CompuGroup Medical SE

Financial Report
1 January – 31 March 2019

Synchronizing Healthcare

CompuGroup Medical

Content

Key Events and Figures

+ First quarter revenue of EUR 175.2 million, corresponding to 2 percent organic growth
+ 14 percent growth in recurring revenue, driven especially by new subscription revenue in the AIS segment
+ Operating profit (EBITDA) of EUR 49.9 million, up from EUR 38.8 million in the same period last year
+ Operating margin of 28 percent, five percentage points higher than last year
+ One percentage point margin improvement in operating performance, four percentage points improvement from the new IFRS 16 standard and other special effects in the quarter
+ Operating cash flow of EUR 68,9 million, up from EUR 50.7 million year
+ Cash net income of EUR 30.3 million and cash net income per share of EUR 0,61
+ Strong overall performance in the quarter with pharmacy, hospital and HCS segments ahead of plan
+ The roll-out of the Telematics Infrastructure in Germany proceeds according to plan with accumulated 52,500 orders and 46,000 delivered installations by the end of the first quarter
+ 2019 guidance reaffirmed

EUR `000	01.01.-31.03.2019	01.01.-31.03.2018	Change
Revenue	175,214	165,961	6%
EBITDA	49,924	38,854	28%
Margin	28%	23%	
EPS (EUR)	0.48	0.34	
Cash net income (EUR)*	30,313	24,284	
Cash net income per share (EUR)	0.61	0.49	24%
Cash flow from operating activities	68,920	50,677	
Cash flow from investing activities	–34,749	–5,699	
of which equity acquisitions	–22,650	0	
Number of shares outstanding ('000)	48,828	49,724	
Net debt	272,938	278,046	

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

Management Report

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. With headquarters in Germany (Koblenz), the company has a wide and global reach with offices in 19 countries and installations in 56 countries worldwide. Approximately 5,000 highly qualified employees support customers with innovative solutions for the steady growing demands of the healthcare system.

COURSE OF BUSINESS

The following sections describe the main operational developments during the first quarter of 2019.

Ambulatory Information Systems (AIS)

The doctor and dental software business started the year with 4 percent growth in the first quarter of 2019. As expected, this represents a plus-minus flat organic revenue trend, coming from fewer installations and less revenue from the TI rollout, offset by normal organic growth in the rest of the business.

The significant growth in subscriptions for TI-access services over the last 12 months drove 19 percent year-on-year growth in recurring revenue in the AIS segment.

Telematics Infrastructure (TI), Germany

In November 2018, the deadline for financial sanctions towards doctors and dentists who have not connected to the TI and do not use master data management services (VSDM) was changed. The new deadline for installation and the start of VSDM is now June 30, 2019. It remains a requirement that the practice owners must have ordered a TI connection by March 31, 2019 and signed a contract by then. Despite sanctions, some doctors and dentists may choose to order and/or do their TI installation after the official deadline.

Sales and installation activities have continued according to plan during the first quarter, and as of March 31, 2019, CGM had accumulated approximately 52,500 orders for the CGM connection package, of which over 46,000 were delivered. Out of the 52,500 orders, about 38,500 are from existing CGM primary software customers and 14,000 from the rest of the German market.

Acquisition of AIS sales and service partners, Germany

In January 2019, CGM acquired 95 percent of the business of CoSi Medical IT GmbH (CoSi) through an asset deal. CoSi is a sales and service partner specializing in a CGM product line and supporting and selling medical practices in their region. The company is headquartered in Sigmaringen and has a branch in Eching near Munich. Currently, around 1,000 medical practices are serviced in Baden-Württemberg and Bavaria. Also in January 2019, CGM increased its stake in the sales and service partner Gotthardt Informationssysteme GmbH (GIS) from 28 percent to 100 percent by acquiring all remaining shares. The company has a total of 200 employees and its headquarters in Koblenz with 12 branches in Germany. Currently, more than 6,000 medical practices are being cared for by GIS.

Acquisition of Qualizorg B.V., The Netherlands

In February 2019, CGM acquired 100 percent of the shares in Qualizorg B.V. (Qualizorg) with registered office in Deventer, the Netherlands. The company is active as an online service provider, collecting information on behalf of healthcare providers through surveys/questionnaires from patients on a standardized and validated basis for the acquisition, administration and reporting of Patient Reported Experience Measurements (PREMs) and Patient Reported Outcome Measurements (PROMs) in primary healthcare.

Pharmacy Information Systems (PCS)

The pharmacy software business started the year with 5 percent organic growth in the first quarter 2019. This is better than expected after the exceptional growth in 2018 which was partially driven by special Italian tax incentives that have now been discontinued. So far in 2019, both the German and Italian markets are developing positively with well-established products and services, as well as additional opportunities related to the new securPharm EU directive.

A consistent business model and revenue mix over the last 12 months drove 5 percent year-on-year growth in recurring revenue in the PCS segment.

Telematics Infrastructure in German pharmacies

The field test for the introduction of Telematics Infrastructure (TI) in German pharmacies started in March 2019. For this purpose, CGM already in 2018 recruited the required number of pilot customers and equipped 16 pharmacies in the district of Westphalia-Lippe with the associated technology to support the customer trials. Insured person's master data (VSDM), emergency data (NFDM), and the eMedication plan (eMP) are the first applications that pharmacists will be able to access after the introduction of the TI. The nationwide rollout of the TI for pharmacies in Germany is expected to start in the second half of 2019. A financing agreement for pharmacies, similar to the one available for doctors and dentists, was agreed and signed in December 2018. Pharmacies require a connector offering NFDM and eMP services.

Pharmacy customers ready for securPharm
The risk of falsified medicines is growing on a global scale. As a result, the European Union has stipulated a catalogue of measures in Directive 2011/62/EU to prevent falsified medicines from entering the supply chain. The German legislature has transposed this directive into national law and from February 2019, nearly every prescription medicine packet and some OTC packets needs to be electronically inspected prior to sale to identify counterfeit medicines. For this purpose, the two-dimensional code (DataMatrix code) of the packages is read out and sent to the securPharm server. The pharmacies will then immediately receive feedback on whether the drug may be dispensed. As one of the first software houses in Germany, CGM already in 2018 rolled out the new functions for securPharm to all users. In this software update, all routines were included in order to carry out the legally required security checks by February 2019.

Acquisition of the assets of Eurosof 2000 S.L.U., Spain
In terms of further business development, the Spanish pharmacy software market is a focus area in 2019 based on the initial position taken through the acquisition of two smaller market players OWL Computer in 2016 and Farmages in 2017. In April 2019, CGM acquired the business operations of Eurosof2000 S.L.U. (Eurosof) as part of a business combination by transferring the net assets (asset deal). Eurosof 2000 is a pharmacy software company based in Badajoz, the capital of the Extremadura region in south-eastern Spain. The Farmalog software from Eurosof currently runs in 390 pharmacies and the Farmalog e-prescription module is already approved and used in pharmacies in four Spanish regions.

