



CompuGroup
Medical

Synchronizing Healthcare

3rd quarter 2010 – Conference Call

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17 November, 2010

Key figures third quarter 2010

€ M	Q3 10	Q3 09	Change	2009
Revenue	75.6	70.1	8%	293.4
EBITDA	18.0	16.1	12%	59.2
EBIT	9.3	8.1		24.8
EBT	7.9	6.5		18.3
Net income	5.6	5.4		11.7
Cash net income*	12.3	11.4		35.0
EPS (€)	0.11	0.11	0%	0.24
Cash net income per share (€)*	0.25	0.23	8%	0.69

* Net income before minority interest plus amortization of intangible assets less amortization on in-house capitalized software

Products and services in three segments



Health Provider Services (HPS)

- Ambulatory Information Systems
- Hospital Information Systems

~80% of revenue



Health Connectivity Services (HCS)

- Communication & Data
- Workflow & Decision Support
- ISP

~20% of revenue



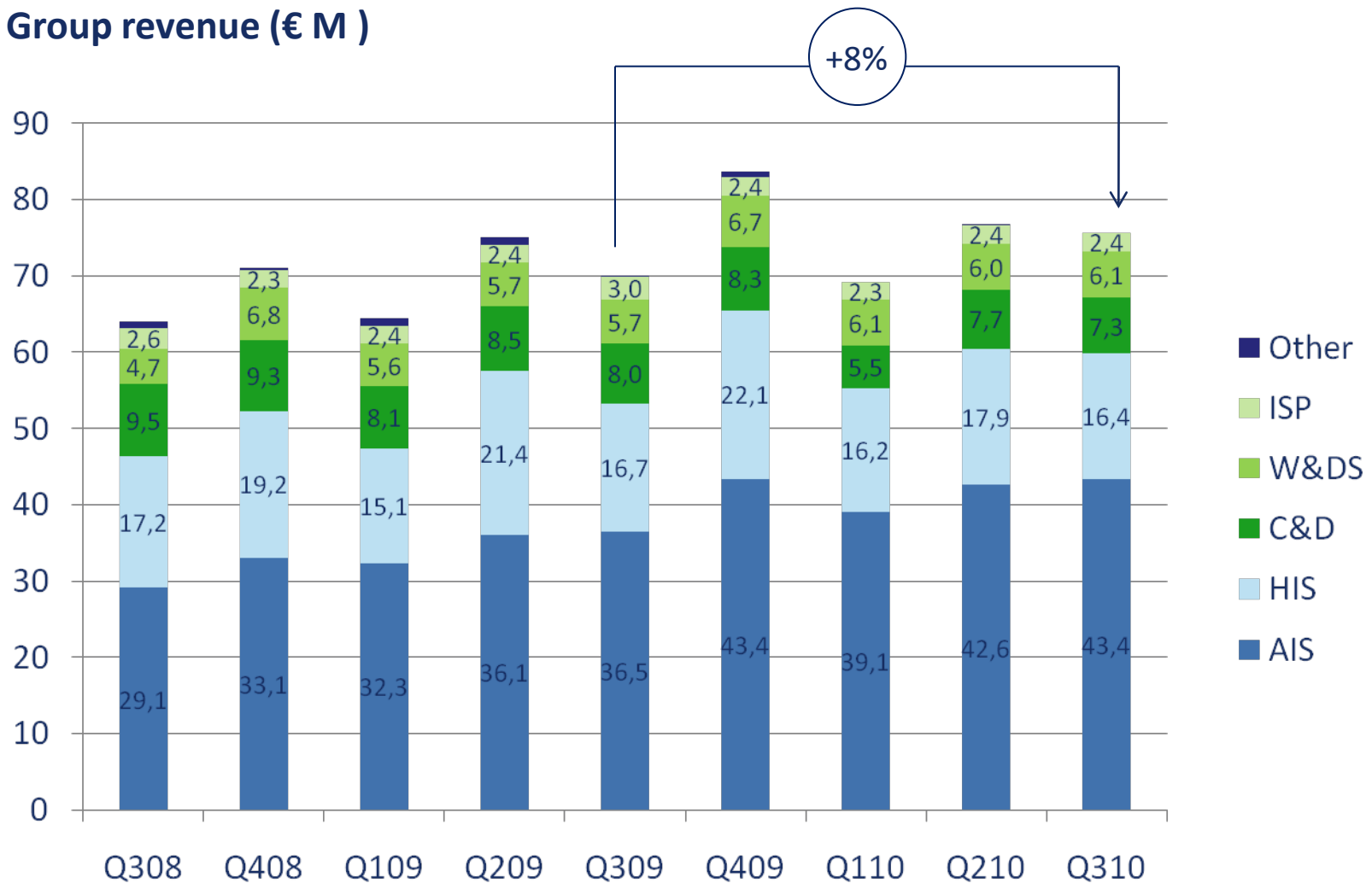
Consumer Health Services (CHS)

