



Cegedim 2017 Results

Webcast - SFAF Meeting
20 - 21 March 2018

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on expectations and assumptions that we believe to be reasonable when made, but that may not prove to be accurate. By their nature, forward-looking statements involve risk and uncertainty. 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.

Additional information concerning 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'.

Any forward-looking statement speaks only as of the date on which it is made, and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.



1

Vision

Jean-Claude Labrune
Chairman and CEO

CEGEDIM VISION

Digital

SaaS

Data

Cloud

BPO

Telemedicine



NUMEROUS OPPORTUNITIES



New ways of healthcare Management

New technologies

New ways of delivering Healthcare

Government reforms

2

Strategy

Laurent Labrune
Managing Director



**Portfolio
Management**



**Investing in
Innovation**



**Business Model
Transformation**



Portfolio Management

Divestments:

- CRM and Strategic Data
- Cegelease



Acquisitions:

- Activus
- Nightingale
- Futuramedia
- B.B.M
- Adaptive apps

RATIONAL

The Cegelease and Eurofarmat subsidiaries operate principally in the financial domain, are highly valued, and require additional resources to continue pursuing and accelerating their development for the benefit of their clients and employees.

BUYER

FRANFINANCE
Société Générale

PRICE

- ≈ €70m
- €57.5m for equity
 - €13.0m reimbursement of shareholder loan

TIMING

Signed on Dec. 14, 2017
Disposal completed on Feb. 28, 2018

AGREEMENT

Six-year collaboration agreement between Cegedim Group and Cegelease

IMPACT

- Contribution to FY 17
- Revenue: €13.0m
 - EBITDA: €5.8m

USED OF PROCESS

- €30m to repay debt
- Acquisition or debt repayment

Investing in Innovation



Capitalized R&D:

- H2-17: **€22.0m**
- H1-17: **€22.5m** Stabilization

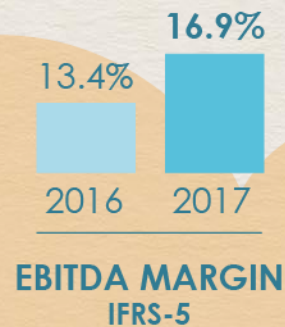
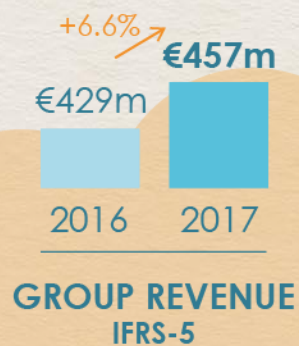
- H2-16: **€22.0m**
- H1-16: **€18.7m** Significant increase
- H2-15: **€15.5m**
- H1-15: **€12.7m**