Hospital Information Systems (HIS)

The HIS-segment started the year with 10 percent year-on-year organic growth in the first quarter 2019. This is better than expected and is driven by strong overall performance in the DACH-region and a rebound in the hospital market in Poland. There have also been special revenue opportunities with hospital pharmacies related to securPharm.

Significant growth in Reha beds in Germany during 2018 (+5% market share gain) drove 8 percent year-on-year growth in recurring revenue in the HIS segment.

CGM CLINICAL at DMEA 2019
From 9 to 11 April 2019, DMEA (formerly "conhIT"), Europe's leading trade fair for health IT, took place for the first time under a new name at the usual location (Messe Berlin). Around 10,800 visitors, 570 exhibitors and 350 speakers took advantage of the 12th edition of the successful exhibition format. The focus of the exhibition for CGM was again the new Hospital Information System "CGM CLINICAL". Based on the successful trade fair appearances of the last two years, CGM presented valuable new features in already established CGM CLINICAL applications such as the fever curve, medication and care management. The new Operating Theatre management software was a particular focus of many visitors.

Telematics Infrastructure financing available for German hospitals
In September 2018, a financing agreement became available also for hospitals with over EUR 400 million available for hospitals to cover investments in card terminals, connectors and the necessary digital certificates as well as the required changes to hospital software, infrastructure and operating concepts that accompany the TI. Compensation for annual operating costs has also been set at lump sums totaling around EUR 18 million per year. Even if dedicated hospital connectors are so far not available, the CGM connector can be used if it supports NFDM (Emergency Care Data Set), eMP (Electronic Medication Plan) and KOM-LE (Electronic Letters). The support for these applications in the CGM Connector is currently planned for certification and release in the second half of 2019.

Health Connectivity Services (HCS)

The revenue development in the HCS-segment during the first quarter is ahead of expectations for 2019. The positive revenue development comes predominantly from more ad-hoc projects with pharmaceutical companies.

Consolidation of Fablab S.r.l, Italy
In 2017, the merger of Intermedix Italia S.r.l. in Fablab S.r.l., both in Italy, resulted in a de-consolidation from the Group. Because of the lack of control on the closing date, Fablab was considered an associate and valued at equity. As of January 1, 2019, CGM has taken control of Fablab through a change in its governance structure, and the company is consolidated in the Group as of January 1, 2019. Fablab provides communications and data services to pharmaceutical companies in Italy and is reported in the HCS segment

RESULTS OF GROUP OPERATIONS

Unless stated otherwise, all figures in the management report refer to the first quarter of 2019 and 2018 respectively, i.e. the three months period 01.01. – 31.03. (Q1).

Revenue

Revenue in the first quarter of 2019 was EUR 175.2 million compared to EUR 165.9 million in the same period last year. This corresponds to 6 percent growth of which 2 percent is organic growth. There were no material effects on group revenue from currency fluctuations in the period.

Sales to third parties in Ambulatory Information Systems grew 4 percent, all of which comes from acquisitions. In Pharmacy Information Systems, sales to third parties grew 5 percent, all of which is organic growth. Sales to third parties in Hospital Information Systems grew 11 percent, of which 10 percent is organic growth at constant exchange rates. In Health Connectivity Services, revenue growth was 8 percent, of which 6 percent is organic growth at constant exchange rates.

Segment sales to third parties (including acquisitions, divestitures and currency effects):

EUR Mio.	01.01. – 31.03.2019	01.01. – 31.03.2018	Change
Ambulatory Information Systems	110.6	106.1	4%
Pharmacy Information Systems	27.9	26.4	5%
Hospital Information Systems	26.1	23.6	11%
Health Connectivity Services	10.6	9.8	9%
SUM	175.2	165.9	6%

Revenue from acquisitions:

EUR Mio.	01.03.- 31.03.2019	01.03.- 31.03.2018
Ambulatory Information Systems	5.5	0.0
Pharmacy Information Systems	0.0	0.0
Hospital Information Systems	0.3	0.0
Health Connectivity Services	0.5	0.0
SUM	6.3	0.0

Profit

Consolidated EBITDA amounted to EUR 49.9 million compared to EUR 38.8 million in the first quarter of 2018. The corresponding operating margin was 28.5 percent compared to 23.4 percent in 2018. Under Other Income, the first quarter this year includes a one-time positive effect of EUR 4.4 million from the revaluation of minority interests held in the companies GIS and fablab prior to acquiring control during the first quarter 2019. The main developments in operating expenses in the first quarter 2019 were:

+ Expenses for goods and services decreased EUR 5.9 million year-on-year with a gross margin of 83 percent, which is significantly higher than last year. The lower costs of goods and higher gross margin is related to reduced purchases of card readers, connectors and outsourcing of installation and training services in connection with the lower number of Telematics Infrastructure installations, as well as the acquisition of AIS sales and service partners in Germany where previously outsourced support services have shifted to internal operating expenses.
+ Personnel expenses are up 14 percent from last year at EUR 79.5 million (first quarter 2018: EUR 69.7 million). The increase in personnel expenses is driven by employees in new companies acquired, smaller changes in the composition of the workforce as well as general salary inflation.
+ Other expenses are unchanged compared to last year at EUR 26.9 million. Even if the size of the organization has grown significantly, the new accounting standard IFRS 16 (leases) lowers certain operating expenses compared to last year. Based on this new standard, all leases become a finance lease (right-of-use assets) and have to be recognized on-balance. For CGM, the effect for 2019 is a decrease in operating costs (predominantly office buildings and car leases) by approximately EUR 4 million per quarter and thereby an increase in EBITDA also by approximately the same amount.

Depreciation of tangible fixed assets in the first quarter is EUR 4.0 million higher than last year at EUR 6.8 million (first quarter 2018: EUR 2.8 million). The higher depreciation of fixed assets is mostly related to the adoption of IFRS 16 and neutralizes the effect described under other expenses above so that the change in accounting standard has no material effect on net income. Amortization of intangible assets is mostly unchanged from last year at EUR 7.8 million.

Financial income decreased from EUR 0.6 million in the first quarter 2018 to EUR 0.4 million this year due to changes in currency exchange rates which lead to non-cash translation gains on Group internal debt in 2018.

The financial expense decreased from EUR 2.7 million in the first quarter 2018 to EUR 1.4 million in the same period this year and is composed of the following items:

EUR Mio.	01.03.- 31.03.2019	01.03.- 31.03.2018
Interest and expenses on loans and financial services	1.3	1.7
Changes in purchase price liabilities	0.2	0.2
Translation loss on non-Euro internal dept	0.0	1.0
Calculated interest on assets and construction (IAS 23)	–0.2	–0.2
Other	0.1	0.0
SUM	1.4	2.7

After tax earnings came in at EUR 23.6 million in the first quarter of 2019, up from EUR 17.0 million in the first quarter of 2018. The tax rate was 30 percent in the first quarter this year compared to 34 percent in the first quarter of 2018. 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 24.3 million in the first quarter 2018 to EUR 30.3 million in the first quarter 2019, corresponding to a Cash net income per share of 61 Cent (Q1/2018: 49 Cent).

