1st half-year results
2011
1. The general background
2. Business in the first half of 2010
3. Financial Information on 30/06/2011
4. Outlook
5. Conclusion
The general background in the first half of 2011
Modification of the pharmacy network in France is in line with the economic context and statutory change:

- According to a recent study carried out by the Cabinet Fiducial Expertise (Fiduciary Office) French pharmacies are faced with a long-term slowdown in growth in view of a decrease in the volume and price of medicinal products
  - Turnover + 1.3% on average in 2010 compared with 2009
  - Major differences between Pharmacies in partnership and individual pharmacies

- Plans for regulatory development:
  - Deregulation of conditions of practice
  - New areas of expertise for the pharmacist with the ‘HPST’ law (Hospitals, Patients, Health and Regions)
  - Development and modernisation of an economic pharmacy model
  - Development of financial remuneration
General Background

Levels of awareness of Public authorities of the need to adapt the economic pharmacy model and to consider the role of the pharmacist within the French health service.

- The HPST law is a particularly formative development for the pharmacy network.
- For pharmacies, it clearly results in the need:
  - To invest so that new roles can be adopted and put into practice
  - To be prepared to offer a wider range of services
  - To set in place new ‘patient procedures’.

So many changes mean that reliable and innovative technology tools are an essential item for all pharmacists wishing to maintain their indispensable role in the health system.
The Pharmagest Group have directed their visions and strategies towards this need to adapt the economic pharmacy model for many years.

With this in mind, the Group supports the pharmacist by:

- Keeping a permanent watch on developments of the profession and the market
- Having the ability to anticipate the future needs of the pharmacist
- Establishing a policy of systematic research for technological innovation
- Producing reliable and innovative technology solutions with high added value
General Background

Recognition by public authorities

In its report ‘Retail Pharmacies: financial reimbursement, tasks, network’ presented to Health Minister, Xavier Bertrand, at the beginning of July, the Inspectorate General of Social Affairs (IGAS) delivered its diagnosis and proposed a series of 37 actions aimed at diversifying the duties of pharmacists, remunerating them as health professionals and optimising the district pharmacy network.

This report, in which PHARMAGEST INTERACTIVE is cited on two occasions

- in the chapter dealing with e-prescriptions for its Smartphone application ‘My Mobile Pharmacy’
- in the chapter dedicated to screening (investigations, sensitisation, tip sheets)

demonstrates the insight of the policy of developing LGPI Global Services and new services and strengthens the recent acquisitions of Pharmagest Interactive
La société Pharmagest Interactive met gratuitement à disposition des détenteurs de smartphones une application dénommée « Ma Pharmacie Mobile » qui offre un service de géolocalisation des officines, assortie des données essentielles (adresse, téléphone, horaires d’ouverture), et de suivi de l’observance.

Elle offre de surcroît une fonctionnalité originale permettant à l’utilisateur de photographier avec son smartphone une ordonnance et de transmettre le cliché à l’officine de son choix (parmi celles qui l’acceptent) qui prépare alors les médicaments, que l’utilisateur n’a ensuite plus qu’à aller chercher. C’est donc le premier service de dématérialisation de l’ordonnance connu à ce jour.

Au 2 mai 2011, cette application, distinguée lors du dernier salon PHARMAGORA avait été téléchargée plus de 16 500 fois depuis son lancement le 15 février 2011 (source : www.mapharmaciemobile.com).
Pharmacy screening

A l’occasion de la journée mondiale du diabète 2009, la société d’informatique officinale Pharmagest Inter@active a proposé un accompagnement aux pharmacies équipées de son logiciel qui souhaitent participer à la campagne de dépistage. Elle leur a mis à disposition des outils de prévention du diabète directement intégrés dans son logiciel de gestion de l’officine : modules de formation, questionnaire en ligne pour sensibiliser les plus de 40 ans aux facteurs de risque de la maladie et fiches conseil pour accompagner les parents d’enfants diabétiques. Les pharmaciens pouvaient également proposer un test de glycémie aux personnes jugées à risque. Au total, 889 officines ont participé à cette campagne du 8 au 19 novembre 2009 et 2 485 patients âgés de 40 à 50 ans ont répondu à l’enquête de dépistage. Parmi eux, 1 071 ont accepté de réaliser un test de glycémie. Les pharmaciens ont remis et commenté 859 fiches conseil sur le diabète.
Business in the first half of 2011
Pharmacy in France