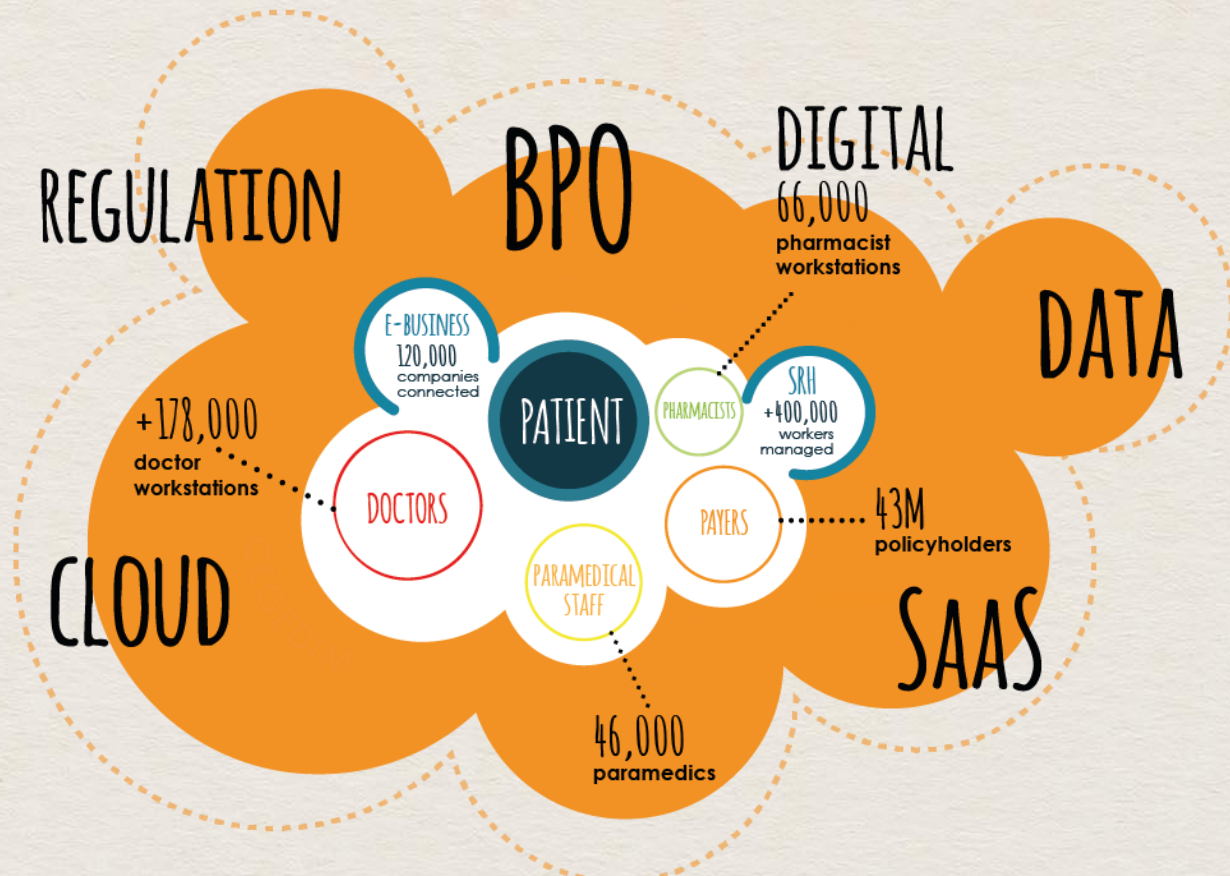
Business Model Transformation

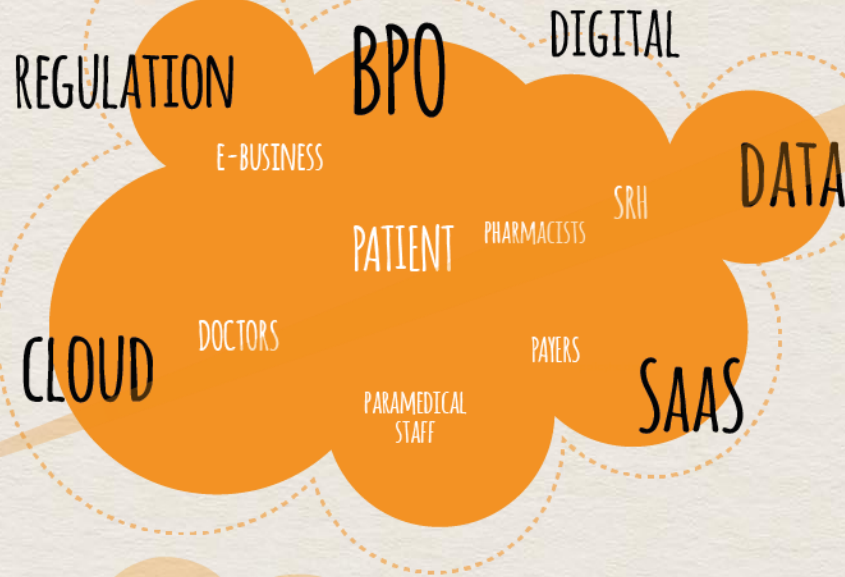
A Venn diagram consisting of four overlapping circles. The top circle is light blue and labeled 'SaaS'. The right circle is orange and labeled 'Digital'. The bottom circle is teal and labeled 'BPO'. The left circle is grey and labeled 'Data'. The circles overlap in various combinations, with 'SaaS' overlapping with 'Digital', 'Data', and 'BPO'. 'Digital' overlaps with 'SaaS' and 'BPO'. 'Data' overlaps with 'SaaS' and 'BPO'. 'BPO' overlaps with 'SaaS', 'Digital', and 'Data'. All four circles overlap in a central area.

SaaS
Digital
Data
BPO

Results







Finance

Pierre Marucchi
Managing Director

IFRS 5

Cegedim announced on December 14, 2017 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". See annexes for more details. The disposal was completed on February 28, 2018.

FY 2017: Return to the 2015 Level

In € million	FY 15	FY 16	FY 17
Revenue	426.2	440.8	470,4
EBITDA	78.5	61.4	83.3
<i>EBITDA margin</i>	<i>18.4%</i>	<i>13.9%</i>	<i>17.7%</i>
R&D Capitalized	28.2	40.6	44.6
Cash flow before taxes and interest	76.0	57.5	85.9
Net cash flow from operating activities	39.8	58.6	73.5

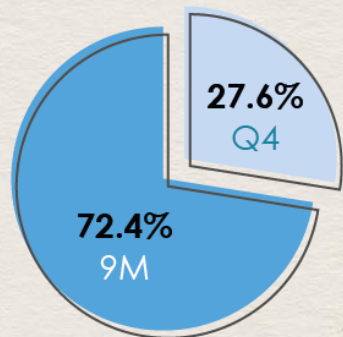
Impact of Cegelease disposal

In € million	FY 17	Cegelease	FY 17 IFRS 5
Revenue	470.4	13.0	457.4
EBITDA	83.3	5.8	77.5
Margin	17.7%	44.3%	16.9%
EBIT before special items	43.1	5.7	37.4
Margin	9.2%	44.0%	8.2%
EBIT	24.3	5.7	18.5
Margin	5.2%	44.0%	4.1%
Earnings	11.2	4.1	7.1