- Vita-X

No significant revenue

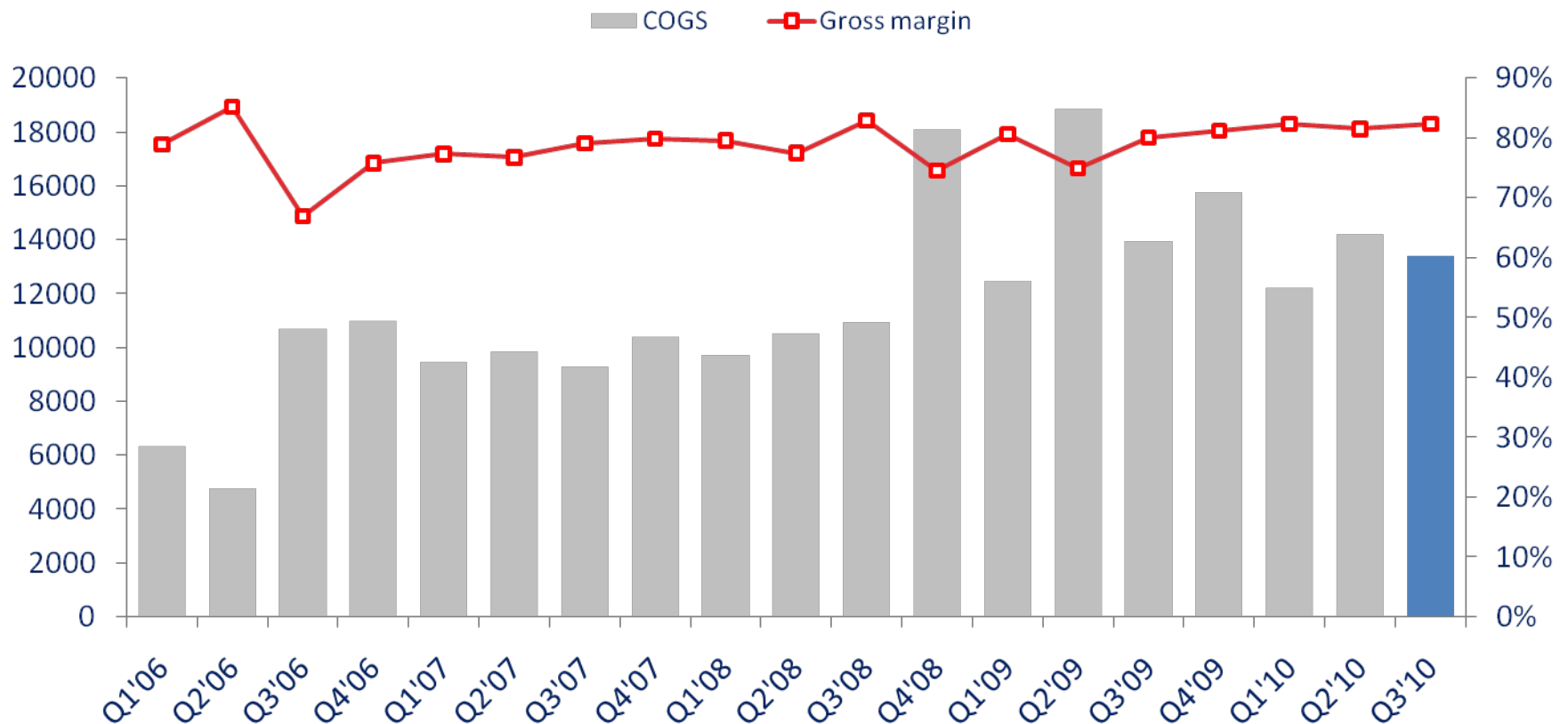
Sequential revenue development

Group revenue (€ M)



