



Cegedim Half-year results

September 24, 2010



A strategy focused on healthcare

Delivering strong results

A strong financial structure

Additional information

■ **A strategy focused on
healthcare**

**Global
technology
and services company
specializing in healthcare**

**Global
leader in a
dynamic
environment**

Customers

Pharmaceutical
and
Life-Sciences
companies
worldwide

Doctors,
pharmacists
and paramedics
in Europe & USA

Healthcare
insurance
in France

Key figures

as of 31/12/2009

2009 revenue

€874M

+4.3%

Recurring business

65%

Market capitalization

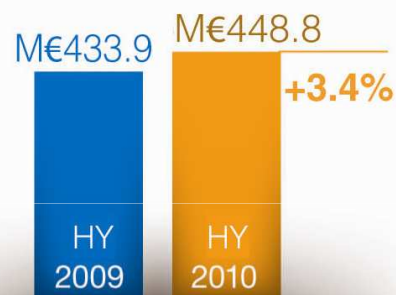
€805M

Headcount

8,600

CGM
LISTED
NYSE
EURONEXT

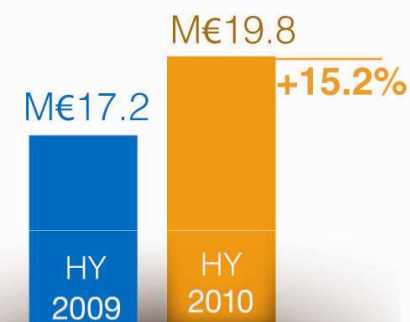
S&P
BB+



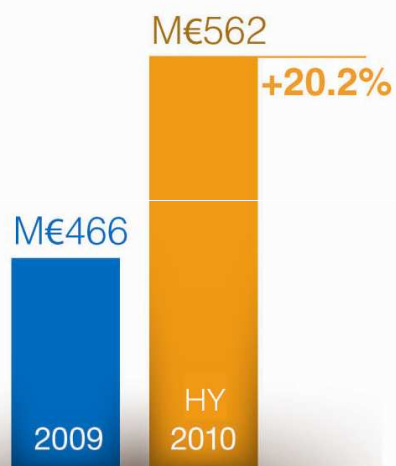
Revenue



Ordinary EBIT



Consolidated net earnings group share



Shareholders equity



Net financial debt



Gearing

Excellent operational performance

- Commercial dynamism
- Services well suited to market demand
- Pertinence of external growth policy

As expected, Q2 2010 increase compensates Q1 2010 decline

	Q1 2010	Q2 2010	HY 2010
Reported	-1.5%	+8.0%	+3.4%
L-f-L*	-3.2%	+3.8%	+0.4%

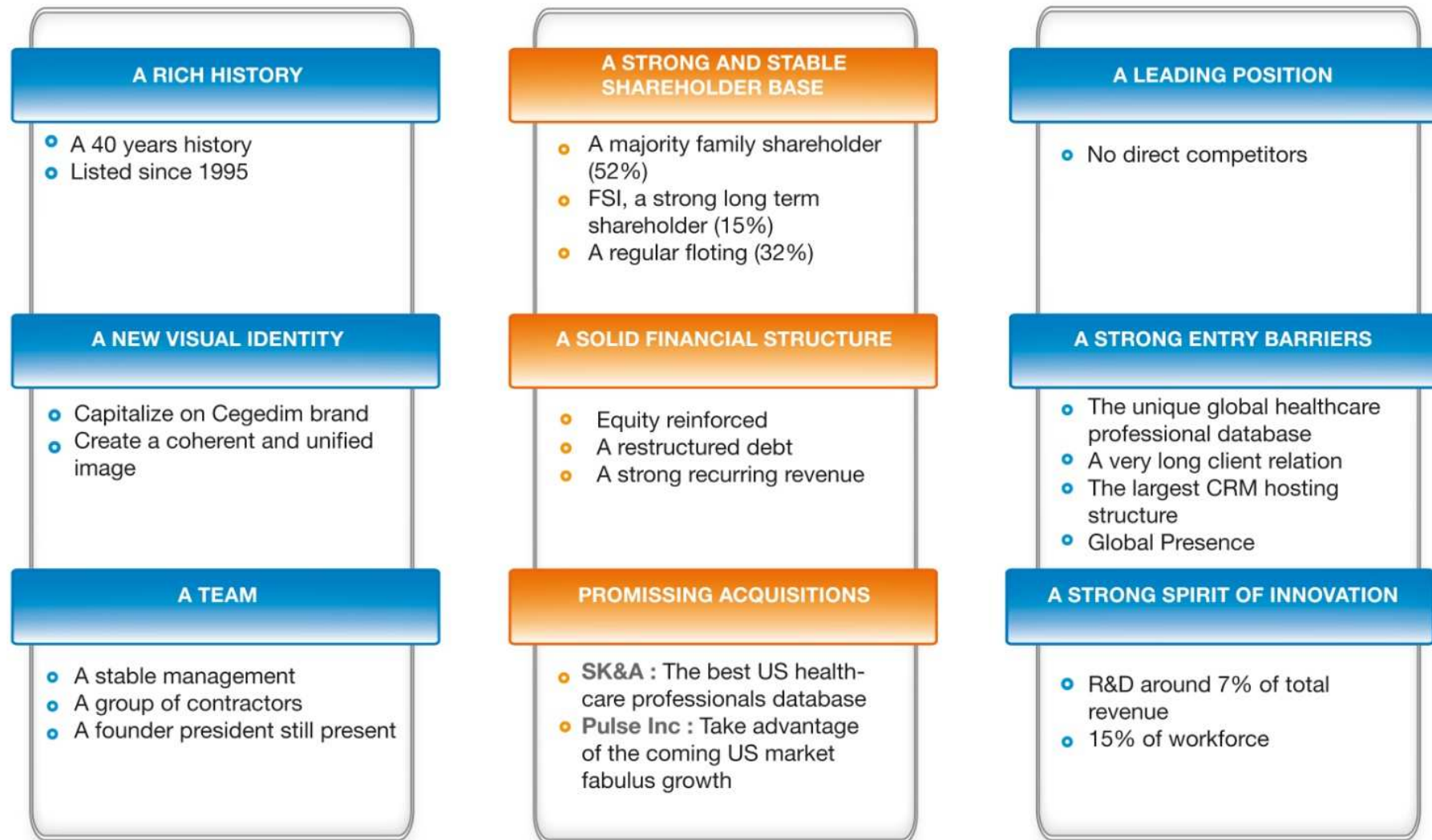
* at constant scope and exchange rate

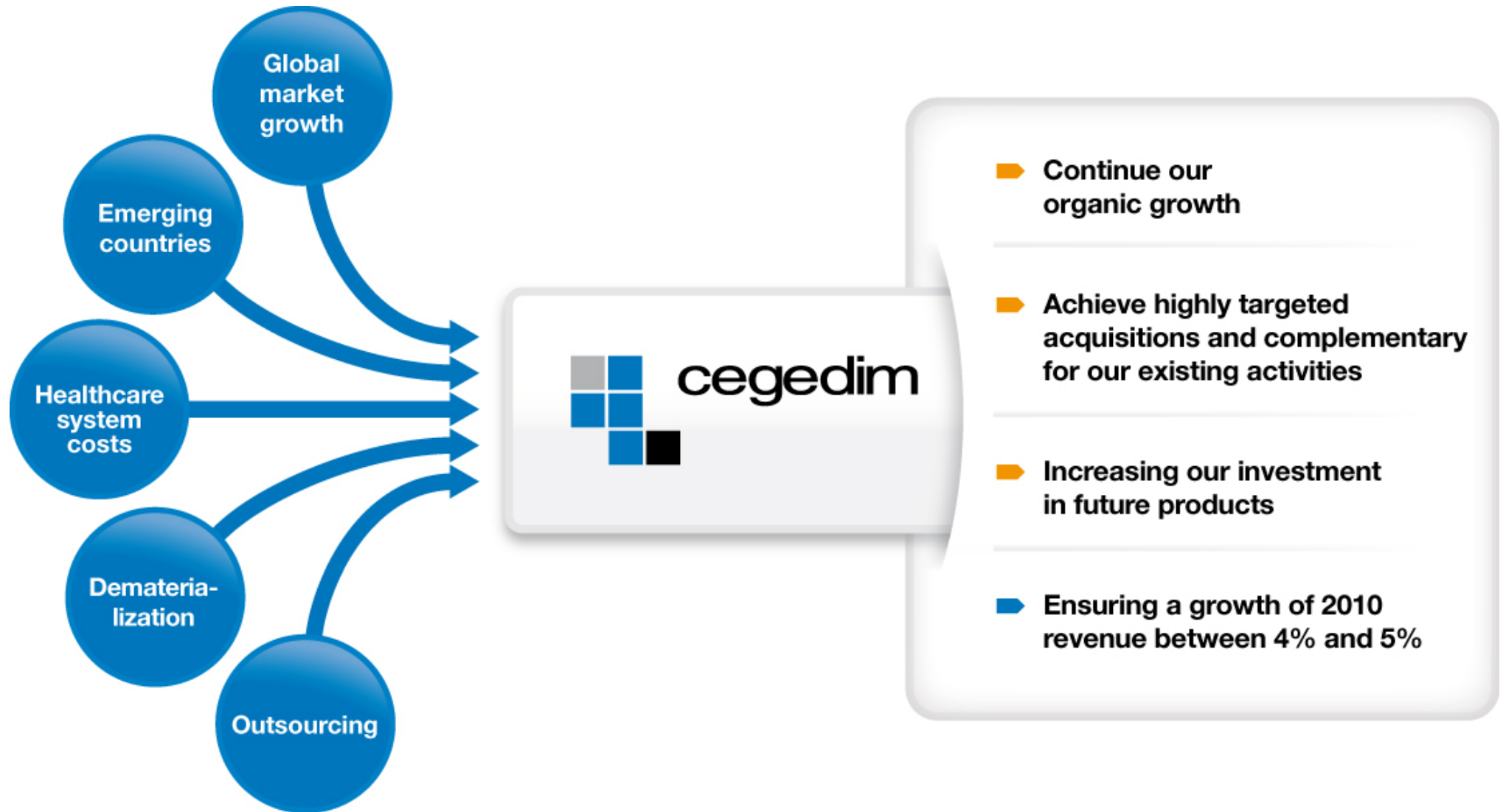
Ordinary operating income in slight decline