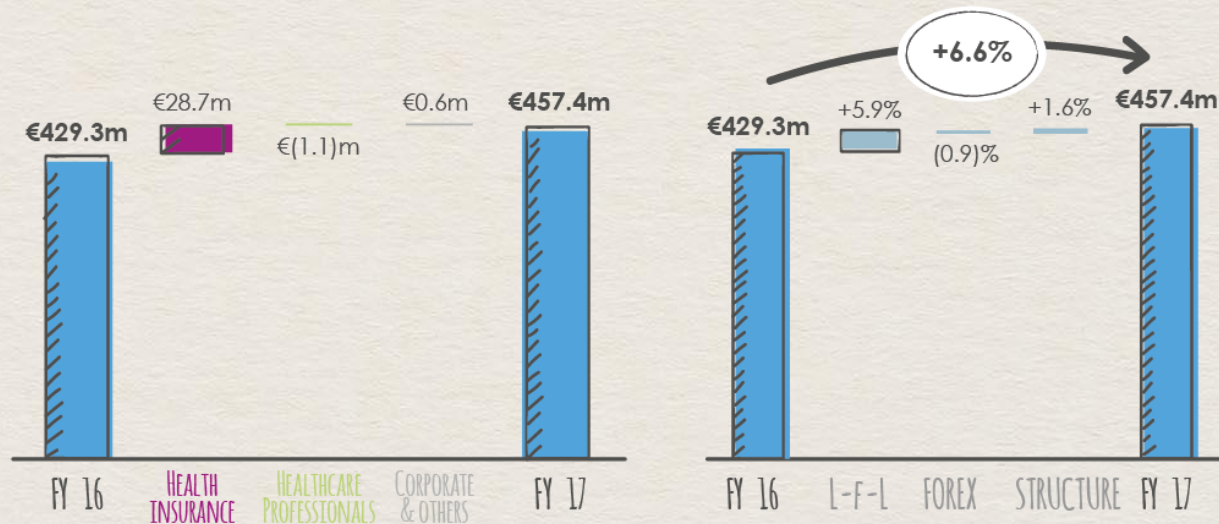
FY 2017 Profit & Loss Statement

In € million	FY 16	FY 17	% change
Revenue	429.3	457.4	+6.6%
EBITDA	57.4	77.5	+35.0%
Margin	13.4%	16.9%	+357bps
D&A	(34.3)	(40.1)	+17.0%
EBIT before special items	23.1	37.4	+61.8%
Margin	5.4%	8.2%	+279bps
Special items	(24.1)	(18.9)	+(21.8)%
EBIT	(1.0)	18.5	n.m.
Margin	(0.2)%	4.1%	+429bps
Cost of net financial debt	(26.0)	(6.7)	(74.1)%
Total Taxes	(2.3)	(4.7)	+101.2%
Earnings from continuing activities	(29.5)	7.1	n.m.
Earnings from discontinuing activities	(1.1)	0.0	n.m.
Earnings from activities held for sales	3.8	4.1	+6.8%
Net earnings	(26.7)	11.2	
Earnings before special items per share	(1.5)	0.9	n.m.
Earnings per share	(1.9)	0.8	n.m.

2017 Revenue from Continuing Activities Overview

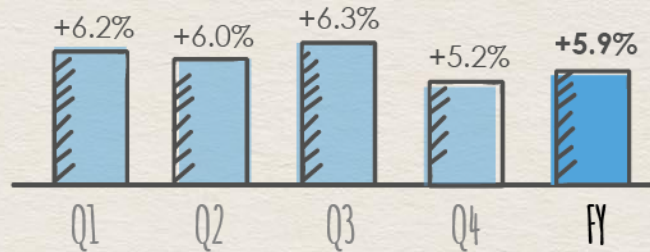


% of FY17 consolidated
GROUP REVENUE

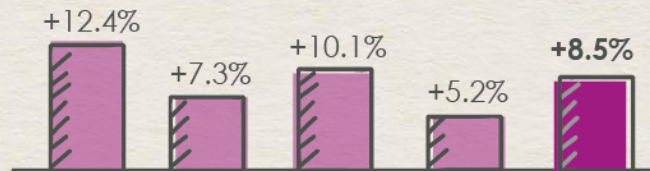


2017 Quaterly Organic Revenue Growth

GROUP CEGEDIM



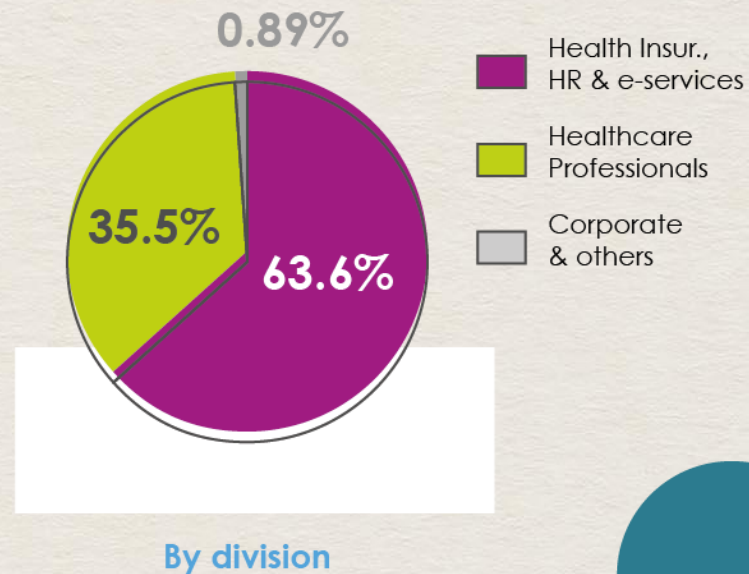
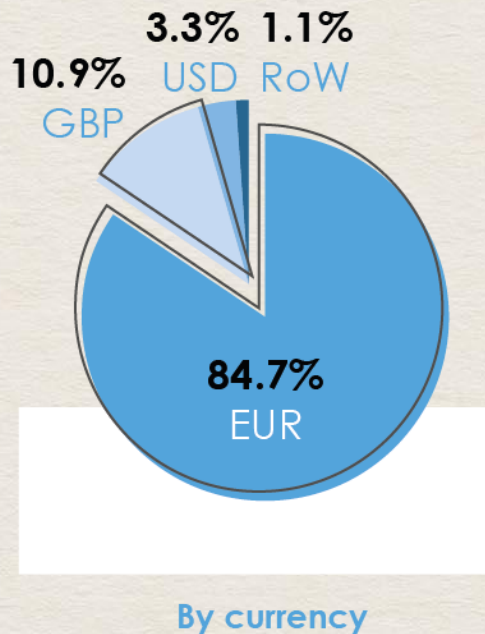
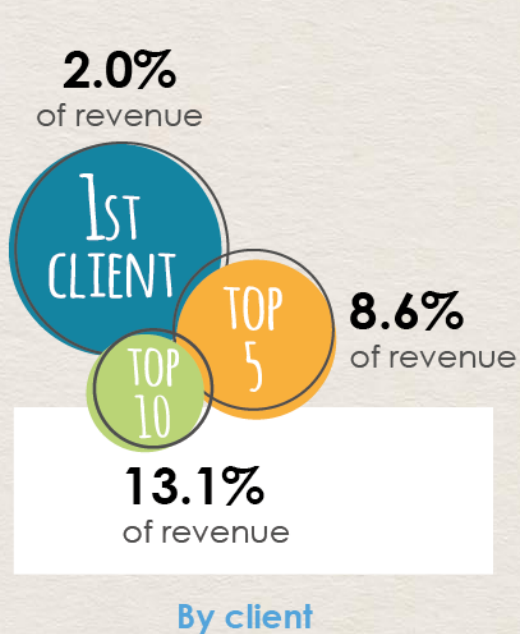
HEALTH INSURANCE,
HR & E-SERVICES