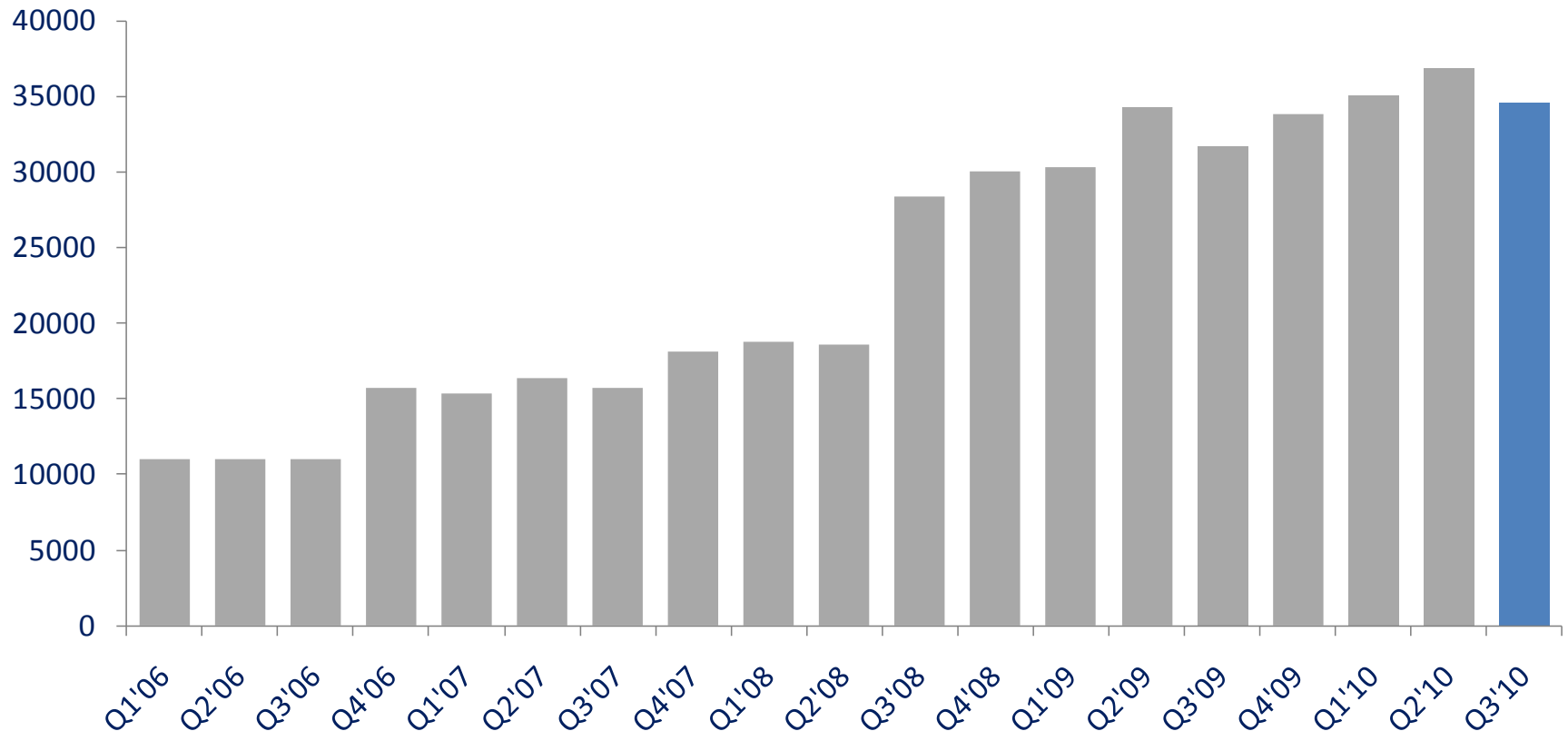
COGS and gross margin

Cost of goods sold and gross margin (€ '000 / percent)