- CRM and strategic data: Q1 revenue delays negatively impact margin
- Healthcare professionals: nice margin improvement
- Insurance and services : fine margin improvement

Successful end of Dendrite integration

- New branding strategy and visual identity for the Group





CRM & STRATEGIC DATA #1

CLIENTS

CRM

- Pharma companies

Strategic Data

- Pharma companies
- Government
- University

2009 REVENUE



€487M

INSURANCE & SERVICES #3

CLIENTS

Insurers and health mutuals

2009 REVENUE



€116M

HEALTHCARE PROFESSIONALS #2

CLIENTS

Doctors, paramedics

Pharmacists

2009 REVENUE



€271M



UNDERSTAND

Strategic Data

- Market research
- Launch assistance
- Sales force optimization



KNOW

OneKey

- The unique global healthcare professional database
- More than 6 million healthcare professionals including influential links



PERFORM

Mobile Intelligence

- The only global CRM dedicated to the pharma industry
- Available on different platforms (PC, iPhone, iPad, Blackberry ...)



SUPPORT

SaaS or licence model

- Global presence
- Largest hosting facilities in the CRM pharma industry
- Implementation and training



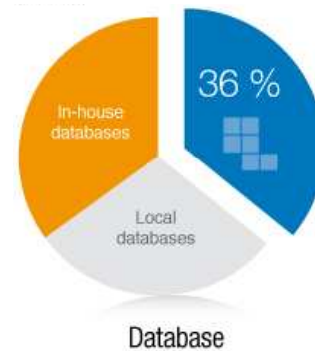
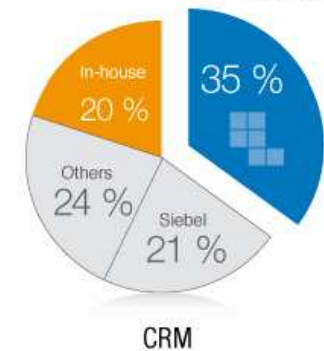
EVALUATE

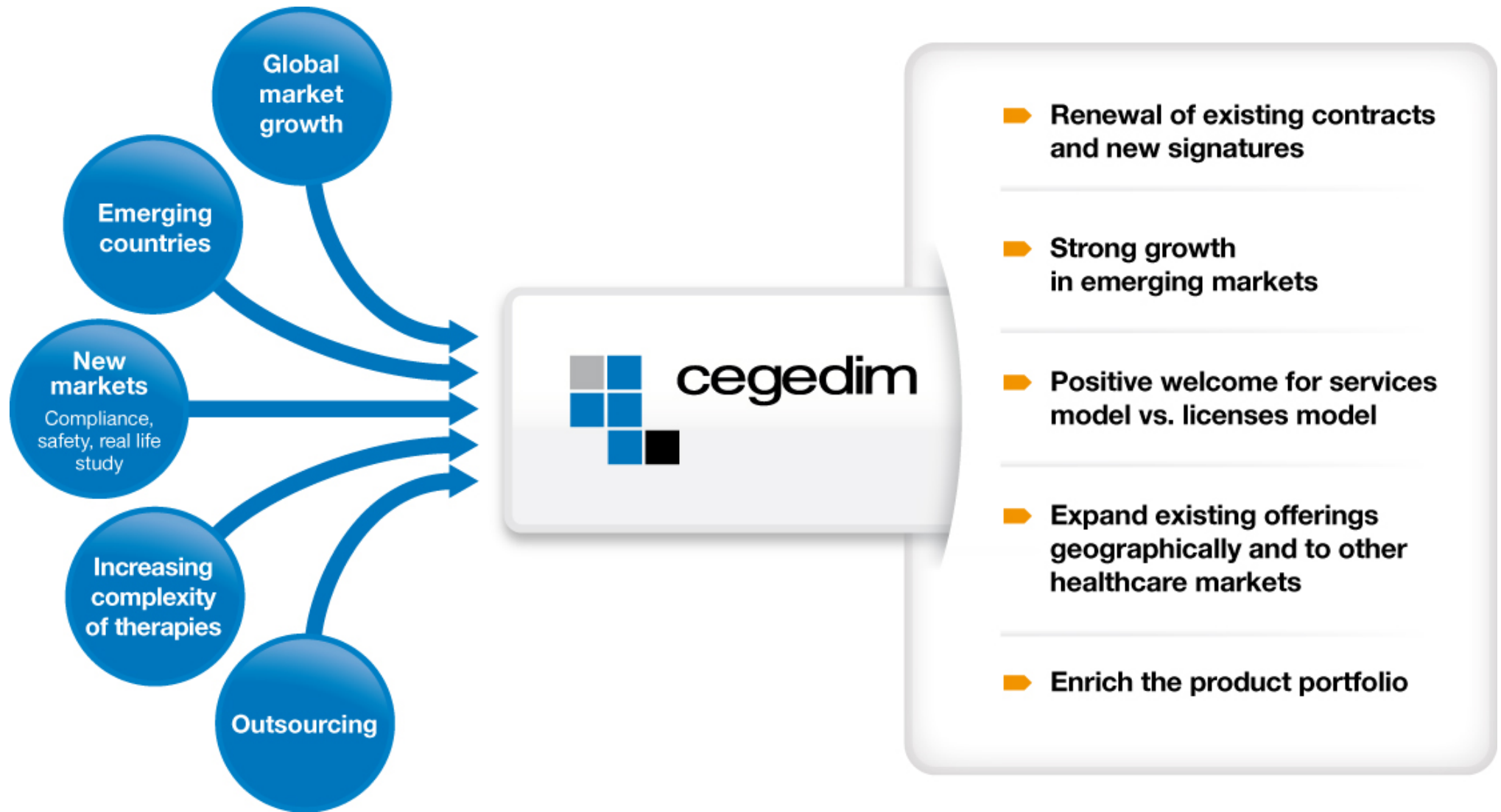
Reportive, ...