Cash flow

Cash flow from operating activities during the first quarter of 2019 was EUR 68,9 million compared to EUR 50.7 million in the same period 2018. The changes compared to 2018 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 27.2 million in the first quarter last year to EUR 35.5 million this year.
+ Change in working capital gave an increase in operating cash flow of EUR 33.5 million, up from EUR 23.5 million in the same period last year. This change is driven by more pre-payments of support and service contracts in 2019 compared to last year.

Cash flow from investment activities during the first quarter of 2019 amounted to EUR -34,7 million compared to EUR -5.7 million in the same period last year. During the first quarter of 2019, CGM's capital expenditure consisted of the following:

EUR Mio.	01.01.-31.03.2019	01.01.-31.03.2018
Company acquisition	22.7	0.0
Purchase of minority interest and past acquisition	0.7	0.0
Capitalized in-house services and other intangible assets	6.3	4.1
Cash outflow for capital expenditure in joint ventures	0.0	0.0
Office building and property	0.1	0.1
Other property and equipment	5.0	1.5
Sale of subsidiaries and business operations	0.0	0.0
SUM	34.7	5.7

Cash flow from financing was EUR -19.9 million in the first quarter 2019 (previous year: EUR -40.5 million) and relates to acquisition of own shares of EUR 18.1 million and the net cash outflow from assumption and repayment of loans and leasing obligations.

Statement of financial position

Since the statement of financial position from 31 December 2018, total assets increased by EUR 131.1 million, from EUR 848.3 million to EUR 979.4 million as at 31 March 2019. The largest changes to assets are:

+ Increase in intangible assets of EUR 50.2 million mostly due to the first time consolidation of new companies acquired, including the corresponding deferred tax assets. There is also a net increase in capitalized in-house service assets of EUR 4.4 million included.
+ Increase in tangible assets and right-of-use asset of EUR 40.6 million which is almost entirely attributable to the first-time adoption of IFRS 16.
+ Decrease in non-current financial assets of EUR -7.5 million due to the acquisition of control in the companies GIS and fablab.
+ Increase in trade receivables of EUR 16.5 million which is a normal first quarter effect because of large volume of invoicing and pre-payment of annual support and maintenance contracts.
+ Increase in cash and cash equivalents of EUR 14.3 million which is a short-term fluctuation

For all other assets there are only minor changes during the first quarter of 2019.

Group equity increased from EUR 273.0 million on 31 December 2018 to EUR 280.1 million on 31 March 2019. The increase in equity results from consolidating a net profit of EUR 23.6 million for the period from 01 January 2019 to 31 March 2019, the equity reduction effect from the EUR 18.1 million acquisition of own shares as well as a positive EUR 1.6 million net effect from other smaller equity-relevant changes. The equity ratio is at 28.6 percent as at 31 March 2019.

The biggest changes to liabilities is a EUR 72.1 increase in current non-financial contract liabilities related to seasonal pre-payments of software maintenance contracts as well as a EUR 39.6 million increase in financial liabilities (current and non-current) due to IFRS 16. Trade payables also increased with EUR 8.7 million due to higher sales revenue and normal seasonal fluctuations. For all other liabilities there are only minor changes during the first quarter of 2019.

Research & Development

Under IAS 38, development work on internally generated software must be capitalized if certain criteria are fulfilled. This generated EUR 5.1 million additional operating profit for the Group during the first quarter of 2019 (previous year EUR 3.4 million), less amortization and write-downs of EUR 1.1 million during the same period (previous year EUR 0.5 million). Most of the capitalized software development expenses are accounted for by three projects: G3.HIS (new HIS system development), G3.AIS (new AIS software generation) and the development and certification of Connector software for new applications and services in the Telematics Infrastructure. Upon completion, the software will be amortized based on its useful life.

REPORT ON EXPECTED DEVELOPMENTS

CGM reaffirms the outlook presented in the 2018 Annual Report published 29 March 2019

Total Group revenue is in 2019 expected to be in the range of EUR 720 million to EUR 750 million, corresponding to an organic growth rate of 1-5 percent. The following revenue details are based on the four reporting segments:

+ AIS revenue is expected to be in the range of EUR 464 million to EUR 488 million including a growth contribution of approximately EUR 19 million from acquisitions. This represents a plus-minus flat organic revenue trend in 2019, coming from less expected revenue from the TI rollout, offset by normal organic growth in the rest of the business. This outlook reflects all currently available information and management's forecasts regarding speed of market penetration, market share developments and price evolution related to the further roll-out of the Telematics Infrastructure in Germany in 2019.
+ PCS revenue is expected to be in the range of EUR 109 million to EUR 111 million with only a minor growth contribution from acquisitions. This represents a slightly negative revenue trend in 2019 after the exceptional growth in 2018. Some 2018 opportunities, particularly tax incentives in Italy, will not be repeated in 2019.
+ HIS revenue is expected to be in the range of EUR 104 million to EUR 106 million including a growth contribution of approximately EUR 1 million from acquisitions. The corresponding organic growth rate is forecasted at 2-4 percent.
+ Revenue in the HCS segment is expected to be in the range of EUR 43 million to EUR 45 million in 2019 including a growth contribution of approximately EUR 3 million from acquisitions. The corresponding organic growth rate is 0-3 percent.

In terms of profitability, the new accounting standard IFRS 16 (leases) is mandatory from January 1st 2019. Based on this new standard, all leases become a finance lease (right-of-use assets) and have to be recognized on-balance. For CGM, the effect for 2019 is expected to be a decrease in operating costs (predominantly office buildings and car leases) by EUR 15 million and thereby an increase in EBITDA also by approximately EUR 15 million. Correspondingly, depreciation will increase with about EUR 14 million and interest expenses by approximately EUR 1 million and there will be no effect on net income. With these effects, operating margin (EBITDA margin) is in 2019 expected to be in the range of 26-27 percent and the corresponding EBITDA is expected to be in the range of EUR 190 million to EUR 205 million.

Depreciation of fixed assets is on Group level expected to be approximately EUR 26 million in 2018 (including the effects from IFRS 16) and amortization of intangible assets is expected to be approximately EUR 32 million, of which approximately EUR 26 million will come from amortization of purchase price allocations related to past acquisitions. The corresponding Group earnings before interest and tax (EBIT) is in 2018 expected to be in the range of EUR 132 million to EUR 147 million.