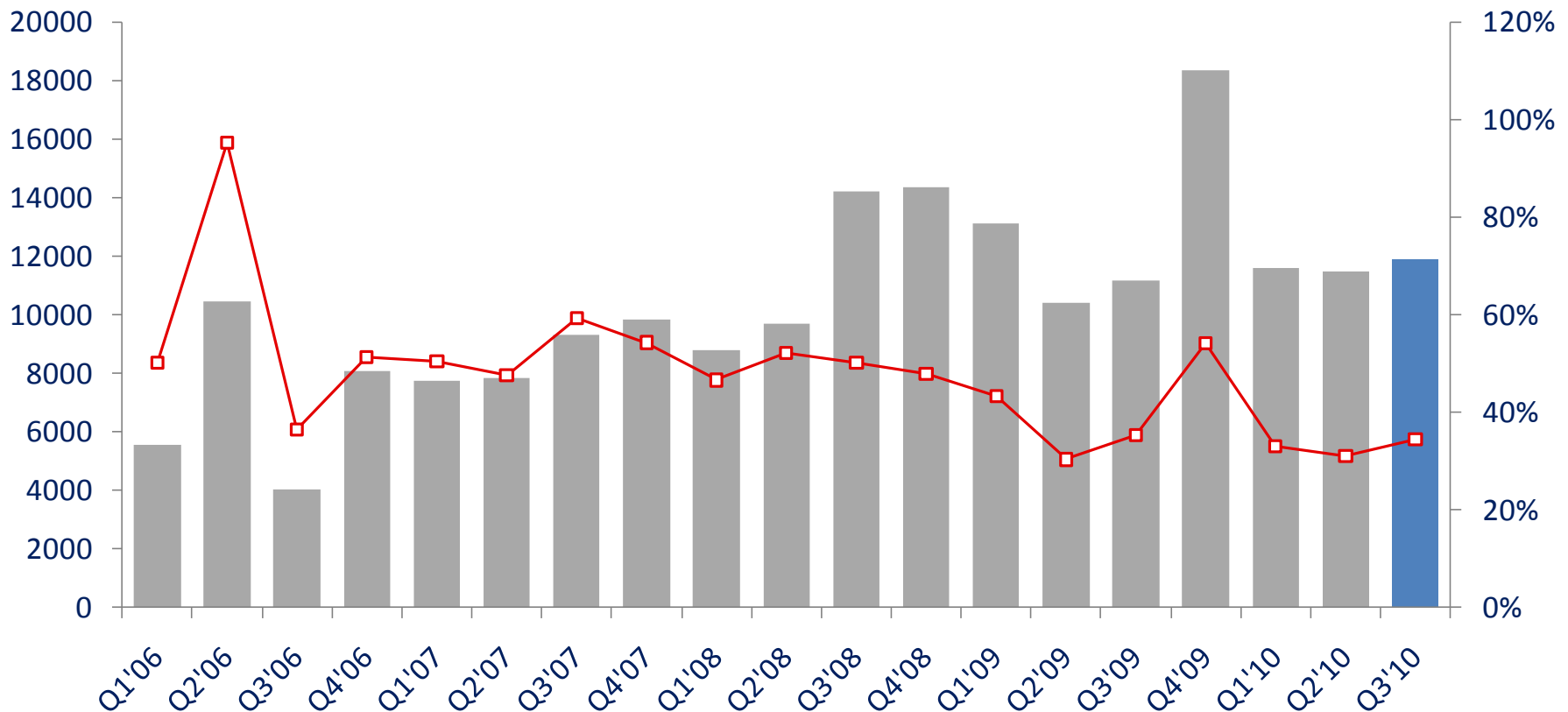
Personnel expenses

€ '000



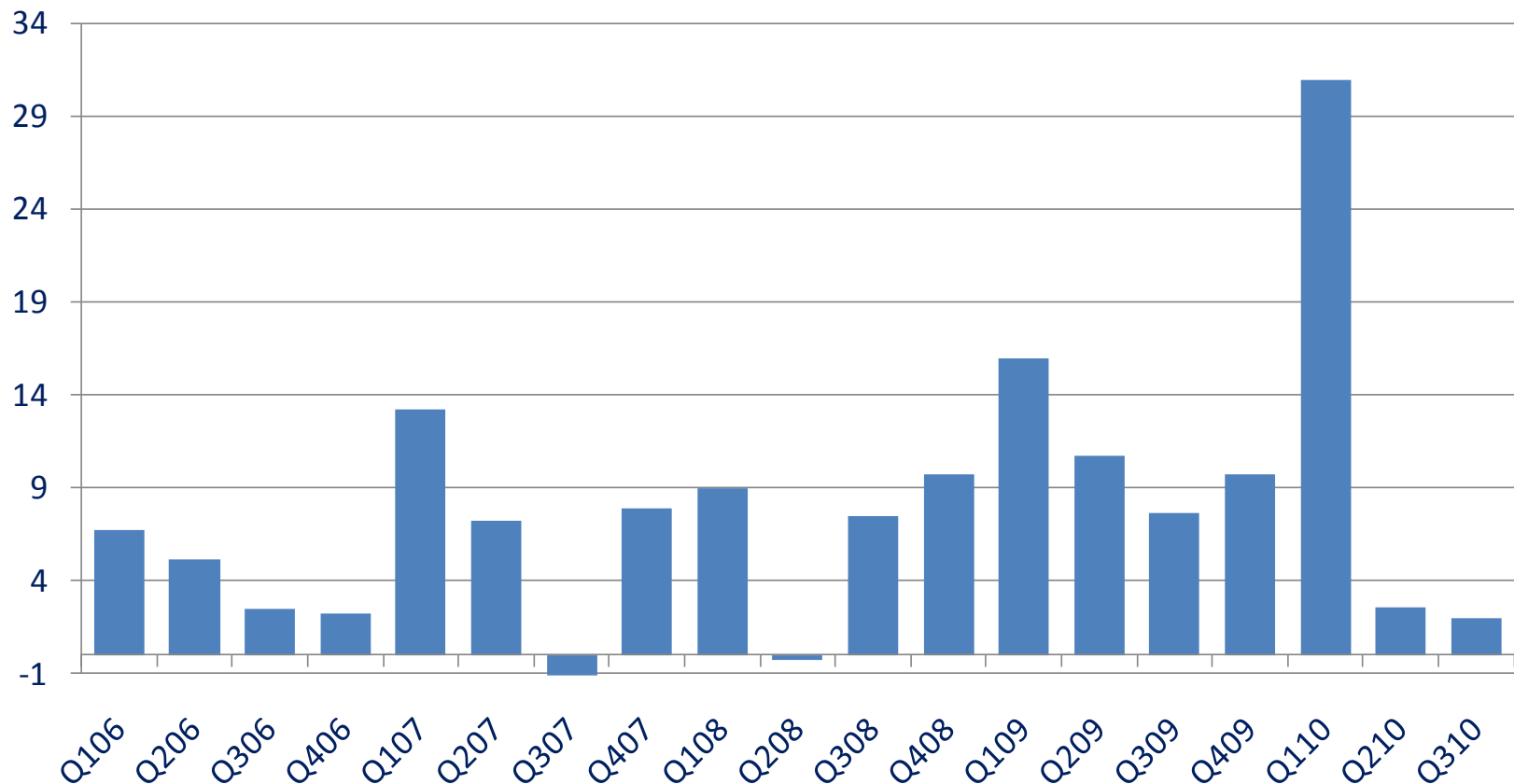
Other expenses

Other expenses (€ '000) / percent of personnel expenses



Operating cash flow

€ M



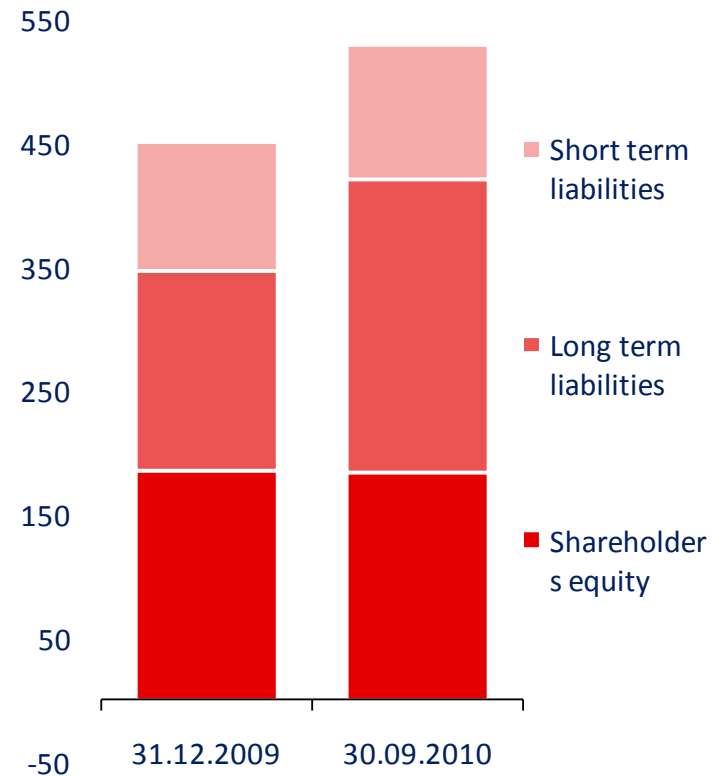
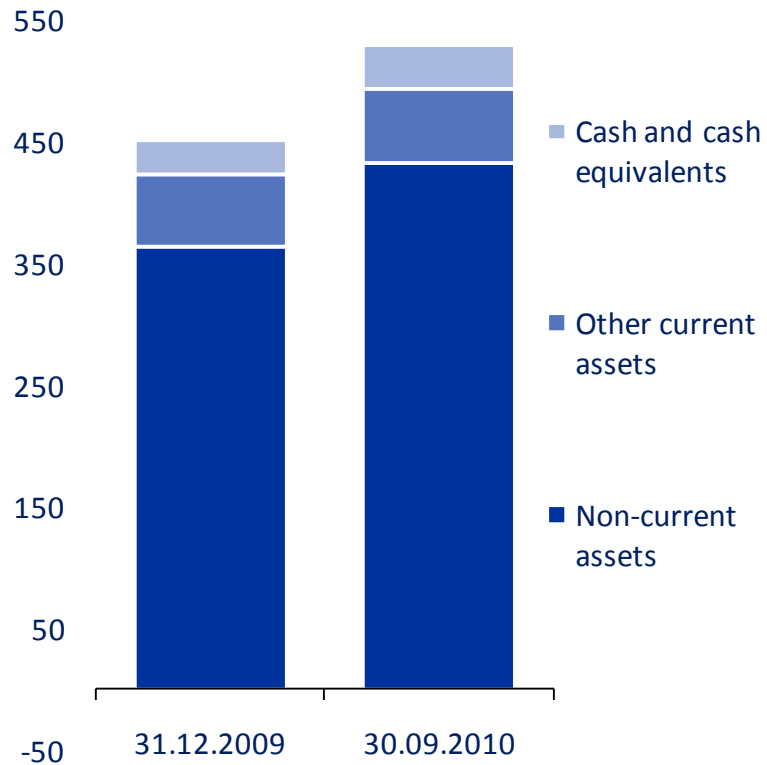
Capital expenditure



