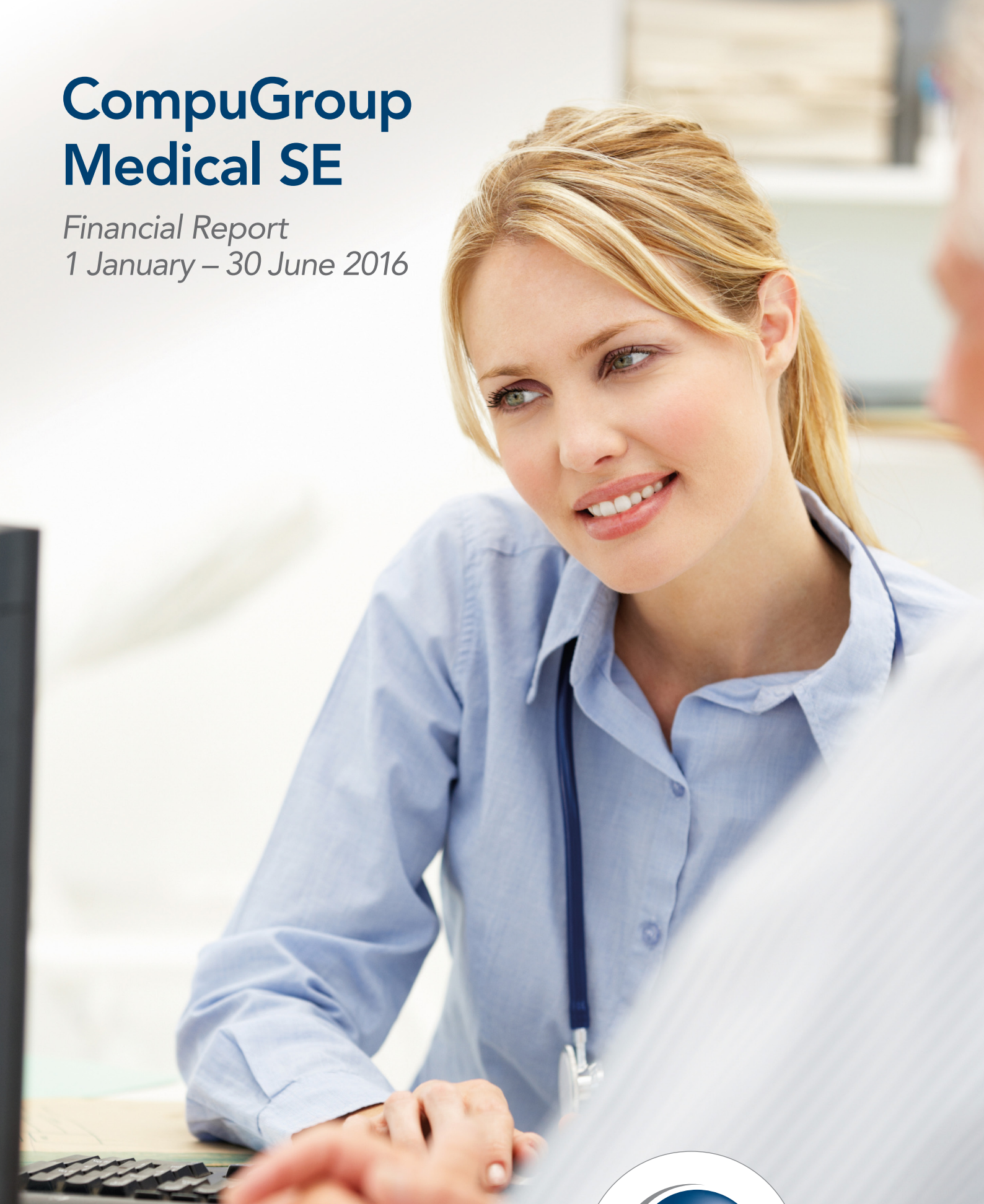


# CompuGroup Medical SE

*Financial Report*  
*1 January – 30 June 2016*



Synchronizing Healthcare



**CompuGroup**  
Medical

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# Key Events and Figures

- + After a soft start to the year, revenue is behind expectations also in the second quarter.
- + Second quarter revenue of EUR 135.6 million, a decrease of 2 percent compared to the same period in 2015.
- + Operating profit (EBITDA) of EUR 29.9 million, slightly up from last year.
- + Operating margin of 22 percent, up from 21 percent last year.
- + Organic growth is expected to return in the second half of 2016.
- + 2016 guidance reaffirmed.

| EUR '000                            | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | Change | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | Change |
|-------------------------------------|-------------------------|-------------------------|--------|-------------------------|-------------------------|--------|
| Revenue                             | 135,559                 | 138,145                 | -2%    | 270,768                 | 270,482                 | 0%     |
| EBITDA                              | 29,930                  | 29,684                  | 1%     | 61,158                  | 58,186                  | 5%     |
| margin                              | 22%                     | 21%                     |        | 23%                     | 22%                     |        |
| EPS (EUR)                           | 0.25                    | 0.08                    |        | 0.50                    | 0.50                    |        |
| Cash net income (EUR)*              | 21,735                  | 11,711                  |        | 39,058                  | 40,721                  |        |
| Cash net income per share (EUR)     | 0.44                    | 0.24                    | 82%    | 0.79                    | 0.82                    | -4%    |
| Cash flow from operating activities | 12,457                  | -726                    |        | 37,631                  | 42,583                  |        |
| Cash flow from investing activities | -13,948                 | -9,400                  |        | -21,656                 | -33,769                 |        |
| of which equity acquisitions        | -29                     | -4,206                  |        | -1,480                  | -22,353                 |        |
| Number of shares outstanding ('000) | 49,724                  | 49,724                  |        | 49,724                  | 49,724                  |        |
| Net debt                            | 332,443                 | 343,416                 |        | 332,443                 | 343,413                 |        |

\* Cash net income: net income before minority interests plus amortization of intangible assets except amortization on in-house capitalized software.

# Management report

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## THE CGM GROUP

CompuGroup Medical SE (CGM) develops and sells efficiency- and quality-enhancing software as well as information technology services exclusively for the healthcare sector. The company plays a leading role in the development of global e-health solutions and enjoys market leadership in Germany as well as in other key European countries. CGM's software products and related services are designed to support all medical and organizational activities in doctors' offices, medical laboratories, pharmacies, hospitals and other provider organizations. Its information services for health insurance companies and pharmaceutical producers contribute towards safer and more efficient healthcare. The company's services are based on a unique customer base of doctors, dentists, hospitals and pharmacies, as well as other service providers in healthcare.

CGM is currently represented with offices and employees in 19 countries. According to internal figures, CGM has software maintenance contracts in the HPS I segment (AIS and PCS) corresponding to approximately 260,000 healthcare professionals (doctors, dentists and pharmacists). Total reach across all segments is estimated at approximately 400,000 healthcare professionals.

The Group had an average of 4,005 full-time equivalent employees during the second quarter of 2016 (previous year: 3,976).

## COURSE OF BUSINESS

The following sections describe the main operational developments during the second quarter of 2016.

### Ambulatory Information Systems

The flat revenue development in the second quarter is consistent across all main operating areas: the European business, the Gematik project and the US business. The picture is similar to the first quarter where the core elements of the business model, being software maintenance and other recurring service fees, are growing as expected 4 percent year-on-year. However, revenue from low margin hardware sales and professional services continue to decline and the revenue from software license sales has also been lower than expected. The reasons behind this development can be found both in external factors such as lower than normal public sector spending in Sweden and Italy during the second quarter as well as in the delayed market launch of certain add-on modules for one of our product lines in Germany due to a delay in r&d. These development tasks are now done and CGM has launched the products accompanied by strong incentives and active campaigns both towards dealers and end customers to maximize uptake during the second half of 2016. In Italy, all regional projects have now started and will generate increased revenue in the second half. In Sweden, the first contract under the National Patient Summary (in Swedish: NPÖ) has been signed with a large regional customer for delivery in the second half of 2016. NPÖ is a central part of the national eHealth strategy in Sweden and is a centralized service containing patient information and links to information stored locally in other health institutions. CGM expects additional regions to procure products and services related to NPÖ for further deliveries over the remainder of 2016.

### Gematik project, Germany

At the Berlin trade fair conhIT in April 2016, CGM showed live for the third time the insured master data update (VSDM) based on the new electronic health card (eGK). With another official real-life demonstration of all required hardware and software components fully functional, CGM again showed its readiness for a successful rollout to test the Telematics Infrastructure in the pilot region North / West. Already more than 15 months ago, at the 2015 conhIT, CGM showed live for the second time the insured master data update. At this point, CGM had also recruited all required doctors (500 out of 500 required) to participate in the pilot. One year ago, in July 2015, one of the key hardware components to be developed and delivered by the CGM consortium in the project, the so-called 'Konnektor', was delivered in the required quantities to the project customer according to agreed milestones and began the prescribed external testing and certification procedures.

The project customer (gematik) has published a status report as of 30 June 2016 and is committed to provide status updates at regular intervals going forward. In this report, it is confirmed that the testing in the project can be done with existing card readers with a software update. The status of both Konnektors (both test regions) is listed as "undergoing the approval test by gematik and the evaluation process for certification by the Federal Office for Information Security (BSI)". All other components of the Telematik Infrastructure are listed as either being finished or undergoing the approval test by gematik.

### The German eHealth law and planned national roll-out of the Telematics Infrastructure

In December 2015, the German parliament approved "The eHealth Law" (Gesetz für sichere digitale Kommunikation und Anwendungen im Gesundheitswesen). The eHealth law contains clear deadlines and financial incentives/penalties to ensure the timely roll-out of the Telematics Infrastructure to an estimated 225,000 participants in healthcare all over Germany in the 2016-2018 timeframe. In the status report from gematik dated 30 June 2016, all milestones in the eHealth law are re-stated without further comment. With a full roll-out CGM has the opportunity to sell new eGK-compliant online access products to this complete market and in particular to all existing ~64,000 customer locations in Germany. Even more important; the Telematics Infrastructure fits perfectly with CGM's strategy to provide more products and services to its customers, such as eServices, ePrescriptions, eLabOrder, physician networks, online clinical pathways, hosting services etc.