In summary, CompuGroup Medical reaffirms the following guidance for 2019:

+ Group revenue is expected to be in the range of EUR 720 million to EUR 750 million.
+ Group operating income (EBITDA) is expected to be in the range of EUR 190 million to EUR 205 million.

The foregoing outlook is given as at May 2019 and does not include revenue and costs associated with potential and currently undetermined further acquisitions during 2019. The outlook for 2019 represents management's current best estimate of the market conditions that will exist in 2019 and how the business segments of CGM will perform in this environment.

REPORT ON OPPORTUNITIES AND RISKS

As an internationally operating company, CGM 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, CGM 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 2018. It can be downloaded free of charge from the company's homepage at 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 2018. Risks that may impact the company as a going concern were not evident during the third quarter of 2018, neither in form of individual risks nor from the total risk position for CGM as a whole.

Interim Statement of Financial Position

as at 31 March 2019

ASSETS

EUR `000	31.03.2019	31.03.2018	31.12.2018
Non-current assets			
Intangible assets	586,755	527,042	536,540
Property, plant and equipment	82,923	81,931	83,653
Use rights	41,385	0	0
Interests in affiliates (valued at-equity)	2,215	10,377	9,716
Other investments	725	172	725
Other participations	12,253	11,096	11,984
Contract assets	1,547	1,580	1,598
Other financial assets	3,084	1,718	1,606
Other non-financial assets	1,200	0	1,200
Deferred tax asset	9,253	7,437	8,476
	741,340	**641,352**	**655,498**
Current assets			
Inventories	23,484	14,596	19,579
Trade account receivables	122,084	126,903	105,596
Receivables from finance leases	6,257	5,430	5,802
Contract assets	10,407	8,702	8,409
Other financial assets	4,661	1,610	2,623
Other non-financial assets	21,805	13,932	15,588
Income tax receivables	8,192	6,132	8,854
Cash & cash equivalents	39,631	34,795	25,302
	236,521	**212,099**	**191,754**
Assets qualified as held for sale	1,531	0	1,059
	979,392	853,451	848,311

SHAREHOLDER EQUITY AND LIABILITIES

EUR `000	31.03.2019	31.03.2018	31.12.2018
Equity			
Subscribed capital	53,219	53,219	53,219
Treasury shares	–63,345	–20,292	–45,259
Reserves	287,984	199,387	262,928
Capital and reserves allocated to the shareholders of the parent company	**277,858**	**232,314**	**270,888**
Non-controlling interests	2,284	1,957	2,111
	280,142	**234,271**	**272,999**
Non-current liabilities			
Provisions for post-employment benefits and other non-current provisions	25,359	24,858	24,785
Liabilities to banks	308,634	276,846	302,602
Contract liabilities	7,294	7,446	7,108
Purchase price liabilities	8,736	5,367	3,789
Lease Liabilities	25,943	0	0
Other financial liabilities	16,997	8,019	17,135
Other non-financial liabilities	1,263	2,128	1,263
Deferred tax liabilities	53,235	44,054	43,510
	447,461	**368,717**	**400,192**
Current liabilities			
Liabilities to banks	3,935	35,995	5,822
Contract liabilities	106,004	92,343	33,951
Purchase price liabilities	11,626	8,423	9,486
Trade payables	30,605	32,392	39,293
Income tax liabilities	17,247	15,617	18,750
Other provisions	35,002	31,195	37,700
Lease Liabilities	14,944	0	0
Other financial liabilities	10,466	10,307	11,592
Other non-financial liabilities	21,440	24,190	18,286
	251,269	**250,463**	**174,880**
Liabilities related to assets held for sale	520	0	240
	979,392	853,451	848,311

Interim Income Statement

for the reporting period of 1 January - 31 March 2019

EUR '000	01.01.-31.03.2019	01.01.-31.03.2018	01.01.-31.12.2018
Sales revenues	175,214	165,961	717,023
Capitalized in-house services	5,119	3,393	18,512
Other income	5,467	1,581	8,034
Expenses for goods and services purchased	–29,482	–35,406	–151,428
Personnel costs	–79,468	–69,669	–286,767
Net impairment losses on financial and contract assets	–534	–287	–2,562
Other expenses	–26,392	–26,720	–120,330
Earnings before interest, taxes, depr. and amortization (EBITDA)	**49,924**	**38,854**	**182,482**
Depreciation of property, plant and equipment	–6,784	–2,760	–11,415
Earnings before interest, taxes and amortization (EBITA)	**43,140**	**36,093**	**171,067**
Amortization of intangible assets	–7,816	–7,810	–33,188
Earnings before interest and taxes (EBIT)	**35,324**	**28,283**	**137,879**
Result from associates recognized at equity	–498	–421	–293
Financial income	359	627	2,010
Financial expenses	–1,428	–2,727	–10,845
Earnings before taxes (EBT)	**33,757**	**25,762**	**128,751**
Income taxes for the period	–10,117	–8,804	–36,156
Results from continued operations	**23,640**	**16,958**	**92,595**
Profit for the period from discontinued operations	0	0	0
Consolidated net income of the period	**23,640**	**16,958**	**92,595**
of which: allocated to the parent company	23,565	16,887	92,337
of which: allocated to non-controlling interests	75	71	257
Earnings per share (for profit from continuing operations)			
undiluted (EUR)	0.48	0.34	1.86
diluted (EUR)	0.47	0.34	1.85

Interim Statement of comprehensive income

for the reporting period of 1 January - 31 March 2019

EUR '000	01.01.-31.03.2019	01.01.-31.03.2018	01.01.-31.12.2018
Consolidated Statement of the Comprehensive Income	**23,640**	**16,958**	**92,595**
Items that will not be reclassified to profit or loss at a future point in time			
Actuarial gains and losses from pensions	49	–106	878
Changes in actuarial gains and losses	74	–141	1,318
Deferred income taxes	–25	35	–440
Items that may be reclassified to profit or loss at a future point in time			
Currency conversion differences	888	–2,143	927
of which changes in equity	–916	343	–3,217
of which changes in income (recycling)	1,804	–2,486	4,144
Operating income and expense recognized directly in equity (Other comprehensive income)	**937**	**–2,249**	**1,805**
Total comprehensive income for the period	**24,577**	**14,709**	**94,400**
of which: allocated to the parent company	24,502	14,638	94,143
of which: allocated to non-controlling interests	75	71	257