- Business intelligence, Reporting solutions
- Effectiveness, ROI, Quality control
- Governance, Compliance

- High commercial dynamism
- New offers positive effect
 - Mobile Intelligence in SaaS mode, expanding platforms, geographical expansion of new services
- Emerging countries fine performance
- With the acquisition of SK&A, Cegedim fully takes advantage of the successful strengthening of its OneKey offering in the US
- Clear rebound of *strategic data* activity

Market share





HEALTHCARE PROFESSIONALS #2

CLIENTS

Doctors, paramedics

Pharmacists

2009 REVENUE



31%

€271M

CRM & STRATEGIC DATA #1

CLIENTS

CRM

- Pharma companies

Strategic Data

- Pharma companies
- Government
- University

2009 REVENUE



56%

€487M

INSURANCE & SERVICES #3

CLIENTS

Insurers and health mutuals

2009 REVENUE



13%

€116M



Physicians

+120,000

- France, UK, Spain, Italy, Belgium and USA
- EMR: Diagnostic, e-prescription, CPOE, Electronic transmission of claims



Pharmacists

16,000

- France & UK
- Complete pharmacy management: sales, stocks, e-transmission



Paramedics

11,000

- France
- Product management software

France



- #1 for GPs
- #2 for Pharmacists

UK



- #2 for GPs
- #1 for Pharmacists

Belgium



Italy



Spain



- #2 for GPs
- #1 for GPs
- #1 for GPs

USA



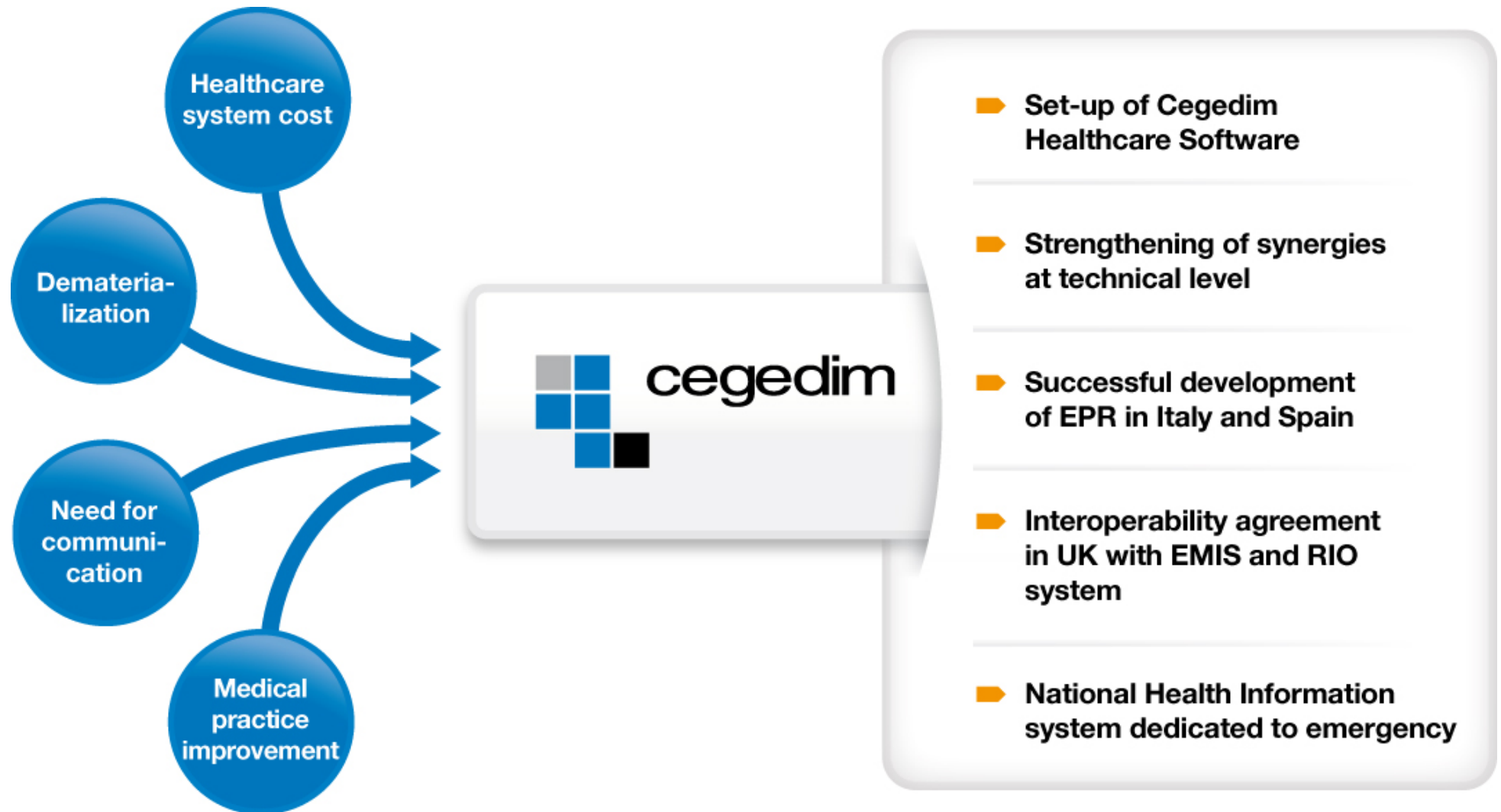
Presence since July 2010

- Fine performance of *Cegedim Healthcare Software*
- French, Spanish and Italian healthcare professionals dynamism
- Wait-and-see attitude of UK physicians

Acquisition of Pulse Systems, Inc

July 27, 2010

- Leading US healthcare software and services supplier
- Give access to the US market for the computerization of healthcare professionals at a very critical time for the Electronic Health Records (EHR) and Practice Management (PM) software markets
 - **17%** level of market penetration of EHR in the USA
 - **30 billion dollars** of government subventions
 - **70%** of total subventions are paid during the first 3 years
- The company is profitable and will likely continue to grow in a rapidly expanding sector
- The company expects to multiply by 4 its revenue within 2014
- Enable to leverage Cegedim complementary activities in North America and transform its European Cegedim Healthcare Software division into a global player by utilizing the Pulse solutions to expand its presence in the US market



INSURANCE & SERVICES #3

CLIENTS

Insurers and health mutuals

2009 REVENUE



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€116M

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CRM & STRATEGIC DATA #1

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2009 REVENUE



56%

€487M

Regroup all products and services for insurers, mutual and contingency companies

IT for healthcare insurers



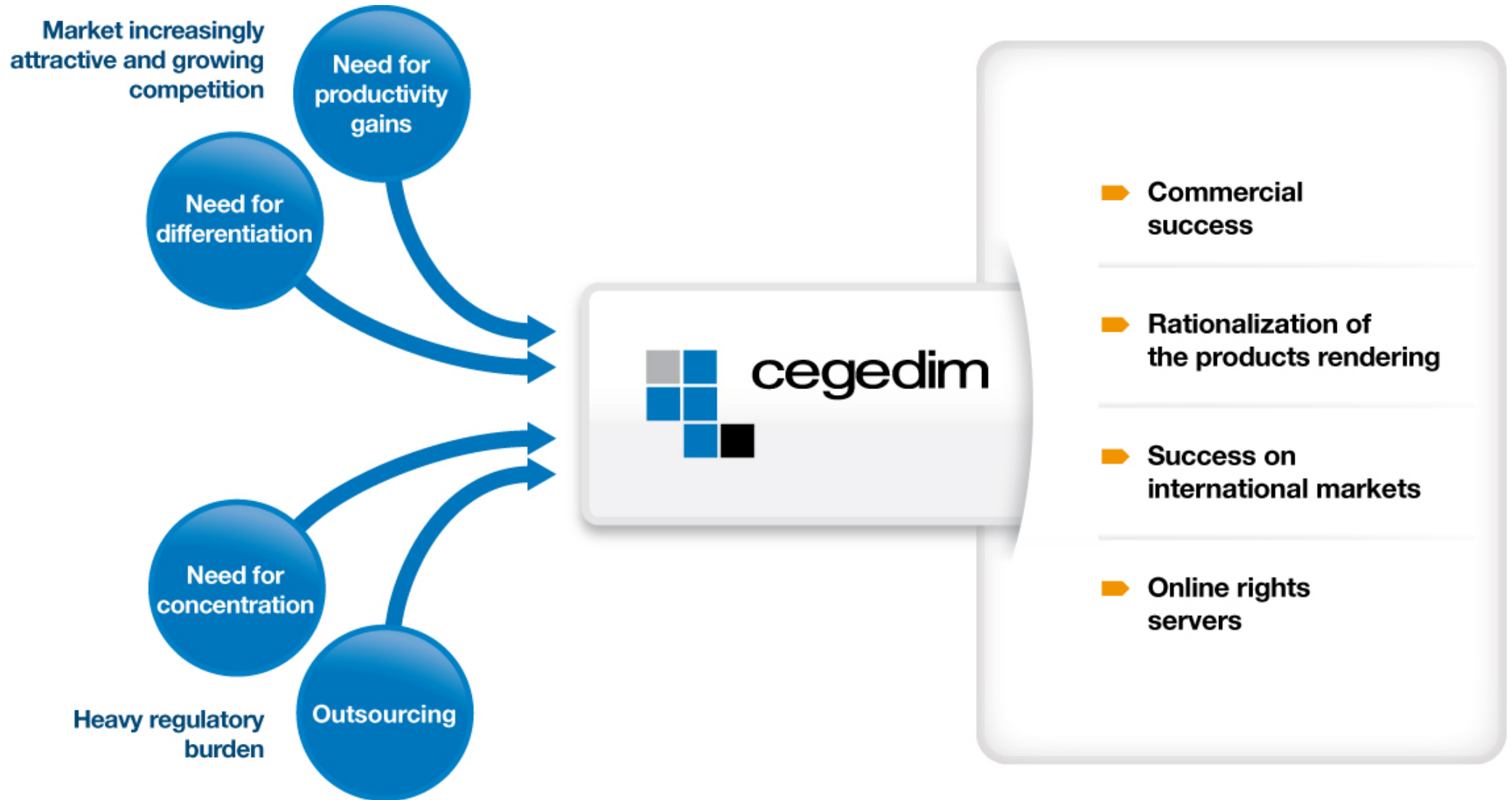
- Leader in France
- Development in Morocco and Mali