- Long standing activity of the Group, which represents 81.7% of the global turnover

- Turnover rose 3.5% in the 1st semester 2011, with an almost identical increase for three types of revenue:
  - Configuration Sales + 3.3%
  - Ongoing turnover growth + 3.3%
  - Products developed (licences and satellite services): + 4.5%

- Over 7,000 pharmacies were equipped with LGPI Global Services as at 30/06/2011, in other words almost one in three pharmacies in France
Pharmacy in France

A range of solutions to support caring and advice for Patients, a full and comprehensive proposal:

• On 30th June, 179 groups and 755 pharmacies signed up to the offer of Officentral centralised back-office management, in other words an increase of 13% in membership in one semester, proof of the relevance of the choice of Pharmagest for the development of ‘multi-site’ management using cloud computing technology.

• With almost 4,000 clients subscribing to secure Internet access with Offisecure, Pharmagest equips almost 45% of its clients.

• The Pharmagest offer of communication at point of sale, Offmedia, has similar successes with more than 130 new orders in the first semester, and notably membership approved by a group in Northern France for all its pharmacies.
Pharmacy in France

**My Mobile Pharmacy:** an application open to all French pharmacies, 100% free.

- The Smartphone application leader in the domain of consumer health achieved enormous success with more than 30,000 downloads from the AppleStore and Androïd Market platforms in the space of 6 months.

- Remember that this application offers totally new services to pharmacists for their patients, directly related to their everyday lives (sending prescriptions, treatment follow-up, delivery history, location of pharmacy open in the neighbourhood, follow-up observation, pharmacovigilance, etc.)

- Freely offered by pharmacists to their patients, iPhone and Android owners will have the opportunity to ‘take their pharmacy wherever they go’
Pharmacy activity in Belgium and Luxembourg has increased by 17.8% with a turnover of 1.59 mill. Euros.

- Configuration Sales + 48.3%
- Sales of products developed + 19.1%
- Since the Pharmagest Group business model in Belux has not yet matured, the ongoing revenues continue to show a slight dip compared with the 1st semester 2010 (- 4.5%).
SABCO anticipates the needs of pharmacists and continues to offer new functionalities:

- ‘Home’ module (rest and care homes) offers electronic management for orders and invoices between the Home and the pharmacy, automatic transfer of medication schedules (patient prescriptions from Home to referent pharmacy, etc.) This module was finalised in Spring 2011 and is already used by many pharmacies.

- In the 1st semester of 2011, Sabco built the system of medication authentification installed in Belgium into all its software, to provide its pharmacist clients with a tool to fight against forgery.
Proposal for e-Business services

- Laboratories

- Training and information for pharmacy teams
  Current sales and on the portal

- Actions for patient care
  Current sales

- Prevention campaigns and primary screening
  Current sales

- Promotions Sell in/Sell out
  Current sales and Point of Sale

- Investigations, studies and market scanners
  Current sales and on the portal
Laboratories

Turnover 6.15 mill. Euros, an increase of 45% compared with the 1\textsuperscript{st} semester 2010.

- During the 1\textsuperscript{st} semester the growth in turnover was similar to that of 1\textsuperscript{st} semester 2010 for 3 types of revenue:
  - marketing information and related sales currently on offer
  - marketing communication at point of sale
  - direct delivery orders

- Economic context difficult in T2 (2\textsuperscript{nd} term), long decision-making procedures, increased caution by the laboratory regulatory services nevertheless a commercial line of supply well-sourced for the end of the year.
To maintain the level of growth, the department increases partnerships with business providers (communications agencies, research organisations, etc.) and strengthens its communications systems (partnerships with newspaper editors, workshops organised solely for the pharmaceutical industry, participation in conferences, etc.)

The Prix Empreintes 2011, organised by AACC (Association of Communication Consultants) to reward the best health communication campaigns, took place on 21st March 2011, at the Théâtre Marigny in front of an audience of 600. Le prix de l'Audace was presented by Pharmagest Pharmagest presentation, its vision, its systems.

Major post-event press coverage.

Focused on new issues in the Pharmaceutical industry, PharmaSuccess 2011 opened on 11th February 2011, at CNIT (Centre of New Industries and Technology), a unique occasion for information, training and exchange, designed to hand the keys to success to players in the industry

Pharmagest, partner in the 1st release, organised 3 conferences on the theme of “How to succeed in Patient Marketing”.