€ M	Q3 2010
Acquisition of Visionary Healthware Group (USA)	34.9
Capitalized in-house services and other intangible assets	2.6
Office buildings and property	0.8
Other property and equipment	0.8
Purchase of minority interests (Profdoc Malaysia)	0.3
SUM	39.4



Statement of financial position

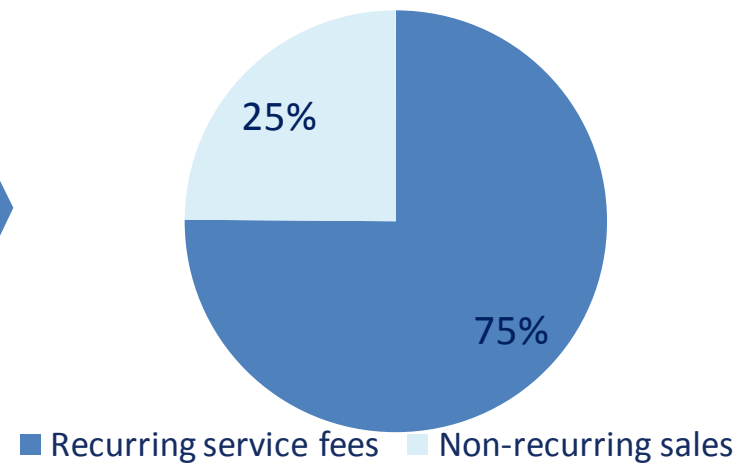


AIS development

AIS revenue Q3 2010

100% = 43.4 € M

	€ M	%
Revenue Q3 2009	36.5	
Acquisitions / disposals	1.8	5%
Organic growth	5.1	14%
Revenue Q3 2010	43.4	19%



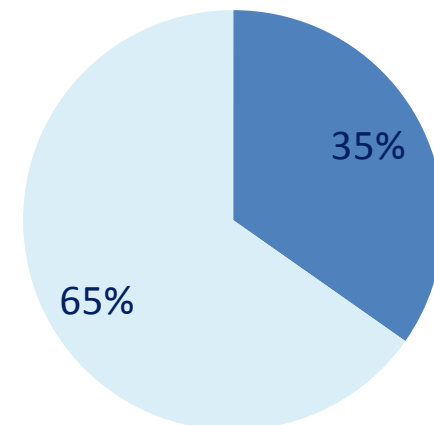
- Organic growth is 14 percent at constant exchange rates
- The organic growth primarily comes from new value-added products and services sold to existing customers.

HIS development

HIS revenue Q3 2010

100% = 16.4 € M

	€ M	%
Revenue Q3 2009	16.7	
Acquisitions / disposals	n/a	
Organic growth	-0.3	-2%
Revenue Q3 2010	16.4	-2%