Cash Flow Statement

as at 31 March 2019

EUR '000	01.01.-31.03.2019	01.01.-31.03.2018	01.01.-31.12.2018
Consolidated net income for the period	23,640	16,958	92,595
Depreciation of property, plant and equipment and amortization of intangible assets	14,601	10,570	44,603
Earnings on sale of fixed assets	–20	18	–84
Change in provisions (including income tax liabilities)	–4,697	–1,491	7,553
Change in deferred taxes	1,887	–635	–5,072
Other non-cash earnings/ expenditure	54	1,788	11,970
	35,465	**27,208**	**151,565**
Change in inventories	–2,279	–2,102	–7,071
Change in trade receivables and other receivables	–13,352	–25,722	–4,621
Change in income tax receivables	681	383	–2,173
Change in other receivables	–7,565	–3,324	–6,600
Change in trade payables	–11,986	–11,448	–4,700
Change Contract Liabilities	72,332	59,642	–3,138
Change in other liabilities	–4,376	6,040	13,086
Operating cash flow - continuing operations	**68,920**	**50,677**	**136,348**
Operating cash flow - discontinued operations	**0**	**0**	**0**
Operating cash flow	**68,920**	**50,677**	**136,349**
Cash outflow from the disposals of intangible assets	0	0	554
Cash outflow for capital expenditure in intangible assets	–6,296	–4,059	–27,626
Cash inflow from disposals of property, plant and equipment	196	205	515
Cash outflow for capital expenditure in property, plant and equipment	–5,260	–1,845	–12,727
Net cash outflow for acquisitions (less acquired cash and cash equivalents and prepayments from prior periods)	–22,650	0	–4,811
Cash outflow for acquisitions from prior periods	–739	0	–3,600
Cash inflow from the disposal of subsidiaries and business units	0	0	215
Cash outflow for capital expenditures in joint ventures and associated companies	0	0	0
Cash flow from investing activities - continuing operations	**–34,749**	**–5,699**	**–47,480**
Cash flow from investing activities - discontinued operations	**0**	**0**	**0**
Cash flow from investing activities	**–34,749**	**–5,699**	**–47,480**
Buyback of own shares	–18,086		–24,967
Dividends paid	0	0	–17,403
Dividends paid to non-controlling interests	0	0	–103
Acquisition of additional shares from non-controlling interests	0	0	–30
Amortization of lease payments (2018: Payments for the repayment of finance lease liabilities)	–3,920	–919	–6,971
Cash inflow from assumption of loans	23,193	1,946	297,329
Cash outflow from the repayment of loans	–21,103	–41,527	–341,265
Cash flow from financing activities - continuing operations	**–19,916**	**–40,500**	**–93,410**
Cash flow from financing activities - discontinued operations	**0**	**0**	**0**
Cash flow from financing activities	**–19,916**	**–40,500**	**–93,410**
Cash and cash equivalents at the beginning of the period	25,302	30,362	30,362
Change in cash and cash equivalents	**14,255**	**4,478**	**–4,542**
Changes in cash and cash equivalents due to exchange rate fluctuations	74	–45	–518
Cash and cash equivalents at the end of the period	**39,631**	**34,795**	**25,302**
Interest paid	893	2,408	8,104
Interest received	243	127	877
Income tax paid	7,913	6,103	35,333

Changes in Consolidated Equity

for the reporting period of 1 January - 31 March 2019

EUR `000	Share capital	Treasury shares	Reserves	Accumulated other operating income Conversion	Equity attributable to shareholders of CGM SE	Non-controlling interest	Consolidated equity
Balance as at 31.12.2017	**53,219**	**–20,292**	**221,484**	**–20,237**	**234,174**	**1,886**	**236,060**
Changes due to the application of new standards IFRS 15 and IFRS 9	**0**	**0**	**–15,052**	**0**	**–15,052**	**0**	**–15,052**
Consolidated net income for the period	**0**	**0**	**92,338**	**0**	**92,338**	**257**	**92,595**
Other comprehensive income	0	0	878	927	1,805	0	1,805
Changes in the fair value of cashflow hedges	0	0	0	0	0	0	0
Actuarial gains and losses	0	0	878	0	878	0	878
Currency conversion differences	0	0	0	927	927	0	927
Total comprehensive income for the period	**0**	**0**	**93,216**	**927**	**94,143**	**257**	**94,400**
Transactions with shareholders	**0**	**–24,967**	**–17,409**	**0**	**–42,376**	**–32**	**–42,408**
Capital contribution	0	0	0	0	0	0	0
Dividend distribution	0	0	–17,403	0	–17,403	–103	–17,506
Additional purchase of shares from non-controlling interests after control	0	0	–72	0	–72	42	–30
Buyback of treasury shares	0	–24,967	0	0	–24,967	0	–24,967
Other changes	0	0	–1	0	–1	0	–1
Balance as at 31.12.2018	**53,219**	**–45,259**	**282,238**	**–19,310**	**270,888**	**2,111**	**272,999**
Changes due to the application of the new standard IFRS 16	**0**	**0**	**400**	**0**	**400**	**0**	**400**
Consolidated net income for the period	**0**	**0**	**23,565**	**0**	**23,565**	**75**	**23,640**
Other comprehensive income	**0**	**0**	**49**	**888**	**937**	**0**	**937**
Changes in the fair value of cashflow hedges	0	0	0	0	0	0	0
Actuarial gains and losses	0	0	49	0	49	0	49
Currency conversion differences	0	0	–0	888	888	0	888
Total comprehensive income for the period	**0**	**0**	**23,613**	**888**	**24,501**	**75**	**24,577**
Transactions with shareholders	**0**	**–18,086**	**154**	**0**	**–17,932**	**98**	**–17,834**
Capital contribution	0	0	0	0	0	0	0
Dividend distribution	0	0	0	0	0	0	0
Stock options program	0	0	154	0	154	0	154
Non-controlling interests from acquisitions	0	0	0	0	0	98	98
Additional purchase of shares from non-controlling interests after control	0	0	0	0	0	0	0
Buyback of treasury shares	0	–18,086	0	0	–18,086	0	–18,086
Other changes	0	0	0	0	0	0	0
Balance as at 31.03.2019	**53,219**	**–63,345**	**306,405**	**–18,422**	**277,858**	**2,284**	**280,142**

Explanatory Notes

GENERAL ACCOUNTING PRINCIPLES FOR THE INTERIM FINANCIAL REPORT

General Accounting Principles

The accompanying condensed IFRS-Interim Financial Statement for the period ended 31 March 2019 is a Consolidated Financial Statement. Unless otherwise specified, all amounts are provided in thousands of euros (EUR thousands) or millions of euros (EUR millions). Rounding differences of +/- one unit (EUR thousands, percent, etc.) may arise due to calculations.

The first quarter consolidated financial statements as of 31 March 2019 have been prepared, like the Consolidated Annual Financial Statements for the year 2018, 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 to the scope applied for the Consolidated Financial Statement for the full year.

The accounting policies in the interim Financial Statements are consistent with those used in the Consolidated Financial Statements in 31 December 2018, with the exception of the subsequently illustrated and firstly applied revised standards. Relevant information is shown in the Consolidated Financial Statements as of 31 December 2018. This Consolidated Interim Financial Statements and the Interim Management Report were not reviewed by any auditor.