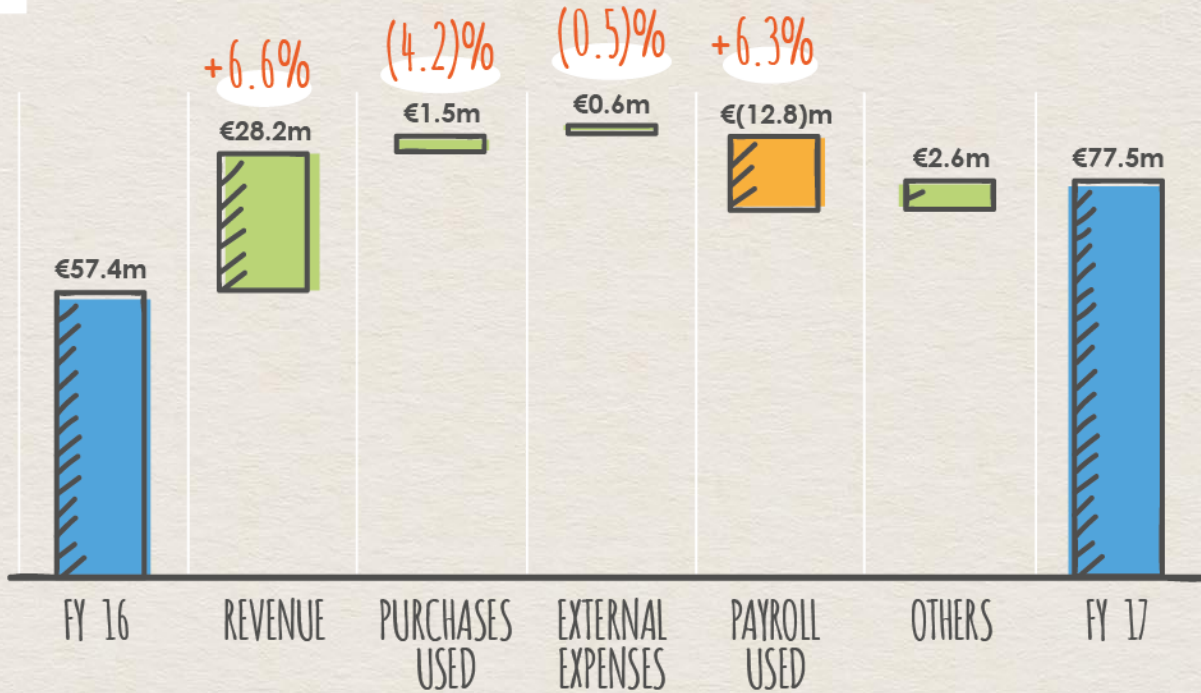
HEALTHCARE
PROFESSIONALS



Well diversified revenue source



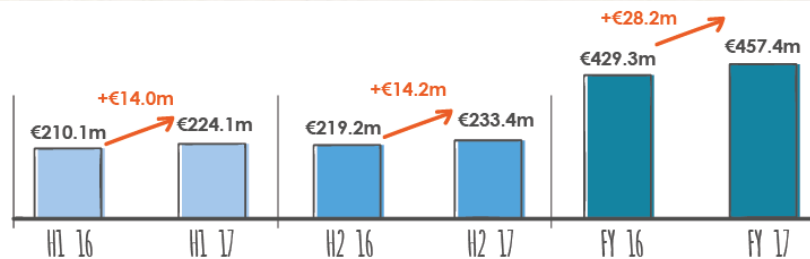
FY 2017 EBITDA Trend



2017 H1 and H2 Performance

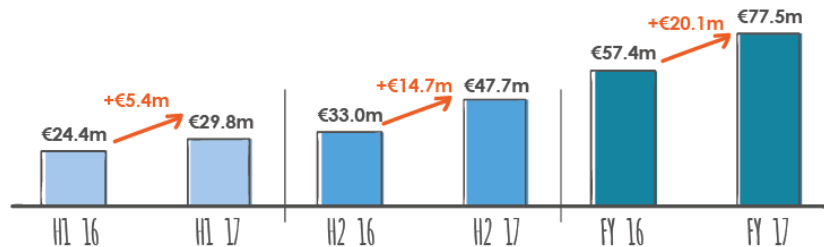
GROUP REVENUE

€457.4m
+6.6% reported
+5.9% L-f-L



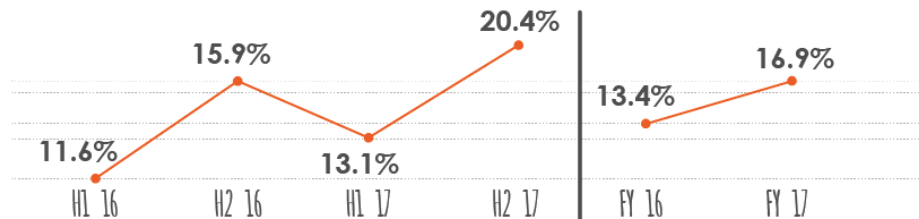
GROUP EBITDA

€77.5m
+35.0% reported

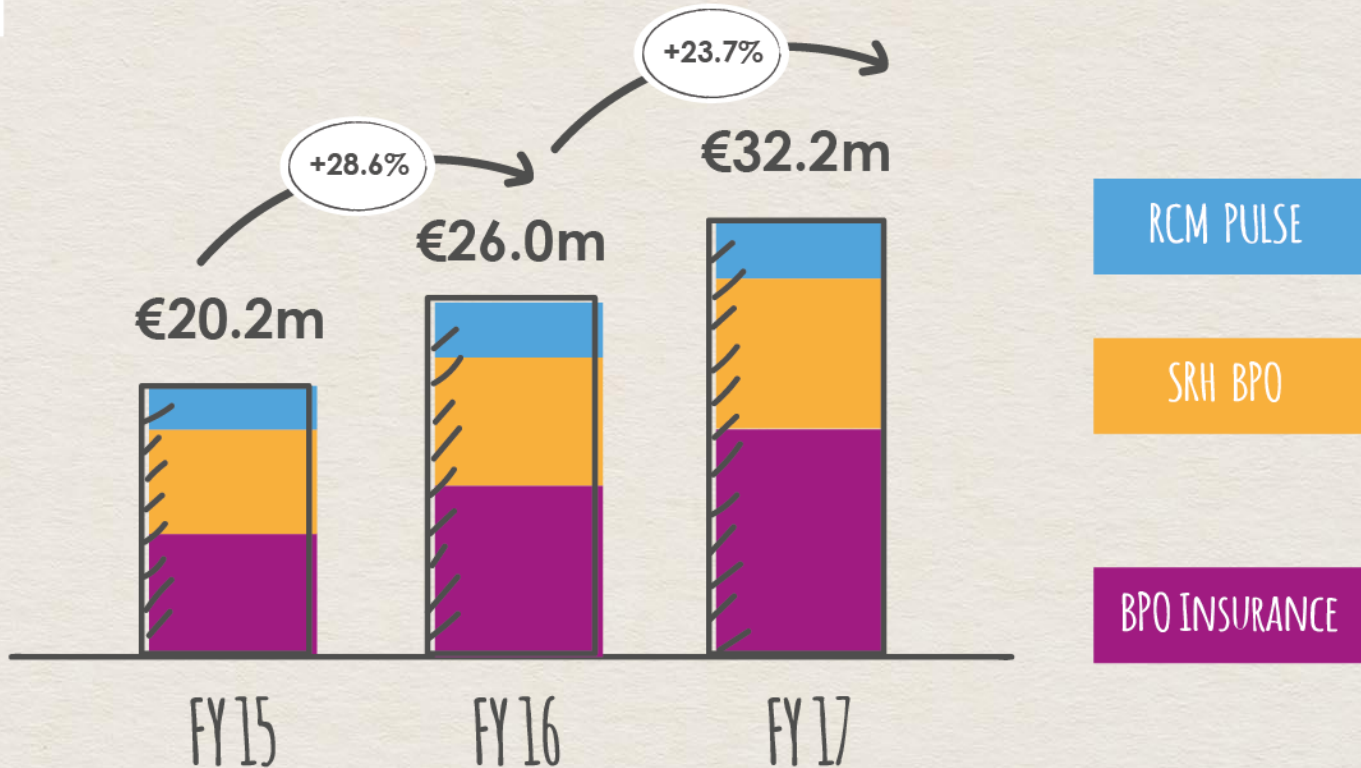


GROUP EBITDA MARGIN

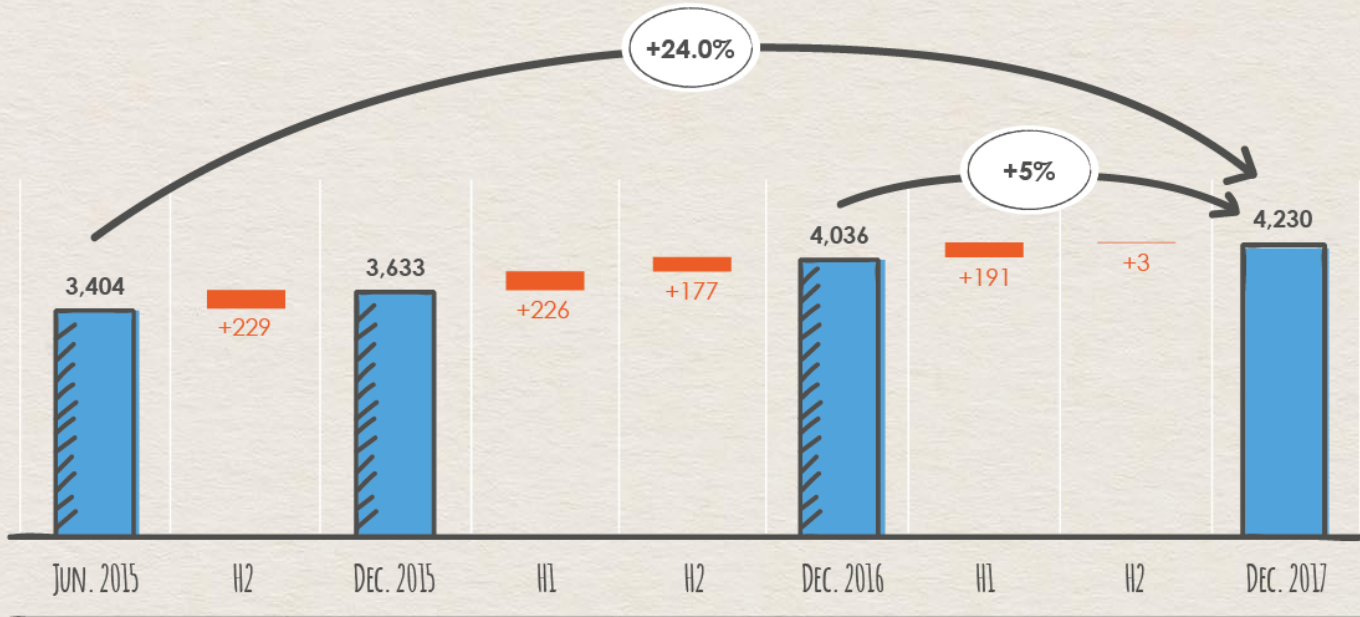
16.9%
up 357bps



2017 BPO Revenue