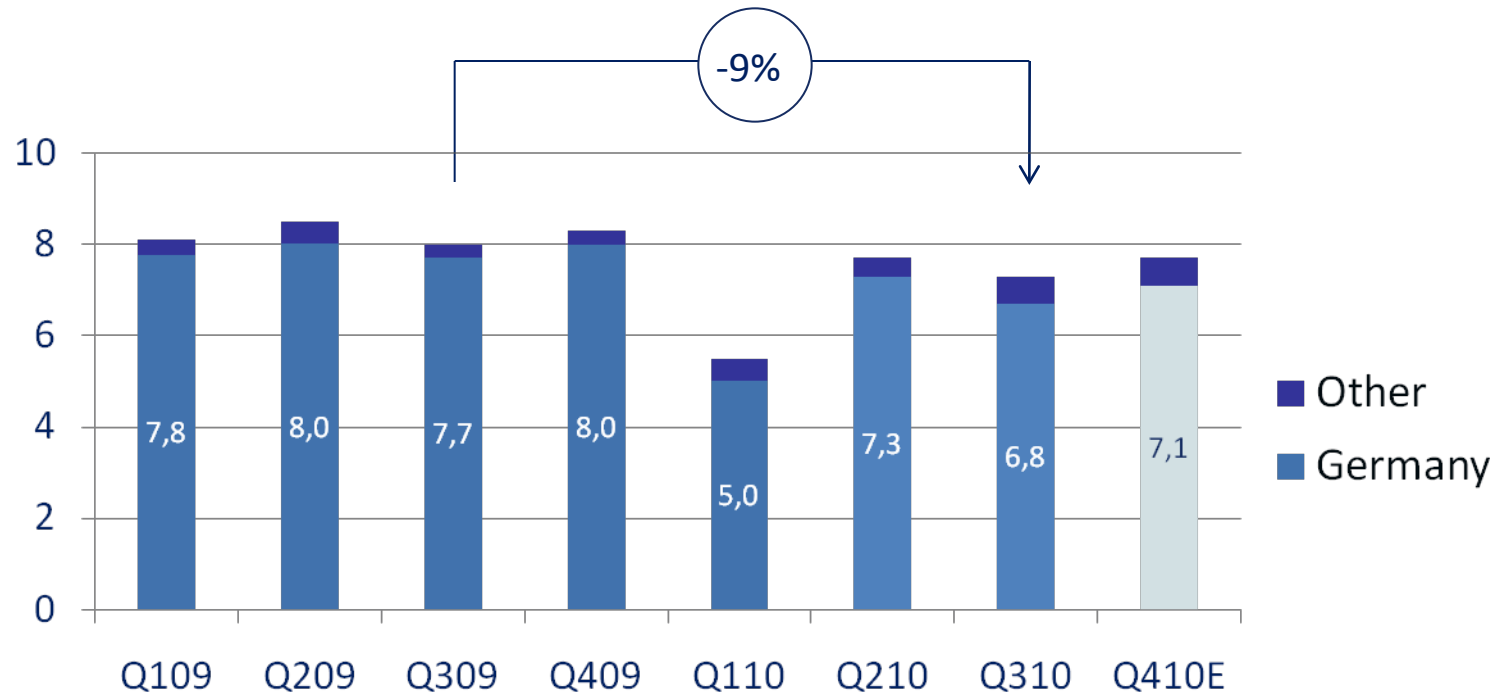


■ Recurring service fees ■ Non-recurring sales

- **Vienna Hospital Association (KAV) and other key projects proceeding as planned**
- **Relatively slow market for add-on projects and new clients continued into 3rd quarter 2010**
- **The revenue shortfall in HIS is mostly within low margin hardware and software resale and professional services.**

Communication & Data development

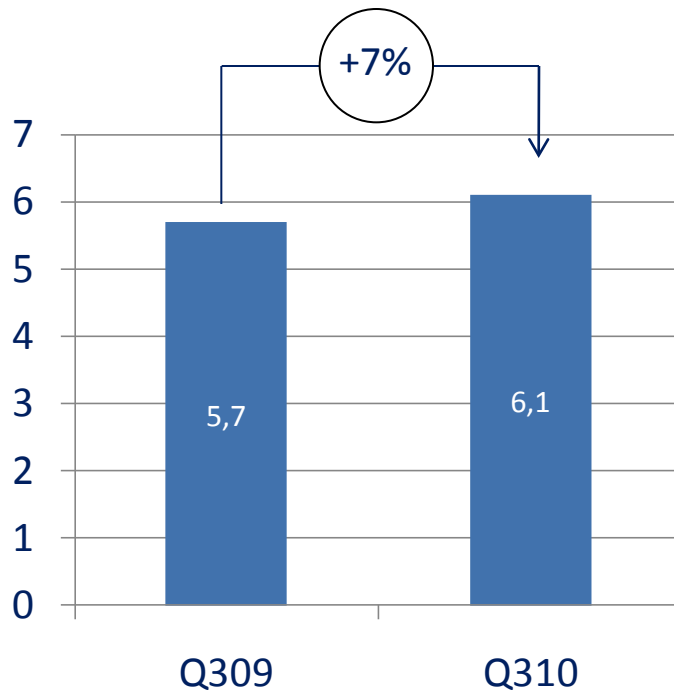
Communication & Data revenue (€ M)




- 3Q revenue as budgeted and projected
- Stable revenue level expected for the remainder of 2010
- CompuGroup expects Communication & Data revenue to increase in 2011 relative to 2010

Workflow & Decision Support development

Workflow & Decision Support revenue (€ M)



- 
- Growth from new products and services to health insurance companies in Germany
 - No revenue has been recognized to date from the variable component of the running SmartExchange contracts as the outcomes-based data is still under evaluation
 - This represents a potential upside in coming quarters in the event of positive evaluations

New W&DS contracts signed

smart-X change [6 Renate] [Datenstand: 01.10.2009]

REZEPT **Zusatzinfo** **?**

"Spirapril" kann gegen den Wirkstoff "Ramipril" substituiert werden (Hinweis der nach § 73 Abs 8 SGB V)

Rezept-Arzneimittel **Quadropil**

Arzneimittel	Ursprüngliches Arzneimittel	DDD-Kosten	Packung	DAR	Arzneimittel	Ersetzt durch	DDD-Kosten	Packung	DAR
Quadropil			100 ST	TAB					

Ersetzen ☐ gleiche Darreichungsform ☒ nur Rabattvertragsarzneimittel
☐ gleiche Packungsgröße