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

	Fixed rates		Average rates 01.01.-31.03.	
1 € corresponds to	31.03.2019	31.12.2018	2019	2018
Denmark (DKK)	7.47	7.47	7.46	7.45
Canada (CAD)	1.50	1.56	1.51	1.55
Malaysia (MYR)	4.58	4.73	4.65	4.82
Norway (NOK)	9.66	9.95	9.74	9.63
Poland (PLN)	4.30	4.30	4.30	4.18
Romania (RON)	4.76	4.66	4.74	4.66
Sweden (SEK)	10.40	10.25	10.42	9.97
Switzerland (CHF)	1.12	1.13	1.13	1.17
Singapore (SGD)	1.52	1.56	1.54	1.62
South Africa (ZAR)	16.26	16.46	15.92	14.71
Czech Republic (CZK)	25.80	25.72	25.68	25.40
Turkey (TRY)	6.34	6.06	6.11	4.69
USA (USD)	1.12	1.15	1.14	1.23

Unless otherwise stated, all figures refer to the first three months of 2019 and 2018 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 particularly in the fourth quarter of the financial year (1 October – 31 December).

When preparing the consolidated interim financial statements, CGM's management made estimates and assumptions in the process of applying the accounting policies that may influence the amounts of assets, 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 2018, with the exception of new standards to be applied. Furthermore, assumptions have been made for the current fiscal year 2019 in the determination of the personnel expenses, the provisions for post-employment benefits and anniversaries and for the tax accruals for the fiscal year.

New and revised Standards to be applied for the fiscal year 2019

CompuGroup Medical has implemented all the accounting standards established by the EU and required to be applied as of 1 January 2019.

Standard (Issue date)	Subject matter:	Effective for financial years beginning on or after (EU)
Amendments to IAS 28 (12 October 2017)	The amendments to IAS 28 clarify that IFRS 9 has to be applied to non- current investments in associates or joint ventures, whose accounting is not carried out according to the equity method.	1 January 2019
IFRIC 23 (7. June 2017)	IFRIC 23 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.	1 January 2019
Amendment to IFRS 9 (12. October 2017)	The proposed amendments to IFRS 9 relate to a limited adjustment of the assessment criteria relevant for the classification of financial assets. Financial assets with a prepayment feature with negative compensation may under certain circumstances be carried at amortized cost or at fair value through other comprehensive income at fair value through profit or loss.	1 January 2019
IFRS 16 (13. January 2016)	The core requirement of IFRS 16 is to recognized generally all leasing arrangements as well as the associated contractual rights and obligations in the balance sheet of the lessee. The previous differentiation between finance lease and operating lease applied under IAS17, is there with not applicable anymore for the lessee.	1 January 2019

The same accounting policies and consolidation principles have been applied in preparing the interim consolidated financial statements and the comparative figures for the previous year as in the consolidated financial statements 2018.
A detailed description of these accounting policies is given in the notes of the consolidated financial statements 2018.

Standards, Interpretations and amendments which have already been endorsed by the EU but are applied at a later date

There are no standards, interpretations and amendments to published standards adopted by the EU but applicable at a later date. The expectations were described in detail in the Annual Report as of 31 December 2018, to which reference is expressly made at this point.

Amendments, standards and interpretations published by the IASB but not yet transported into European legislation

The IASB and IFRIC have adopted several additional standards and interpretations which are not yet mandatory applicable in the fiscal year 2019 starting from 1 January 2019. The application of these IFRS and IFRIC is depending from the EU-endorsement.

Standard (Issue date)	Subject matter	Effective for financial years beginning on or after (EU)
IFRS 17 (18 May 2017)	This standard makes a consistent international accounting standard for insurance businesses available. The objective is to raise transparency and comparability of insurance accountings.	1 January 2021
Annual Improvements to IFRS (2015-2017 Cycle) (12 December 2017)	The annual improvement process affects following standards: IFRS 3, IFRS 11, IAS 12 und IAS 23.	1 January 2019
Amendments to IAS 19 (7 February 2018))	The amendments require a remeasurement of the current service cost and the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the remeasured net defined benefit liability (asset). For the remeasurement the current fair value of plan assets and the current actuarial assumptions shall be used.	1 January 2019
Amendments to the Conceptual Framework (29 March 2018))	The revision of the the Conceptual Framework covered in particular a new chapter on the valuation of assets and liabilities, guidance on the presentation of the financial position, revised definitions of assets and liabilities and clarifications on the importance of accountability and prudence in the context of IFRS accounting.	1 January 2020
Amendments to IFRS 3 Business Combinations (22 October 2018)	The changes aim to solve the problems that arise when a company determines whether it has acquired its business or a group of assets.	1 January 2020
Amendments to IAS 1 and IAS 8: Definition of Essentiality (31 October 2018))	The aim of the amendment is to standardize the definition of materiality in all IFRSs and the conceptual framework as well as to prevent the deception of significant information that is insignificant. For this, a clarification of the definition of "essential" is made.	1 January 2020

IFRS 14 (30 January 2014)	Regulatory Deferral Accounts	The European Com-mission has decided not to launch the en-dorsement process of this interim standard and to wait for the final standard.
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

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.

The impact of the amendments to IAS 1, IAS 8, IAS 19, IFRS 3 and the Conceptual Framework is currently under review.

For the application of the remaining standards, amendments and interpretations no significant changes for the (interim-) consolidated financial statements of CompuGroup Medical SE are expected. More detailed expectations were described in the Annual Report from 31 December 2018, on which is referred at this point.

SELECTED EXPLANATORY NOTES

Changes in the business and the economic circumstances

In comparison to the financial year 2018, the first three months of 2019, show no significant changes to the business and the economic circumstances of CompuGroup Medical SE, with the exception of the factors described in the Interim Management Report.

Scope of Consolidation

The Consolidated Interim Financial Statements as of 31 March 2019 include the Financial Statements of CompuGroup Medical SE and all companies controlled by CompuGroup Medical SE (subsidiaries) as of 31 March 2019. The consolidation begins from the date control is obtained and ends when control ceases to exist. Compared to the 31 December 2018 the scope of consolidation has changed as follows:

Changes in scope of Consolidation	Germany	Foreign countries	Total
CompuGroup Medical SE and consolidated subsidiaries:			
As at 1. January 01.01.2019	32	58	90
Additions	3	2	5
Disposals / Merger	0	1	1
As at 31.03.2019	**35**	**59**	**94**

The disposal results from the liquidation of SF Sanità S.r.l. in Italy.

The additions result from CGM's acquisition in 2019 of Gotthardt Informationssysteme GmbH, Qualitätsverbund MED-IT GmbH & Co.KG and MED-IT Verwaltungs-GmbH (GIS Group), all in Germany, Fablab S.r.l. in Italy and Qualizorg B.V. in the Netherlands.

