

January
2017
Oddo
forum.

ODDO Midcap Lyon <<<
5-6 January 2017



Janvier

2017 Oddo forum



AGENDA

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements (made pursuant to the safe harbour provisions of the Private Securities Litigation Reform Act of 1995). By their nature, forward-looking statements involve risk and uncertainty. Forward-looking statements represent the company's judgment regarding future events, and are based on currently available information. Consequently the company cannot guarantee their accuracy and their completeness, and actual results may differ materially from those the company anticipated due to a number of uncertainties, many of which the company is not aware of. For additional information concerning these and other important factors that may cause the company's actual results to differ materially from expectations and underlying assumptions, please refer to the reports filed by the company with the 'Autorité des Marchés Financiers'.

01

Cegedim at a glance

02

Cegedim Strategy

03

Finance: It is all about performance

04

Cegedim and the financial market

Cegedim **at a glance**



- » Founded in **1969**
- » 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
- » A **global company** with headquarter **in France** and a **local presence in 11 countries**
- » **Listed** on **Euronext Paris**

Cegedim:
Key Figures

€426m

Revenue FY 2015

€79m

EBITDA FY 2015

€216m

Net Debt Sep. 2016

11
countries

3,995

Workforce Sept. 2016

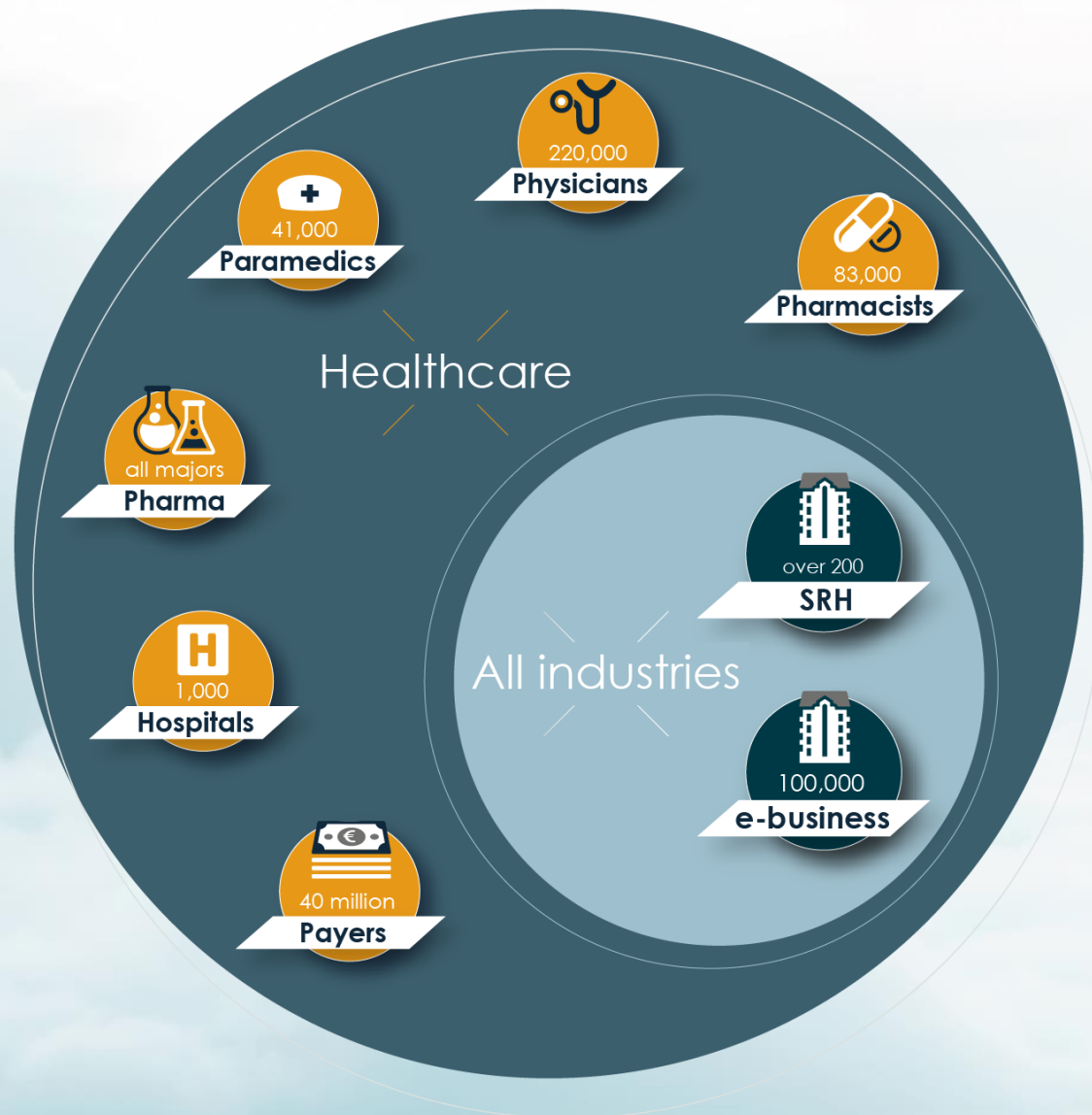
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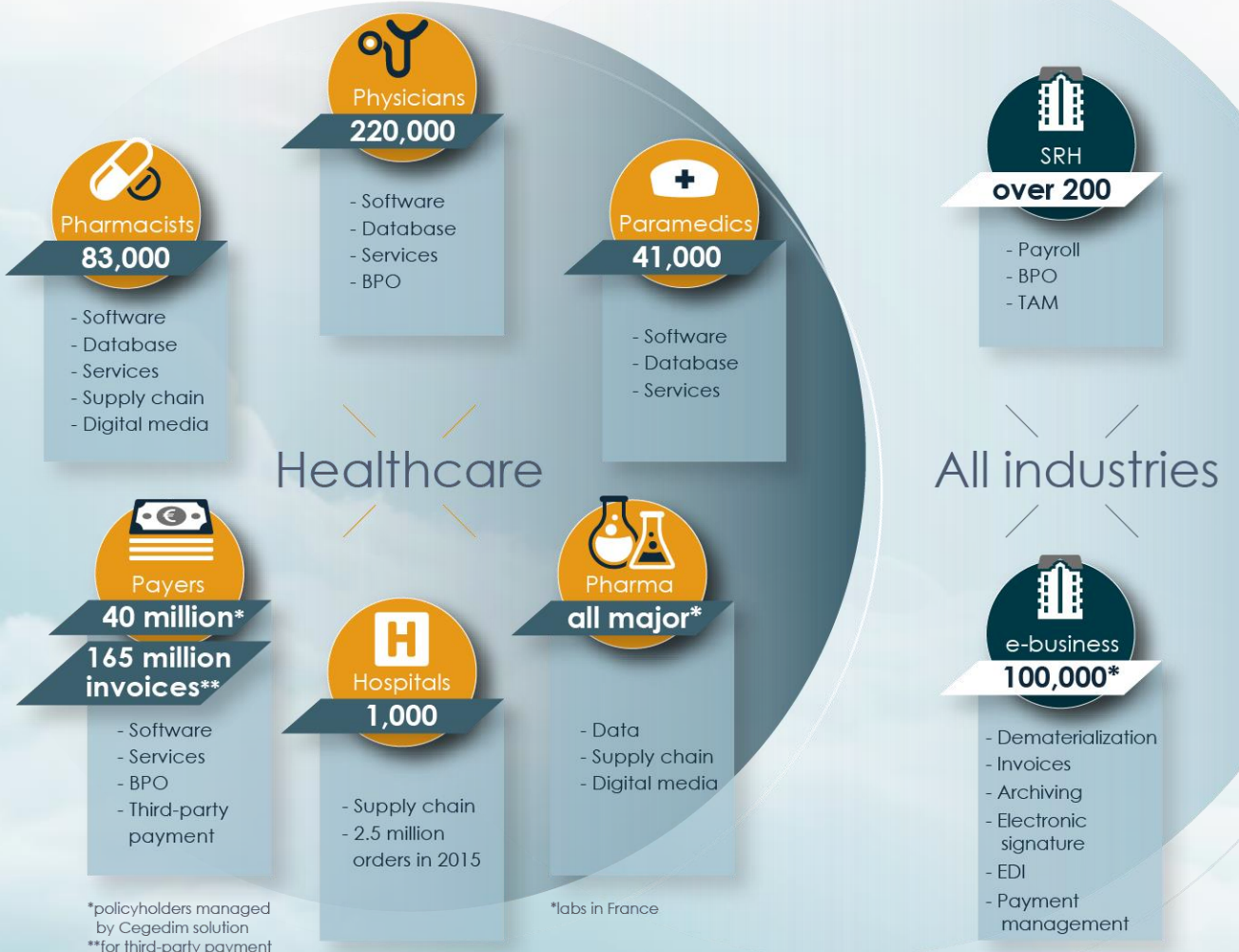
Our Presence



Our Clients



Our Business



*policyholders managed by Cegecim solution
 **for third-party payment

*labs in France

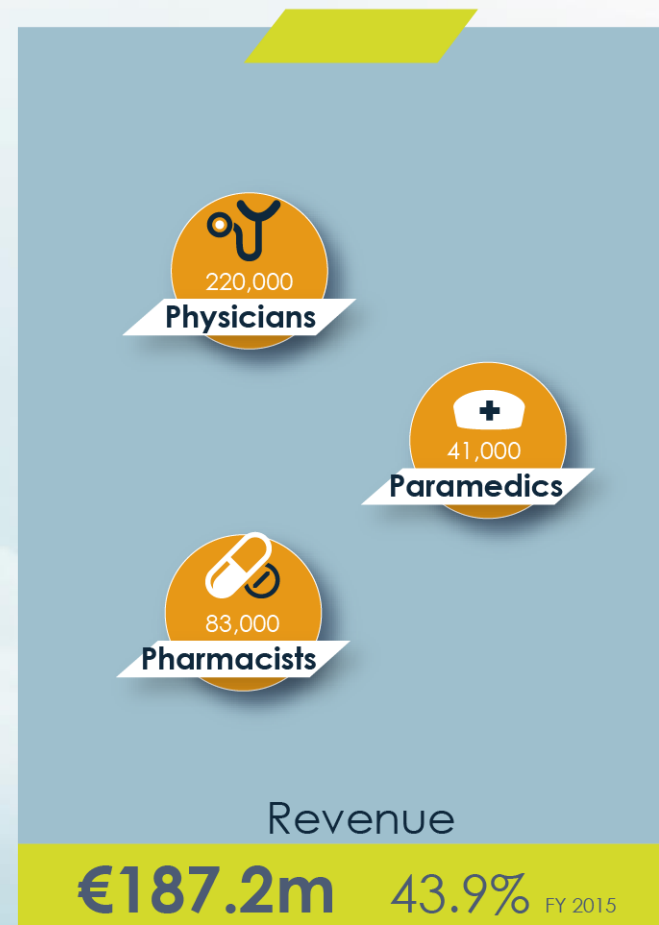
*connected companies

Our divisions

Health Insurance, H.R. & e-services



Healthcare Professionals



Our Positions

Cegedim Insurance Solutions



#1

Software and IT
in France



#1

Third-Party Payment
in France

Cegedim SRH



#2

in France



+50,000 in 2015
Acquisitions of payslips

Cegedim e-business



#1

European Network



+300 million in 2015

Electronic Documents
exchanged per year

Cegedim Healthcare Software



#1

UK Pharmacists
French, Italian
& Spanish Physicians



#2 | #3

French Pharmacists
UK Physicians

Our Strengths



Leading market positions
in each of our divisions



**Stable, well-balanced
and diversified** revenue mix



High barriers to entry



Unique presence
in the Healthcare Ecosystem



Recognized portfolio of
innovative and integrated
solutions



Long-standing shareholder
support and experienced
management

**Do you
know?**

Business model transformation

- SaaS / Cloud
- BPO
- Digital

Significant growth opportunities

- SaaS migration
- Value expansion via services (BPO...)
- New users

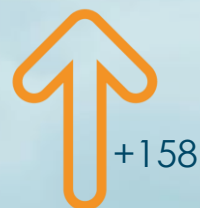
Operational highlights

People



3,995

R&D people



753

As of Sep 30, 2016

Financial highlights

Revenue



€306.9m

EBITDA margin



12.7%

As of Sep 30, 2016

Our R&D

Capitalized R&D

€18.7m

as of June 2016

+47%

change between June 2015 and June 2016

Revenue on Capitalized
R&D Ratio

8.7%

as of June 2016

+252 bps

change between June 2015 and June 2016

Cegedim **Strategy**



Business Momentum



MOMENTUM

- Clients are ready
- Cegedim is ready
- Revenue up by 4.0% on L-f-L over the first 9 months of 2016



OPPORTUNITY

- Significant market opportunities in all of our business
- Based on willingness to improved population health and outsourcing trends



STRATEGY

- Market leadership
- Innovation
- Transformation well under way
- SaaS offering
- BPO
- Digital

**Business model
transformation
progress**

2018

Full benefit of Group
transformation
Well positioned for coming
years



2016 – 2017

Group transformation



2015

Beginning of Cegedim strategic
repositioning

- Disposal
- Debt management
- Restatement of financial leases
- Bolt-on acquisition
- Management changes

- Robust IT infrastructure
- Experience of SaaS, BPO and Digital
- Talented and motivated people
- Financial flexibility

Business model transformation



- Cloud
- SaaS
- BPO
- Digital

- Drive more recurring revenue
- Increase customer lifetime value
- Increases addressable market
- Simplifies our business
- Gets us closer to the customer

A sustainable business model



Drivers

Regulatory >>>

>>> Economy <<<

Demography <<<

>>> Consumer <<<

>>> Technology

Improve Population Health, focus on cost and quality

Majority of
the portfolio
is aimed at
growth

Insurance Solutions

- Regulation
- BPO, Digital

Cegedim ebusiness

- Digital
- Regulation

Cegedim SRH

- SaaS
- BPO

Digital media

- Digital
- Acquisition

Data

- Real world evidence in real time

Pharmacists

- SaaS
- Innovation

Cegelease

- Significant opportunities

Paramedics

- Growing market
- Digital

GPs

- Regulation
- Medical software, SaaS



The Cloud transition of Cegecim Healthcare Software



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Major organizational changes and investments



- **New Management Team** in US
- **New CEO** [Cegecim Rx](#)
- **Increased investment** in team and solutions for Latam
- **Opened offices** in [Russia/Ukraine](#)
- **Rebranding** [Alliadis](#) to [Smart Rx](#)
- **Spain : Split Software Factory** from the Local Business
- **Headcount R&D between 2015 – 2017 : +130 Heads (S,F, Pulse, UK)**



All new of future solutions developed by Cegedim will be Cloud based

Reduce cost of development, maintenance and production

- Build a **SaaS platform** shared across Cegedim BU's
- Promote **best practices of DevOps**
- **SaaS** Maturity Plan program

- Accelerate new technology adoption
- Provide configuration capabilities and tools
- Agile SCRUM methodology

Provide added value to the market on a regular basis through innovation

Our strengths

To make it a

success

Talented and
motivated
people



Our vision



Experience
of SaaS



Robust IT
Cloud
infrastructure

Major solution milestones

- » **Pulse Cloud Practice Management: up and running in 14 sites**
- » **Recent launch Smart Rx**
- » **INPS: Vision Anywhere**
 - 350 practices use extensively
- » **Business Plan and Roadmap for Healthy Dispenser (end 2017)**
- » **Docavenue (3,000 clients)**
- » **BCB: Tunisia, Belgium, plan for Russia, new segments (Pharma, Hospitals)**
- » **RCM: 3 major deals in Q4 2016, big potential for growth**

Finance:
It is all about performance



P&L review

In € million	Sep.16	Sep.15	% change
Revenue	318.3	306.9	+3.7%
EBITDA	40.6	52.3	(22.4)%
Margin	12.7%	17.0%	(426)bps
D&A	(25.3)	(22.4)	+12.7%
EBIT before special items	15.3	29.9	(48.9)%
Margin	4.8%	9.7%	(493)bps
Special items	(5.7)	(5.0)	+14.3%
EBIT	9.6	24.8	(61.6)%
Margin	3.0%	8.1%	(510)bps
Cost of net financial debt	(25.2)	(32.7)	(22.9)%
Total Taxes	(1.4)	(2.5)	(42.8)%
Earnings from continuing activities	(15.5)	(9.0)	(72.9)%
Earnings from discontinuing activities	(1.2)	32.2	n.m.
Net earnings	(16.8)	23.2	n.m.
Earnings before special items per share	(0.7)	(0.3)	n.m.

P&L Review

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

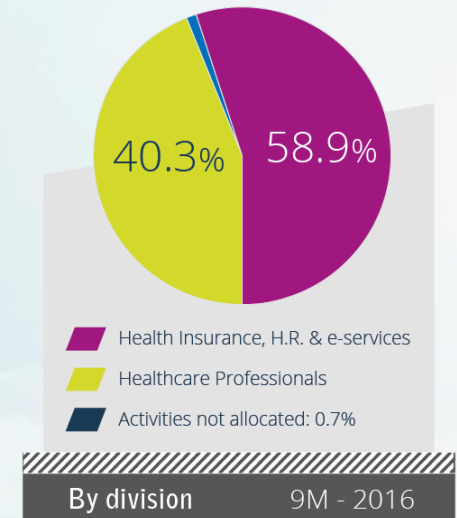
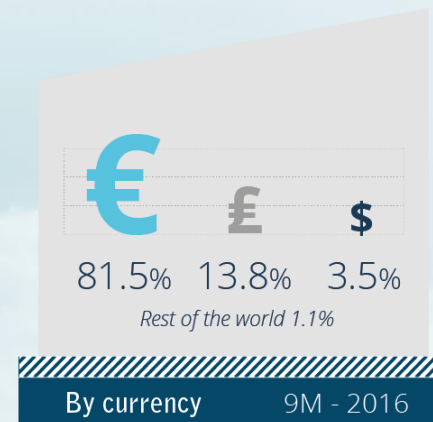
Robust revenue growth
on 1-f-1 on 2016

Revenue growth 1-f-1 yoy	FY-15	Q1-16	Q2-16	Q3-16	9M-16
Health Insurance H.R. & e-services	4.4%	8.7%	10.3%	9.5%	9.5%
Healthcare Professionals	(4.8)%	0.5%	(6.3)%	(0.7)%	(2.3)%
Activities not allocated	7.8%	n.m.	n.m.	n.m.	(15.4)%
Group	0.2%	4.8%	2.4%	4.9%	4.0%

P&L Review

Revenue
EBITDA
D&A
EBIT b.s.i.
Special items
EBIT
Cost of debt
Total Taxes
Net earnings
Earnings per share

Well diversified revenue sources



- ✓ Strong visibility across direct revenues streams
- ✓ Long-term contracts
- ✓ High retention rates in all business divisions

P&L Review

Margin improved in Q3-16

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

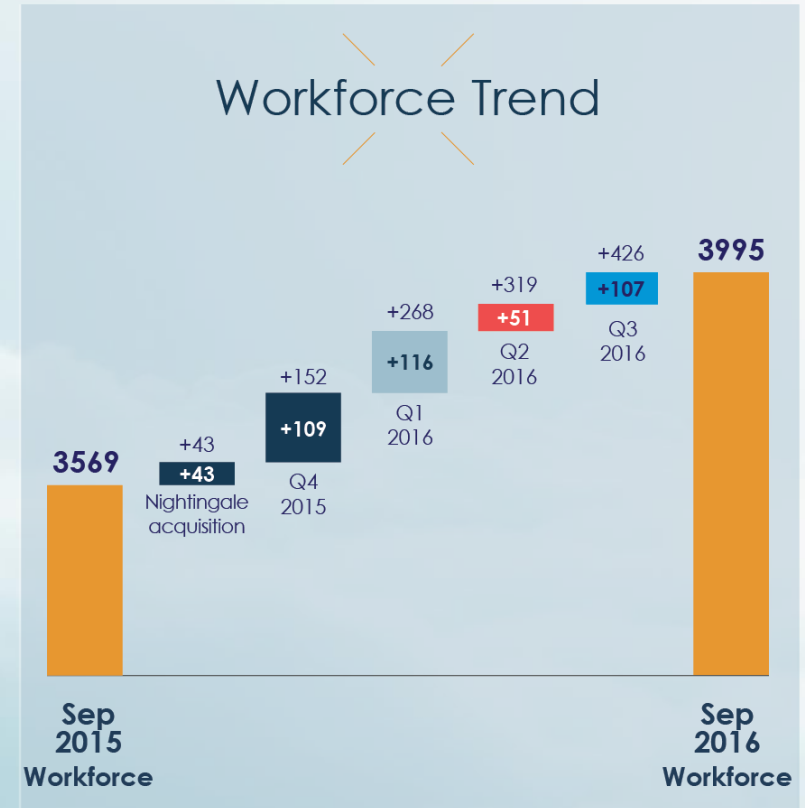
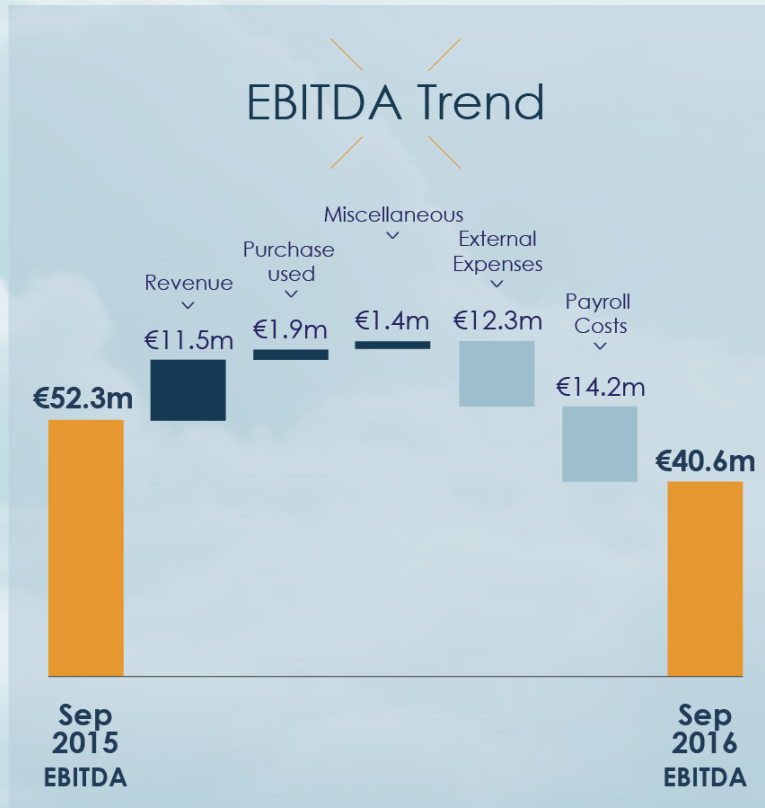
EBITDA margin	FY-15	9M-15	9M-16
Health Insurance H.R. & e-services	19.8%	18.0%	14.5%
Healthcare Professionals	16.0%	15.8%	9.3%
Activities not allocated	n.m.	n.m.	n.m.
Group	18.4%	17.0%	12.7%

EBITDA margin	6M-16	Q3-16	9M-16
Health Insurance H.R. & e-services	14.3%	14.8%	14.5%
Healthcare Professionals	8.3%	11.4%	9.3%
Activities not allocated	n.m.	n.m.	n.m.
Group	11.9%	14.5%	12.7%

P&L Review

- Revenue
- EBITDA**
- D&A
- EBIT b.s.i.
- Special items
- EBIT
- Cost of debt
- Total Taxes
- Net earnings
- Earnings per share

EBITDA bridge over first 9M of 2016



P&L Review

- Revenue
- EBITDA
- D&A**
- EBIT b.s.i.
- Special items
- EBIT
- Cost of debt
- Total Taxes
- Net earnings
- Earnings per share

Amortization of R&D increased by €2.9m

In € million	FY-15	9M-15	9M-16
D&A	(30.4)	(22.4)	(25.3)

P&L Review

- Revenue
- EBITDA
- D&A
- EBIT b.s.i.**
- Special items
- EBIT
- Cost of debt
- Total Taxes
- Net earnings
- Earnings per share

Impact from EBITDA
and D&A

In € million	FY-15	9M-15	9M-16
EBIT before special items	48.1	29.9	15.3

P&L Review

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

Increased mainly due to the increase in restructuring costs

In € million	FY-15	9M-15	9M-16
Special Items	(6.7)	(5.0)	(5.7)

P&L Review

Revenue
 EBITDA
 D&A
 EBIT b.s.i.
 Special items

EBIT

Cost of debt
 Total Taxes
 Net earnings
 Earnings per share

Impact from EBITDA,
 D&A and special items

In € million	FY-15	9M-15	9M-16
EBIT	41.4	24.8	9.6

P&L Review

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

Cost of net debt
fell considerably

In € million	FY-15	Q1-16	Q2-16	Q3-16	9M-16	FY-17e
Interest expenses and others	(40.8)	(7.2)	(0.7)	(1.4)	(9.3)	≈ (5.0)
Premium paid ⁽¹⁾	—	(15.9)	—	—	(15.9)	—
Cost of net financial debt	(40.8)	(23.2)	(0.7)	(1.4)	(25.2)	≈ (5.0)

(1) Premium paid for the total redemption of the 6.75% bond maturing in 2020

P&L Review

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

Impact from
deferred taxes

In € million	FY-15	9M-15	9M-16
Total Taxes	17.6	(2.5)	(1.4)

P&L Review

Revenue
EBITDA
D&A
EBIT b.s.i.
Special items
EBIT
Cost of debt
Total Taxes
Net earnings
Earnings per share

Impact from taxes and activities sold

In € million	FY-15	9M-15	9M-16
Earnings from continuing activities	19.5	(9.0)	(15.5)
Earnings from activities sold	47.5	32.2	(1.2)
Earnings	67.0	23.2	(16.8)

P&L Review

Revenue

EBITDA

D&A

EBIT b.s.i.

Special items

EBIT

Cost of debt

Total Taxes

Net earnings

Earnings per share

Negative EPS from cost of net debt

In € million	FY-15	9M-15	9M-16
EPS from continuing activities	1.6	(0.3)	(0.7)

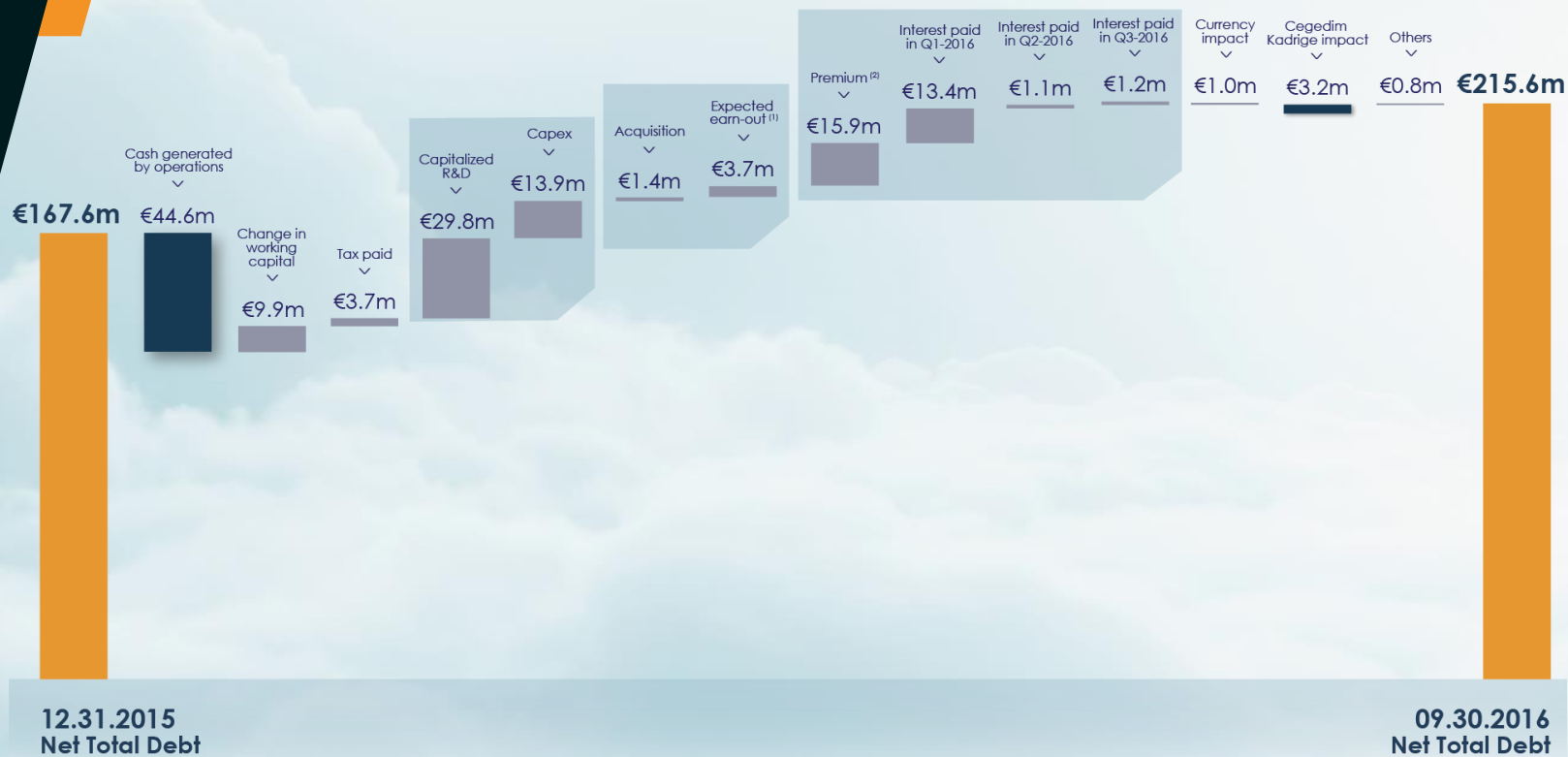
9M-16

Balance Sheet

In € million	Sep.16	Dec.15
Assets		
Goodwill	183.8	188.5
Other non-current assets	237.7	223.7
Cash & Cash equivalent	9.1	231.3
Other current assets	228.5	220.0
Assets held for sale	0.8	0.8
Total assets	659.9	864.3
Shareholders equity & liabilities		
Shareholder equity	195.4	228.1
Other non-current liabilities	47.9	44.3
Financial debt	224.8	398.9
Other current liabilities	190.9	189.1
Liabilities of activities held for sale	1.0	3.8
Total equity and liabilities	659.9	864.3

Impact from the redemption of the 6.75% bond maturing in 2020

Net Debt Situation



(1) Expected earn-out on Activus, Nightingales and Webstar
 (2) Paid for the total redemption of the 6.75% bond maturing in 2020

Solide Capital Structure

Credit rating

BB

S&P Rating assessed
on April 28, 2016

stable outlook

Maturity profile

■ Shareholder Loan

□ RCF



- **RCF:** €200m due 2021, €169m drawn at Sept 30, 2016
- **Shareholder Loan:** €45m due 2021

As of September 30, 2016

€43.7m Maintenance Capex
R&D capitalization

≈€20m Bolt-on acquisition

€0.0 Dividends

Clear Capital
Allocation
Principals

Potential impact of Brexit

In 2015, the UK represented

15.1%

Of consolidated
Group **revenue**

19.2%

Of consolidated
Group **EBIT**

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



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

Cegedim, expects⁽¹⁾ for the full year 2016, despite economic uncertainty and a challenging geopolitical environment:

+4.0%

Revenue from
continuing activities
As of December 14, 2016

Outlook

Down

€10m

EBITDA relative to 2015
However some BPO
impacts can be expected
in 2016
As of December 14, 2016

- **However some BPO impacts can be expected in 2016**



(1) These projections are publicly disclosed on December 14, 2016. The fact that Cegedim include these projections in this presentation should not be taken to mean that these projections continue to be our projections as of any subsequent date. Please refer to point 3.7 "Outlook" in our 2015 Registration Document and point 2.6 "Outlook" page 34 in our Q3 2016 Interim Financial Report.

Cegedim and the financial market

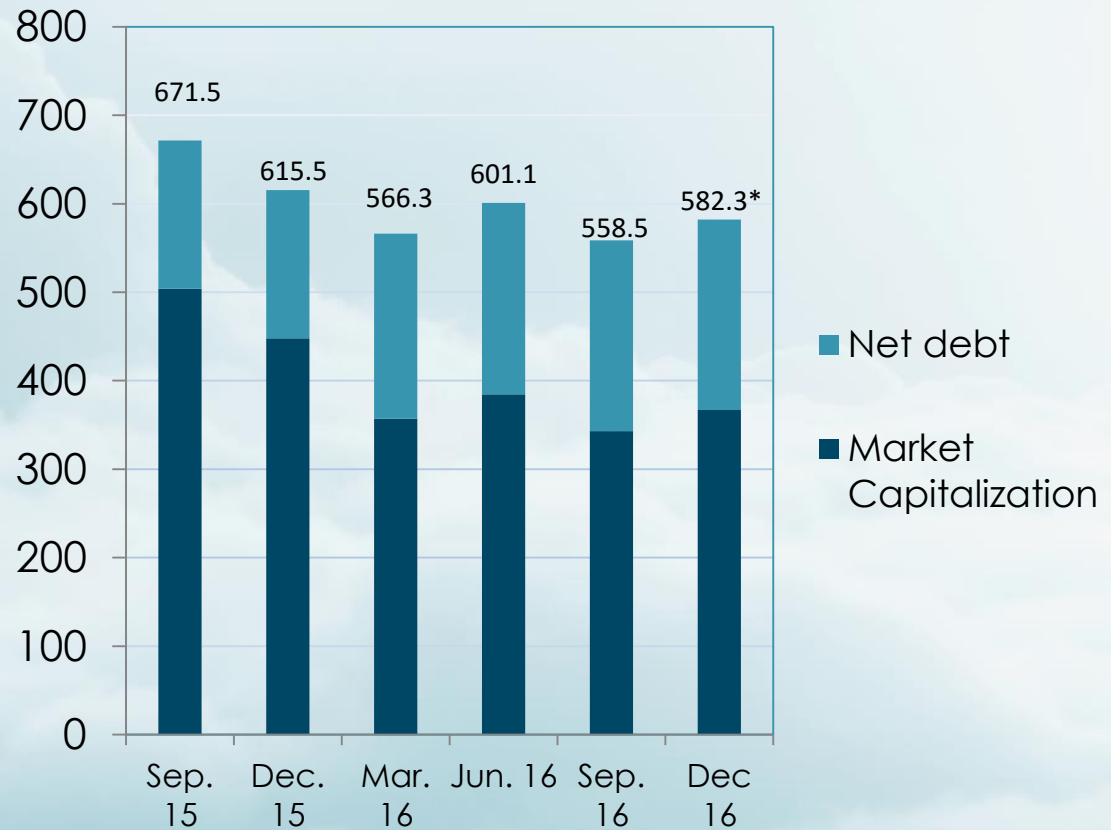


Cegedim: Entreprise value

Analyst coverage.