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### Pharmacy Information Systems

Similar to the doctor and dental software business, the pharmacy software business continued the year with a flat revenue development in the second quarter. It is again revenue from low margin hardware sales and professional services falling behind whereas software maintenance and other recurring service fees are growing steadily as planned. Several new initiatives in Germany have been launched to stimulate revenue from hardware, software and services in the second half of 2016, including campaigns linked to the upcoming trade fair Expopharm 2016 in October. In Italy, a new scanning-product "eVision" (CGM owned patent) will be launched in September and a special hardware campaign for robotic prescription dispensing systems will also be launched after the summer break. Italian customers also benefit from an increased tax depreciation of 140 percent for machinery and equipment, including computer equipment, which will come to an end in December 2016. This is expected to drive strong year-end sales in Italy.

### Hospital Information Systems

In the hospital segment, it is very much a two-sided picture which leads to the significant decline in year-on-year revenue in the second quarter. Developments in Eastern Europe, Turkey and the Middle-East are exceptionally weak, and together constitute more than the entire revenue decline compared to the second quarter last year. The biggest impact comes from the market in Poland where basically all government and EU-sponsored projects have been discontinued whereas the second quarter in 2015 had multiple of such projects on-going with a high revenue contribution. CGM has already done significant cost reductions and restructurings in these markets and is considering further measures as there is no expectation for these markets to improve soon.

The markets in Austria, Switzerland and Germany are performing well based on a good backlog of already contracted project revenue. CGM was in 2015 awarded the contract for the implementation and delivery of a comprehensive new hospital information system for the five regional hospitals of the Vorarlberg Hospital Betriebs GmbH (KHBG) in Austria. The project start was in September 2015 and the implementation of the complete solution is planned for a 3-year period until autumn 2018.

### Communication & Data

After a strong first quarter with 14 percent organic growth, the second quarter in the Communication & Data business reversed some of these gains. These are normal quarterly fluctuations for this business segment as the business model is not based on any recurring revenue. For the first six months of 2016 together, the Communication & Data business has developed as expected with positive organic growth. The positive development is a result from an increased number of projects in medical value communication for originator companies (e. g. vaccination reminders, genetic classification of patients, drug safety alerts, value tracking for stroke risk patients etc.).

### Workflow & Decision Support

The workflow & decision support business follows up from the strong start to 2016 with 15 percent organic revenue growth in the second quarter. This revenue step-up predominantly comes from new CardTrust contracts with statutory health insurance companies in Germany and revenue from the new Joint Venture with AXA Group.

The CardTrust solution checks the health insurance card/electronic patient card immediately upon signing in at the practice's reception. If the patient is using an invalid card, the practice personnel will be informed about this in the doctor information system. In Germany, patients must make co-payments when redeeming prescriptions at pharmacies. Health insurances can, under certain circumstances, waive these co-payments. CardTrust reviews the payment status as soon as the doctor prescribes a medication and a notification is made if the co-payment exemption is incorrectly marked on the prescription. CardTrust is also offered to other manufacturers of software for doctors and dentists. CardTrust is used by 100,000 doctors and dentists throughout Germany and approximately 136 million card checks are conducted by CardTrust annually.

In the course of 2015, the private insurer AXA Group and CGM founded a joint venture „MGS Meine Gesundheit Services GmbH“. The objective of this strategic partnership is to simplify processes between private insurance, doctors, hospitals and other medical service providers to make everyday health management more convenient and efficient for all. The new company MGS has developed to this end the patient portal „My health“ based on contributions from both AXA and CGM. This cross-linked for the first time in the German market all stakeholders in private health insurance, in particular invoice management, which is previously handled almost entirely paper-based.

### Internet Service Provider

The Internet Service Provider business continued 2016 with -9 percent organic contraction. This revenue development is a result from lower revenue recognized in the Gematik project in Germany. Outside this project, the development of the ISP business is flat for the period but with many growth opportunities ahead, especially in Germany.

## RESULTS OF GROUP OPERATIONS

Unless stated otherwise, all figures in the management report refer to the second quarter of 2016 and 2015 respectively, i. e. the three month period 01.04. – 30.06. (Q2).

### Revenue

Revenue in the second quarter of 2016 was EUR 135.6 million compared to EUR 138.2 million in the same period last year. This corresponds to -2 percent contraction which is also the organic growth rate at constant exchange rates.

In the HPS I segment, second quarter revenue was essentially flat compared to last year at EUR 103.5 million. Revenue in both Ambulatory Information Systems (AIS) and Pharmacy Information Systems (PCS) was virtually unchanged from last year at EUR 80.8 million and EUR 22.7 million respectively. Acquisitions contribute EUR 1.0 million to AIS revenue in the quarter, which is neutralized by the same revenue amount reduction due to changes in currency exchange rates.

#### HPS I revenue development (including acquisitions and exchange rate effects):

| EUR m                          | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | Change    | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | Change    |
|--------------------------------|-------------------------|-------------------------|-----------|-------------------------|-------------------------|-----------|
| Ambulatory Information Systems | 80.8                    | 80.5                    | 0%        | 159.8                   | 158.9                   | 1%        |
| Pharmacy Information Systems   | 22.7                    | 22.8                    | 0%        | 44.7                    | 44.8                    | 0%        |
| <b>SUM</b>                     | <b>103.5</b>            | <b>103.2</b>            | <b>0%</b> | <b>204.5</b>            | <b>203.7</b>            | <b>0%</b> |

In the HPS II segment, the year-on-year contraction in Hospital Information Systems (HIS) was -15 percent, which includes 2 percent growth from the LMZ acquisition.

#### HPS II revenue development (including acquisitions and exchange rate effects):

| EUR m                        | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | Change      | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | Change     |
|------------------------------|-------------------------|-------------------------|-------------|-------------------------|-------------------------|------------|
| Hospital Information Systems | 16.9                    | 19.8                    | -15%        | 34.3                    | 36.9                    | -7%        |
| <b>SUM</b>                   | <b>16.9</b>             | <b>19.8</b>             | <b>-15%</b> | <b>34.3</b>             | <b>36.9</b>             | <b>-7%</b> |

#### HCS revenue development (including acquisitions and exchange rate effects):

| EUR m                       | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | Change    | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | Change    |
|-----------------------------|-------------------------|-------------------------|-----------|-------------------------|-------------------------|-----------|
| Communication & Data        | 4.8                     | 5.2                     | -9%       | 10.6                    | 10.3                    | 3%        |
| Workflow & Decision Support | 6.8                     | 5.9                     | 15%       | 14.2                    | 11.9                    | 20%       |
| Internet Service Provider   | 3.6                     | 3.9                     | -9%       | 7.2                     | 7.6                     | -6%       |
| <b>SUM</b>                  | <b>15.1</b>             | <b>15.0</b>             | <b>1%</b> | <b>32.0</b>             | <b>29.8</b>             | <b>7%</b> |

### Profit

Consolidated EBITDA amounted to EUR 29.9 million compared to EUR 29.7 million in the second quarter of 2015. The corresponding operating margin was 22.1 percent compared to 21.5 percent in 2015. The main developments in operating expenses were:

- + Expenses for goods and services decreased EUR 5.0 million year-on-year with a gross margin of 82 percent, which is 3 percent higher than in the second quarter last year. The change in gross margin represents lower hardware sales than normal this year and also extensive use of subcontractors last year related to projects in Poland.
- + Personnel expenses are up 1 percent from last year at EUR 63.9 million (second quarter 2015: EUR 63.5 million). The ratio of personnel expenses to revenue is stable at around 47 percent.
- + Other expenses are EUR 2.7 million higher than last year at EUR 22.1 million (second quarter 2015: EUR 19.4 million). These are normal quarterly fluctuations based variations in discretionary spending.

Depreciation of tangible fixed assets in the second quarter is mostly unchanged from last year at EUR 1.9 million. Amortization of intangible fixed assets increased from EUR 8.6 million in the second quarter last year to EUR 10.1 million in the same period this year. This is due to an increased volume of internally developed software products becoming finished and entering amortization and the same effect from the new central OneGroup CRM and ERP system being finished.

Financial income increased from EUR -3.8 million in the second quarter 2015 to EUR 2.0 million this year due to changes in currency exchange rates which lead to non-cash translation gains on Group internal debt.

The financial expense decreased from EUR 4.1 million in the second quarter 2015 to EUR 0.9 million in the same period this year and is composed of the following items:

| EUR m   | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Interest and expenses on loans and financial services   | 2.3                     | 3.9                     | 5.5                     | 7.6                     |
| Changes in purchase price liabilities                   | 0.4                     | 0.2                     | 0.4                     | 0.4                     |
| Translation loss on non-Euro internal debt              | -1.4                    | 0.3                     | 2.7                     | 0.6                     |
| Calculated interest on assets and construction (IAS 23) | -0.4                    | -0.3                    | -0.8                    | -0.6                    |
| <b>SUM</b>  | <b>0.9</b>              | <b>4.1</b>              | <b>7.8</b>              | <b>8.0</b>              |

After tax earnings came in at EUR 12.6 million in the second quarter of 2016, up from EUR 4.1 million in the second quarter of 2015. The tax rate was 33 percent in the second quarter this year compared to 64 percent in the second quarter of 2015. The different tax rates are mostly due to non-cash changes in deferred tax assets and liabilities, losses in tax free areas as well as changes in non-tax relevant currency conversion.

Cash net income increased from EUR 11.7 million in the second quarter 2015 to EUR 21.7 million in the second quarter 2016, corresponding to a Cash net income per share of 44 Cent (Q2/2015: 24 Cent).

#### Cash flow

Cash flow from operating activities during the second quarter of 2016 was EUR 12.5 million compared to EUR -0.7 million in the same period 2015. The changes compared to 2015 mainly come from the following positions:

- + Adjusted for non-cash earnings/expenditures and cash taxes, the gross cash flow from operations before change in working capital increased from EUR 18.8 million in the second quarter of 2015 to EUR 26.4 million in the second quarter this year.
- + Change in working capital gave a decrease in operating cash flow of EUR 14.0 million compared to a decrease of EUR 19.5 million in the second quarter 2015. This change between the two years is driven mostly by delayed invoicing and cash collection this year following migration of internal legacy CRM and ERP systems to the new central OneGroup standard in The Netherlands, USA, Sweden, Norway, Denmark and France. This was a transitory effect in the first quarter which has now been partially reversed by more cash received during the second quarter. The effects from system migrations on receivables and cash collection are expected to fully normalize over the next three months.