Flows and electronic payment



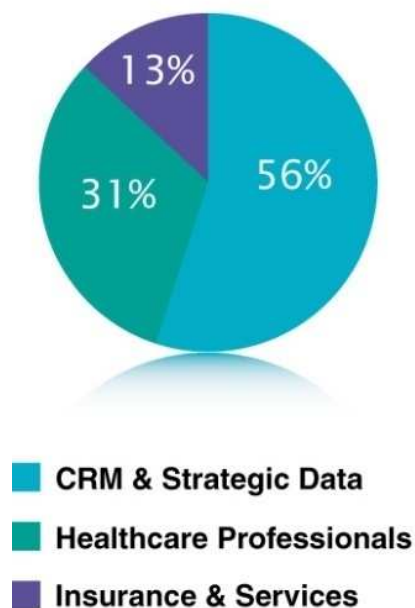
- Leader in France in the management of direct payment by insurers

- Increase of software activity
- Numerous commercial success
- Appropriate offers
 - Activ'Infinite
 - Flow management platforms
 - Relevant business model
- Fine outlooks for 2011
- Cegedim SRH strong commercial dynamism



► **Financial results**

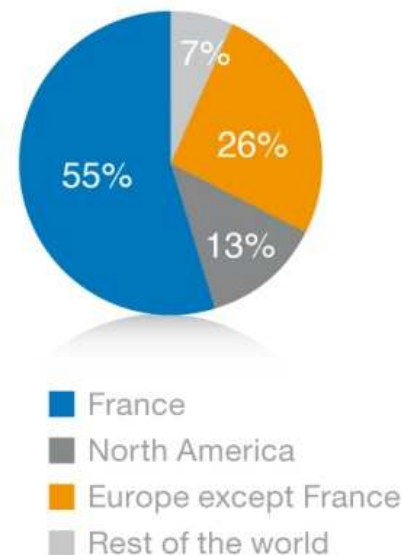
By activities



By customers



By geography



By currency

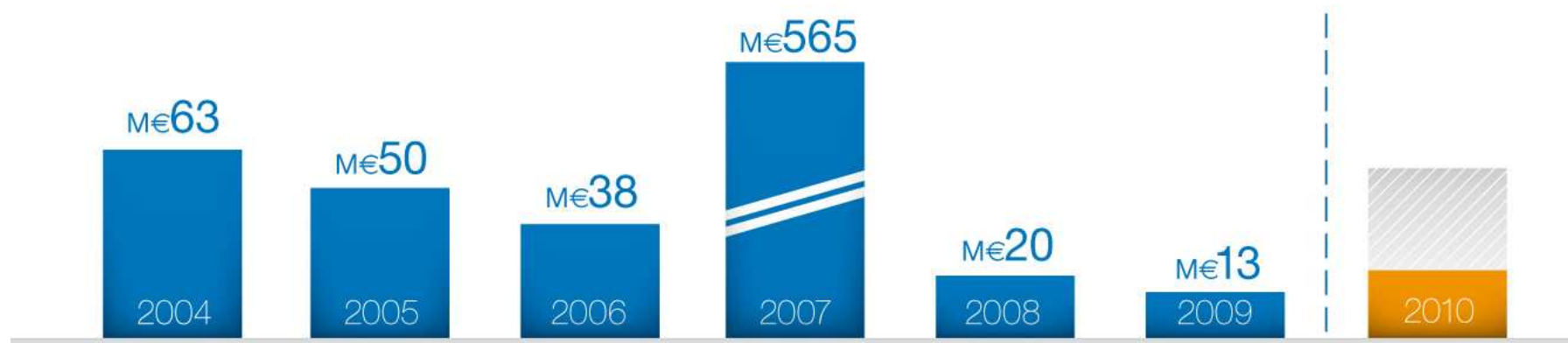


Good revenue visibility

- Strong recurring revenue model
- Multi-year contracts
- High switching costs
- Strong customer loyalty

Seasonality	2005				2006				2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Turnover	23%	26%	22%	29%	23%	26%	22%	29%	18%	26%	25%	30%	22%	26%	23%	28%	24%	26%	23%	28%
EBIT	48%		52%		48%		52%		44%		56%		45%		55%		48%		52%	

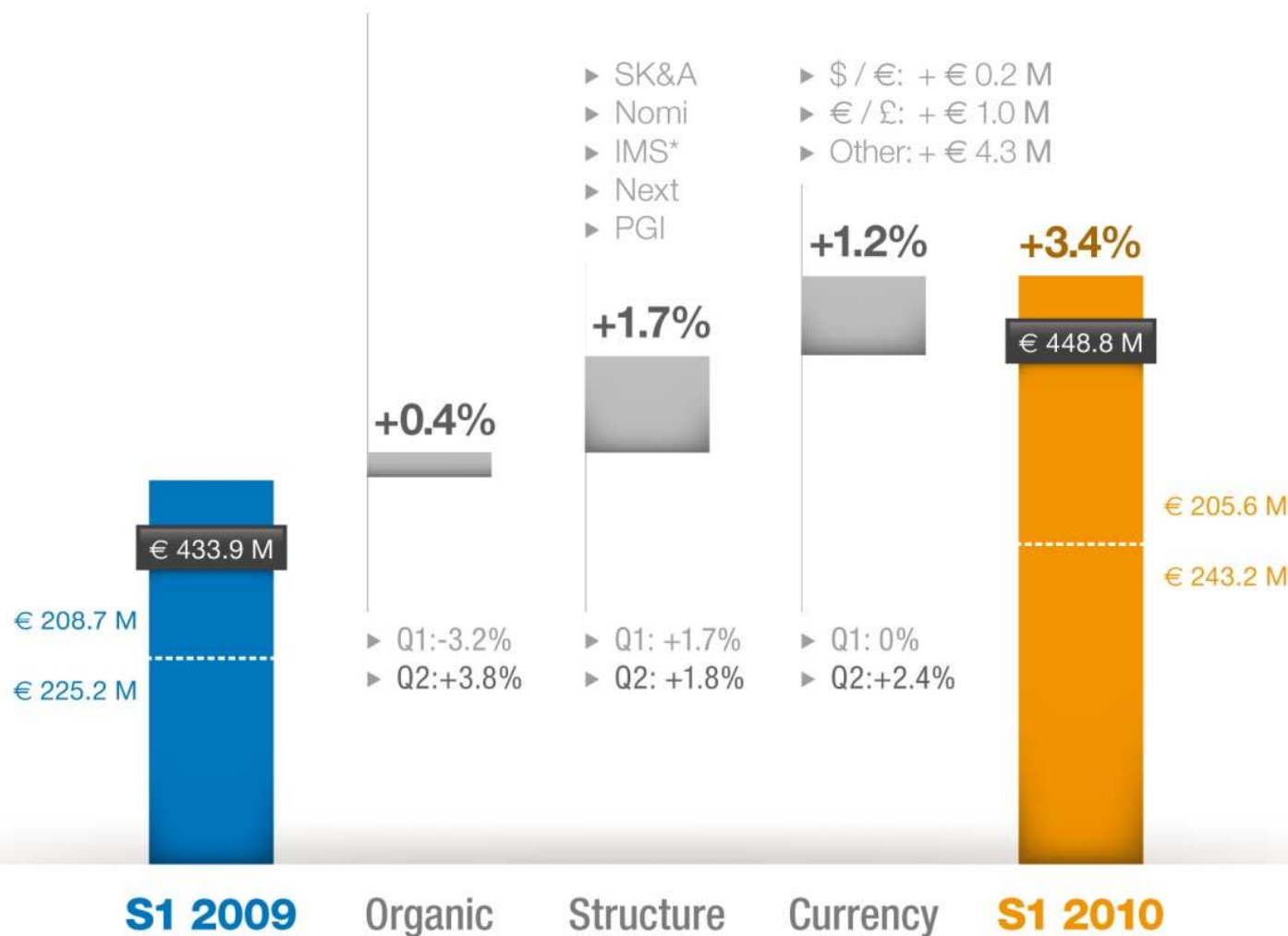
- Traditionally higher sales on software at the end of the year
- Spending of remaining operating budget
- More use of data and market research in Q4 due to reorganization of sale forces, organization of new campaign, annual reporting ...



