Acquisitions of long-term investments	(15,209)	(10,231)
Disposals of tangible and intangible assets	-	-
Disposals of long-term investments	848	1,416
Impact of changes in consolidation scope	(1,277)	927
Dividends received from equity method companies	(21,425)	336,347
Net cash flows generated by investment operations (B)	2,026	81
Of which net cash flows connected to investment operations of activities held for sales	(81,659)	277,311
Dividends paid to parent company shareholders	(828)	(7,482)
Dividends paid to the minority interests of consolidated companies	-	-
Capital increase through cash contribution	(87)	(69)
Loans issued	-	-
Loans repaid	190,000	-
Interest paid on loans	(340,292)	(147,563)
Other financial income and expenses paid or received	(33,029)	(42,681)
Net cash flows generated by financing operations (C)	(112)	(1,130)
Of which net cash flows related to financing operations of activities held for sales	(183,520)	(191,443)
Change In Cash without impact of change in foreign currency exchange rates (A + B + C)	(16)	(852)
Impact of changes in foreign currency exchange rates	(206,610)	125,698
Change in cash	(787)	2,707
Opening cash	(207,398)	128,405
Closing cash	228,120	99,715

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.

Adjusted EBITDA : Consolidated EBITDA adjusted 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: 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 4,000 people in 11 countries and generated revenue of €441 million in 2016. Cegedim SA is listed in Paris (EURONEXT: CGM).

To learn more, please visit: www.cegedim.com

And follow Cegedim on Twitter: [@CegedimGroup](https://twitter.com/CegedimGroup) and [LinkedIn](https://www.linkedin.com/company/cegedim)

Aude Balleydier
Cegedim
Communications Manager
and Media Relations
Tel.: +33 (0)1 49 09 68 81
aude.balleydier@cegedim.com

Jan Eryk Umiastowski
Cegedim
Chief Investment Officer
and Head of Investor Relations
Tel.: +33 (0)1 49 09 33 36
janeryk.umiastowski@cegedim.com

Guillaume de Chamisso
PRPA Agency
Media Relations
Tel.: +33 (0)1 77 35 60 99
guillaume.dechamisso@prpa.fr

Follow Cegedim:

