Synchronizing Healthcare

2nd quarter 2011 – Conference Call

Christian B. Teig, CFO
11 August, 2011

Key figures second quarter 2011

€ M	Q2 11	Q2 10	Change	2010
Revenue	87.8	76.7	14%	312.4
EBITDA	10.4	15.8	-34%	67.0
EBIT	2.6	7.6		33.1
EBT	-0.6	5.8		26.4
Net income	-1.5	4.0		16.6
EPS (€)	-0.03	0.08		0.33
Adjusted EBITDA*	18.2	15.8	15%	67.0
Cash net income**	3.9	10.1		41.9
Cash net income per share (€)	0.08	0.20		0.83

* Adjusted EBITDA: EBITDA excluding one-off Lauer-Fischer acquisition costs and applying the post restructuring cost base in the US for 2011

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

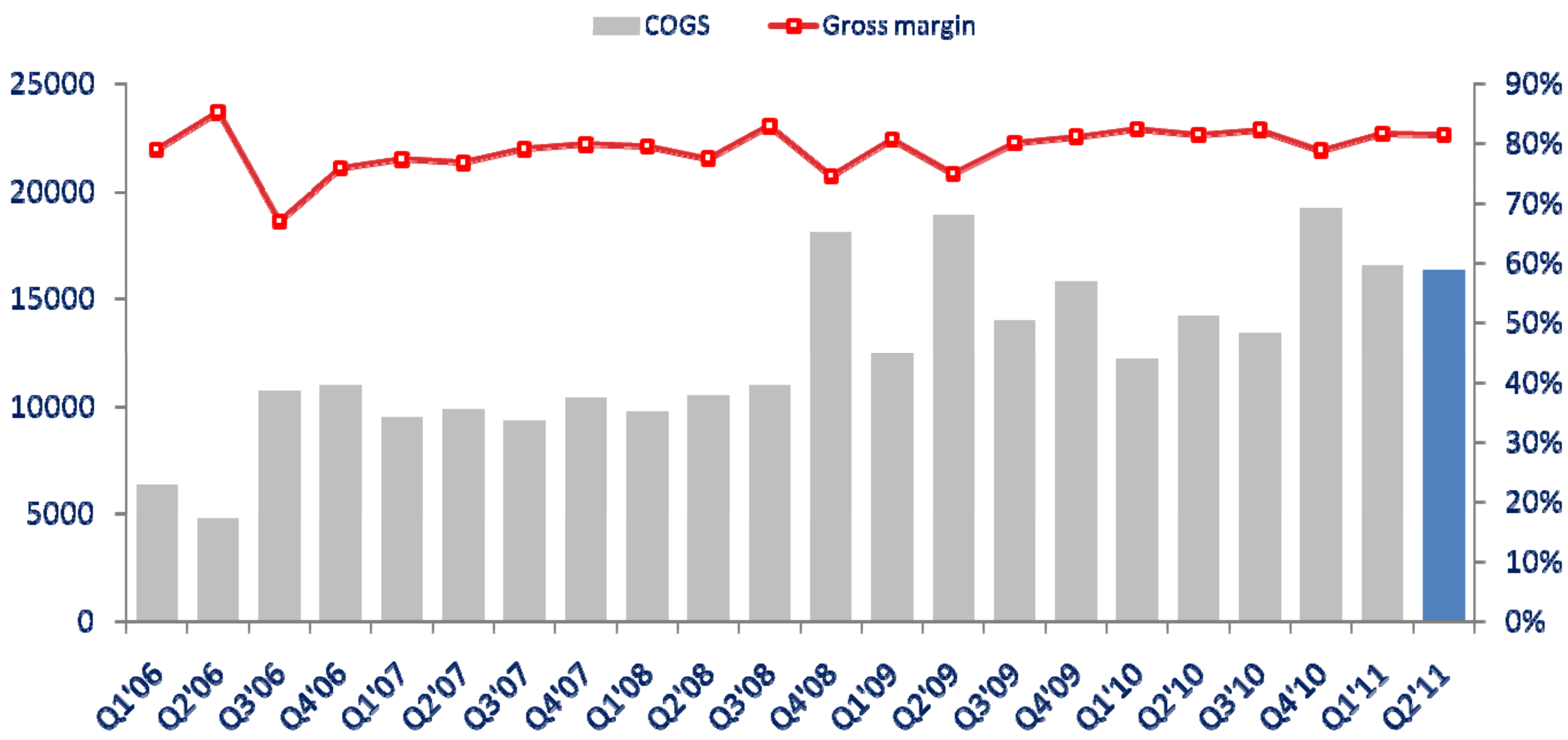
Special effects Q2 2011

- **Lauer-Fischer transaction expense**
  - In June, CGM entered the market for pharmacy information systems by acquiring Lauer-Fischer GmbH, one of the market leaders in Germany
  - M&A process has been on and off since 2007 with multiple advisors and mandates
  - 5 m€ transaction expense paid and charged to the Group P&L in Q2 2011

- **Consolidation and restructuring in the US**
  - After the now completed restructuring, the US cost base in the second half of 2011 is approximately EUR 5 million lower compared to the first half of 2011

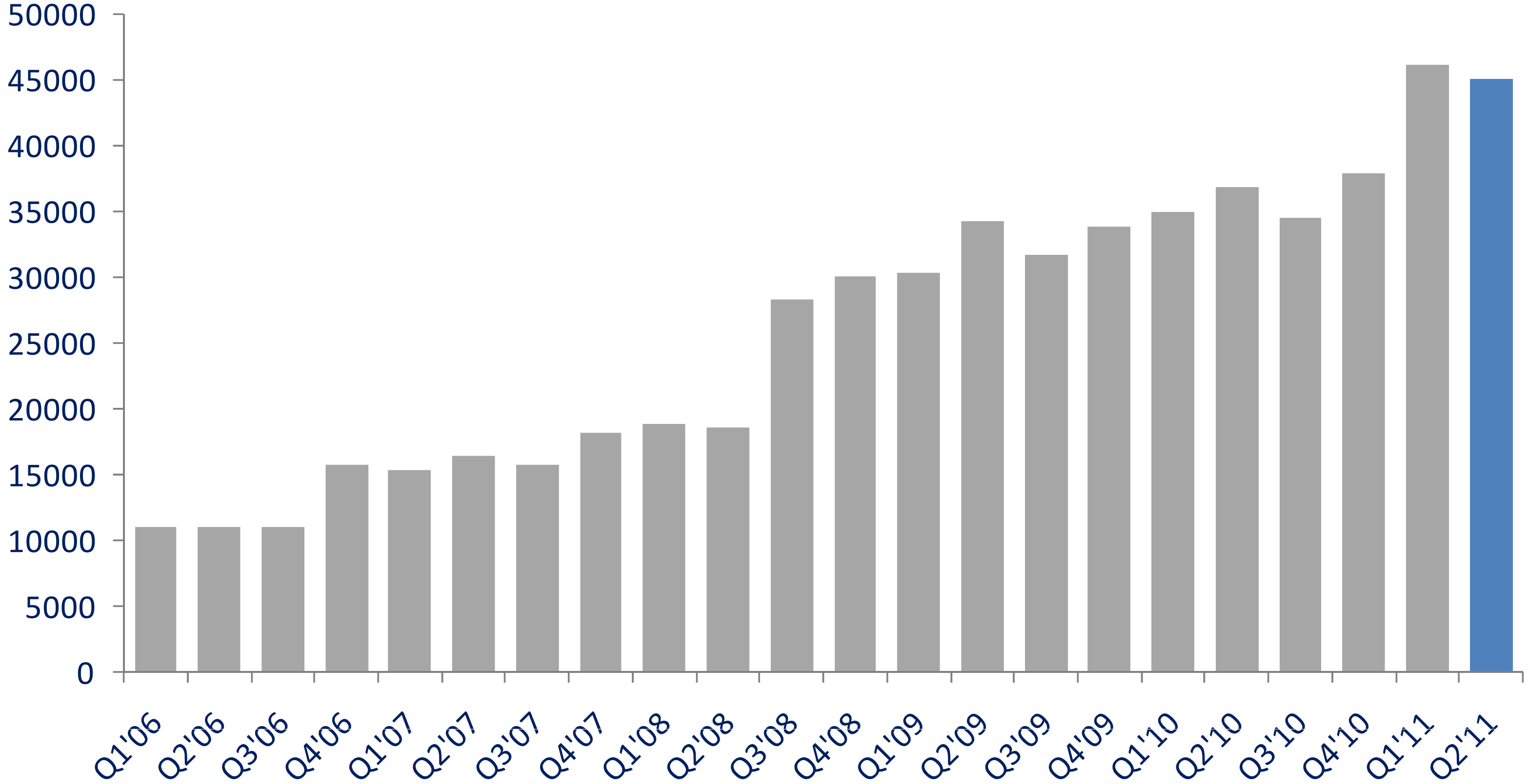
COGS and gross margin

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



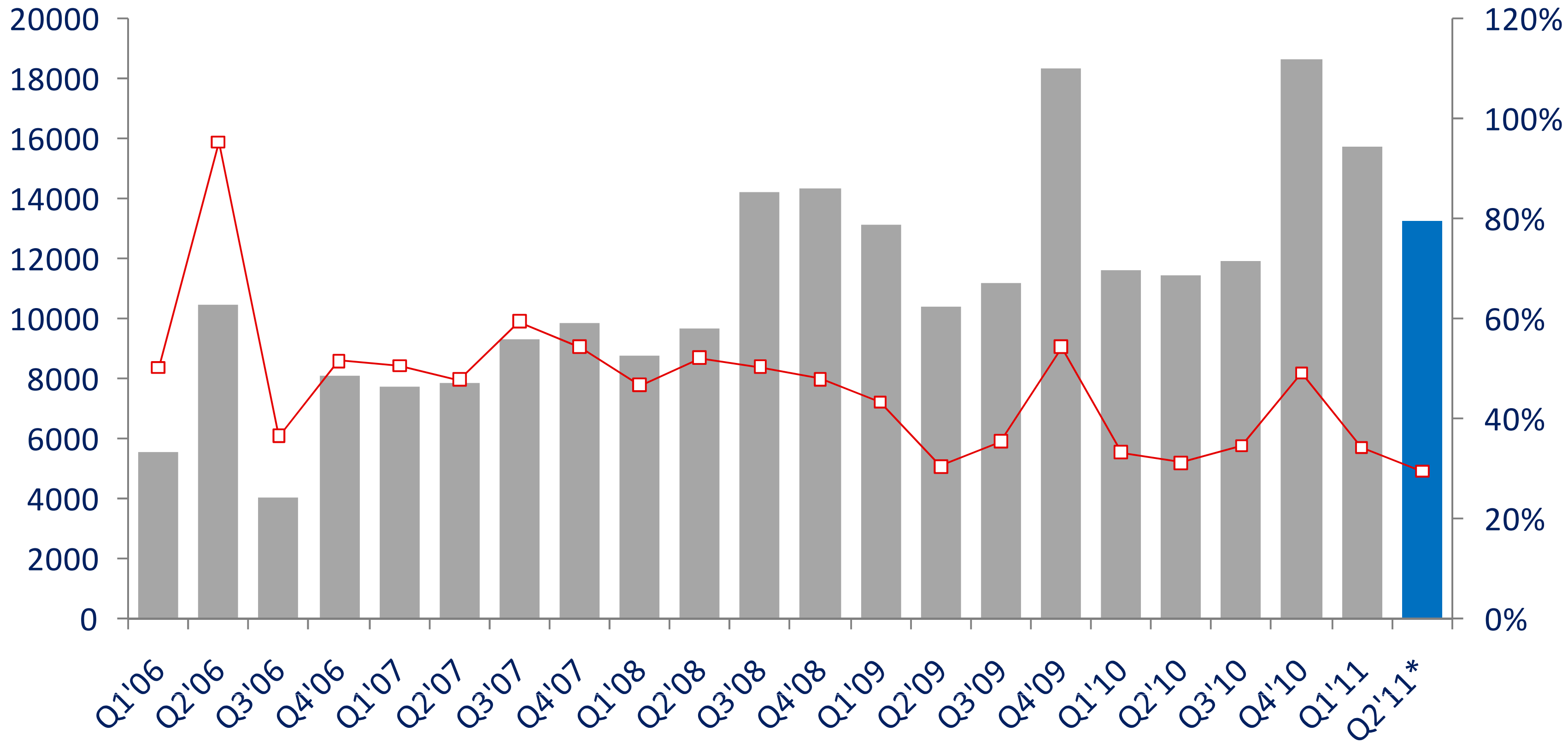
Personnel expenses

€ ’000



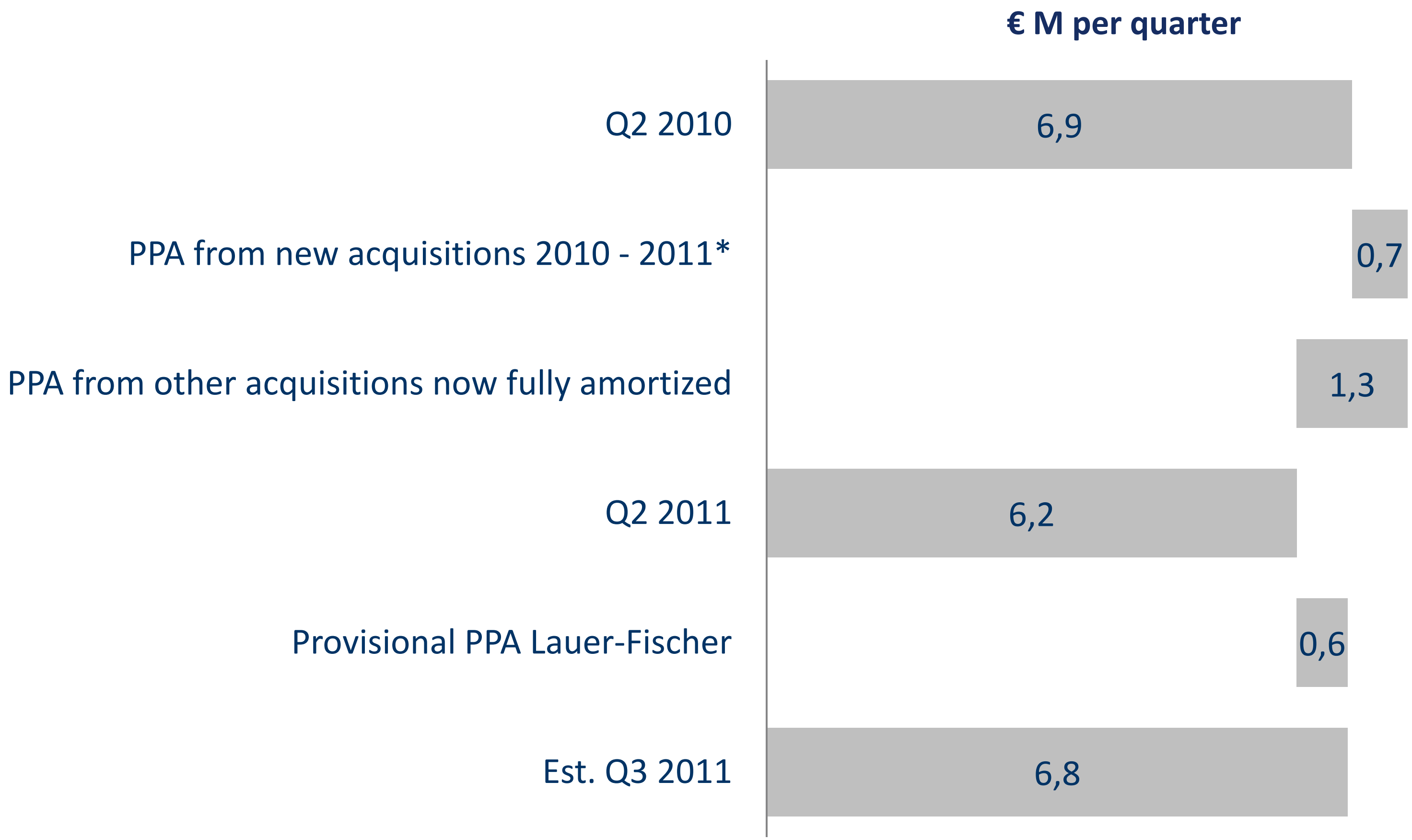
Other expenses

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



* Excluding one-off Lauer-Fischer acquisition costs

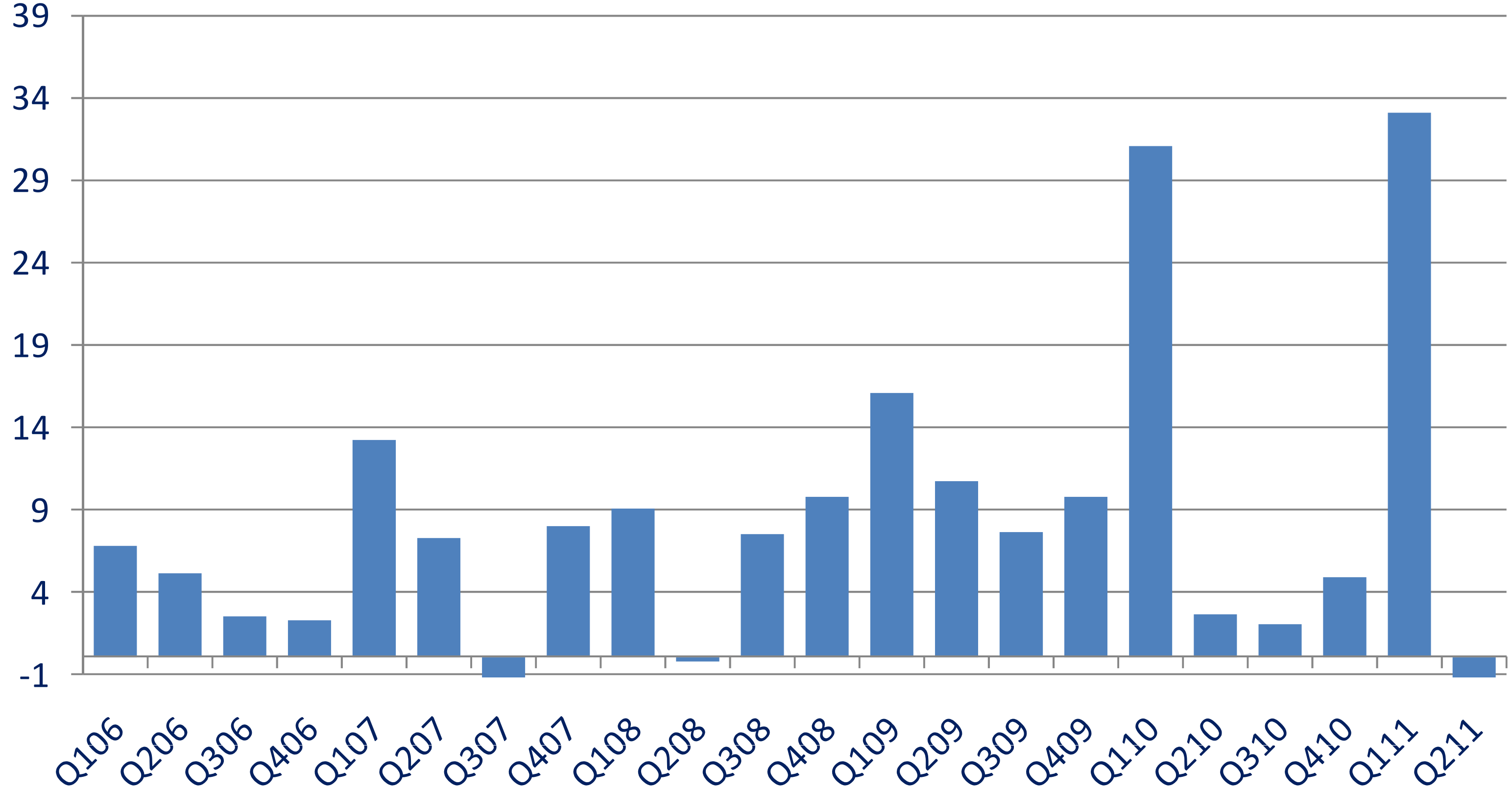
Amortization



*** Including settlement of the earn-out and finalization of the purchase price allocation of Visionary Healthware**

Operating cash flow

€ M

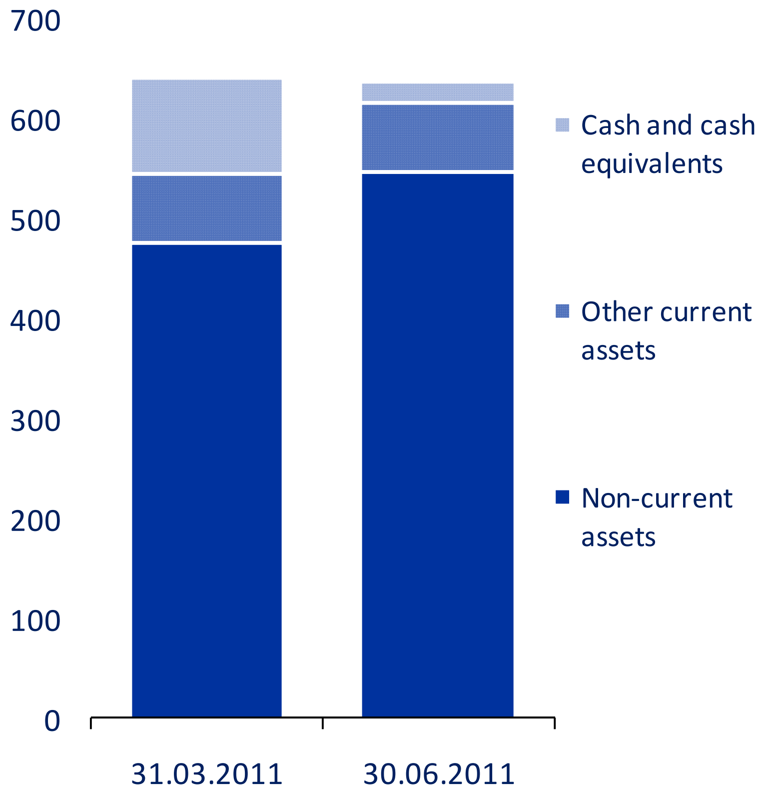