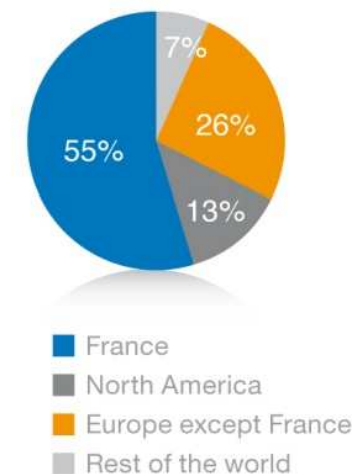
Total acquisitions price in € million

- Acquisitions are in line with the Group's external growth policy presented at the time of the December 2009 capital increase
- We recall that the sole purpose of the bond issue for €300 million on July 27, 2010 is the refinancing of existing bank debt

- ▶ As expected the Q2 compensated the Q1 decline
- ▶ A 4.8% increase in Q2 for CRM and strategic data



By geography



By currency



* Swiss CRM and Direct Marketing Division of IMS Health

In thousand euros	HY 2010	HY 2009	Δ
Revenue	448,837	433,906	+3.4%
Capitalized production	15,186	16,616	-8.6%
Purchased used	- 48,637	-47,729	+1.9%
External expenses	-110,205	-106,409	+3.6%
Pay roll cost	-213,954	-201,391	+6.2%
Other operating expenses	-7,109	-6,735	+5.5%
EBITDA	84,118	88,258	-4.7%
Depreciation expenses	-33,494	-34,179	-2.0%
Ordinary operating income	50,624	54,079	-6.4%
Other income and expenses	-5,448	-4,657	n.s.
Operating income	45,175	49,422	-8.6%
Financial result	-21,585	-29,824	-27.6%
Tax expense	4,065	2,726	+49.1%
Share of net earnings of equity method companies	396	368	+7.6%
Consolidated net earnings	19,921	17,240	+15.6%
Minority interests	72	3	n.s.
Group share	19,849	17,237	+15.2%

Group margin	HY 2010		HY 2009	
	in K€	in %	in K€	in %
Revenue	448,837		433,906	
EBITDA	84,118	18.7%	88,258	20.3%
Ordinary operating profit	50,624	11.3%	54,079	12.5%
Other income and expenses from operations	-5,448		-4,657	
Operating profit	45,175	10.1%	49,422	11.4%

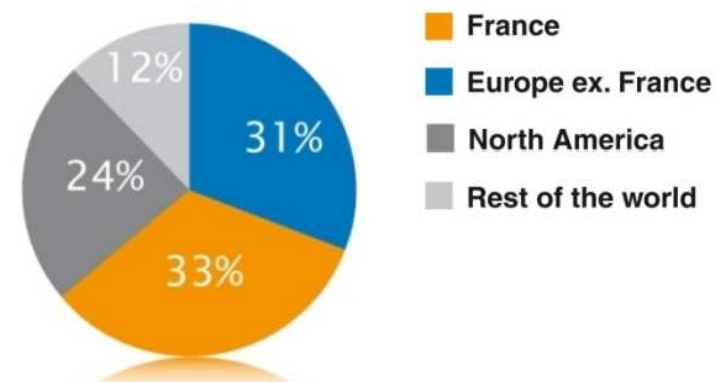
In thousand euros

	HY 2010	HY 2009	Δ
Cost of financial debt	-12,283	-20,304	-39.5%
Ineffective hedging	- 2,992	-3,957	-24.4%
Exchange difference	-6,863	-6,587	+4.2%
Income or cash equivalent	564	829	-32.0%
Other	-11	195	-105.6%
Financial result	-21,585	-29,824	-27.6%
Income taxes	-16,134	-3,005	
Deferred income taxes	12,069	279	
Tax expense	-4,065	-2,726	

Margin

In million euros	HY 2010	HY 2009	Δ
Revenue	249.1	240.8	+3.5%
Q1	111.5	117.5	-5.1%
Q2	137.6	123.2	+11.6%
Ordinary operating profit	18.3	24.3	M€-6.0
Margin	7.3%	10.1%	

Revenue breakdown



Comments

► Revenue Q2 2010 increase compensates Q1 2010 decline

► CRM

- Strong commercial dynamism
- Emerging countries fine performance
- Delays in executing certain large-scale projects
- Increase of payroll costs

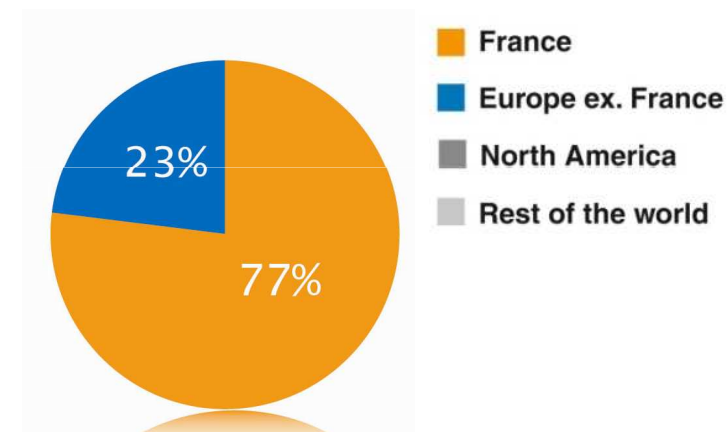
► Strategic data

- Clear rebound in its revenues and profitability in Q2

Margin

In million Euros	HY 2010	HY 2009	Δ
Revenue	138.7	137.7	+0.8%
Q1	64.5	65.3	-1.2%
Q2	74.3	72.4	+2.6%
Ordinary operating profit	23.8	22.9	M€ +1.0
Margin	17.2%	16.6%	

Revenue breakdown



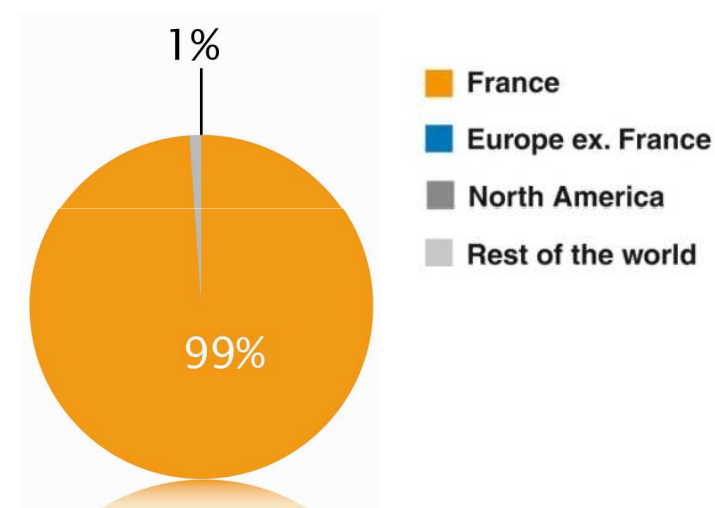
Comments

- Revenue Q2 2010 increase compensates Q1 2010 decline
- Ordinary operation margin increase of 60 bp
- Increase of margin despite
 - Negative impact of the wait-and-see attitude of UK physicians
 - Cegelease negative impact
- Acquisition of Pulse Systems Inc in the USA in July 2010

Margin

In million euros	HY 2010	HY 2009	Δ
Revenue	61.0	55.5	+9.9%
Q1	29.6	25.9	+14.4%
Q2	31.4	29.6	+5.9%
Ordinary operating profit	8.5	6.9	M€ +1.6
Margin	14.0%	12.5%	