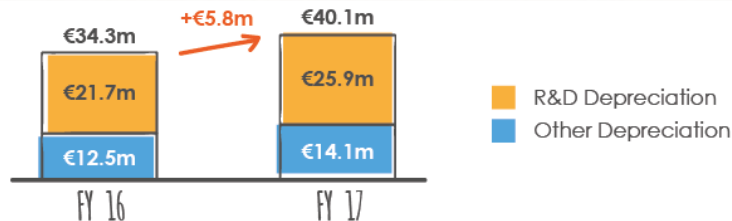
Significant increase in Headcount Between Jan. 2015 and Jun. 2017



FY17: From EBITDA to Net earnings

DEPRECIATION EXPENSES

€4.2 million increased due to the amortization of R&D expenses



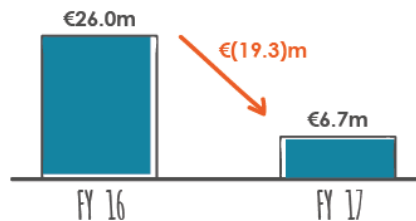
SPECIAL ITEMS

Allowance for legacy software mainly for Pulse and Alliadis



COST OF NET DEBT

Positive impact of 2016 debt restructuring

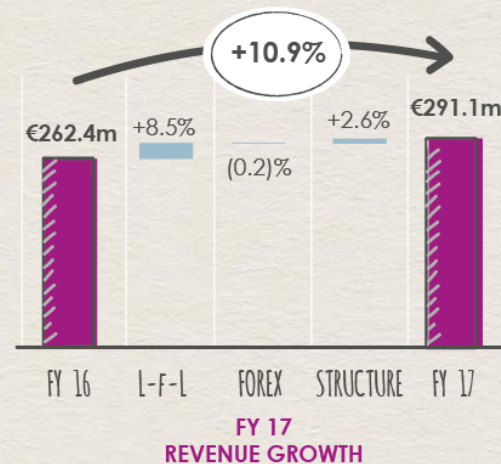
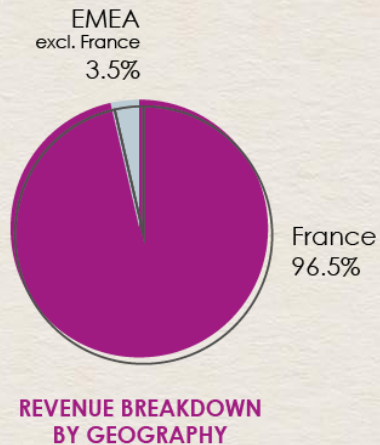


