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PRESS RELEASE

**Turnover in 2013: €113.4 million
Strong growth: +4.3%**

The consolidated unaudited turnover of the PHARMAGEST Group in 2013 amounted to €113.4 million, up 4.3% from the previous year.

In millions of Euros	2013	2012	Variation
Q1	29.87	26.74	+11.7%
Q2	29.27	28.29	+3.5%
Q3	25.45	24.57	+3.6%
Q4	28.82	29.12	-1.0%
Turnover in 2013	113.41	108.72	+4.3%

Update on activity in 2013:

- After a 1st half with strong growth, the **Pharmacy France business** maintained a good level of activity during the 2nd half of 2013, achieving a turnover of €90.73 million, up 1.8% for the full year.

Only the 4th quarter of 2013, with a turnover of €23.59 million, which is an increase of 1.3%, was penalised:

- by a base effect linked to the achievement of an exceptional Q4 in 2012 (for the record, an increase of 12.3%);
- by a certain wait-and-see policy of pharmacists, who because of the uncertainty weighing on their compensation, tended to postpone their investments. The situation was clarified and since the end of December, the activity has been benefiting from renewed momentum since early 2014.

All these factors explain the slight decline in the sale of configurations in the 4th quarter (-1.1%). Growth of 1.4% was recorded throughout the 2013 fiscal year. Recurring revenues maintain a growth rate of 4.8%.

Developed products (licences and secondary offers) were down 4.4% over the full year. On 31 December 2013, 80% of the PHARMAGEST Group turnover was contributed by the Pharmacy France business.

In 2013, the **Laboratories business** recorded a turnover of €14.46 million, an increase of 15.9%. In the 4th quarter, it was down 25.7% compared to the same period in 2012. The activity is in a pivotal period due to regulatory changes:

- the obligation of a priori validation by the Administration of information programmes of the Pharmaceutical Industry impacts both the historical activity of the Laboratories and the Communication services activity;
- the draft law on Social Security Financing of 2014 relative to the reimbursement of generic medication impacted the Communication services activity as early as in Q4.

However, given the low profit margin of the Communication services activity, the PHARMAGEST Group expects a strong increase in profitability of the Laboratories business in Q4.

The activity represents 12.8% of the PHARMAGEST Group turnover for the full year, and 10.1% in Q4 2013 alone.

- The year 2013 was marked by a constant increase in sales (+17.7%) for **the Pharmacy business in Belgium and Luxembourg**, bringing the turnover to €3.77 million, with sales of configuration and recurring revenues growing respectively at a rate of +36.6% and +11.4%.
On 31 December 2013, this activity contributed 3.3% to the turnover of the PHARMAGEST Group.
- The year 2013 was very dynamic for **MALTA Informatique (Care Home business)** and recorded a turnover of €4.23 million, up 14.9% at the close of 2013 and 24.2% in the 4th quarter of 2013 alone. Recurring revenues increased by 28.6% and sales of developed products increased by 9.2% in a growth market.
The activity now contributes 3.7% to the total turnover of the PHARMAGEST Group.
- The **e-Health business**, even if it does not contribute significantly to the turnover of the PHARMAGEST Group, saw the fruit of its efforts with its being retained in the tender for projects both at the national (e-Nephro/e-Chronic in the framework of Investments for the Future) and regional level. Moreover, obtaining the most recent approval for Hosting Personal Healthcare Data, which allows patients to have access to applications hosted at PHARMAGEST INTERACTIVE on behalf of its client, is an important step for the PHARMAGEST Group, which launched itself into the online healthcare market with its electronic pillbox DO-Pill SecuR™ and its new subsidiary KAPELSE.

Outlook:

The structure of the PHARMAGEST Group's turnover in 2013 as well as the 100% integration in Q4 of its subsidiary HEALTHLEASE FRANCE makes it possible to anticipate a profit in 2013 as well as profitability that is increasing and greater than projected.

For 2014, the PHARMAGEST Group already expects a significant impact on its Laboratories business as a result of regulatory changes. The decrease in turnover with low profit margin of this activity (Communication services), however, will have a mitigated effect on the operating income of the PHARMAGEST Group.

The PHARMAGEST Group is confident when it comes to its Pharmacy and Care Homes businesses, given the promising order books registered early in 2014.

Financial calendar

Publication of results for 2013: 31 March 2014

About the PHARMAGEST Group:

The PHARMAGEST Group is the French leader in computer systems for pharmacies, with a 43.5% share of the market, 9,800 clients and more than 700 employees. Since September 2007, the PHARMAGEST Group has also been present in Northern Europe with a 12% market share in Belgium and Luxembourg through its subsidiary SABCO.

As a privileged partner to pharmacists for almost 30 years now, the PHARMAGEST Group designs innovative computer solutions for pharmacies and is developing a high potential E-Business E-Media activity intended for laboratories.

The PHARMAGEST Group is also developing previously unpublished software solutions for Retirement Homes, (Care Homes and day centres for the elderly), through its subsidiary MALTA INFORMATIQUE.

The first Logiciel de Gestion à Portail Intégré (Integrated Portal Management Software - LGPI Global Services®), creator of value for the patient, pharmacist and laboratory, dynamises sales, optimises purchases and enriches advice to the patient. It is also the first permanent impact medium for pharmacies, supplying laboratories with direct communication towards the pharmacist and his patients.

At the heart of the digital revolution that is gradually establishing itself in the daily life of health professionals and patients alike, at the beginning of 2012, the PHARMAGEST Group created an e-Health business, bringing together the subsidiaries DIATELIC (telemedicine and e-health solutions) and DOMEDIC EUROPE (intelligent pill dispenser DO-Pill SecuR™).

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