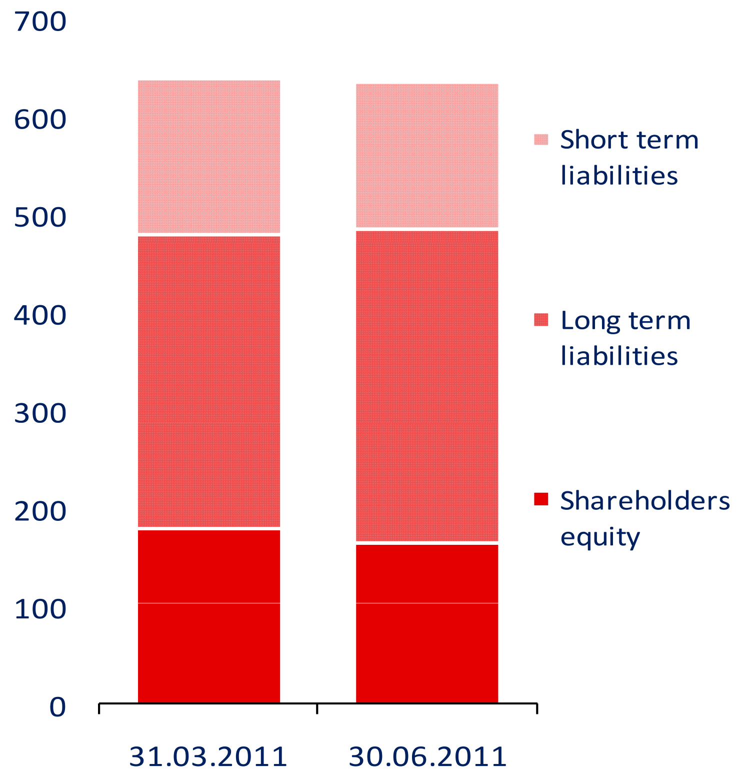
Capital expenditure

€ M	Q2 2011
Acquisition of Lauer-Fischer (Germany)	51.6
Capitalized in-house services and other intangible assets	2.2
Office buildings and property	1.5
Other property and equipment	1.0
Purchase of minority interest (earn-out Visionary)	6.0
Sum	62.4