Cash flow from investment activities during the second quarter of 2016 amounted to EUR -13.9 million compared to EUR -9.4 million in the same period last year. During the second quarter of 2016, CGM's capital expenditure consisted of the following:

| EUR m   | 01.04. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 |
|---|-------------------------|-------------------------|
| Company acquisitions                                      | 0.0                     | -4.2                    |
| Purchase of minority interest and past acquisitions       | -0.4                    | -0.1                    |
| Capitalized in-house services and other intangible assets | -3.7                    | -3.9                    |
| Cash outflow for capital expenditure in joint ventures    | 0.0                     | 0.0                     |
| Office building and property                              | -0.1                    | -0.1                    |
| Other property and equipment                              | -9.7                    | -1.1                    |
| <b>SUM</b>  | <b>-13.9</b>            | <b>-9.4</b>             |

The investment in other property and equipment includes the purchase of a new corporate aircraft for EUR 8.2 million as well as the disposal of the previous corporate aircraft for EUR 2.0 million. CGM also invested EUR 1.6 million in a data center renewal in Austria during the second quarter to continue to provide outsourced data center services for a large hospital customer.

Cash flow from financing amounted to EUR 0.4 million in the second quarter 2016 (previous year: EUR 5.5 million) and relates to a dividend payment of EUR 17.4 million and the net cash inflow from assumption and repayment of loans.

### Statement of financial position

Since the statement of financial position from 31 March 2016, total assets decreased by EUR 9.4 million to EUR 804.4 million as at 30 June 2016. The largest change to individual asset classes is a EUR 9.7 million increase in tangible assets and a EUR 8.8 million decrease in trade receivables. The increase in tangible assets relate to the investment in a new corporate aircraft as well as the data center renewal in Austria. The decrease in trade receivables is higher in the second quarter this year due to the recent migrations to the new OneGroup CRM and ERP system which shifted invoicing and cash collection from the first to the second quarter. For all other assets there are only minor changes during the second quarter of 2016.

Group equity was EUR 196.1 million as at 30 June 2016, down from 204.0 million as at 31 March 2016. The decrease in equity comes after consolidating EUR 12.2 million in net profit for the period from 01 April 2016 to 30 June 2016 less EUR -17.4 million in dividend payment plus EUR 1.5 million from the equity effect from changes in currency exchange rates and change in interest rates (actuarial gains and losses from pensions). The equity ratio is at 25.1 percent as at 30 June 2016.

The biggest changes to liabilities are increases in long and short term debt of EUR 18.9 million and a EUR 20.8 million decrease in current non-financial liabilities mostly related to seasonal pre-payments of software maintenance contracts balanced under other liabilities.

### Research & Development

Under IAS 38, development work on internally generated software must be capitalized if certain criteria are fulfilled. This generated EUR 2.3 million additional operating profit for the Group during the second quarter of 2016 (previous year EUR 2.5 million), less amortization and write-downs of EUR 0.5 million during the same period (previous year EUR 0.6 million). Most of the capitalized software development expenses are accounted for by two projects, G3.HIS (new HIS system development) and G3.AIS (new AIS software generation). Upon completion, the software will be amortized based on its useful life.

### REPORT ON EXPECTED DEVELOPMENTS

CGM delivered lower than anticipated revenue for the first six months of 2016. Software maintenance and other recurring services have grown as expected with 4 percent at constant exchange rates, and the revenue shortfall is entirely in the short-term, sales-driven part of the business model. To compensate for this, CGM has launched several new initiatives and campaigns to stimulate revenue from hardware, software and services in the second half of 2016. In addition, the seasonality is expected to be different in 2016 compared to 2015 due to special negative effects on second-half revenue in 2015 which are not expected to repeat this year. With this improvement expected over the remaining six months of 2016, CGM reaffirms the outlook presented in the 2015 Annual Report published 31 March 2016.

Total Group revenue is in 2016 expected to be in the range of EUR 560 million to EUR 570 million, corresponding to a growth rate of 3-5 percent. Acquisitions completed to date are expected to give a growth contribution of EUR 4 million and organic growth is expected to be 2-4 percent. This outlook does not include any potential revenue related to the roll-out of the Telematics Infrastructure in Germany. This roll-out is planned to begin in the middle of 2016 and an update from the Gematik organization on specific objectives is expected shortly.

Revenue in the HPS I segment is expected to be in the range of EUR 427 million to EUR 433 million, corresponding to a growth rate of 5-6 percent. AIS revenue is expected to be in the range of EUR 334 million to EUR 338 million in 2016 corresponding to 6-7 percent growth. Acquisitions in AIS completed to date are expected to give a growth contribution of approximately EUR 2 million and organic growth is expected to be 5-6 percent. PCS revenue is expected to be in the range of EUR 93 million to EUR 95 million which corresponds to organic growth of 2-4 percent.

Revenue in the HPS II segment is expected to be in the range of EUR 71 million to EUR 73 million. Acquisitions in the hospital business completed to date are expected to give a growth contribution of approximately EUR 2 million and no material organic growth is expected in the hospital business for 2016.

Revenue in the HCS segment is expected to be in the range of EUR 62 million to EUR 64 million in 2016. This corresponds to a flat revenue development. Revenue within Communication & Data is expected to be in the range of EUR 21 million to EUR 22 million, Workflow & Decision Support in the range of EUR 27 million to EUR 28 million and Internet Service Provider to be approximately EUR 14 million.

In terms of profitability, 2016 is again expected to be a year of margin expansion relative to 2015 with operating margin (EBITDA margin) expected to be in the range of 22-23 percent. The corresponding EBITDA is expected to be in the range of EUR 125 million to EUR 133 million. This includes all expected additional expenses during 2016 to prepare CGM for the beginning of the nation-wide roll-out of the Telematics Infrastructure in Germany.



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Depreciation of fixed assets is on Group level expected to be approximately EUR 8 million in 2016 and amortization of intangible assets is expected to be approximately EUR 34 million, of which EUR 30 million will come from amortization of purchase price allocations related to past acquisitions. The corresponding Group earnings before interest and tax (EBIT) is in 2016 expected to be in the range of EUR 83 million to EUR 91 million.

In summary, CompuGroup Medical offers the following guidance for 2016:

- + Group revenue is expected to be in the range of EUR 560 million to EUR 570 million.
- + Group operating income (EBITDA) is expected to be in the range of EUR 125 million to EUR 133 million.

The guidance does not take into account potential revenue related to the roll-out of the Telematics Infrastructure in Germany. The foregoing outlook is given as at May 2016 and does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2016. The outlook for 2016 represents management's best estimate of the market conditions that will exist in 2016 and how the business segments of CompuGroup Medical will perform in this environment.

#### **REPORT ON OPPORTUNITIES AND RISKS**

As an internationally operating company, CompuGroup Medical is subject to variety of different risks. These risks mainly include strategic and macroeconomic risks as well as operating, legal and political risks. Furthermore, the group is faced with risks resulting from its project-business, risks related to key personnel and financial risks.

The group's technological expertise and market knowledge makes it possible to assess risk and apply appropriate measures to actively manage the risk exposure. To guarantee a responsible risk handling, CompuGroup works with standardized, group-wide integrated risk management system so that risks can be identified and analyzed at an early stage. A detailed description of the main risks and the specific structure of the risk management system can be found in the CompuGroup Medical SE annual report of 2015. It can be downloaded free of charge from the company's homepage at [www.cgm.com](http://www.cgm.com).

With the exception of the factors described under "Financial and Operational Review", we see no changes compared to the risk and opportunities described in the group management report for the financial year 2015. Risks that may impact the company as a going concern were not evident during the second quarter of 2016, neither in form of individual risks nor from the total risk position for CompuGroup Medical as a whole.

# Interim Statement of Financial Position

as at 30 June 2016

## ASSETS

|   | 30.06.2016<br>EUR '000 | 30.06.2015<br>EUR '000 | 31.12.2015<br>EUR '000 |
|---|------------------------|------------------------|------------------------|
| <b>Non-current assets</b>                               |                        |                        |                        |
| Intangible assets                                       | 532,305                | 547,616                | 543,967                |
| Tangible assets   | 68,200                 | 61,173                 | 60,394                 |
| Financial assets  |                        |                        |                        |
| Interests in affiliates (valued as equity)              | 3,740                  | 846                    | 2,953                  |
| Other Investments                                       | 186                    | 184                    | 261                    |
| Trade receivables                                       | 8,137                  | 8,887                  | 8,982                  |
| Other financial assets                                  | 2,526                  | 3,099                  | 2,281                  |
| Derivative financial instruments                        | 0                      | 0                      | 0                      |
| Deferred taxes  | 8,225                  | 2,638                  | 7,948                  |
|   | <b>623,319</b>         | <b>624,443</b>         | <b>626,786</b>         |
| <b>Current assets</b>                                   |                        |                        |                        |
| Inventories   | 7,437                  | 6,103                  | 6,515                  |
| Trade receivables                                       | 123,141                | 115,948                | 111,187                |
| Other financial assets                                  | 2,567                  | 3,662                  | 2,269                  |
| Other non-financial assets                              | 15,245                 | 15,513                 | 13,932                 |
| Income tax claims                                       | 5,662                  | 5,096                  | 4,560                  |
| Securities (recognized as profit of loss as fair value) | 89                     | 96                     | 150                    |
| Cash and cash equivalents                               | 25,756                 | 19,552                 | 25,057                 |
|   | <b>179,897</b>         | <b>165,969</b>         | <b>163,670</b>         |
| Assets of disposal group classified as held for sale    | 1,222                  | 0                      | 1,222                  |
|   | <b>804,438</b>         | <b>790,413</b>         | <b>791,678</b>         |