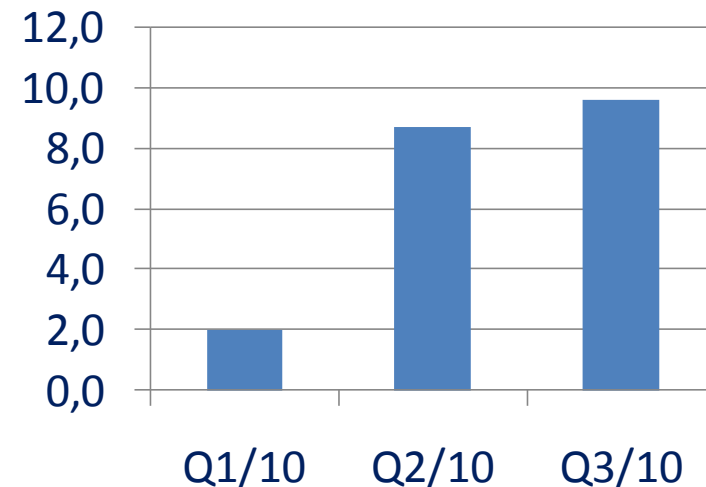
Alternativen

Arzneimittel	Wirkstoff	Menge	ME	NP	AVP	Hersteller	
✓ Ramipril - 1A-Pharma 5 mg Tabl	Ramipril	TAB	20	ST	N1	10,13	1A Pharma
✓ Ramipril AL 5mg Tabletten	Ramipril	TAB	20	ST	N1	10,13	Allud Pharma
✓ Ramipril beta 2.5mg	Ramipril	TAB	20	ST	N1	10,32	betapharm
✓ Ramipril - 1A-Pharma 2.5 mg Ta	Ramipril	TAB	20	ST	N1	10,33	1A Pharma
✓ Ramipril - 1A-Pharma 10 mg Tab	Ramipril	TAB	20	ST	N1	10,35	1A Pharma
✓ Ramipril AL 10mg Tabletten	Ramipril	TAB	20	ST	N1	10,35	Allud Pharma
✓ Ramipril beta 5mg	Ramipril	TAB	20	ST	N1	10,57	betapharm
✓ RAMIPRIL BASICS 5mg Filmtablet	Ramipril	FTA	20	ST	N1	10,60	Basics
✓ Ramipril beta 10mg	Ramipril	TAB	20	ST	N1	11,06	betapharm
✓ Ramipril - 1A-Pharma 2.5 mg Ta	Ramipril	TAB	50	ST	N2	11,22	1A Pharma
✓ Ramipril AL 2.5mg Tabletten	Ramipril	TAB	50	ST	N2	11,22	Allud Pharma
✓ Ramipril beta 2.5mg	Ramipril	TAB	50	ST	N2	11,23	betapharm
✓ Ramipril dura N 2.5mg Tablette	Ramipril	TAB	50	ST	N2	11,25	Mylan dura
✓ RAMIPRIL BASICS 2.5mg Filmtabl	Ramipril	FTA	50	ST	N2	11,29	Basics
✓ Ramipril - 1A-Pharma 2.5 mg Ta	Ramipril	TAB	100	ST	N3	11,35	1A Pharma
✓ Ramipril AL 2.5mg Tabletten	Ramipril	TAB	100	ST	N3	11,35	Allud Pharma
✓ Ramipril - 1A-Pharma 5 mg Tabl	Ramipril	TAB	50	ST	N2	11,90	1A Pharma

Anzahl Arzneimittel: 41

Smart Exchange reach

Millions of insured people in contracted health insurance companies



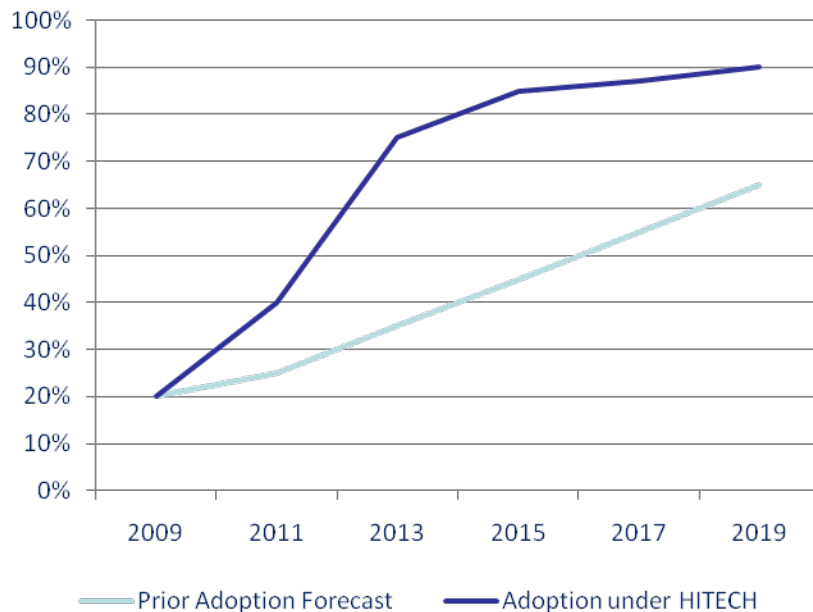
- The business model of Smart Exchange is based on a fixed and variable component
- Growing revenue within Workflow & Decision Support is expected in the coming period together with the expanding user community

United States HITECH opportunity

- The American Recovery and Reinvestment Act of 2009 (ARRA) signed into law by President Obama on February 17, 2009
- Up to US\$ 44,000 (Medicare) or US\$ 65,000 (Medicaid) in extra incentive payments over a five-year period will be available to physicians who demonstrate "meaningful use" of a certified EHR
- About 400,000 doctors expected to buy an EHR next 5 years (about US\$ 20 billion potential)

Estimated Physician EHR adoption curve

Source: CBO and Wall Street Research



Distribution of Physician practices by size

Source: American Medical Association and Morgan Keegan Estimates

Physicians	Practices	% of Practices	Total Docs	% of Docs
1-2	160,000	72%	200,000	32%
3-5	40,000	18%	160,000	26%
6-9	14,000	6%	100,000	16%
10-19	5,000	2%	80,000	13%
20+	3,000	1%	85,000	14%
Total	222,000	100%	625,000	100%

Visionary Healthcare acquisition

- Ranked #71 by Healthcare Informatics Magazine in 2009
- Customer base: 10,000 PMS/EHR doctors - 60,000+ physicians reach (including LIS, RCM and managed care consulting)
- 200 employees and offices in Tampa (HQ), Baltimore, and Irvine
- 2009 revenue \$28 million and EBITDA \$6 million
- ~80% of revenue is recurring or repeat: 55% recurring - 22% repeat
- Certified Electronic Health Record software
- “Best in Class” Laboratory Information System