Statement of financial position

€ M

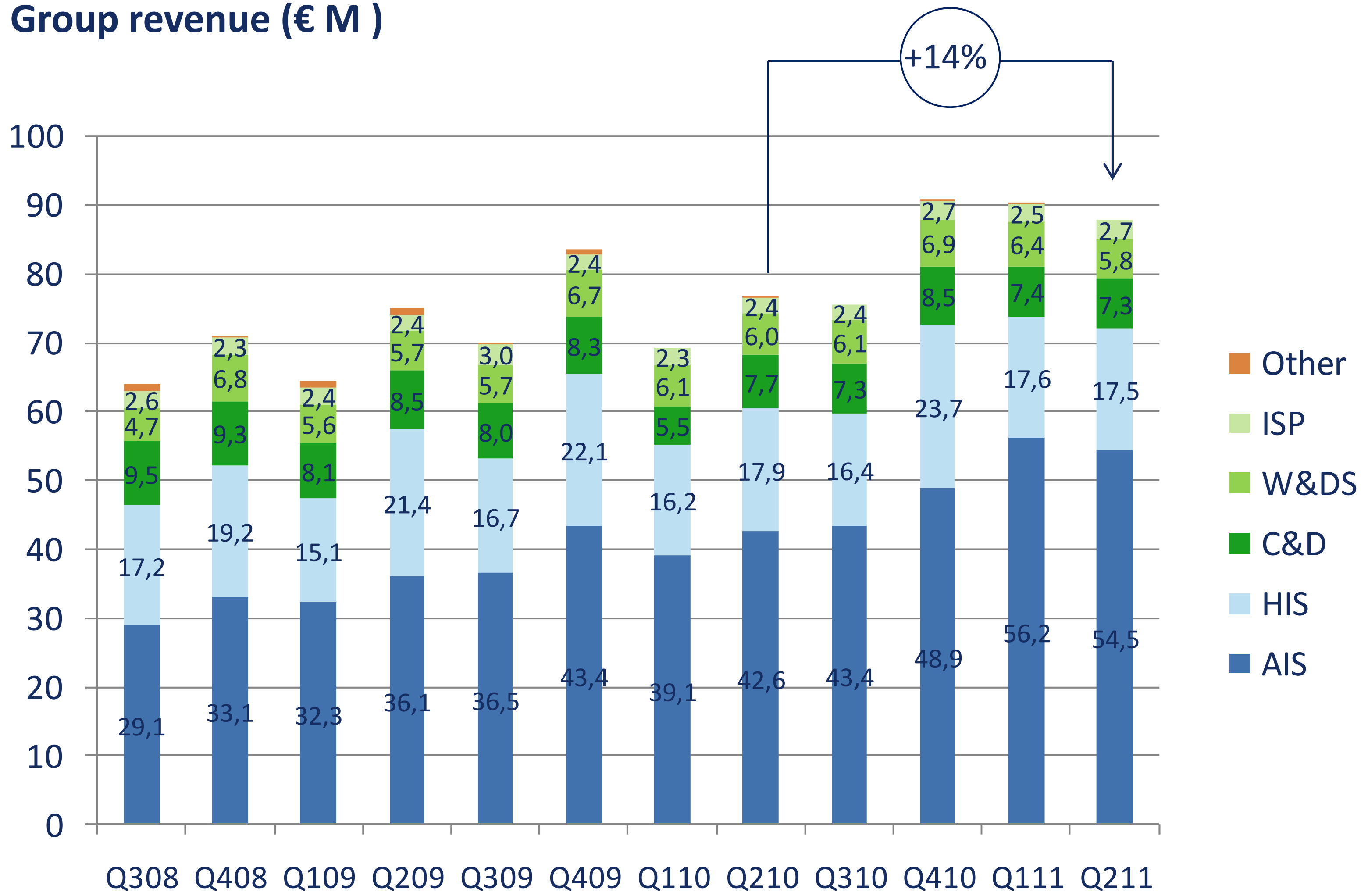




Sequential revenue development

CompuGroup Medical

Group revenue (€ M)



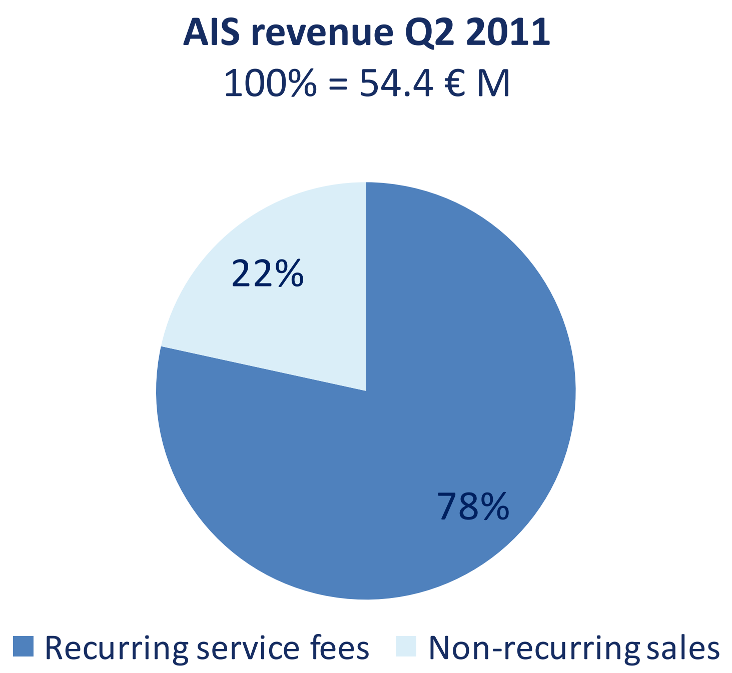
HPS acquisitions

	Revenue Q2 2011 (m€)	Sub-segment
Innomed*	-1.4	AIS
HCS	0.5	HIS
Belgiedata	0.2	AIS
Visionary	3.9	AIS
Healthport	3.6	AIS
Ascon / Euroned	3.2	AIS
Parametrix	1.1	HIS
Lorensbergs	0.8	AIS
SUM	11.9	

* Reversal of Q1 to Q2 shift in 2010

AIS development

	€ M	%
Revenue Q2 2010	42.6	
Acquisitions	10.3	24%
Organic growth	1.5	4%
Revenue Q2 2011	54.4	28%

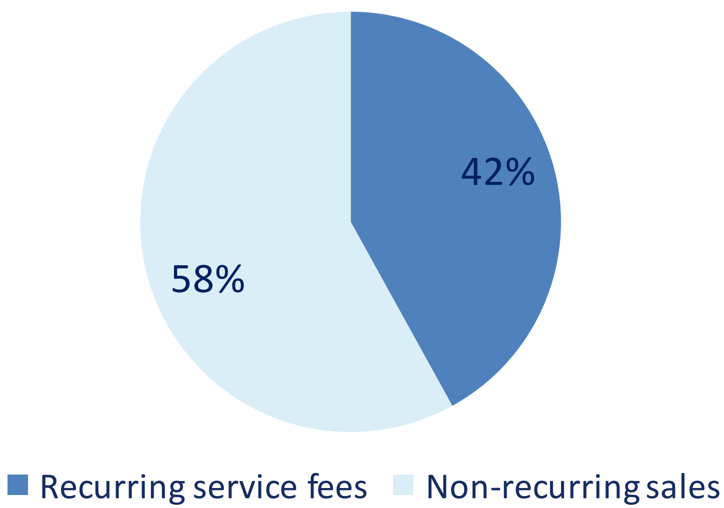


- **Organic growth is 4 percent**
- **The organic growth primarily comes from new value-added products and services sold to existing customers.**

HIS development

	€ M	%
Revenue Q2 2010	17.9	
Acquisitions / disposals	1.6	9%
Organic growth	-2.0	-11%
Revenue Q2 2011	17.5	-2%

HIS revenue Q1 2011
100% = 17.5 € M



- **Several implementation projects were temporarily suspended by customers in Austria undergoing structural reforms during the second quarter**
- **A slowdown in hospital IT spending in Eastern European markets was experienced during the quarter.**

Hospitals reforms in Austria

CGM CompuGroup Medical

- “Spitalsreform 2030” in Vienna. KAV-Impuls project planned end is extended to 2014
- Healthcare reform for all hospitals in Upper Austria region. IT-projects are mostly stopped during the discussion of the reform
- Upper Austria and Lower Austria region have decided to cooperate within their IT-departments. In meantime a number of small and medium sized IT-projects are on hold

Spitäler: Kooperation über Ländergrenzen

LINZ. Die Landeskrankenanstalten von Oberösterreich und Niederösterreich rücken näher zusammen: Im IT-Bereich sowie bei der Großgeräte-Nutzung wurden Kooperationen vereinbart.