Additions from business combinations - together with other business combinations with no impact on the scope of consolidation - are shown in the table below on the basis of the values at the time of acquisition with their impact on the consolidated financial statements.

Company acquisitions, disposals and company foundations

EUR `000	Total	GIS Group	Fablab S.r.l.	Qualizorg B.V.	CoSi Medical IT (GB Medistar Vertrieb und Service)	Other Acquisitions
Purchase Date		**01.01.2019**	**01.01.2019**	**14.02.2019**	**01.01.2019**	
Voting rights acquired in %		**100% / 73%**	**100%**	**100%**	**Asset Deal**	
Acquired assets and liabilities assumed recognized at acquisition date						
Non-current assets	**31,343**	**17,795**	**4,541**	**7,979**	**1,028**	**0**
Software	1,422	108	40	1,249	25	0
Customer relationships	25,942	15,193	4,132	6,016	601	0
Brands	1,024	607	218	133	66	0
Order backlog	0	0	0	0	0	0
Property and buildings	1,244	647	35	493	69	0
Other fixed assets and office equipment	1,036	625	78	67	266	0
Other non-current financial assets	38	26	7	4	1	0
Other non-current non-financial assets	0	0	0	0	0	0
Deferred tax assets	637	589	31	17	0	0
Current assets	**10,908**	**5,284**	**2,822**	**2,575**	**227**	**0**
Inventories	1,621	1,512	0	0	109	0
Trade receivables	5,651	2,675	1,438	1,490	48	0
Other current financial assets	1,658	71	1,189	398	0	0
Other current non-financial assets	468	288	48	62	70	0
Other assets	20	20	0	0	0	0
Cash and cash equivalents	1,490	718	147	625	0	0
Non-current liabilities	**9,477**	**5,654**	**1,174**	**2,312**	**337**	**0**
Pensions	308	150	78	0	80	0
Liabilities to banks	16	0	0	0	16	0
Other provisions	0	0	0	0	0	0
Other financial liabilities	1,543	732	52	518	241	0
Other non-financial liabilities	0	0	0	0	0	0
Other liabilities	0	0	0	0	0	0
Deferred tax	7,610	4,772	1,044	1,794	0	0
Current liabilities	**11,927**	**6,392**	**2,544**	**2,883**	**108**	**0**
Trade payables	3,369	899	2,354	116	0	0
Contingent liabilities	0	0	0	0	0	0
Liabilities to banks	2,039	2,039	0	0	0	0
Other provisions	738	607	37	0	94	0
Other liabilities	68	196	–149	21	0	0
Other financial liabilities	2,290	1,935	266	89	0	0
Other non-financial liabilities	3,423	716	36	2,657	14	0
Net assets acquired	**20,847**	**11,033**	**3,645**	**5,359**	**810**	**0**
Purchase price paid in cash	26,140	16,984	1,000	7,156	1,000	0
Liabilities assumed	7,810	1,746	2,603	3,000	461	0
of which contingent consideration	7,810	1,746	2,603	3,000	461	0
Issued equity instruments	0	0	0	0	0	0

Fair value of equity interest in the acquiree held by acquirer immediately before the acquistion date	7,002	3,792	3,210	0	0	0
Disposal result of the investment at equity	432	621	–189	0	0	0
Revaluation of old shares through profit or loss in accordance with IFRS 3.42	3,940	2,857	1,083	0	0	0
Total consideration transferred	**45,324**	**26,000**	**7,707**	**10,156**	**1,461**	**0**
Non-controlling interests	98	98	0	0	0	0
Goodwill	**24,575**	**15,065**	**4,062**	**4,797**	**651**	**0**
Acquired cash and cash equivalents	1,490	718	147	625	0	0
Purchase price paid in cash	24,140	16,984	0	7,156	0	0
Prepayments on acquisitions (from prior periods)	2,000	0	1,000	0	1,000	0
Payments for acquistions after date of acquistion	739	0	0	0	0	739
Cash outflow for acquisitions (net)	**–25,389**	**–16,266**	**–853**	**–6,531**	**–1,000**	**–739**
Effects of the acquisition on Group result	**0**	**0**	**0**	**0**	**0**	**0**
Sales revenue following date of acquisition**	5,867	4,900	489	478	0	0
Result following date of acquisition**	1,573	1,339	99	135	0	0
Sales revenue for the fiscal year (hypothetical date of acquisition 1 January)	6,345	4,900	489	956	0	0
Result for the fiscal year (hypothetical date of acquisition 1 January)	1,708	1,339	99	270	0	0
Costs attributable to the acquisition	**0**	**0**	**0**	**0**	**0**	**0**

** Values come from the individual financial statements

Acquisition of Gotthardt Informationssysteme GmbH, Germany

In December 2018, K-Line Praxislösungen GmbH acquired, with in rem effect from 1 January 2019 because of the suspensive condition of approval by the antitrust authorities, the outstanding shares (72.04 percent) in Gotthardt Informationssysteme GmbH (in the following GIS), with registered office in Koblenz, Germany, as well as its investment in the course of a successive share purchase.

GIS is Germany’s largest Medistar sales and service partner and currently serves approximately 6,400 customers and has more than twelve locations throughout Germany. Through the acquisition of GIS, more than 60 percent of the entire German market for Medistar ambulatory information systems will now be served by CGM.

GIS was initially consolidated on 1 January 2019. The turnover of GIS for the financial year 2018 amounted to about EUR 24,204 thousand with an EBITDA of EUR 5,449 thousand. The total consideration to be paid amounts to EUR 18,730 thousand and was already paid in the amount of EUR 16,984 thousand as of the balance sheet date. The outstanding residual purchase price of EUR 1,746 thousand was recognized under current purchase price liabilities

Based on the current estimate, the preliminary goodwill of EUR 15,065 thousand results mainly from the expansion of sales channels and the associated upselling opportunities in the AIS business segment. The recognized goodwill is partially deductible for tax purposes.

The preliminary fair value of the acquired intangible assets, excluding goodwill, amounts to EUR 15,800 thousand and is related to trademark rights and customer relationships. For the receivables acquired as part of the business combination, the fair value corresponds to the carrying amounts acquired at the acquisition date due to the expected term of the receivables and the best possible estimate of the addition of the contractually fixed cash flows. After initial analysis of the available financial information, uncollectable receivables were not identified at the time of initial recognition.

Deferred tax liabilities of EUR 4,772 thousand are recognized on the fair value of the acquired intangible assets excluding goodwill. Deferred tax assets in the amount of EUR 589 thousand were recognized from hidden charges. To date, no contingent liabilities or contingent assets have been identified.

GIS is not a listed company, which is why the fair value of the investment was derived from a company valuation. A control premium was priced into the pricing of the second tranche. In our estimation, the control premium paid would also have been paid for the shares from the first tranche in the case of an acquisition in a single transaction. On a preliminary basis, the transitional consolidation (successive acquisition with takeover of control) results in a fair value step-up of EUR 2,857 thousand, which is recognized in profit or loss.