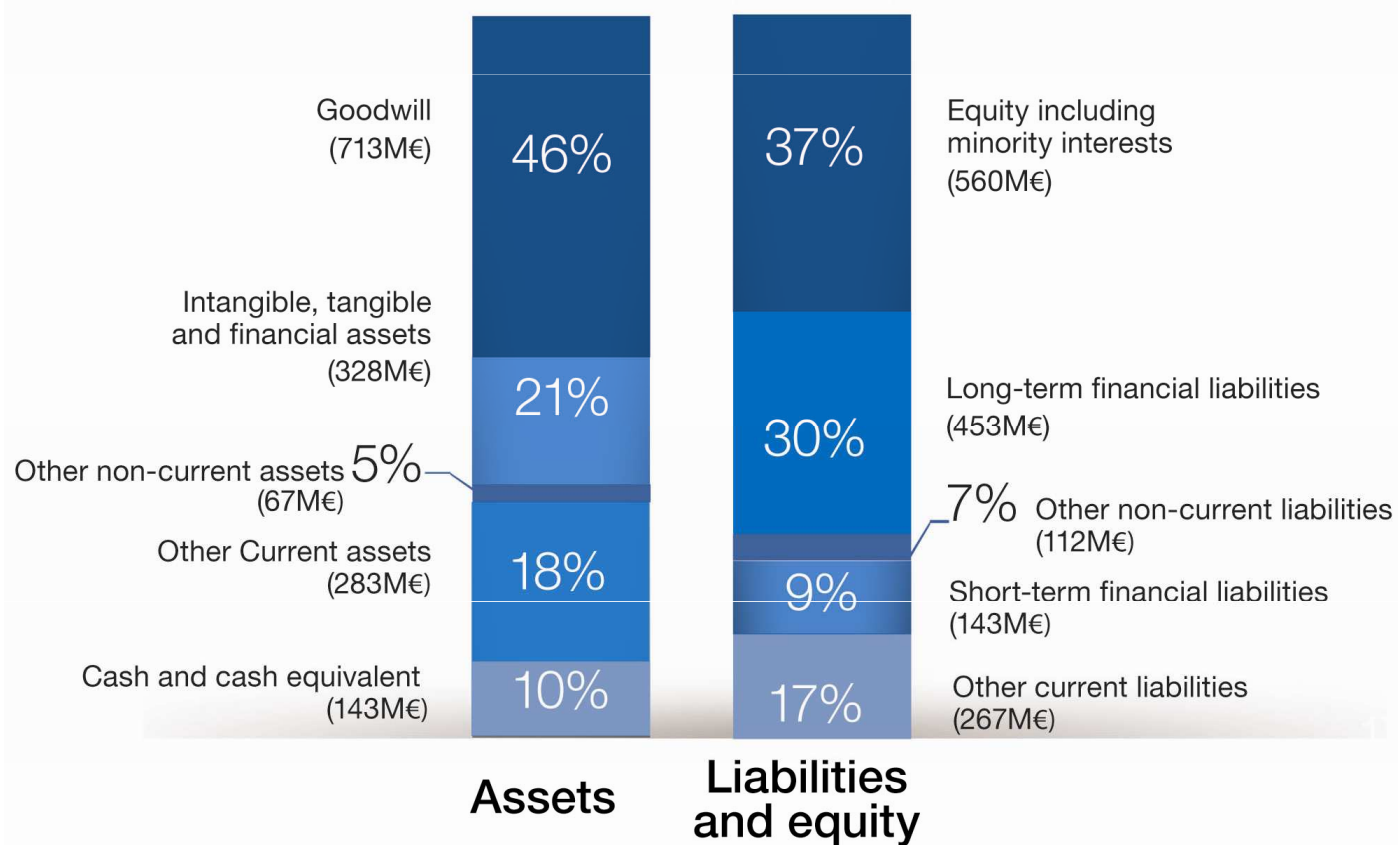
Revenue breakdown



Comments

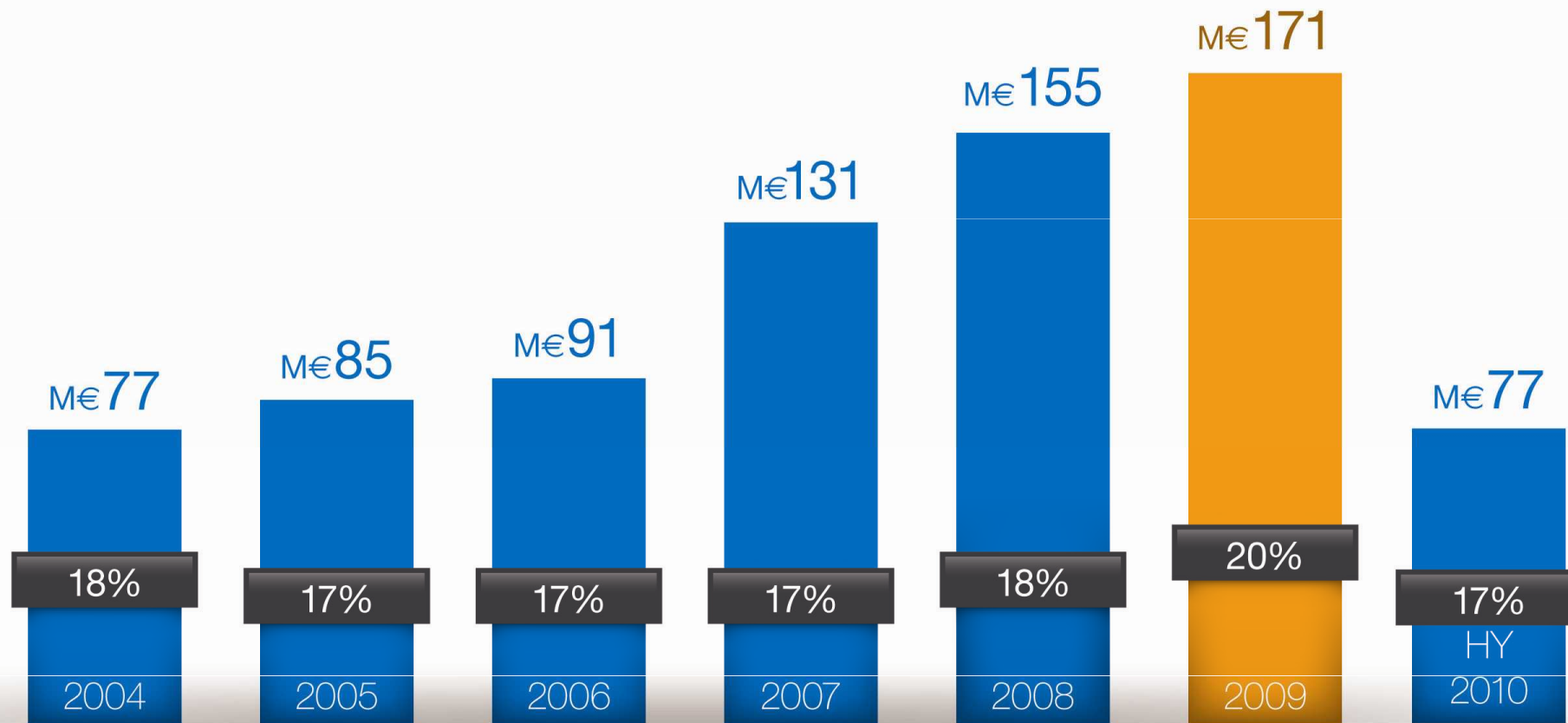
- Robust trend of revenue organic growth in Q1 and Q2
- 23% increase of ordinary operating margin
- 150 bp increase of ordinary operating margin
- Fine outlooks for 2011