Es sei ein kleiner Vorgriff auf die Spitalsreform, merkte Landeshauptmann Josef Pühringer (VP) an. Was im Land zwischen einzelnen Spitalsstandorten geplant ist – nämlich mehr Kooperationen –, finde auch länderübergreifend statt.

Weshalb die niederösterreichischen Kliniken Amstetten, Amstetten-Mauer und Waidhofen/Ybbs künftig mit der Landes-Nervenklinik Wagner-Jauregg in Linz zusammenarbeiten – und zwar bei Untersuchungen mittels Positronen-Emissions-Tomographen (PET-CT). Ein solches Gerät, das insbesondere bei Krebsuntersuchungen eingesetzt wird, steht zwar auch im Landesklinikum St. Pölten. Dort gab es aber zuletzt Engpässe.

Auslastung sichergestellt

Statt in einen zweiten PET-CT zu investieren, der nicht voll ausgelastet wäre, habe man sich für die Kooperation mit Oberösterreich entschieden, sagt der zuständige nö. LH-Stellvertreter Wolfgang Sobotka (VP). Niederösterreich erspare sich dadurch allein Anschaffungskosten in der Höhe von zwei Millionen Euro. Durch die Zusammenarbeit mit den Mostviertel-Kliniken wird die Anzahl der PET-CT-Untersuchungen im Wagner-Jauregg von derzeit rund 1200 auf 1600 pro Jahr steigen.

…oberösterreichische Landesspitalsgesellschaft gespag und die …linikenholding auch im IT-Bereich. Die Niederösterreicher, …etlicher Gemeindespitäler Ausbaubedarf haben, werden …T-Abteilung der gespag zukaufen.

…hem und im IT-Bereich ein höherer Deckungsbeitrag soll …Euro pro Jahr einbringen.

…ubau der niederösterreichischen Spitäler Mödling und Baden – …entfernt – verteidigte der in Niederösterreich für Spitäler …den schon bisher bestehenden Standorte stünden unter einer …eigene Schwerpunkte. Es gebe also keine Doppelgleisigkeiten. …brächte kaum Einsparungen.

Kaiserin-Elisabeth-Spital wird bis 2015 Pflegehaus.

POLITIK

Wien reduziert Zahl der Spitäler

Eine Konzentration auf sieben Schwerpunktkrankenhäuser sieht die V… Gesundheitsstadträtin Sonja Wehsely (… präsentierte Spitalsreform vor. Das Ka… Elisabeth-Spital wird zu einem Pflege…

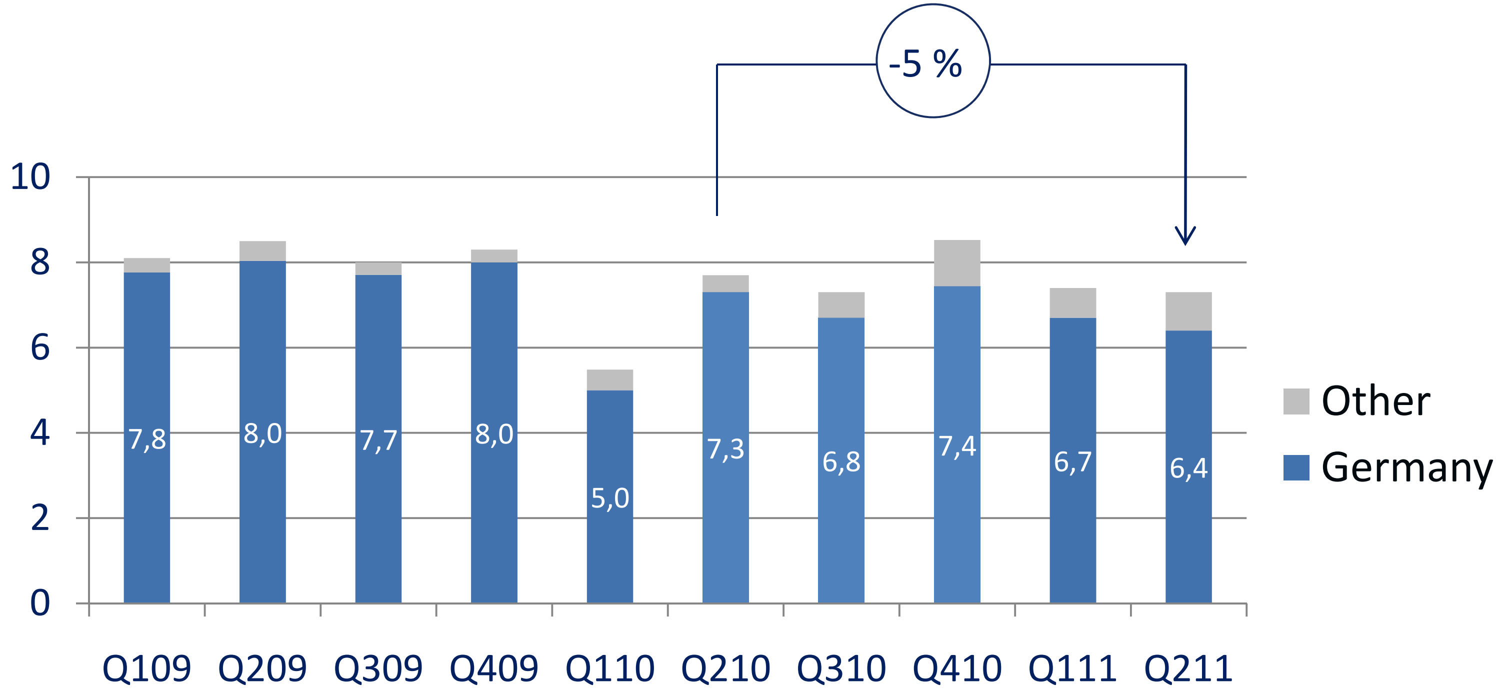
Sieben Standorte mit Schwerpun…

Die sieben zentralen Standorte des Krankenanstaltenverbundes sind da… Hietzing, das Kaiser-Franz-Josef-Sp… Wilhelminenspital mit dem mitgefü… Wagner Spital, die Rudolfstiftung, das neue Krankenhaus Nord, das Donauspital und das AKH.