Laboratories
- Intensification of screening and prevention campaigns:
  - skin cancer, asthma, how to break nicotine addiction, etc.
  - in partnership with patient organisations (fight against cancer, lesouffle.org. and trade press editors, the general public).

- 7 thematic campaigns planned in 2011
Old People’s Homes

MALTA INFORMATIQUE: Solid turnover growth (1.4 mill Euros as at 30/06/11) 22.9% compared with S1 2010

• Configuration Sales up by 51.1%
• Ongoing turnover up by 46.4%
• Products developed (licences and additional services) up by 8.1%

S1 Key Events

▪ Strong growth in orders to 1.208K Euros, that is 41% growth compared with S1 2010
▪ 65 new clients demonstrated their confidence in MALTA INFORMATIQUE during S1 2011 (+38% compared with S1 2010)
▪ Significant increase in manpower to 22 employees (as opposed to 16 in S1 2010).
Different projects are under consideration, particularly:

- The development of new expertise in the interoperability of health information systems which will enable MALTA to concentrate on complex EHPAD (Organisation for the Housing of Dependent Pensioners) files in the hospital environment.
- Extension of the entry/traceability bar codes module (TITAN ZAPETTE) to new functional boundaries, such as therapeutic activities (TITAN ANIMATION) and stock management (TITAN INTENDANCE).
- The development of a new quality module enabling organisations to respond to new issues of internal and external evaluation.
Within the framework of its strategy to acquire new technology to enable the completion of its offer to health professionals, Pharmagest Interactive took minority holdings in two innovative French companies at the end of 2010

- Diatelic: effective system expert in telemedicine
- Intecum/Sellen: a robot which will revolutionise the world of pharmacy
Nouveaux Savoir Faire

Diatellic : efficient expert system in telemédecine

Diatellic développe des solutions pour le suivi médical et la prévention, et met les nouvelles technologies au service des professionnels de santé pour aider à l'amélioration de la prise en charge, des pratiques professionnelles et de la qualité du traitement.

**NOS SERVICES ET INFRASTRUCTURES**
Grâce à notre maîtrise des nouvelles technologies, notre expérience dans le développement d'applications et la mise en œuvre des expérimentations médicales, nous pouvons concevoir et mettre en place des systèmes innovants au service de la santé. Notre savoir-faire et nos infrastructures de serveurs nous permettent de déployer des applications conformes à l'état de l'art en matière de sécurité.

Nos compétences et infrastructures sont à votre service pour le conseil et le développement :
- d'applications de télésurveillance, d'auto-santé ou de télémédecine
- de systèmes experts et d'aide au diagnostic
- de solutions collaboratives régionales

**PRÉVENTION ET SYSTÈMES EXPERTS**
Diatellic aborde le vrai problème de l'informatique et de la télésurveillance médicale : la quantité d'information générée par l'acquisition des données dans les dossiers médicaux, les systèmes de télémédecine ou d'auto-santé. En effet, dans le cadre du suivi médical, le médecin n'a pas le temps pour consommer les données journalières afin de réaliser la prévention des aggravations.

Pour répondre à ce problème, les technologies Diatellic proposent des systèmes d'alertes et d'aide au diagnostic sophistiqués. Ils sont basés sur des modèles mathématiques (chaînes de Markov, réseaux bayésiens) pour analyser chaque jour les données médicales afin de :
- détecter des signes précurseurs de manière proactive afin d'éviter les complications aux patients
- n'attirer l'attention du spécialiste que lorsque c'est nécessaire pour éviter d'être submergé par les données.

Nos solutions ont toutes la même philosophie pour les mêmes objectifs : optimiser le temps de travail des spécialistes en pointant les informations qu'ils doivent principalement traiter.

**Dianémie**
Dianémie est un logiciel de suivi de l'anémie chez les insuffisants rénaux qui permet d'améliorer le contrôle de l'hémoglobine et le dosage d'EPO grâce au système d'alertes intégré dans le logiciel.

**diatellic dp**
Diatellic DP est le premier système de télésurveillance médicale pour la prévention des aggravations en dialyse péritonéale à domicile qui améliore la qualité de vie des patients et permet la baisse du coût de la prise en charge.

**diatellic hd**
Diatellic HD a été conçu pour le suivi des patients hémodialysés dans les unités distantes. Il intègre les fonctionnalités pour améliorer le suivi de l'anémie.

**transplantellic**
Transplantellic est une solution pour assister les néphrologues au suivi à domicile des transplantés grâce à l'aide d'un outil informatisé au cours des premiers mois suivant la greffe.