■ **A strong financial structure**



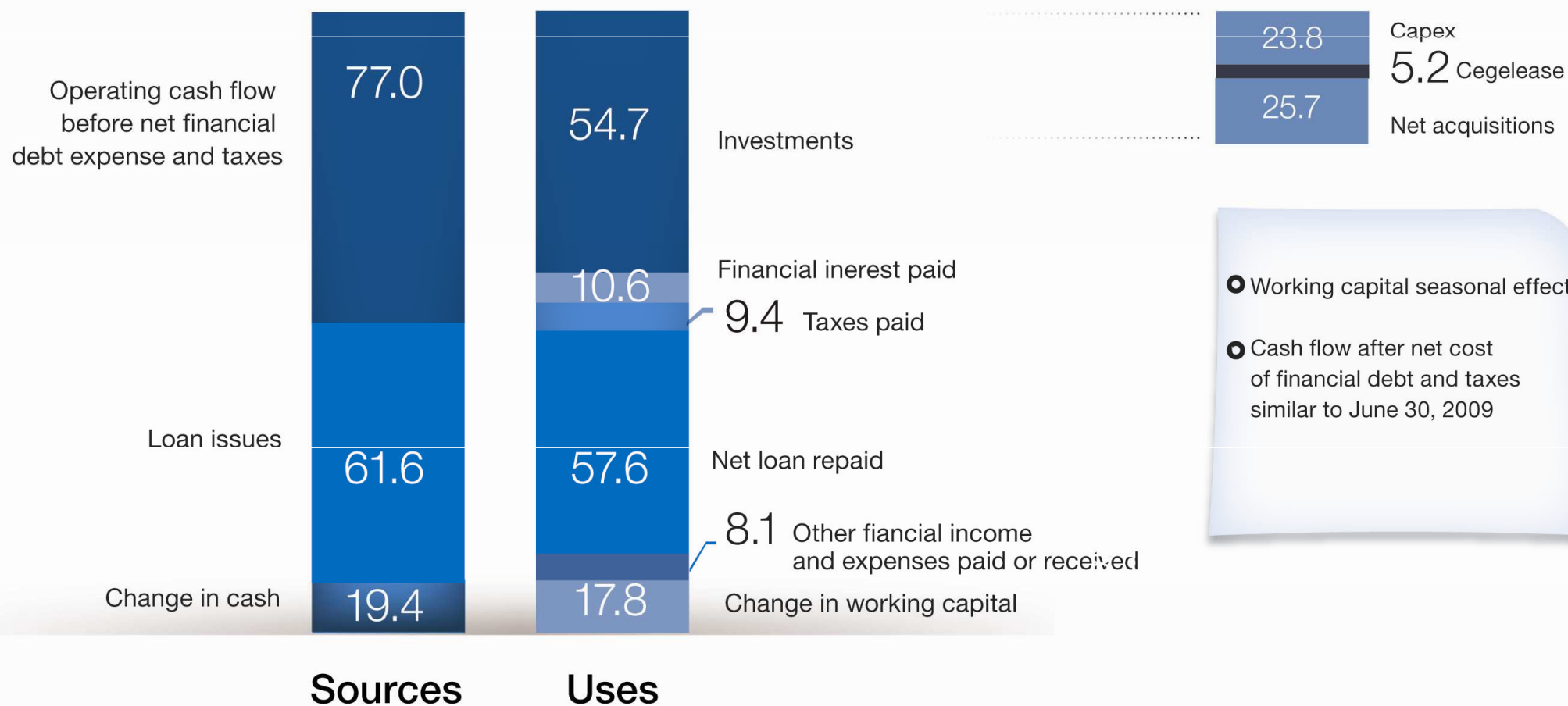
— Total : 1,5 billions euros —

- Significant equity
- Slight increase of debt due to acquisitions
- Unchanged Goodwill after impairment



Operating cash flow before net financial debt expense and taxes

% Marge cash flow



Characteristics

- Rating: BB+
- Amount: M€ 300
- Maturity date: July 27, 2015
- Annual coupon: 7.000% fixed rate
- 70% of the demand were located outside of France

Objectives

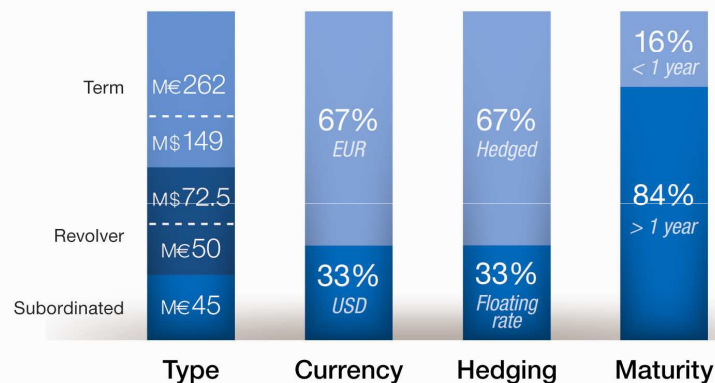
- Maturity extension
 - Almost 80% of total debt has more than 3 year maturity
- Diversifying source of financing

Use

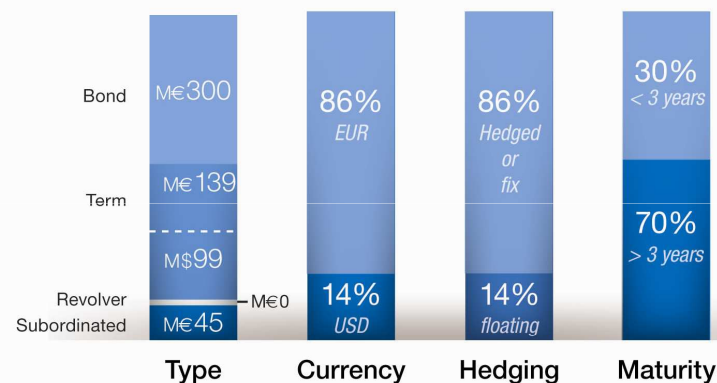
- 100% of the bond issue will be used to reimburse part of the existing bank debt

Significant improvement in the debt structure

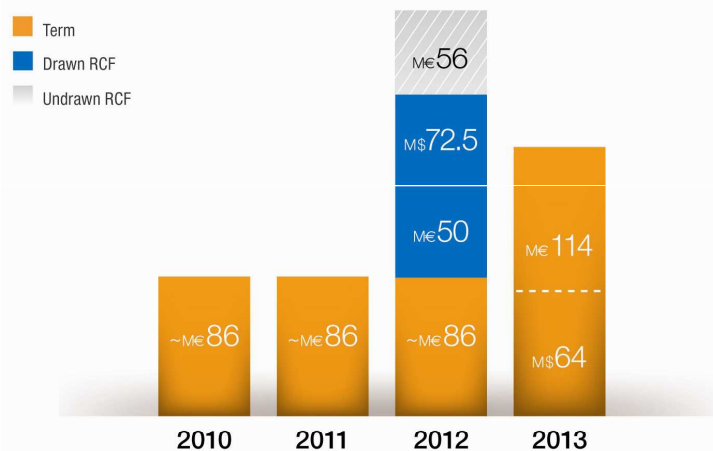
Debt structure by as of June 30, 2010



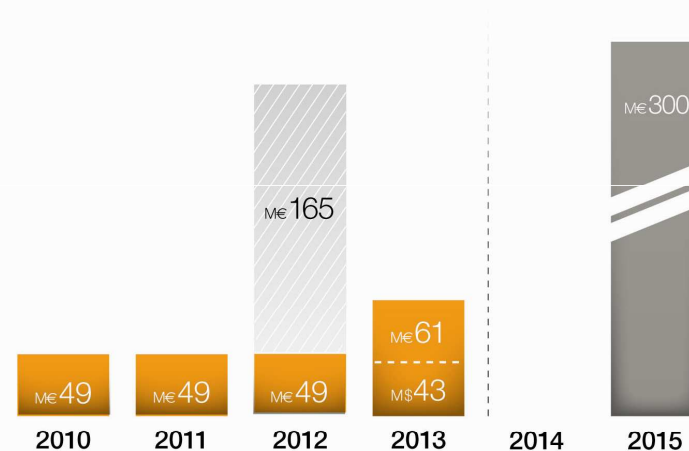
Indicative new debt structure



Net bank debt repayment as of June 30, 2010

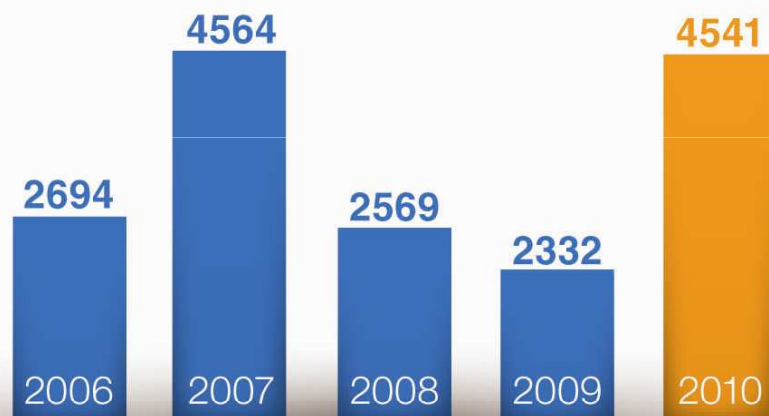


Indicative new net bank debt repayment

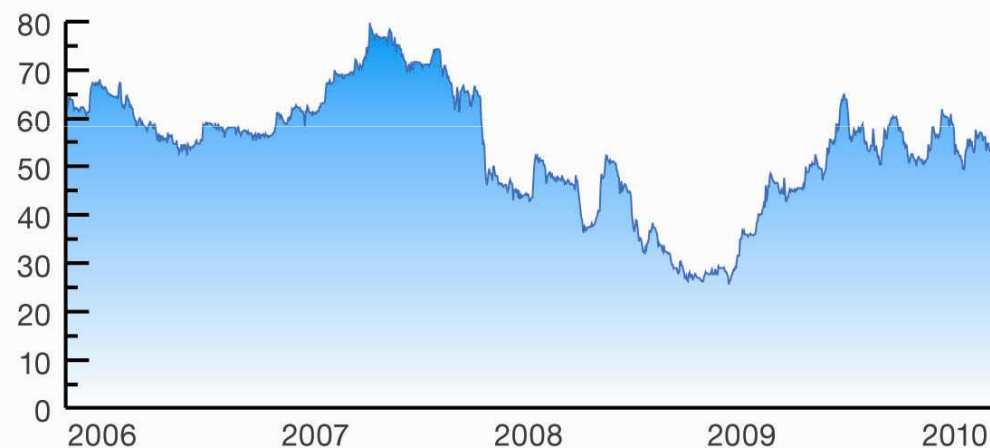


➡ **Additional information**

Half-year average daily volume



Adjusted stock price (au 07/30/2010)