Spitalsreform: Sparplan

Communication & Data development

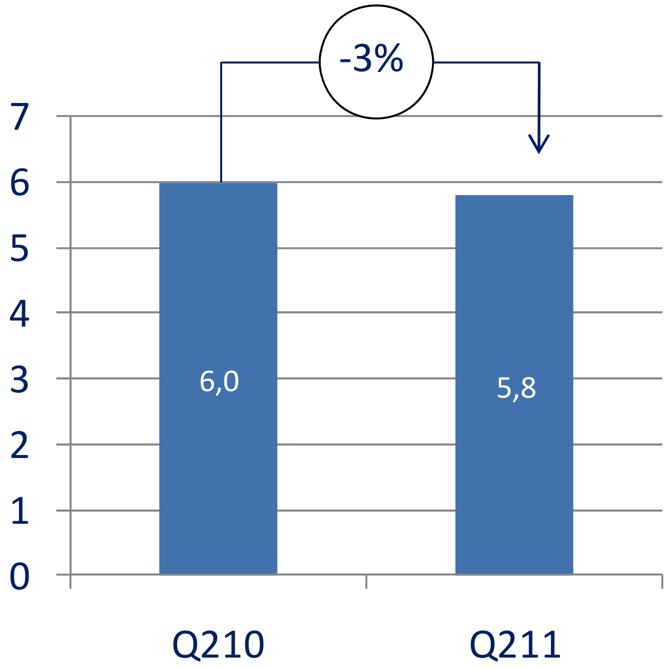
Communication & Data revenue (€ M)



- **Special shifts of revenue between Q1 and Q2 last year. Year-on-year growth rate H1 2010 to H2 2011 is 12 percent**
- **CompuGroup expects Communication & Data revenue to increase in 2011 relative to 2010**

Workflow & Decision Support development

Workflow & Decision Support revenue (€ M)



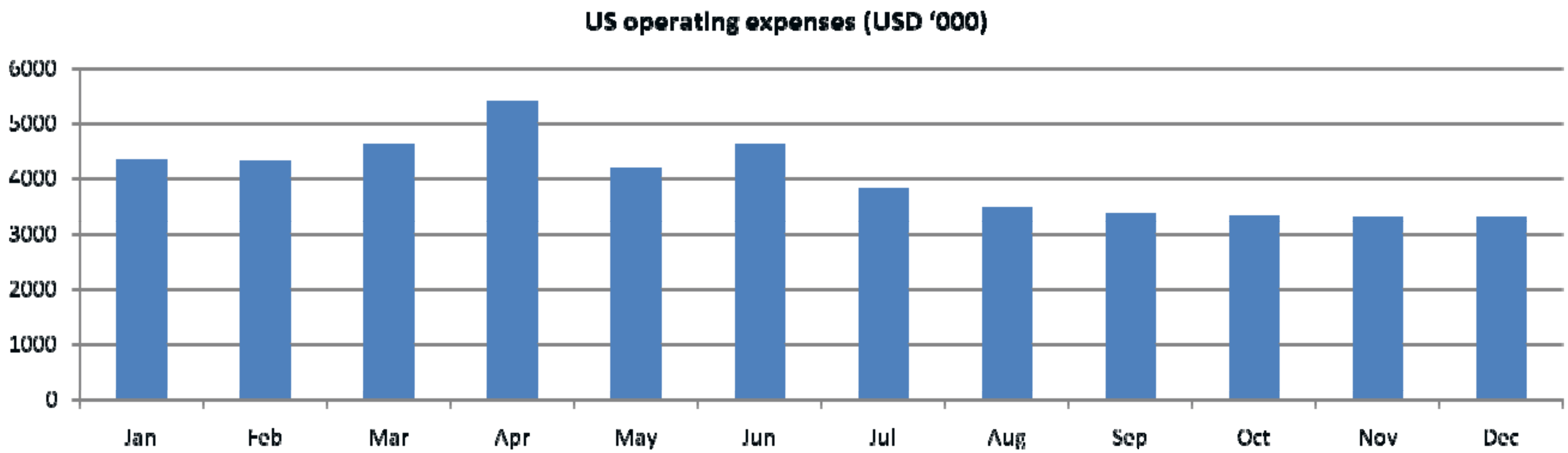
- Growth in products and services to health insurance companies in Germany continues at a slow pace.
- The work to evaluate the effects of smart-Xchange w.r.t. the variable component was completed during the second quarter of 2011 and has led CGM to not recognize further revenue from the smart-Xchange contracts.
- Within diabetes care management, there are no significant new developments during the second quarter of 2011.

US development - first six months 2011

- **CGM has recently acquired 3 companies the US**
  - Noteworthy Medical Systems (02/09)
  - Visionary Healthware (09/10)
  - HealthPort Solutions division (01/11)
- **CGM now serves approximately 18,000 US doctors with software for practice management systems, electronic medical records and related services**
- **For the US business, it has been a challenging start to 2011 with lower revenue and lower operational efficiency in the acquired companies than expected.**
  - US revenue was EUR 20.4 million (USD 28.5 million) in the first half of 2011
  - EBITDA was EUR -3.8 million (USD –5.0 million)
- **Restructuring in the US was completed during the second quarter of 2011 and Management was also changed with Henrik Crüger as new Senior Vice President for North America. Henrik Crüger has successfully managed the North Europe region for CGM during the last 3 years**

US projections – second half 2011

- CGM is confident that the measures implemented in the United States have created the basis for a strong, profitable and growing business in this market
- The cost base in the second half of 2011 is approximately EUR 5 million lower compared to the first half of 2011 (including restructuring costs)
- Despite the general availability of Meaningful Use products ready for implementation and increasing awareness and demand from doctors related to the HITECH stimulus, the expected growth in system sales and implementation services in the US throughout the rest of 2011 is expected to be modest.



Transaction details Lauer-Fischer

- **75% of shares acquired**
  - Cash payment 52.5 m€ drawn from existing credit facility
  - Put and call options for remaining 25% (fixed price 20 m€)
- **Closing date = 22.06.2011**
  - Lauer-Fischer balance sheet and preliminary PPA included in Group balance sheet 30.06.2011
  - P&L consolidation begins 01.07.2011
- **Transaction expenses**
  - M&A process has been on and off since 2007 with multiple advisors and mandates
  - 5 m€ transaction expense was paid and charged to the Group P&L in Q2 2011