Development in USA

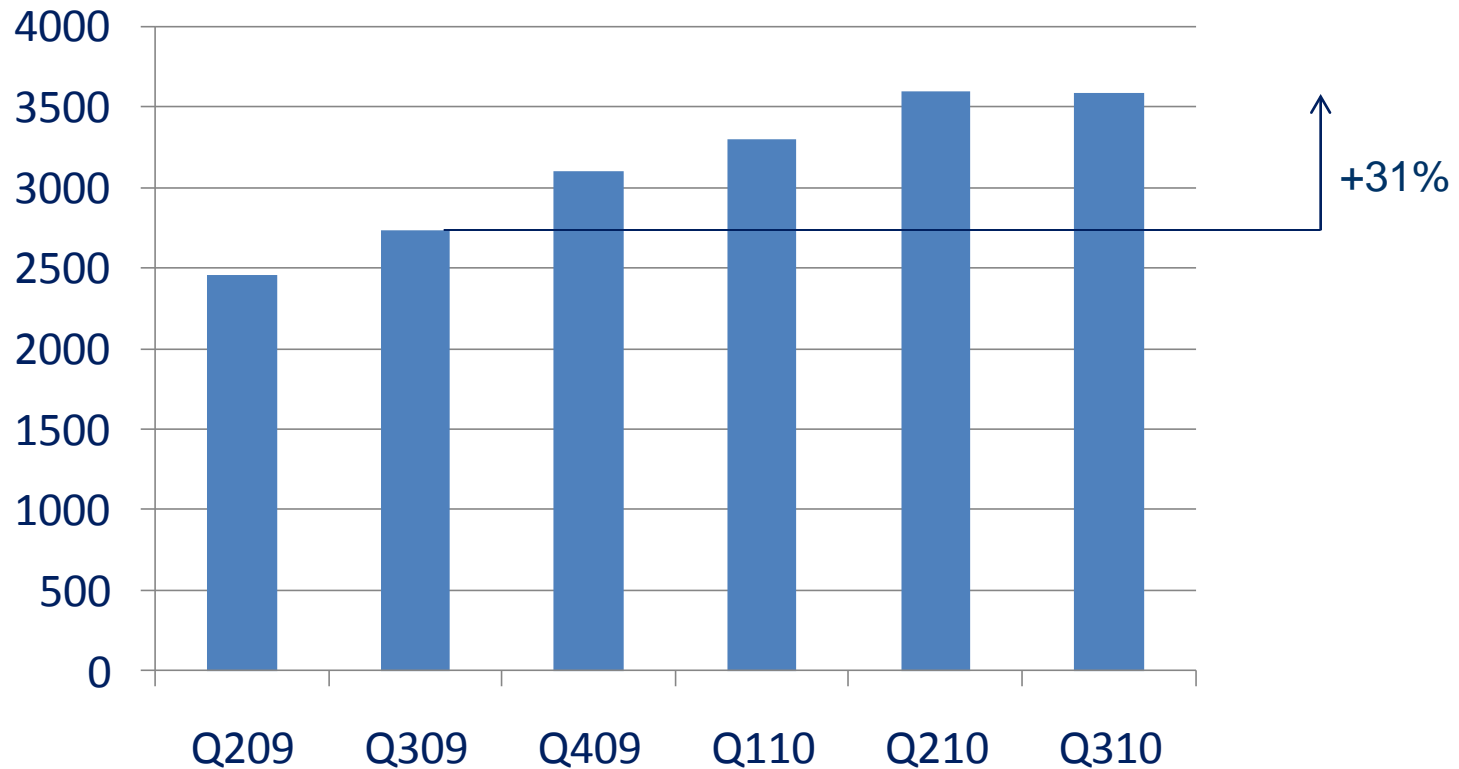


- CompuGroup is now an IT supplier to approximately 15,000 doctors through Noteworthy Medical Systems and Visionary Healthware
- Integration activities and ramp-up of sales efforts in Visionary Healthware is now on-going
- CompuGroup continues to develop with high year-on-year growth rates in the United States, but a more significant increase in business volume due to the HITECH act is now expected to shift into 2011



Noteworthy revenue development

(USD 000')





MEDICA 2010

a selection of new products and services

- **telemed.net – a communication standard for health care**

CGM's communication platform for health professionals

- **CGM Life eServices**

Web based communication between a doctor's practice and its patients

- **elat lab order entry and communication system^{EL}**

communication practice / laboratory

- **CGM Life pro / home**

Web based personal health record protected by vita-X technology

- **CGM Mobile**

Mobile applications for individuals and health professionals





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Medical

OUTLOOK

Outlook 2010

- **CompuGROUP offers the following guidance for 2010:**
 - Revenue is expected to be in the range of €315 million to €330 million, including revenue from Visionary Healthware
 - Operating income (EBITDA) is expected to be in the range of €67 million to €73 million
- **The outlook for 2010 represents management's best estimate of the market conditions that will exist in 2010 and how the business segments of CompuGROUP will perform in this environment**
- **The guidance does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2010**

Financial calendar 2011

February 4, 2011	Preliminary fourth quarter / full year report 2010
March 24, 2011	Audited fourth quarter / full year report 2010
May 4, 2011	First quarter 2011 report
May 11, 2011	Annual General Meeting, Koblenz
August 11, 2011	Second quarter 2011 report
November 16, 2011	Third quarter 2011 report (Medica, Düsseldorf)

Q&A session



- If you would like to raise questions, please press ***1** on your telephone



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