Share ID

- Quotation : NYSE Euronext Paris - compartiment B
- IPO date : Avril 1995
- ISIN Code : FR0000053506
- Code : CGDM.PA (Reuters), CGM (Bloomberg)
- Closing Date : Decmber 31th
- Valeur de l'action à l'introduction : 9.52 euros
- Number of shares as of 06/30/2010 : 13 997 173
- Market capitalisation as of 06/30/2010 : 784 millions d'euros

Analysts coverage

- CA Cheuvreux : *Michaël Beucher*
- CM-CIC Securities : *Jean-Pascal Brivady*
- Gilbert Dupont : *Nicolas Montel / Guillaume Cuvillier*
- Natixis Securities : *Thomas Le Quang*
- Oddo & Cie : *Xavier-Emmanuel Pingault*
- Société Générale : *Patrick Jousseume*

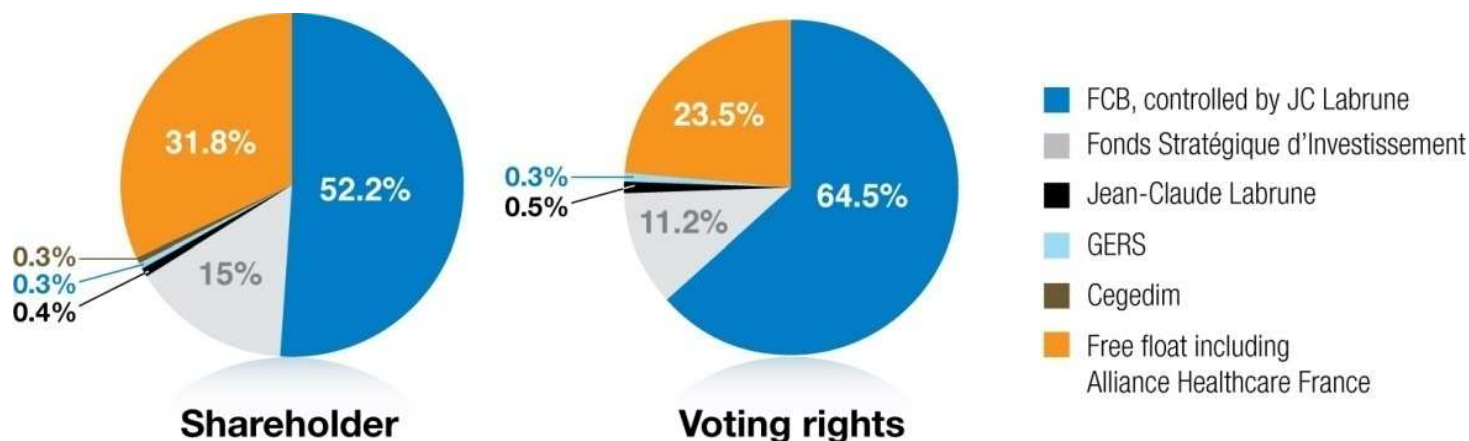


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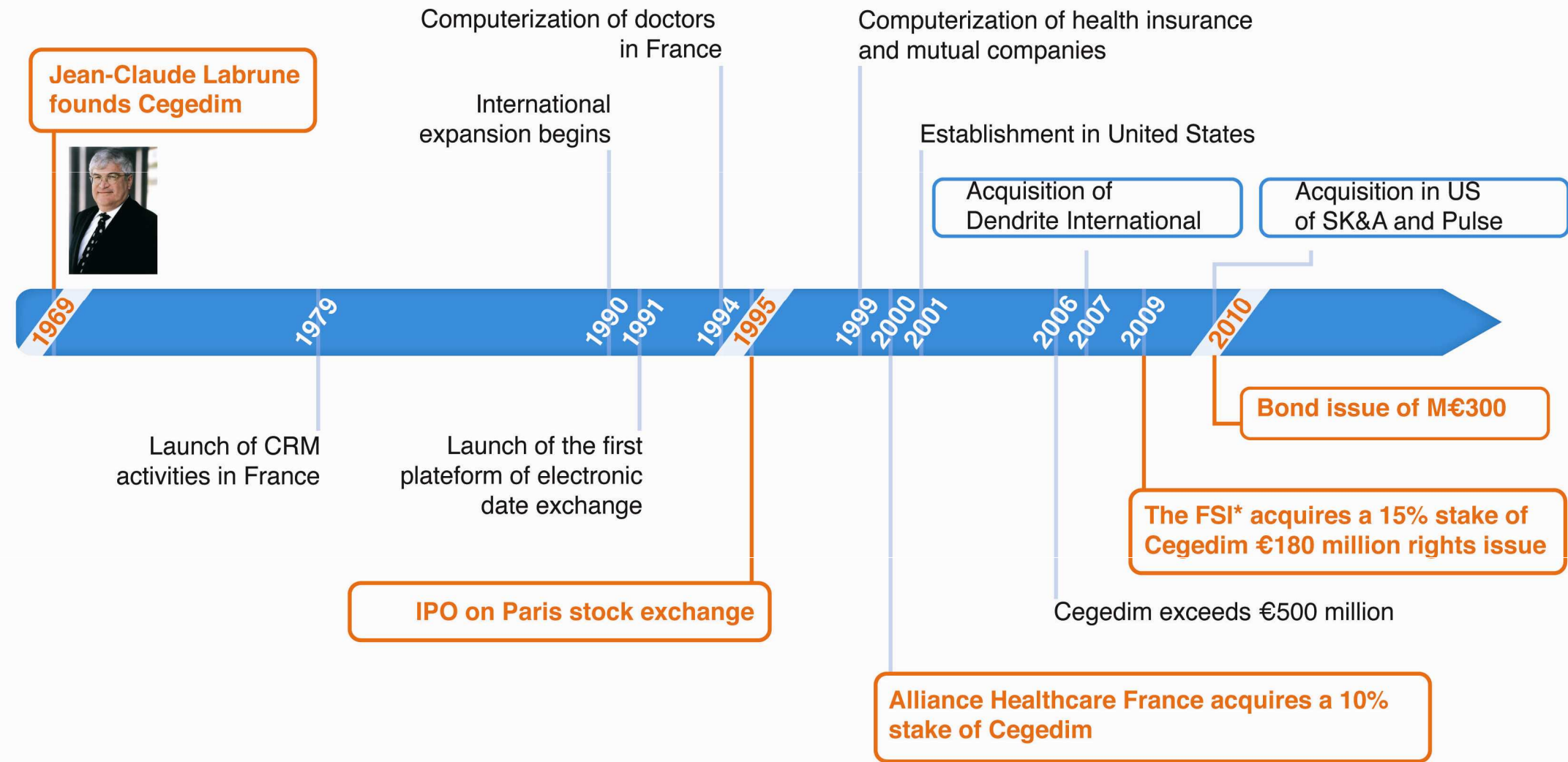
www.cegedim.fr/finance



Board of directors

- Jean-Claude Labrune *Chairman of the board*
- Laurent Labrune
- Aude Labrune
- Jean-Louis Mery
- Pierre Marucchi *FCB representative*
- Jacques-Henri David *Appointed by FSI*
- Nicolas Manardo *Appointed by FSI*
- Philippe Alaterre *GERS representative*
- Anthony Roberts *Alliance Healthcare France representative*
- Jean-Pierre Cassan *Independent director in the sense of the AFEP-MEDEF corporate governance code*

- Extended to 10 directors on January 2010



No direct competitors on the entire value chain