**LES AVANTAGES POUR PATIENTS ET PROFESSIONNELS DE SANTÉ**
- Amélioration de la prise en charge des Patients et de leur qualité de vie
- Prévention des aggravations de l'état de santé des Patients
- Gain de temps pour les Professionnels de santé dans leurs consultations quotidiennes et suivi plus efficace et optimal de leurs patients
- Diminution des coûts hospitaliers relatifs à chaque patient (baisse du nombre de jour d’hospitalisation, réduction de la charge administrative...)

23
A robot placed in the centre of the pharmacy and corresponding exactly to the plans of Health Minister, Xavier Bertrand, enables pharmacy teams to be released from time-consuming tasks to spend time on patient care.
Financial results on June 30, 2011
Key figures

Financial results on 30 June 2011

- Turnover
  - 2009: €39
  - 2010: €46.4
  - 2011: €50.2

- Net Profit
  - 2009: €4.7
  - 2010: €5.7
  - 2011: €6.2

- Net Profit Group Share
  - 2009: €4.6
  - 2010: €5.5
  - 2011: €6

- Earnings per share
  - 2009: €1.54
  - 2010: €1.84
  - 2011: €2
## Profit & Loss account

### Financial results on 30 June 2011

<table>
<thead>
<tr>
<th>in M€</th>
<th>June 2011</th>
<th>June 2010</th>
<th>VARIATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>TURNOVER</td>
<td>50,23</td>
<td>46,44</td>
<td>+ 8,2 %</td>
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<tr>
<td>EARNINGS BEFORE INTEREST &amp; TAX</td>
<td>9,18</td>
<td>8,72</td>
<td>+ 5,3 %</td>
</tr>
<tr>
<td>NET PROFIT</td>
<td>6,22</td>
<td>5,69</td>
<td>+ 9,3 %</td>
</tr>
<tr>
<td>NET PROFIT GROUP SHARE</td>
<td>6,02</td>
<td>5,52</td>
<td>+ 9,0 %</td>
</tr>
<tr>
<td>NET EARNINGS PER SHARE (in €)</td>
<td>2,00 €</td>
<td>1,84 €</td>
<td>+ 8,6 %</td>
</tr>
</tbody>
</table>
### Balance Sheet

#### Financial results on 30 June 2011

<table>
<thead>
<tr>
<th></th>
<th>June-11</th>
<th>Dec-10</th>
<th>EQUITY CAPITAL</th>
<th>June11</th>
<th>Dec-10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td>42,76</td>
<td>42,33</td>
<td></td>
<td>52,47</td>
<td>51,04</td>
</tr>
<tr>
<td>Of which R&amp;D</td>
<td>5,83</td>
<td>5,54</td>
<td>Of which group share</td>
<td>51,86</td>
<td>50,33</td>
</tr>
<tr>
<td>Of which goodwill</td>
<td>26,88</td>
<td>26,88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>10,05</td>
<td>9,91</td>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td>6,26</td>
<td>7,33</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Of which LT debts</td>
<td>3,18</td>
<td>4,47</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Other non-current liabilities</td>
<td>3,09</td>
<td>2,86</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td>47,65</td>
<td>42,60</td>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>31,68</td>
<td>26,56</td>
</tr>
<tr>
<td>Of which accounts receivable</td>
<td>15,50</td>
<td>12,21</td>
<td>Of which ST debts</td>
<td>2,65</td>
<td>2,64</td>
</tr>
<tr>
<td>Of which cash-flow</td>
<td>5,28</td>
<td>4,70</td>
<td>Of which trade creditors</td>
<td>8,16</td>
<td>6,59</td>
</tr>
<tr>
<td>Of which securities available for sales</td>
<td>22,34</td>
<td>21,96</td>
<td>Other current liabilities</td>
<td>20,87</td>
<td>17,33</td>
</tr>
<tr>
<td>Other current assets</td>
<td>4,52</td>
<td>3,73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>90,41</td>
<td>84,94</td>
<td><strong>TOTAL</strong></td>
<td>90,41</td>
<td>84,94</td>
</tr>
</tbody>
</table>
# Cash flow summary