## SHAREHOLDER EQUITY AND LIABILITIES

|  | 30.06.2016<br>EUR '000 | 30.06.2015<br>EUR '000 | 31.12.2015<br>EUR '000 |
|--|------------------------|------------------------|------------------------|
| <b>Shareholder Equity</b>  |                        |                        |                        |
| Subscribed capital   | 53,219                 | 53,219                 | 53,219                 |
| Treasury shares  | -20,292                | -20,292                | -20,292                |
| Reserves   | 162,890                | 150,618                | 159,364                |
| Capital and reserves allocated to the shareholder of the parent company            | 195,817                | 183,545                | 192,291                |
| Minority interests   | 278                    | 562                    | 319                    |
|  | <b>196,095</b>         | <b>184,107</b>         | <b>192,610</b>         |
| <b>Long-term liabilities</b>   |                        |                        |                        |
| Provision for post-employment benefits and other non-current provisions            | 23,570                 | 18,304                 | 21,945                 |
| Liabilities to banks   | 309,842                | 335,949                | 310,158                |
| Purchase price liabilities   | 4,372                  | 3,939                  | 4,632                  |
| Other financial liabilities  | 14,295                 | 6,912                  | 15,923                 |
| Other non-financial liabilities  | 3,456                  | 2,962                  | 3,915                  |
| Derivative financial instruments   | 0                      | 0                      | 0                      |
| Deferred taxes   | 43,647                 | 54,637                 | 48,418                 |
|  | <b>399,183</b>         | <b>422,703</b>         | <b>404,991</b>         |
| <b>Current liabilities</b>   |                        |                        |                        |
| Liabilities to banks   | 47,298                 | 27,019                 | 41,934                 |
| Trade payables   | 25,465                 | 23,144                 | 27,349                 |
| Income tax liabilities   | 26,860                 | 17,991                 | 35,136                 |
| Provisions   | 27,050                 | 28,500                 | 29,083                 |
| Purchase price liabilities   | 7,950                  | 7,955                  | 9,180                  |
| Derivative financial instruments   | 0                      | 2,485                  | 0                      |
| Other financial liabilities  | 14,118                 | 9,763                  | 18,418                 |
| Other non-financial liabilities  | 60,419                 | 66,747                 | 32,977                 |
|  | <b>209,160</b>         | <b>183,603</b>         | <b>194,077</b>         |
| Liabilities associated directly with non-current assets qualified as held for sale | 0                      | 0                      | 0                      |
|  | <b>804,438</b>         | <b>790,413</b>         | <b>791,678</b>         |

# Interim Income Statement

for the reporting period of 1 January - 30 June 2016

| EUR '000  | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | 01.01. - 31.12.<br>2015 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Continuing operations</b>                                      |                         |                         |                         |                         |                         |
| Sales revenue   | 135,559                 | 138,145                 | 270,768                 | 270,482                 | 543,066                 |
| Capitalized in-house services                                     | 2,135                   | 2,590                   | 4,287                   | 4,859                   | 9,615                   |
| Other income  | 2,374                   | 956                     | 3,777                   | 1,452                   | 3,859                   |
| Expenses for goods and services purchased                         | -24,189                 | -29,152                 | -46,670                 | -52,823                 | -100,511                |
| Personnel costs   | -63,854                 | -63,469                 | -128,641                | -125,818                | -250,626                |
| Other expenses  | -22,095                 | -19,386                 | -42,361                 | -39,965                 | -93,084                 |
| Earnings before interest, taxes, depr. and amortization (EBITDA)  | 29,930                  | 29,684                  | 61,158                  | 58,186                  | 112,319                 |
| Depreciation of property, plants and tangible assets              | -1,881                  | -1,854                  | -3,760                  | -3,747                  | -7,798                  |
| Earnings before interest, taxes and amortization (EBITA)          | 28,049                  | 27,830                  | 57,398                  | 54,439                  | 104,521                 |
| Amortization of intangible assets                                 | -10,088                 | -8,587                  | -18,702                 | -17,164                 | -36,747                 |
| Earnings before interest and taxes (EBIT)                         | 17,961                  | 19,244                  | 38,696                  | 37,276                  | 67,774                  |
| Results from associates recognized at equity                      | -350                    | 19                      | -464                    | 13                      | -911                    |
| Financial income  | 1,968                   | -3,858                  | 3,087                   | 10,944                  | 14,136                  |
| Financial expenses  | -878                    | -4,088                  | -7,762                  | -7,968                  | -18,795                 |
| Earnings before taxes (EBT)                                       | 18,701                  | 11,317                  | 33,558                  | 40,265                  | 62,204                  |
| Taxes on income of the period                                     | -6,087                  | -7,225                  | -11,135                 | -15,218                 | -23,582                 |
| Consolidated net income of the periode from continuing operations | 12,613                  | 4,092                   | 22,423                  | 25,047                  | 38,622                  |
| <b>Discontinued operations</b>                                    |                         |                         |                         |                         |                         |
| Profit for the period from discontinued operations                | 0                       | 0                       | 0                       | 0                       | 0                       |
| Consolidated net income of the period                             | 12,613                  | 4,092                   | 22,423                  | 25,047                  | 38,622                  |
| of which: allocated to parent company                             | 12,627                  | 4,063                   | 22,424                  | 24,967                  | 38,494                  |
| of which: allocated to minority interests                         | -13                     | 28                      | -2                      | 80                      | 128                     |
| <b>Earnings per share</b>   |                         |                         |                         |                         |                         |
| undiluted (EUR)   | 0.25                    | 0.08                    | 0.00                    | 0.50                    | 0.77                    |
| diluted (EUR)   | 0.25                    | 0.08                    | 0.00                    | 0.50                    | 0.77                    |
| <b>Additional information:</b>                                    |                         |                         |                         |                         |                         |
| Cash net income (EUR)   | 21,735                  | 11,711                  | 39,058                  | 40,721                  | 72,865                  |
| Cash net income per share (EUR)                                   | 0.44                    | 0.24                    | 0.79                    | 0.82                    | 1.47                    |

\* Definition Cash Net Income: net income before minority interests plus amortization on intangible assets except amortization on in-house capitalized software.

# Interim Statement of Comprehensive Income

for the reporting period of 1 January - 30 June 2016

| EUR '000   | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | 01.01. - 31.12.<br>2015 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Consolidated net income for the period   | 12,613                  | 4,092                   | 22,423                  | 25,047                  | 38,622                  |
| Other results  |                         |                         |                         |                         |                         |
| Items that will not be reclassified to profit or loss at a future point in time                              |                         |                         |                         |                         |                         |
| Actuarial gains and losses on defined benefit plans  | -826                    | 1,697                   | -1,247                  | -170                    | -893                    |
| Deferred taxes on actuarial gains and losses on defined benefit plans  | 212                     | -507                    | 312                     | 45                      | 120                     |
| Items that will be reclassified to profit or loss at a future point in time when specific conditions are met |                         |                         |                         |                         |                         |
| Cash flow hedges   |                         |                         |                         |                         |                         |
| of which in equity   | 0                       | 0                       | 0                       | 0                       | 0                       |
| of which income  | 0                       | 0                       | 0                       | 0                       | 0                       |
| Deferred taxes on cash flow hedges   | 0                       | 0                       | 0                       | 0                       | 0                       |
| Currency conversion differences  | -2,417                  | 1,593                   | -560                    | -1,205                  | -3,284                  |
| Total comprehensive income for the period  | 9,582                   | 6,875                   | 20,927                  | 23,716                  | 34,565                  |
| of which: allocated to parent company  | 9,595                   | 6,846                   | 20,929                  | 23,636                  | 34,437                  |
| of which: allocated to minority interests  | -13                     | 28                      | -2                      | 80                      | 128                     |



# Interim Cash Flow Statement

as at 30 June 2016

| EUR ,000  | 01.04. - 30.06.<br>2016 | 01.04. - 30.06.<br>2015 | 01.01. - 30.06.<br>2016 | 01.01. - 30.06.<br>2015 | 01.01. - 31.12.<br>2015 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Group net income  | 12,613                  | 4,092                   | 22,423                  | 25,047                  | 38,622                  |
| Amortization of intangible assets, plant and equipment                | 11,970                  | 10,495                  | 22,463                  | 20,965                  | 44,544                  |
| Earnings on sale of fixed assets                                      | -693                    | -40                     | -710                    | -78                     | -176                    |
| Change in provisions (including income tax liabilities)               | 11,285                  | -819                    | -1,500                  | 2,508                   | 23,495                  |
| Change in deferred taxes  | -5,696                  | 2,611                   | -4,688                  | 1,425                   | -11,554                 |
| Other non-cash earnings/expenditure                                   | -3,027                  | 2,473                   | 809                     | -10,905                 | -11,966                 |
|   | <b>26,453</b>           | <b>18,812</b>           | <b>38,796</b>           | <b>38,962</b>           | <b>82,965</b>           |
| Change in inventories   | -1,396                  | 623                     | -922                    | -188                    | -584                    |
| Change in trade receivables   | 9,549                   | 1,056                   | -11,108                 | -17,399                 | -12,983                 |
| Change in income tax receivables                                      | -870                    | 636                     | -1,102                  | 433                     | 694                     |
| Change in other receivables   | 3,757                   | -580                    | -1,720                  | -4,955                  | -2,470                  |
| Change in trade accounts payable                                      | 2,660                   | -4,578                  | -1,884                  | -5,667                  | 1,456                   |
| Change in other liabilities   | -27,696                 | -16,696                 | 15,571                  | 31,398                  | 4,169                   |
| <b>Cash flow from operating activities</b>                            | <b>12,457</b>           | <b>-726</b>             | <b>37,631</b>           | <b>42,583</b>           | <b>73,247</b>           |
| Cash flow on disposals of intangible assets                           | 0                       | 11                      | 0                       | 13                      | 82                      |
| Cash outflow for capital expenditure in intangible assets             | -3,717                  | -3,898                  | -7,019                  | -8,523                  | -17,602                 |
| Cash inflow on disposals of sales of property, plant and equipment    | 2,085                   | 160                     | 2,095                   | 304                     | 544                     |
| Cash outflow for capital expenditure in property, plant and equipment | -11,920                 | -1,418                  | -13,073                 | -2,173                  | -6,835                  |
| Cash flow for the acquisition of subsidiaries                         | 29                      | -4,206                  | -1,480                  | -22,353                 | -32,103                 |
| Cash outflow for the acquisition of subsidiaries from prior periods   | -425                    | -50                     | -925                    | -1,036                  | -940                    |
| Cash outflow for capital expenditure in joint ventures                |                         | 0                       | -1,254                  | 0                       | -3,782                  |
| <b>Cash flow from investing activities</b>                            | <b>-13,948</b>          | <b>-9,400</b>           | <b>-21,656</b>          | <b>-33,769</b>          | <b>-60,636</b>          |
| Paid share capital from minorities shareholders                       | 0                       | 0                       | 0                       | 0                       | 0                       |
| Dividends paid  | -17,403                 | -17,403                 | -17,403                 | -17,403                 | -17,403                 |
| Capital contributions from non-controlling interests                  | 0                       | 0                       | 0                       | 0                       | 0                       |
| Purchase of minority interest   | 0                       | 0                       | 0                       | -36                     | -150                    |
| Cash inflow from assumption of loans                                  | 19,774                  | 30,020                  | 31,764                  | 40,596                  | 69,595                  |
| Cash outflow from the repayment of loans                              | -1,961                  | -7,161                  | -29,637                 | -34,096                 | -61,105                 |
| <b>Cash flow from financing activities</b>                            | <b>370</b>              | <b>5,456</b>            | <b>-15,315</b>          | <b>-10,940</b>          | <b>-9,063</b>           |
| Cash and cash equivalents at the beginning of the period              | 0                       | 0                       | 25,057                  | 21,465                  | 21,465                  |
| Change in cash and cash equivalents                                   | -1,120                  | -4,671                  | -660                    | -2,125                  | 3,548                   |
| Changes in cash due to exchange rates                                 | 61                      | -186                    | 39                      | 211                     | 44                      |
| <b>Cash and cash equivalents at the end of the period</b>             | <b>-1,060</b>           | <b>-4,857</b>           | <b>25,756</b>           | <b>19,552</b>           | <b>25,057</b>           |
| Interest paid   | 2,193                   | 3,899                   | 6,765                   | 7,308                   | 16,873                  |
| Interest received   | 143                     | 120                     | 440                     | 214                     | 829                     |
| Income tax paid   | 15,745                  | 2,651                   | 15,759                  | 8,575                   | 13,299                  |

# Interim Changes in Consolidated Equity

as at 30 June 2016

| EUR '000   | Share capital | Treasury shares | Reserves | Accumulated other comprehensive income |                     | Attributable to owners of CompuGroup Medical SE | Non-controlling interest | Total equity |
|--|---------------|-----------------|----------|--|---------------------|---|--------------------------|--------------|
|  |               |                 |          | Cashflow hedges                        | Currency conversion |   |                          |              |
| Balance as at 01.01.2015   | 53,219        | -20,292         | 161,721  | 0                                      | -18,980             | 175,668   | -41                      | 175,627      |
| Group net income   | 0             | 0               | 38,494   | 0                                      | 0                   | 38,494  | 128                      | 34,565       |
| Other results  | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Changes in the fair value of cashflow hedges                               | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Reversals of cashflow hedges   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Actuarial gains and losses   | 0             | 0               | -773     | 0                                      | 0                   | -773  | 0                        | -773         |
| Currency conversion differences  | 0             | 0               | 0        | 0                                      | -3,284              | -3,284  | 0                        | -3,284       |
| Total result of period   | 0             | 0               | 37,721   | 0                                      | -3,284              | 34,437  | 128                      | 34,565       |
| Transactions with shareholders   |               |                 |          |  |                     |   |                          |              |
| Capital contribution   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Dividend distribution  | 0             | 0               | -17,403  | 0                                      | 0                   | -17,403   | -29                      | -17,432      |
| Stock options programm   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Repurchase of treasury shares  | 0             | 0               | -261     | 0                                      | 0                   | -261  | 261                      | 0            |
| Non-controlling interes from acquisitions                                  | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Additional purchase of shares from non-controlling interests after control | 0             | 0               | -17,664  | 0                                      | 0                   | -17,664   | 232                      | -17,432      |
| Other changes (Previous year: Changes in scope of consolidation)           | 0             | 0               | -150     | 0                                      | 0                   | -150  | 0                        | -150         |
| Balance as at 31.12.2015   | 53,219        | -20,292         | 181,628  | 0                                      | -22,264             | 192,291   | 319                      | 192,610      |
| Group net income   | 0             | 0               | 22,424   | 0                                      | 0                   | 22,424  | -2                       | 22,423       |
| Other results  |               |                 |          |  |                     |   |                          | 0            |
| Changes in the fair value of cashflow hedges                               | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Actuarial gains and losses   | 0             | 0               | -935     | 0                                      | 0                   | -935  | 0                        | -935         |
| Currency conversion differences  | 0             | 0               | 0        | 0                                      | -560                | -560  | 0                        | -560         |
| Total result of the period   | 0             | 0               | 21,489   | 0                                      | -560                | 20,929  | -2                       | 20,927       |
| Transactions with shareholders   |               |                 |          |  |                     |   |                          |              |
| Capital contribution   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Dividend distribution  | 0             | 0               | -17,403  | 0                                      | 0                   | -17,403   | -39                      | -17,442      |
| Stock options programm   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Non-controlling interrests from acquisitions                               | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Additional purchase of shares from non-controlling interests after control | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Repurchase of treasury shares  | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Issue of treasury shares   | 0             | 0               | 0        | 0                                      | 0                   | 0   | 0                        | 0            |
| Changes in the scope of consolidation                                      | 0             | 0               | -17,403  | 0                                      | 0                   | -17,403   | -39                      | -17,442      |
| Balance as at 30.06.2016   | 53,219        | -20,292         | 185,714  | 0                                      | -22,824             | 195,817   | 278                      | 196,095      |

# Explanatory notes

## GENERAL ACCOUNTING PRINCIPLES FOR THE INTERIM FINANCIAL REPORT

### General Accounting Principles

The accompanying condensed IFRS-Interim financial statement for the period ended 30 June 2016 is a consolidated financial statement. Unless otherwise specified, all amounts are provided in thousands of euros (EUR thousand) or millions of euros (EUR million). Rounding differences of +/- one unit (EUR thousands, percent, etc.) may arise as a result of calculations.

The second quarter consolidated financial statements as of 30 June 2016 have been prepared, like the consolidated annual financial statements for the year 2015, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. This consolidated interim financial statement prepared in accordance to IAS 34 is condensed compared with the scope applied of the consolidated financial statement for the full year. Apart from the exceptions detailed hereinafter for new or revised standards, the accounting policies in the interim financial statements are consistent with those used in the consolidated financial statements for the year ended 31 December 2015. Relevant information can be found in the consolidated financial statements as of 31 December 2015. This consolidated interim financial statements and the interim management report have not been reviewed by any auditor.

The overview below provides information about the relevant foreign exchange rates for the condensed consolidated interim IFRS-financial statements:

| 1 € equals to        | Fixed rates |            | Average rates<br>January - June |       |
|----------------------|-------------|------------|---------------------------------|-------|
|                      | 30.06.2016  | 31.12.2015 | 2016                            | 2015  |
| Denmark (DKK)        | 7.44        | 7.46       | 7.45                            | 7.46  |
| Canada (CAD)         | 1.44        | 1.51       | 1.48                            | 1.40  |
| Malaysia (MYR)       | 4.43        | 4.70       | 4.57                            | 4.22  |
| Norway (NOK)         | 9.30        | 9.60       | 9.42                            | 8.82  |
| Poland (PLN)         | 4.44        | 4.26       | 4.37                            | 4.16  |
| Sweden (SEK)         | 9.42        | 9.19       | 9.30                            | 9.37  |
| Switzerland (CHF)    | 1.09        | 1.08       | 1.10                            | 1.06  |
| Singapore (SGD)      | 1.50        | 1.54       | 1.54                            | 1.53  |
| South Africa (ZAR)   | 16.45       | 16.95      | 17.20                           | 13.70 |
| Czech Republic (CZK) | 27.13       | 27.02      | 27.04                           | 27.36 |
| Turkey (TRY)         | 3.21        | 3.18       | 3.26                            | 2.97  |
| USA (USD)            | 1.11        | 1.09       | 1.12                            | 1.11  |

Unless otherwise stated, all figures refer to the first six months of 2016 and 2015 respectively. The business development showed no signs of significant cyclical fluctuations. The business volume of CompuGroup Medical SE normally tends to be higher in the second half of the year and in particular in the fourth quarter of the financial year (1 October – 31 December).

When preparing the consolidated interim financial statements, CGM's management makes estimates and assumptions in the process of applying the accounting policies that may influence the amounts of assets, liabilities and contingent liabilities as well as expense and income. Although these assumptions and estimates were made to the best knowledge of the Management Board, actual results may differ from these estimates.

The main assumptions being used for preparing the consolidated interim financial statements are identical to those used for the preparation of the consolidated financial statements as at year end 31 December 2015. In addition to 2016, assumptions have been made in the determination of the personnel expenses, the provisions for post-employment benefits and company anniversary provisions and for the tax accruals for the fiscal year.

## Standards, interpretations and changes to published standards to be applied in 2016

CompuGroup Medical has applied all accounting pronouncements adopted by the EU and required to be applied as from 1 January 2016.

| Standard (Issue date)   | Subject matter  | Effective for financial years beginning on or after (EU) |
|---|---|--|
| Amendments to IAS 19 (Defined Benefit Plans: Employee Contributions) (21 November 2013) | The amendments apply to the recognition of employee contributions to defined benefit retirement plans. Their objective is to simplify accounting for employee contributions that are independent of the number of years of service.   | 1 February 2015  |
| Annual Improvements to IFRS 2010–2012 Cycle (12 December 2013)                          | The annual improvement process refers to the following standards: IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 37, IAS 38 and IAS 39.   | 1 February 2015  |
| IAS 27, amendment (12 August 2014)  | Equity method in Separate Financial Statements.   | 1 January 2016   |
| IAS 16 and IAS 41, amendment (30 June 2014)   | Agriculture: Bearer Plants.   | 1 January 2016   |
| IAS 16 and IAS 38, amendment (12 May 2014)  | Clarification of Acceptable Methods of Depreciation and Amortization.   | 1 January 2016   |
| IFRS 11, amendment (6 May 2014)   | The amendment clarifies that the acquisition and additional acquisition of interests in joint operations in which the activity constitutes a business, as defined in IFRS 3 Business Combinations, must be recognised in accordance with the principles governing business combinations accounting in IFRS 3 and other relevant IFRSs, with the exception of those principles that conflict with the requirements of IFRS 11. | 1 January 2016   |
| Amendments to IAS 1 (Presentation of Financial Statements) (18 December 2014)           | The changes comprise clarifications relating to the materiality of the items presented in the balance sheet, the statement of comprehensive income, the cash flow statement, the statement of changes in equity and the disclosures in the notes.   | 1 January 2016   |
| Annual Improvements to IFRS (2012-2014 Cycle) (25 September 2014)                       | The annual improvement process refers to the following standards: IFRS 5, IFRS 7, IAS 19, IAS 34.   | 1 January 2016   |

In all other respects, the same accounting policies and consolidation principles were generally applied to the preparation of consolidated interim financial statements and the presentation of the prior-year comparative figures as to the consolidated financial statements for 2015. A detailed description of these accounting policies is given in the notes to the 2015 consolidated financial statements.