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Earnings per share	(1.9)	0.8	n.m.

HY 17 Health Insurance, HR & e-services P&L

In € million	FY 16	FY 17	% change
Revenue	262.4	291.1	+10.9%
EBITDA	43.9	48.1	+9.5%
Margin	16.7%	16.5%	(22)bps
D&A	(15.3)	(19.7)	+29.0%
EBIT before special items	28.6	28.4	(0.9)%
Margin	10.9%	9.7%	(116)bps
Special items	(0.3)	(2.4)	n.m.



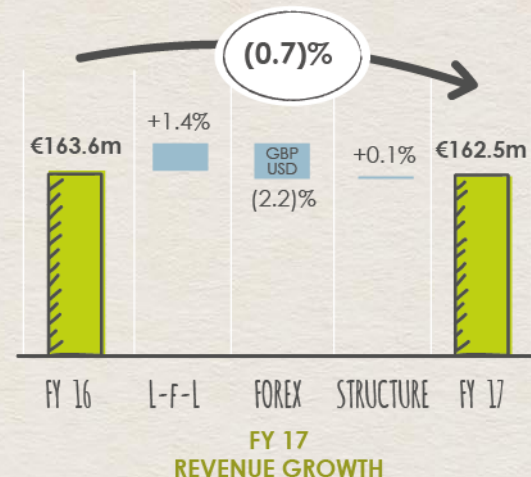
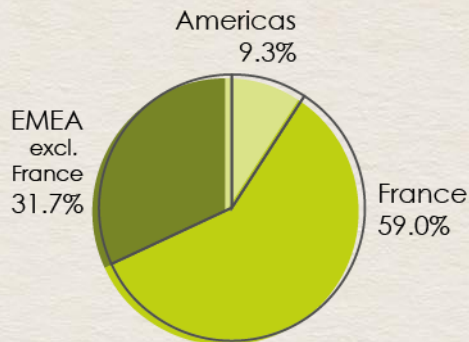
This significant revenue growth, combined with EBITDA growth, was chiefly attributable to:

- At point-of-sale advertising in pharmacies, which now has a stronger digital offering since acquiring Futuramedia;
- At Cegedim SRH (SaaS platform for HR management)
- At Cegedim e-business (SaaS platform for electronic data exchange including payment and process digitalization)
- The business of pharmaceutical product sales statistics
- Processing third-party payment flows

The gains were marginally offset by a decline in software and services for the personal insurance market due to the impact of switching to the SaaS format and in BPO activities for health insurers and mutuals

HY 17 Healthcare Professionals P&L

In € million	FY 16	FY 17	% change
Revenue	163.6	162.5	(0.7)%
EBITDA	12.8	25.0	+95.4%
Margin	7.8%	15.4%	+756bps
D&A	(13.5)	(14.6)	+7.8%
EBIT before special items	(0.8)	10.4	n.m.
Margin	(0.5)%	6.4%	+685bps
Special items	(14.9)	(14.4)	(3.1)%



Revenue growth over the full year was fuelled by stronger sales in computerization for:

- Doctors in Belgium, France and the US
- Doctors in the UK in Q4, following declines in the first three quarters. Full SaaS version will not be on the market until June
- French pharmacists. After a rather mixed start to the year, business returned to growth
- Nurses, physical therapists, speech therapists, orthoptists, midwives and podiatrists in France

EBITDA was fuelled by

- Pulse, US doctor computerization and RCM activities, Belgium doctors due to a favorable comparisons base
- French doctors and pharmacists

FCF from Operations

In € million	FY 15	FY 16	FY 17
Cash flow before taxes and interests	76.0	57.5	85.9
Change in working capital requirement	(24.1)	6.8	(10.6)
Corporate tax paid	(12.1)	(5.7)	(1.8)
Net cash flow from operating activities	39.8	58.6	73.5
Acquisition of intangible assets	(51.2)	(46.6)	(48.4)
Acquisition of tangible assets	(10.2)	(15.2)	(12.3)
Disposals of tangible and intangible assets	1.4	0.8	0.5
Free cash flow from operations	(20.2)	(2.4)	13.4

FY2017 Net Debt Bridge

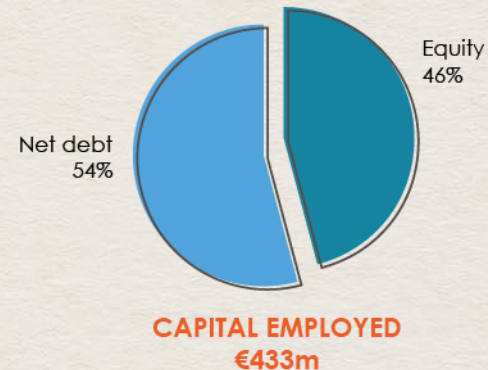
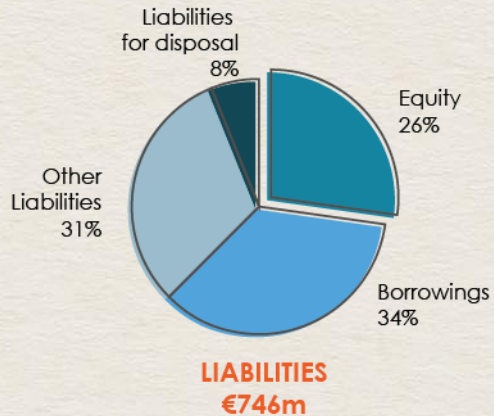
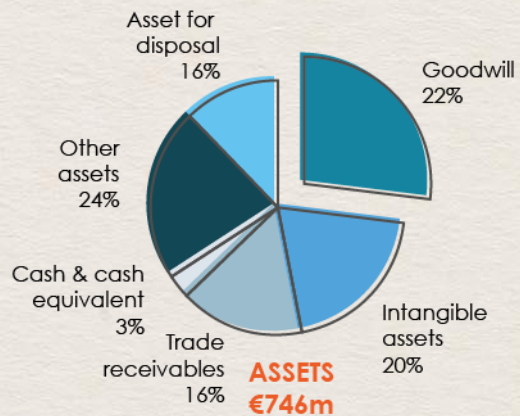
Net debt would have decreased by €5.7m excluding financial investment and the impact of Cegelease disposal



FY 2017 Balance Sheet

In € million	Dec. 16	Dec.17
Assets		
Goodwill	199.0	167.8
Intangible assets	139.4	145.8
Tangible assets	32.2	33.2
Financial assets	8.7	20.4
Trade receivables, long term portion	29.6	0.2
Other non-current assets	38.3	38.0
Cash & Cash equivalent	20.8	18.7
Trade receivables, short term portion	167.4	118.2
Other current assets	73.7	84.2
Asset of activities held for sale	0.0	119.8
Total assets	709.1	746.2
Shareholders equity & liabilities		
Shareholder equity	188.9	197.3
Long-term financial debt	244.0	250.8
Other non-current liabilities	45.1	32.8
Short-term financial debt	3.6	4.0
Other current liabilities	227.4	198.2
Liabilities of activities held for sale	0.0	63.0
Total equity and Liabilities	709.1	746.2