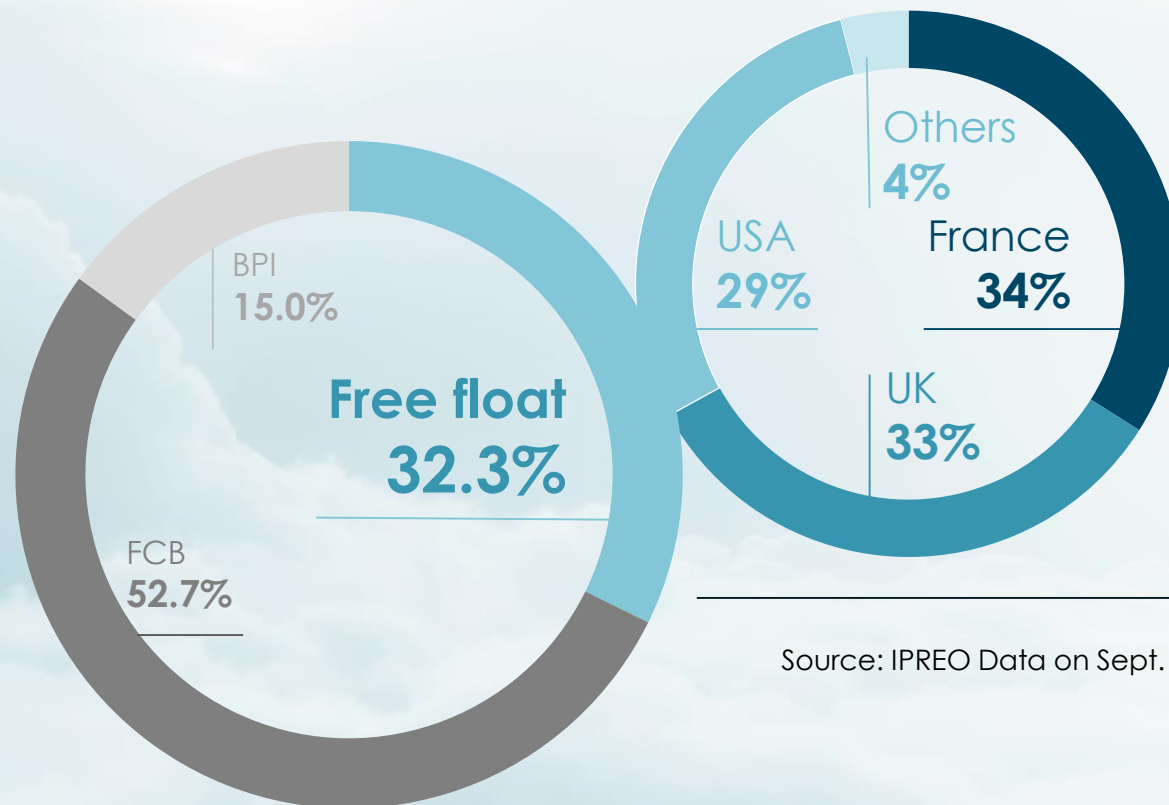
- Kepler Cheuvreux Benjamin Terdjman
- Gilbert Dupont Guillaume Cuvillier
- Société Générale Patrick Jousseaume

Entreprise value trend



* Considering the September 30, 2016 net debt situation

Shareholder Structure as of Nov. 2016



Source: IPREO Data on Sept. 26, 2016

EVENTS 2017



2016 Revenue



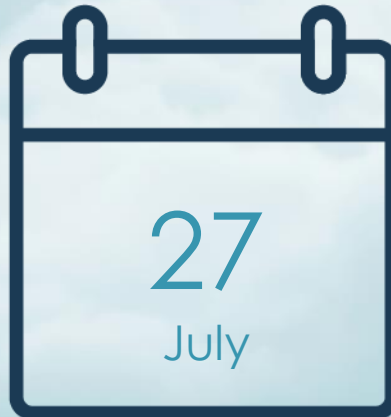
2016 Earnings



Analyst meeting



Q1-17 Revenue



HY-17 Revenue



HY-17 Earnings

Well-
positioned
businesses
with margin
expansion
opportunities

- » Leadership positions across broad diversified portfolio drive steady long-term growth
- » Unique value propositions enable us to create unmatched customer offerings
- » Our comprehensive solutions and intimate understanding of the market give us a unique perspective
- » Healthcare is an attractive and stable market
- » Cegedim SRH, RNP, Data offerings and Cegedim ebusiness are poised for continued long-term growth, driven by favorable industry dynamics

We are driving our business for long-term sustainable profitable growth



MOMENTUM

- Robust sales momentum
- Client and Cegedim are ready



Revenue



OPPORTUNITY

- Release of new products and services
- Digital and back-office waves



Costs



STRATEGY

- Innovation
- Business model transformation



Operating profit



We welcome your questions and comments

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