## Amendments, standards and interpretation published by the IASB but not yet adopted into European legislation

The IASB and the IFRIC have adopted several additional standards and interpretations in 2016 and the previous years which were not yet compulsorily applicable in the financial year 2016 beginning on the 1 January. The application of these IFRS and IFRIC is depended on the adoption by the EU ("endorsement").

| Standard (Issue date)   | Subject matter  | Effective for financial years beginning on or after (EU)   |
|---|---|--|
| IFRS 9 (24 July 2014)   | IFRS 9 contains requirements governing the recognition and measurement of financial instruments, derecognition and hedge accounting. The final version of IFRS 9 replaces all previously versions.  | 1 January 2018   |
| IFRS 14 (30 January 2014)   | Regulatory Deferral Accounts.   | The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard. |
| IFRS 15 (28 May 2014)   | The new standard establishes uniform requirements regarding the amount, time and time period of revenue recognition. The will in future replace existing requirements governing revenue recognition under IAS 18 Revenue and IAS Construction Contracts.  | 1 January 2018   |
| IFRS 16 (13 January 2016)   | The new standard principally requires lessees to recognize assets and liabilities for all leases and to present the rights and obligations associated with these leases in the statement of financial position. Going forward, lessees will therefore no longer required to make the distinction between finance and operating leases that was required in the past in accordance with IAS 17.  | 1 January 2019   |
| Amendments to IFRS 10, IFRS 12 and IAS 28, Investment-entities (18 December 2014) | Applying the Consolidation Exception.   | 1 January 2016   |
| Amendments to IFRS 10 and IAS 28 (11 September 2014)                              | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.  | Postponed indefinitely   |
| Amendments to IAS 12 (16 January 2016)  | Clarification of the accounting for deferred tax assets for unrealized losses on debt instruments that are classified as available-for-sale financial assets.   | 1 January 2017   |
| Amendments to IAS 7 (29 January 2016)   | The pronouncement requires that entities provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.  | 1 January 2017   |
| Clarifications to IFRS 15 (12 April 2016)   | Clarifying some requirements and providing additional transitional relief for companies that are implementing the new Standard.   | 1 January 2018   |
| Amendments to IFRS 2 (20 June 2016)   | The amendments, which were developed through the IFRS Interpretations Committee, provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled. | 1 January 2018   |

The possibility of an early application for particular standards is given. CompuGroup Medical SE does not make use of the possibility of an early application of these standards. Currently CompuGroup Medical SE evaluates the consequences which will arise from the first time adoption of these standards.

However it is expected that the first time application of IFRS 15 and IFRS 16 will have significant influences to the (interim-) consolidated financial statements. More detailed expectations of the application of these two standards were described in the annual report from 31 December 2015, on which is referred at this point.

From the first time application of the other standards it is expected that there will be no significant changes to the (interim-) consolidated financial statements of CompuGroup Medical SE.



## SELECTED EXPLANATORY NOTES

### Changes in the business and the economic circumstances

In comparison to the financial year 2015 the second quarter of 2016 shows no significant changes to the business and the economic circumstances CompuGroup Medical SE is exposed to, with the exception of the factors described in the interim management report.

### Consolidation companies

The consolidated interim financial statements as of 30 June 2016 include the financial statements of CompuGroup Medical SE and all companies controlled by CompuGroup Medical SE (subsidiaries). Consolidation begins from the date control is obtained and ends when control ceases to exist. Compared to the 31 December 2015 the scope of consolidation group has changed as follows:

| Changes in Scope of Consolidation                   | Germany | Foreign countries | Total |
|---|---------|-------------------|-------|
| CompuGroup Medical SE and consolidated subsidiaries |         |                   |       |
| As at 1 January 2016                                | 28      | 56                | 84    |
| Additions   | 0       | 1                 | 1     |
| Disposals / Merger                                  | 0       | 1                 | 1     |
| As at 30 June 2016                                  | 28      | 56                | 84    |

Detailed information are described in the following section "Company acquisitions, disposals and foundations".

### Company acquisitions, disposals and foundations

The disposal results from the merger of Farmatica S.r.l., Italy, into Mondofarma S.r.l., Italy.

Due to the new foundation of the CompuGroup Medical Singapore PTE. LTD., Singapore, results in addition to the consolidation scope.

Concerning business combinations the following changes occurred in the current financial year. Non of these changes lead to any change to the scope of consolidation.

#### Equus, Denmark

In February 2016 CGM Denmark has acquired the net assets (asset deal) of the Equus business from MIBIT Aps. With this transaction CGM Denmark strengthens its market position and consequently follows the strategy to become the preferred eHealth provider in Denmark.

The acquired net assets before the fair value evaluation were EUR 1,060 thousand.

The preliminary goodwill of EUR 439 thousand results from synergies which results from the integration of Equus into CGM. It is expected that the recognized goodwill will be deductible for tax purposes.

The preliminary fair value of the acquired intangible assets excluding goodwill amounts to EUR 1,320 thousand.

The initial consolidation of the equus business as of 01 March 2016 is carried out in preliminary form. The analysis of the acquired order backlog as well as the valuation of the acquired customer relationships, software and trademarks is not yet completed due to not yet fully received or evaluated information.

#### Qualità in Farmacia, Italy

In June 2016 the CompuGroup Medical Italia Holding S.r.l. exercised its call option and acquired the outstanding 5 percent of the shares in Qualità in Farmacia. The call option had a fixed exercise price of EUR 375 thousand, which was fully paid out. CompuGroup Medical Holding S.r.l. is now owning 100 percent of the shares in Qualità in Farmacia.

### Business combinations 2015

With respect to the purchase price allocation for Compufit BVBA, Belgium, which was acquired in 2015, the following changes occurred:

| Changes in Scope of Consolidation | Purchase price allocation before changes | Changes to purchase price allocation | Purchase price allocation after changes |
|-----------------------------------|--|--------------------------------------|---|
| Assets                            | 5,243                                    | 28                                   | 5,271                                   |
| Liabilities                       | 2,743                                    | 10                                   | 2,753                                   |
| <b>Net assets acquired</b>        | <b>2,500</b>                             | <b>18</b>                            | <b>2,518</b>                            |
| Total consideration transferred   | 5,000                                    | 200                                  | 5,200                                   |
| <b>Goodwill</b>                   | <b>2,500</b>                             | <b>182</b>                           | <b>2,682</b>                            |

With respect to the purchase price allocation of Medicialia S.r.l., Italy, which was acquired in 2015, the following changes occurred:

| Changes in Scope of Consolidation | Purchase price allocation before changes | Changes to purchase price allocation | Purchase price allocation after changes |
|-----------------------------------|--|--------------------------------------|---|
| Assets                            | 1,346                                    | 9                                    | 1,355                                   |
| Liabilities                       | 428                                      | 3                                    | 431                                     |
| <b>Net assets acquired</b>        | <b>918</b>                               | <b>6</b>                             | <b>924</b>                              |
| Total consideration transferred   | 3,595                                    | 0                                    | 3,595                                   |
| <b>Goodwill</b>                   | <b>2,677</b>                             | <b>-6</b>                            | <b>2,671</b>                            |

The purchase price allocations for the following business combinations, which have been disclosed in the consolidated financial statements as at 31 December 2015 as "remaining additions", have changed as follows:

| Business Combination | Acquisition date | Percentage of voting equity interests acquired | Description of how the acquirer obtained control of the acquiree     | Primary reasons for the reasons for the business combination   |
|----------------------|------------------|--|--|--|
| Caretrace            | 30.11.2015       | 100  | Business combination achieved in stages (interests from 50% to 100%) | Extension of the customer platform in the AIS segment in the Netherlands and expansion of the market share |
| Medigest             | 22.12.2015       | 100  | Business combination achieved in stages (interests from 49% to 100%) | Acquisition to establish a market presence as base for future expansion in the Spanish AIS market          |

All together the purchase price allocations have changed as follows:

| Changes in Scope of Consolidation | Purchase price allocation before changes | Changes to purchase price allocation | Purchase price allocation after changes |
|-----------------------------------|--|--------------------------------------|---|
| Assets                            | 997                                      | 31                                   | 1,028                                   |
| Liabilities                       | 505                                      | 6                                    | 511                                     |
| <b>Net assets acquired</b>        | <b>492</b>                               | <b>25</b>                            | <b>517</b>                              |
| Total consideration transferred   | 885                                      | 0                                    | 885                                     |
| <b>Goodwill</b>                   | <b>393</b>                               | <b>-25</b>                           | <b>368</b>                              |

## Acquisitions and disposals of items of Tangible assets

In the first six months of the financial year 2016, CompuGroup Medical SE acquired tangible assets for a total amount of EUR 10.9 million. This amount includes the acquisition of a new company aircraft. The old company aircraft was sold with a net profit of EUR 0.7 million.

## Related party transactions

The related-party transactions are as follows:

| EUR '000                                | Sale of goods |              | Purchase of goods |              | Receivables |              | Liabilities |            |
|---|---------------|--------------|-------------------|--------------|-------------|--------------|-------------|------------|
|   | 30.06.2016    | 30.06.2015   | 30.06.2016        | 30.06.2015   | 30.06.2016  | 30.06.2015   | 30.06.2016  | 30.06.2015 |
| Related persons                         | 26            | 28           | 42                | 15           | 9           | 2            | 0           | 0          |
| Related companies                       | 882           | 1,251        | 4,131             | 4,616        | 367         | 1,296        | 159         | 253        |
| Associated companies and Joint Ventures | 0             | 16           | 0                 | 9            | 0           | 40           | 0           | 3          |
| <b>SUM</b>                              | <b>908</b>    | <b>1,295</b> | <b>4,173</b>      | <b>4,640</b> | <b>376</b>  | <b>1,338</b> | <b>159</b>  | <b>256</b> |

Related to changed billing terms between CGM Clinical Deutschland GmbH (before: CGM SYSTEMA Deutschland GmbH) and mps public solution GmbH significant changes to the transaction volume occurred in the reporting period.