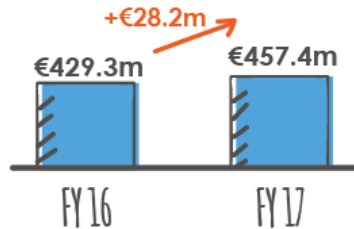
FY 2017 Balance Sheet



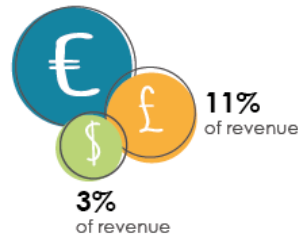
FY 2017 Key Take Away

GROUP REVENUE

€457.4m
+6.6% reported
+5.9% L-f-L

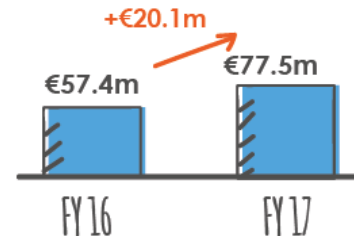


85%
of revenue



GROUP EBITDA

€77.5m
+35.0%

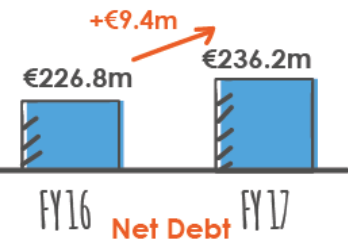
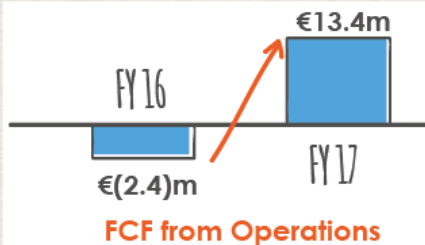


13.4% → 16.9%

FY16 FY17

FCF & NET DEBT

FCF: €13.4m
Net debt: €236.2m



3

Finance

FY 2018 Cegedim Outlook
as of March 20, 2018

Potential Impact of Brexit

- Cegedim operates in the UK in local currency, as it does in all the countries where it operates
 - No major European health program is at work in the UK
- ➔ Thus, the impact on the consolidated Group EBIT margin should be marginal

10.9%

UK revenue as a share of 2017 consolidated Group revenue from continuing activities

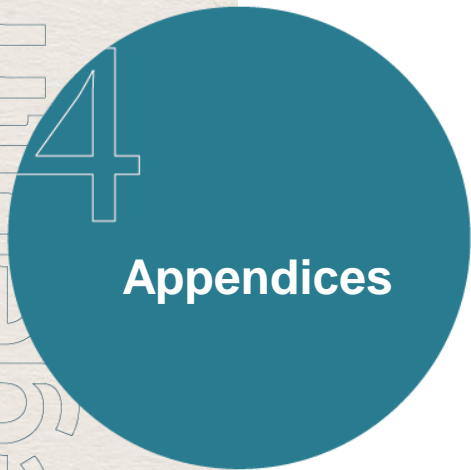
14.0%

UK EBIT as a share of 2017 consolidated Group EBIT

Outlook: Prudently confident for 2018

- Today Cegedim is *refocused on its strategic assets and positioned on growing markets with a balanced portfolio of complementary offerings and a diversified client base*
- Strategy focused primarily on **ORGANIC GROWTH** and driven by a **SUSTAINED INNOVATION** policy
- The Group expects for 2018:
 - L-f-I Revenue is expected to grow moderately
 - EBITDA to grow in line with revenue

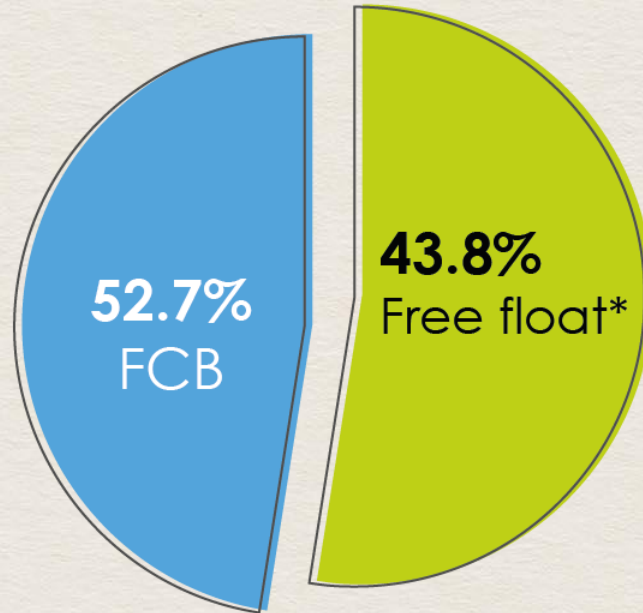
These projections are publicly disclosed on March 20, 2018. The fact that Cegedim includes these projections in this presentation should not be taken to mean that these projections continue to be our projections as of any subsequent date.



Appendices

FY 2017 Revenue

Shareholder Structure as of February 28, 2018



* including BPI (3%) and cegedim (0.5%)

MARCH

20

FY 2017 results
announcement

MARCH

21

SFAF meeting

APRIL

26

Q1 2018
revenues
announcement

JUNE

19

Shareholders
meeting

JULY

26

Q2 2018
revenues
announcement

Cegedim Key Metrics

+178,000
doctor workstations

66,000
Pharmacist workstations

46,000
paramedics

43m
policyholders

2.9bm
euros paid

& 172m
third-party payment
flows managed / year

+400,000
workers managed daily

500m
payment flows
managed / year


120,000
companies connected
to its network

Cegedim Key Points

 **5**
datacenters

 **10**
countries

 **+4,200**
employees

 **48**
years
of existence

CGM
 listed
on Euronext

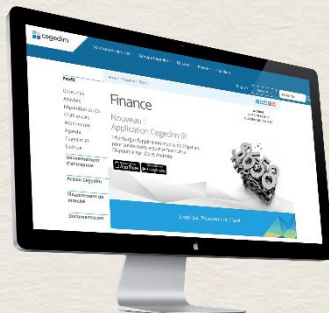
 **€457m**
FY17 revenue

 **€78m**
FY17 EBITDA

 **cegedim**



IR APP



WEB SITE



WEBCAST



SOCIAL NETWORK



Jan Eryk Umiastowski

Chief Investment Officer – Head of Investor Relations

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Design: Group Communication Service