<table>
<thead>
<tr>
<th>Description</th>
<th>In M€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash flow(*) 31/12/2010</td>
<td>+ 4,70</td>
</tr>
<tr>
<td>Self financing capacity</td>
<td>+ 10,69</td>
</tr>
<tr>
<td>WCR variation</td>
<td>- 1,85</td>
</tr>
<tr>
<td>Investments (**)</td>
<td>-1,76</td>
</tr>
<tr>
<td>Dividends</td>
<td>- 4,9</td>
</tr>
<tr>
<td>Loans</td>
<td>- 1,29</td>
</tr>
<tr>
<td>Other financial operations</td>
<td>- 0,3</td>
</tr>
<tr>
<td>Net cash flow(*) 30/06/2011</td>
<td>+ 5,28</td>
</tr>
</tbody>
</table>

(*): Excluding securities available for sale 22,34 M€ on 30/06/2011

(**): Of which R&D 0,55 M€
On 30/06/2011, the market capitalisation reached 145,8 M€.

On 30/08/2011, it was 126,6 M€.
OUTLOOK
PHARMACY FRANCE
Maintenance gives high visibility on the future.

Total maintenance of the Pharmacy France Business

- 2011: 24
- 2012: 26
- 2013: 28
- 2014: 30
Outlook
Pharmacy in France

Striving for turnover growth and profitability thanks to the addition of new offers and innovative products on the market:

- Commercial offer of the season
  - An original commercial offer to enable the revitalization of sales and to encourage pharmacies already equipped with earlier versions of our software to migrate to LGPI Global Services
  - An overhaul of our licence tariffs without a reduction in net margin allowing us to increase our aggressivity in taking a share of the market

- The launching, thanks to the signing of the agreement between PHARMAGEST INTERACTIVE and one of the leaders in e-learning software solutions in France, of a proposal for e-learning specifically designed for pharmacists, groups and laboratories. This offer will enable PHARMAGEST INTERACTIVE to offer to pharmacy teams on-site training within the framework of their new roles.
Pharmacy in BELUX

- Reinforcement of our presence in Flanders by the establishment of commercial activities and canvassing in this region and the finalizing of employment of Dutch teams, notably since the launch of ‘Home’ software.

- Integration of satellite services and Management Software in order to offer a comprehensive service to Belgian and Luxembourgian pharmacists

- Continuity of a communications strategy involving the introduction of a number of campaigns together with a raised profile for the Sabco organisation and its product range

Must be allowed to attract new clients
- **Strengthen the commercial team** to revitalize canvassing for new Business Units: oncology, hematology, biotech, etc.

- **Qualitative commercial approach** with CRM (Customer Relationship Management) clients/prospects
  - To promote proposal quality by means of, on the one hand, accompanying actions by partners, and on the other, restructuring of portfolios.

- **Synergies** with Welcoop Group subsidiaries: Objectif Pharma, Pharmamerch

- **Launching of new services:**
  - Market scanner and analysis of potential
  - Offistim: point of sale challenge
  - Offiprofiler: downgrading of customised catalogue suppliers in LGPI (references, commercial terms, promo operations according to market segments, etc.)
Establish nationally, combined with commercial opportunities and offer awareness, must allow growth to continue.

In addition, the signing of contracts with several major EHPAD groups before entering into the deployment of TITAN for the next two years, would allow the re-creation of the market share created during the 1st semester, by the end of this year.

MALTA continues its efforts in R&D in order to increase its software range

MALTA remains alert to every opportunity for external development
Diatelic

- Placed in several projects and consortiums in the Tender for Projects e-Health 2
- Development of a new system in progress specialising in pathologies linked to pneumology

Sellen

- Development of first sites by the end of 2011
- Commercial deployment must begin in 2012
Conclusion
Conclusion

- The Pharmagest Group is confident about the development of on-going projects for the second half of the year.

- In addition, the Group maintains its external development procedures and is actively researching several systems.
  - Priorities: innovative services and technological domains linked to Health
    - Will enable the consolidation of Pharmagest in its position as leader in the pharmacy information technology market
    - Will offer effective support to pharmacists allowing them to be fully dedicated to their new roles of caring for and advising patients.
Conclusion

In the medium term, by the very nature of the changes taking place in the world of pharmacy and health, PHARMAGEST INTERACTIVE anticipates guidance on services for patients as well as tools for use in the home.

- My Mobile Pharmacy Smartphone application fully subscribes to this policy
- Active consideration of new applications is on-going
Next dates

**Investor Meetings**: MidCap Event in Paris: 22 and 23 September 2011

**Financial publications**: Shareholders’ letter: October 2011
Press release of T/O Q3 on 7 November 2011
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