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### Compliance with payment obligations and financial covenants

On the 23 September 2014 CGM entered into a new syndicated loan facility for a total sum of EUR 400.0 million. The syndicated loan facility consists of a "term loan facility" (also referred to in the following as "TLF") for EUR 225 million and a "revolving loan facility" (also referred to in the following as "RLF") for EUR 175 million.

The syndicated loan facility has a duration of five years. The TLF must be repaid pro rata in equal instalments of EUR 15.0 million on 31 January and 31 July in each year, commencing on 31 July 2015, with a final payment of the balance of any outstanding term facility loans to be repaid on the termination date. The RLF must be repaid at the end of each interest period and can be taken out again immediately thereafter.

The interest period can be chosen by CGM SE at its discretion. The interest rate is based upon the 3 month-EURIBOR rate for the interest period chosen plus a margin derived from the relationship between the consolidated net borrowings and the adjusted consolidated EBITDA (Leverage). The margin was 2.5 percent for the first two months, for March 2016 the margin was 1.75 percent. As of 30 June 2016 EUR 195 million of the TLF and EUR 122 million of the RLF were utilized. Loan origination fees totaling EUR 3.5 million were incurred related to these facilities. These fees will be charged as a financial expense over the term of the loan agreement. For this syndicated loan facility no hedge has been concluded. The grant of the loan is linked to the compliance of certain financial covenants.

The loan agreement includes joint and several guarantees for payment by a number of CGM's subsidiaries (contingent liability in case of non-payment of CompuGroup Medical SE).

In the first six months of the financial year 2016 CGM is compliant with all financial covenants entered in all of its loan agreements.

### Litigation

In the first six months of 2016 CGM reached litigation settlements in Switzerland and the Netherlands which have generated an operating income of EUR 1.8 Mio.

### Other financial obligations and finance commitments

As at 30 June 2016 CGM had open obligations from uncancellable operating leases, maturing as follows:

| EUR '000              | 30.06.2016    | 30.06.2015    |
|-----------------------|---------------|---------------|
| Within 1 year         | 13,949        | 12,372        |
| Between 2 and 5 years | 26,631        | 24,185        |
| Longer than 5 years   | 7,169         | 6,182         |
| <b>SUM</b>            | <b>47,749</b> | <b>42,739</b> |

Payments from operating lease agreements include the rent for office equipment and particularly for office buildings (without purchase option). Lease agreements are concluded for an average term of three years. The rents are fixed for three to seven years. Operating leasing relationships are recognized on a pro rata basis in the income statement.

During the financial year 2016, guarantees and other commitments did not change significantly compared to 31 December 2015.

## Financial instruments

The group has various financial assets such as trade receivables, cash and cash equivalents, which result directly from operations. The same accounting policies and valuation methods that were applied in the financial statements as of year-end 2015 have been applied to the company's financial instruments.

The following table presents carrying amounts and valuation of the group's financial instruments grouped by categories according to IAS 39.

| Categories of financial instruments<br>in accordance with IAS 39   | Category<br>according<br>to IAS 39 | Book value<br>as at<br>30.06.2016 | IAS 39 valuation                   |  |                                      | IAS 17<br>valuation              |                                   |
|--|------------------------------------|-----------------------------------|------------------------------------|--|--------------------------------------|----------------------------------|-----------------------------------|
|  |                                    |                                   | Acquisiton<br>costs<br>(continued) | Fair value<br>through profit<br>and loss | Fair value<br>regonized in<br>equity | Acquisiton<br>costs<br>continued | Fair value<br>as at<br>30.06.2016 |
| Financial assets   |                                    |                                   |                                    |  |                                      |                                  |                                   |
| Cash and bank balances   | LaR                                | 24,697                            | 24,697                             | 0  | 0                                    | 0                                | 24,697                            |
| Trade receivables  | LaR                                | 92,699                            | 92,699                             | 0  | 0                                    | 0                                | 92,699                            |
| Receivables from construction contracts (PoC)                      | LaR                                | 26,104                            | 26,104                             | 0  | 0                                    | 0                                | 26,104                            |
| Other receivables  | LaR                                | 3,364                             | 3,364                              | 0  | 0                                    | 0                                | 3,364                             |
| Finance lease receivables  | -                                  | 14,203                            | 0                                  | 0  | 0                                    | 14,203                           | 15,069                            |
| Other financial assets   | AfS                                | 186                               | 186                                | 0  | 0                                    | 0                                | 186                               |
| Securities   | FVtPL                              | 89                                | 0                                  | 89                                       | 0                                    | 0                                | 89                                |
| Stock options held for trading                                     | FVtPL                              | 0                                 | 0                                  | 0  | 0                                    | 0                                | 0                                 |
| Total financial assets   |                                    | 161,342                           | 147,051                            | 89                                       | 0                                    | 14,203                           | 162,208                           |
| Financial liabilities  |                                    |                                   |                                    |  |                                      |                                  |                                   |
| Liabilities to banks   | oL                                 | 357,140                           | 357,140                            | 0  | 0                                    | 0                                | 359,143                           |
| Purchase price liabilities   | oL                                 | 12,322                            | 12,322                             | 0  | 0                                    | 0                                | 12,322                            |
| Trade payables   | oL                                 | 25,465                            | 25,465                             | 0  | 0                                    | 0                                | 25,465                            |
| Other financial liabilities  | oL                                 | 27,373                            | 27,373                             | 0  | 0                                    | 0                                | 27,373                            |
| Financial lease obligations  | -                                  | 1,040                             | 0                                  | 0  | 0                                    | 1,040                            | 1,105                             |
| Interest rate swap   | -                                  | 0                                 | 0                                  | 0  | 0                                    | 0                                | 0                                 |
| Total financial liabilities  |                                    | 423,341                           | 422,301                            | 0  | 0                                    | 1,040                            | 425,408                           |
| Total per category   |                                    |                                   |                                    |  |                                      |                                  |                                   |
| Assets loans available for sale                                    | AfS                                | 186                               | 186                                | 0  | 0                                    | 0                                | 186                               |
| Loans and receivables  | LaR                                | 146,865                           | 146,865                            | 0  | 0                                    | 0                                | 146,865                           |
| Financial assets measured at fair value through<br>profit and loss | FVtPL                              | 89                                | 0                                  | 89                                       | 0                                    | 0                                | 89                                |
| Other liabilities  | oL                                 | 422,301                           | 422,301                            | 0  | 0                                    | 0                                | 424,304                           |

## Fair value measurement

The fair value is not always available as a market value, which often necessitates a determination based on various measurement parameters. Depending on the availability of observable parameters and the relevance of these parameters for determining the fair value as a whole, the fair value is assigned to Level 1, 2 or 3. Assignment to these levels is effected under consideration of the following factors:

- + Level 1 parameters: Here, according to the current existing IFRS, the market value of assets and liabilities is calculated based on quoted, unadjusted prices like those that arise for similar or identical assets and liabilities in active markets
- + Level 2 parameters: Here the market value of assets and liabilities is calculated on the basis of parameters for which either directly or indirectly quoted prices are also made available to an active market
- + Level 3 parameters are non-observable parameters which have to be developed to simulate the assumptions of market participants, which they would use to evaluate the market value of assets and liabilities.

## Fair value of financial assets and liabilities that are regularly measured at fair value according to the valuation hierarchies:

Assessed valuation hierarchies at fair value - financial instruments  
EUR '000

|  | 30.06.2016 | Level 1   | Level 2  | Level 3  |
|--|------------|-----------|----------|----------|
| Financial assets at fair value through profit and loss | 89         | 89        | 0        | 0        |
| thereof securities                                     | 89         | 89        | 0        | 0        |
| thereof stock options held for trading                 | 0          | 0         | 0        | 0        |
| Financial assets at fair value without through equity  | 0          | 0         | 0        | 0        |
| <b>SUM</b>   | <b>89</b>  | <b>89</b> | <b>0</b> | <b>0</b> |
| Liabilities at fair value through profit and loss      | 0          | 0         | 0        | 0        |
| thereof interest rate swaps                            | 0          | 0         | 0        | 0        |
| Liabilities at fair value through equity               | 0          | 0         | 0        | 0        |
| <b>SUM</b>   | <b>0</b>   | <b>0</b>  | <b>0</b> | <b>0</b> |

1) Securities (Level 1): The fair value of the securities in the amount of EUR 89 thousand (31 December 2015: EUR 150 thousand) is based on quoted market prices in an active market at the balance sheet date. Significant unobservable input parameters are not available which is why there is no ratio of unobservable input parameters to the fair value of the securities.

As of 30 June 2016 there are no financial instruments measured of Level 2 or Level 3 existing in the consolidated financial statements of CGM

## Fair value of financial assets and liabilities that are not regularly measured at fair value according to the valuation hierarchies:

| EUR '000  | 30.06.2016     | Level 1  | Level 2        | Level 3        |
|---|----------------|----------|----------------|----------------|
| Fair value of financial assets valued at (continued) acquisition costs      |                |          |                |                |
| Trade receivables   | 92,699         | 0        | 92,699         | 0              |
| Receivables from construction contracts (PoC)                               | 26,104         | 0        | 26,104         | 0              |
| Other receivables   | 3,364          | 0        | 1,368          | 1,996          |
| Finance lease receivables   | 15,069         | 0        | 15,069         | 0              |
| Other financial assets  | 186            | 0        | 0              | 186            |
| <b>SUM</b>  | <b>137,423</b> | <b>0</b> | <b>135,241</b> | <b>2,182</b>   |
| Fair value of financial liabilities valued at (continued) acquisition costs |                |          |                |                |
| Liabilities to banks  | 359,143        | 0        | 0              | 359,143        |
| Purchase price liabilities  | 12,322         | 0        | 0              | 12,322         |
| Trade payables  | 25,465         | 0        | 25,465         | 0              |
| Other financial liabilities   | 27,373         | 0        | 10,658         | 16,715         |
| Financial lease obligations   | 1,105          | 0        | 1,105          | 0              |
| <b>SUM</b>  | <b>425,408</b> | <b>0</b> | <b>37,229</b>  | <b>388,180</b> |

## POST BALANCE SHEET EVENTS

There were no post balance sheet events before the release of the financial statements.