Lauer-Fischer company information

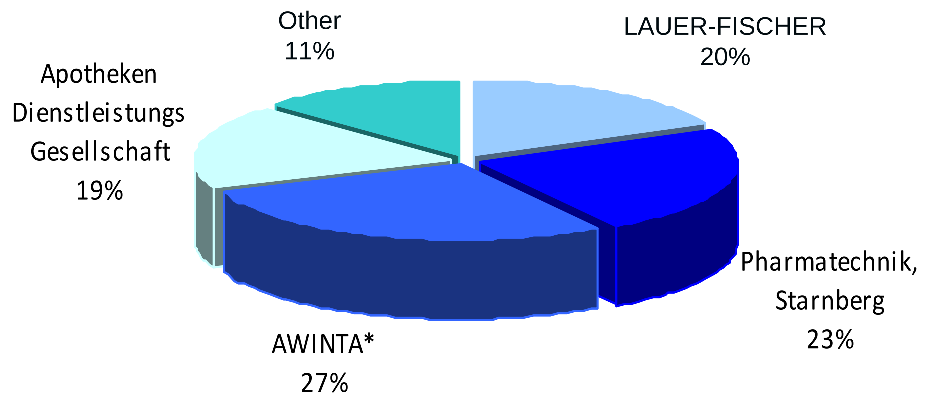
Company name	LAUER-FISCHER GmbH
Parent company	ARZ-Holdinggesellschaft für die Warenwirtschaft mbH (HfW) (ARZ Haan AG), 100 %
Products	• Development and distribution of software for pharmacies and related services • Development of online drug database
Location	• Headoffice: Fürth, Germany • 17 branch offices in Germany
Registered capital ('000 €)	512
Customers	Approx. 4,000 pharmacies
Employees	470
Website	www.lauer-fischer.de

Revenue and earnings development

€ '000	2007	2008	2009	2010
Revenue	**46,786**	**46,024**	**46,636**	**49,805**
of which long-term contracts	29,132	29,565	30,401	31,461
Gross revenue	40,560	40,480	41,253	43,591
Other income	1,182	1,386	1,356	1,447
Total gross revenue	**41,742**	**41,866**	**42,609**	**45,038**
Expenses	32,416	33,178	33,653	35,276
of which personnel expenses	69.0%	68.3%	70.2%	70.2%
EBITDA	**8,144**	**7,302**	**8,956**	**9,762**
Amortization and depreciation	4,720	4,385	4,426	4,245
Income from associated companies	-877	-	-	710
Financial and non-operating result	214	-142	-137	-72
EBIT	**3,943**	**4,161**	**4,393**	**6,155**

Lauer-Fischer market position

German pharmacy software - market share distribution

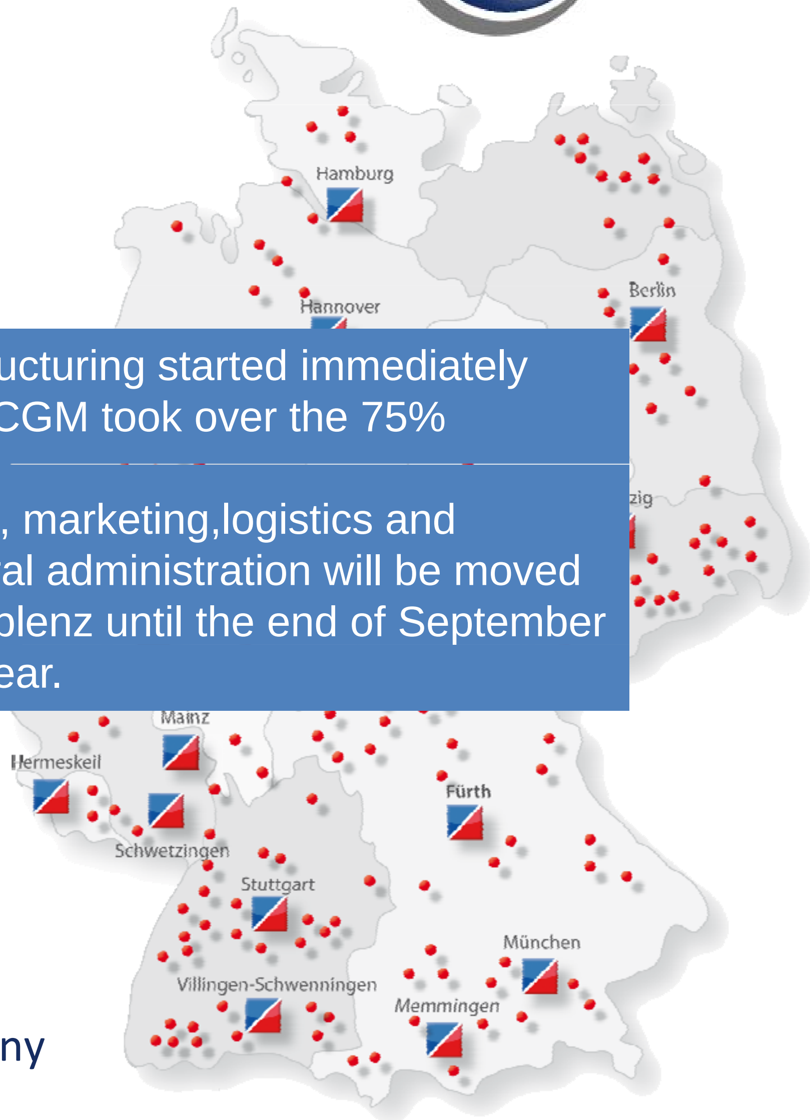


* Created through the merger of Promedisoft and VSA in 2009

- **Focus on innovation, market proximity and service strength ensure Lauer-Fischer's competitive advantage in the market**
- **High customer satisfaction regarding product functionality and services**
- **LAUER-FISCHER successfully identifies industry challenges, e.g. by integrating rebate contracts into WINAPO software and offering WINAPO DosiCare, an innovative solution for blister-packed drugs**

First stage operational synergies

- **Headquarters**
  - Fürth
  - Software Development, Logistics, Business Administration
  - ~250 employees
- **Service-Centers**
  - Fürth and Haan (near Düsseldorf)
  - Hotline, First-Level-Support
  - ~ 50 employees
- **Service-Network**
  - Sales, Maintenance, Training
  - 17 subsidiaries
  - ~170 employees
- **> 200 reference customers** all over Germany (red dots)



Restructuring started immediately after CGM took over the 75%

Sales, marketing,logistics and general administration will be moved to Koblenz until the end of September this year.

Segmentation under review

Health Provider Services (HPS)	Health Connectivity Services (HCS)	Consumer Health Services (CHS)
•Ambulatory Inf. Systems •Hospital Inf. Systems •Pharmacy Inf. Systems	•Communication & Data •Workflow & Decision Support •ISP	•CGM Life
~85% of pro-forma revenue	~15% of pro-forma revenue	No significant revenue

OUTLOOK

Outlook 2011

- **Including all effects of the Lauer-Fischer acquisition, CompuGroup Medical adjusts the full year 2011 guidance to:**
  - Revenue is expected to be in the range of €400 million to €410 million
  - Operating income (EBITDA) is expected to be in the range of €75 million to €81 million
- **The outlook for 2011 represents management's best estimate of the market conditions that will exist in 2011 and how the business segments of CompuGroup Medical will perform in this environment**
- **The guidance does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2011**

Financial calendar 2011

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

CompuGroup Medical AG
Investor Relations
Maria Trost 21
56070 Koblenz
www.cgm.com

Phone: +49 (261) 8000-6200
Email: investor@cgm.com