### Segment reporting

In accordance with IFRS 8 „Operating Segments“ the activities of CompuGroup Medical SE are divided into operating segments for segment reporting purposes. A classification based on the individual products or services is applied for controlling purposes and for the allocation of resources. Six operating segments result from this classification. These six operating segments are aggregated into the three reporting segments HPS I (Health Provider Services I), HPS II (Health Provider Services II) and HCS (Health Connectivity Services).

The board of directors as Chief Operating Decision Maker evaluates the performance of the three reporting segments based on the reporting system and takes decisions on the allocation of resources. For the evaluation of the performance of the operating segments the board of directors uses „Earnings before interest, tax, depreciation and amortization“ (EBITDA) as key performance indicator, which represents the result of the individual segment.

| EUR '000   | Segment I:<br>Health Provider Services I<br>(HPS I) |                |                | Segment II:<br>Health Provider Services II<br>(HPS II) |               |               | Segment III:<br>Health Connectivity Services<br>(HCS) |               |               |
|--|---|----------------|----------------|--|---------------|---------------|---|---------------|---------------|
|  | 2016  | 2015           | 2015           | 2016   | 2015          | 2015          | 2016  | 2015          | 2015          |
|  | Jan-Jun   | Jan-Jun        | Jan-Dec        | Jan-Jun  | Jan-Jun       | Jan-Dec       | Jan-Jun   | Jan-Jun       | Jan-Dec       |
| Sales to third parties                               | 204,487   | 203,713        | 406,612        | 34,293   | 36,928        | 72,801        | 31,961  | 29,800        | 63,587        |
| Sales between segments                               | 3,219   | 2,778          | 6,146          | 5,585  | 4,696         | 9,976         | 3,181   | 2,829         | 5,817         |
| <b>SEGMENT SALES</b>                                 | <b>207,706</b>                                      | <b>206,491</b> | <b>412,758</b> | <b>39,879</b>  | <b>41,624</b> | <b>82,777</b> | <b>35,142</b>   | <b>32,629</b> | <b>69,404</b> |
| thereof recurring sales                              | 155,857   | 151,334        | 303,033        | 20,624   | 20,034        | 38,570        | 9,799   | 9,278         | 19,289        |
| Capitalized inhouse services                         | 1,172   | 1,008          | 2,438          | 200  | 1,228         | 915           | 200   | 369           | 1,272         |
| Other income   | 1,010   | 798            | 2,205          | 1,352  | 835           | 1,678         | 107   | 347           | 1,564         |
| Expenses for goods and services purchased            | -36,489   | -39,485        | -74,476        | -8,203   | -9,659        | -18,133       | -9,580  | -10,581       | -23,411       |
| Personnel costs                                      | -78,239   | -76,016        | -151,240       | -23,911  | -23,991       | -47,764       | -12,201   | -12,263       | -24,216       |
| Other expense  | -34,454   | -32,878        | -74,577        | -5,869   | -5,571        | -15,936       | -5,938  | -5,541        | -9,894        |
| <b>EBITDA</b>  | <b>60,706</b>                                       | <b>59,918</b>  | <b>117,107</b> | <b>3,448</b>   | <b>4,466</b>  | <b>3,537</b>  | <b>7,729</b>  | <b>4,961</b>  | <b>14,719</b> |
| in % of sales  | 29.2%   | 29.4%          | 28.8%          | 8.6%   | 12.1%         | 4.9%          | 22.0%   | 16.6%         | 23.1%         |
| Depreciation of property, plants and tangible assets |   |                |                |  |               |               |   |               |               |
| Amortization of intangible assets                    |   |                |                |  |               |               |   |               |               |
| Impairment for financial assets                      |   |                |                |  |               |               |   |               |               |
| <b>EBIT</b>  |   |                |                |  |               |               |   |               |               |
| Results from associates recognised at equity         |   |                |                |  |               |               |   |               |               |
| Financial income                                     |   |                |                |  |               |               |   |               |               |
| Financial expense                                    |   |                |                |  |               |               |   |               |               |
| <b>EBT</b>   |   |                |                |  |               |               |   |               |               |
| Taxes on income for the period                       |   |                |                |  |               |               |   |               |               |
| Profit for the period from discontinued operations   |   |                |                |  |               |               |   |               |               |
| <b>Consolidated net income for the period</b>        |   |                |                |  |               |               |   |               |               |
| in % of sales  |   |                |                |  |               |               |   |               |               |
| <b>CASH NET INCOME*</b>                              |   |                |                |  |               |               |   |               |               |

\* Cash net income: Cash net income before minority interests plus amortization on intangible assets except amortization on in-house capitalized software.

| All other Segments |         |         | Total Segments |          |          | Consolidation adjustments |         |         | CompuGroup Medical Group |          |          |
|--------------------|---------|---------|----------------|----------|----------|---------------------------|---------|---------|--------------------------|----------|----------|
| 2016               | 2015    | 2015    | 2016           | 2015     | 2015     | 2016                      | 2015    | 2015    | 2016                     | 2015     | 2015     |
| Jan-Jun            | Jan-Jun | Jan-Dec | Jan-Jun        | Jan-Jun  | Jan-Dec  | Jan-Jun                   | Jan-Jun | Jan-Dec | Jan-Jun                  | Jan-Jun  | Jan-Dec  |
| 26                 | 270,482 | 67      | 270,768        | 270,482  | 543,066  | 0                         | 0       | 0       | 270,768                  | 270,482  | 543,066  |
| 1,434              | 12,225  | 3,104   | 13,419         | 12,225   | 25,043   | -13,419                   | -12,225 | -25,043 | 0                        | 0        | 0        |
| 1,460              | 282,707 | 3,171   | 284,186        | 282,707  | 568,109  | -13,419                   | -12,225 | -25,043 | 270,768                  | 270,482  | 543,066  |
| 6                  | 6       | 12      | 186,285        | 180,651  | 360,905  | 0                         | 0       | 0       | 186,285                  | 180,651  | 360,905  |
| 2,536              | 2,253   | 4,775   | 4,107          | 4,859    | 9,401    | 180                       | 0       | 215     | 4,287                    | 4,859    | 9,615    |
| 2,922              | 1,962   | 4,888   | 5,391          | 3,943    | 10,334   | -1,614                    | -2,491  | -6,475  | 3,777                    | 1,452    | 3,859    |
| -29                | -20     | -71     | -54,301        | -59,746  | -116,090 | 7,631                     | 6,923   | 15,579  | -46,670                  | -52,823  | -100,511 |
| -5,334             | -4,774  | -9,758  | -119,686       | -117,043 | -232,979 | -8,955                    | -8,775  | -17,647 | -128,641                 | -125,818 | -250,626 |
| -6,300             | -5,746  | -12,190 | -52,561        | -49,736  | -112,597 | 10,200                    | 9,771   | 19,513  | -42,361                  | -39,965  | -93,084  |
| -4,746             | -4,363  | -9,185  | 67,136         | 64,983   | 126,178  | -5,978                    | -6,796  | -13,859 | 61,158                   | 58,186   | 112,319  |
|                    |         |         | 23.6%          | 24.0%    | 23.2%    |                           |         |         | 22.6%                    | 21.5%    | 20.7%    |
|                    |         |         |                |          |          |                           |         |         | -3,760                   | -3,747   | -7,798   |
|                    |         |         |                |          |          |                           |         |         | -18,702                  | -17,164  | -36,747  |
|                    |         |         |                |          |          |                           |         |         | 0                        | 0        | 0        |
|                    |         |         |                |          |          |                           |         |         | 38,696                   | 37,276   | 67,774   |
|                    |         |         |                |          |          |                           |         |         | -464                     | 13       | -911     |
|                    |         |         |                |          |          |                           |         |         | 3,087                    | 10,944   | 14,136   |
|                    |         |         |                |          |          |                           |         |         | -7,762                   | -7,968   | -18,795  |
|                    |         |         |                |          |          |                           |         |         | 33,558                   | 40,265   | 62,204   |
|                    |         |         |                |          |          |                           |         |         | -11,135                  | -15,218  | -23,582  |
|                    |         |         |                |          |          |                           |         |         | 0                        | 0        | 0        |
|                    |         |         |                |          |          |                           |         |         | 22,423                   | 25,047   | 38,622   |
|                    |         |         |                |          |          |                           |         |         | 8.3%                     | 9.3%     | 7.1%     |
|                    |         |         |                |          |          |                           |         |         | 39,058                   | 40,721   | 72,865   |

# Additional Information

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## FINANCIAL CALENDAR 2016

| Date            | Event                           |
|-----------------|---------------------------------|
| 13 October 2016 | Investor and Analyst Conference |
| 9 November 2016 | Interim Report Q3 2016          |

## SHARE INFORMATION

The CompuGroup share finished the second quarter with a closing price of EUR 37.49. The average closing share price increased by 4 percent from EUR 35.29 (Q1/2016) to EUR 36.85 (Q2/2016).

The highest quoted price during the quarter was EUR 40.26 on 1 June 2016 and the lowest price EUR 32.52 on 24 June 2016.

The trading volume of CompuGroup shares was 2.7 million shares during the second quarter, down 30 percent compared to the previous quarter. On average, the daily trading volume was approximately 41,000 shares (daily average in 2015: approximately 45,000).

By the end of June 2016, a total of eight analyst companies were covering the CompuGroup Medical share on a regular basis. The forecast price targets ranged from EUR 37.00 to EUR 48.00. Seven analysts rated the shares a "buy" and one analyst as "hold" or "neutral".

## CONTACT

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# Management Responsibility Statement

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To the best of our knowledge, and in accordance with applicable accounting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group over the remainder of the financial year.

Koblenz, 4 August 2016

**CompuGroup Medical Societas Europaea**  
**The Management Board**



Frank Gotthardt



Frank Brecher



Uwe Eibich



Christian B. Teig

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Maria Trost 21  
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**Synchronizing Healthcare**



**CompuGroup  
Medical**