The valuation of the acquisition of GIS was carried out in preliminary format, due to partly incomplete or not yet fully evaluated information of the acquired customer relationships and trademark rights. There may also still be changes in the value of inventories acquired or pension obligations assumed, which may have an impact on the consideration to be paid.

Acquisition of Fablab S.r.l., Italy

In December 2018, CompuGroup Medcial Italia SpA acquired, with in rem effect from 1 January 2019, the outstanding shares (25 percent) in Fablab S.r.l., with registered office in Trieste, Italy (in the following Fablab), as part of a successive share purchase.

Fablab was founded in 2008 with the aim of creating a digital healthcare agency addressed to the pharmaceutical industry. Fablab has specific skills in the pharmaceutical industry branch, while Intermedix Italia S.r.l. (a Group company merged into Fablab in 2017 in exchange for shares in Fablab), has a unique communication channel thanks to its direct access to the management software of the experts and praises a leading role in terms of market share. The company develops cutting-edge products and services that can satisfy the digital needs of the healthcare industry.

Fablab was initially consolidated on 1 January 2019. The turnover of Fablab for the financial year 2018 amounted to about EUR 2,289 thousand with an EBITDA of EUR 200 thousand. The total consideration to be paid amounts to EUR 3,603 thousand and was paid at closing date in the amount of EUR 1,000 thousand, divided as follows into EUR 1,000 thousand fixed and EUR 2,603 thousand variable purchase price components.

Based on the current estimate, the preliminary goodwill of EUR 4,062 thousand results mainly from the know-how of the employees, the strategic positioning in the healthcare market and a unique access to the decision makers in the healthcare sector in Italy. The recognized goodwill is not deductible for tax purposes.

The preliminary fair value of the acquired intangible assets, excluding goodwill, amounts to EUR 4,350 thousand and is related to trademark rights and customer relationships. For the receivables acquired as part of the business combination, the fair value corresponds to the carrying amounts acquired at the acquisition date due to the expected term of the receivables and the best possible estimate of the addition of the contractually fixed cash flows. After initial analysis of the available financial information, uncollectable receivables were not identified at the time of initial recognition.

Deferred tax liabilities of EUR 1,044 thousand are recognized on the fair value of the acquired intangible assets excluding goodwill. To date, no contingent liabilities or contingent assets have been identified.

Fablab is not a listed company, which is why the fair value of the investment was derived from a company valuation. When pricing the second tranche, a control premium was priced in which, in our estimation, would have been paid for the shares from the first tranche in the case of an acquisition in a single transaction. On a preliminary basis, the transitional consolidation (successive acquisition with takeover of control) results in a fair value step-up of EUR 1,083 thousand, which is recognized in profit or loss.

The valuation of the acquisition of Fablab was carried out in preliminary format, due to partly incomplete or not yet fully evaluated information of the acquired customer relationships and trademark rights. There may also still be changes in the value of pension obligations assumed, which may have an impact on the consideration to be paid.

Acquisition of the assets of CoSi Medical IT GmbH, Germany

In December 2018, with in rem effect from 1 January 2019, Stock Informatik Verwaltungs GmbH, a 100 percent subsidiary of K-Line Praxislösungen GmbH, acquired the "Medistar Vertrieb und Service" business unit of CoSi Medical IT GmbH as part of a business combination by transferring the net assets (asset deal).

The "Medistar Vertrieb und Service" business unit comprises all business activities in the area of sales, service and support in sales regions in Baden-Württemberg and Bavaria and currently supports approximately 1,874 CGM Medistar physicians in 921 medical practices/MVZs.

The business area was included in the consolidated financial statements for the first time as of 1 January 2019. The turnover of CoSi for the financial year 2018 amounted to about EUR 3,575 thousand with an EBITDA of EUR 254 thousand. The total consideration to be paid amounts to EUR 1,461 thousand and was paid in the amount of EUR 1,000 thousand at closing date. The outstanding residual purchase price of EUR 461 thousand was recognized under current purchase price liabilities

The acquired net assets amount to EUR 143 thousand. Based on the current estimate, the preliminary goodwill of EUR 651 thousand results mainly from synergy effects through the joint use of resources and sales channels and the generation of purchasing benefits with Medistar sales and service partners already existing in the Group. The recognized goodwill will be deductible for tax purposes in the future.

The preliminary fair value of the acquired intangible assets, excluding goodwill, amounts to EUR 667 thousand and is related to trademark rights and customer relationships.

To date, no contingent liabilities or contingent assets have been identified.

The valuation of the acquired assets of the "Medistar Vertrieb und Service" business unit was carried out in preliminary format, due to partly incomplete or not yet fully evaluated information of the acquired customer relationships and trademark rights. There may also still be changes in the value of acquired inventories or in the working time account, which may have an impact on the consideration to be paid.

Acquisition of Qualizorg B.V., Netherlands

In February 2019, CompuGroup Medcial Holding Coöperatief U.A., a subsidiary of CompuGroup Medical SE (99.98 percent) and CompuGroup Medical Deutschland AG (0.02 percent), acquired 100 percent of the shares in Qualizorg B.V. (in the following Qualizorg) with registered office in Deventer, the Netherlands.

The company is active as an online healthcare service provider, collecting information through survey/ questionnaires from patients/ clients related to customers on a continuous, standardized and validated basis for the acquisition, management and reporting of Patient Reported Experience Measurements (PREMs) and/ or Patient Reported Outcome Measurements (PROMs) in primary health care.

Qualizorg was initially consolidated in February 2019. The turnover of Qualizorg for the financial year 2018 amounted to about EUR 4,136 thousand with an EBITDA of EUR 1,793 thousand. The total consideration to be paid amounts to EUR 10,156 thousand and was already paid at closing date in the amount of EUR 7,156 thousand. In addition, contingent purchase price payments of EUR 500 thousand are expected in 2019 and EUR 2,500 thousand until 2021.

Based on the current estimate, the preliminary goodwill of EUR 4,797 thousand results mainly from the positive market strategy effects to be expected from the acquired know-how and from the synergy effects arising within the Group as a result of the integration of Qualizorg into the Group. The recognized goodwill is not deductible for tax purposes.

The preliminary fair value of the acquired intangible assets, excluding goodwill, amounts to EUR 7,175 thousand and is related to software, trademark rights and customer relationships. For the receivables acquired as part of the business combination, the fair value corresponds to the carrying amounts acquired at the acquisition date due to the expected term of the receivables and the best possible estimate of the addition of the contractually fixed cash flows. After initial analysis of the available financial information, uncollectable receivables were not identified at the time of initial recognition.

Deferred tax liabilities of EUR 1,794 thousand are recognized on the fair value of the acquired intangible assets excluding goodwill. To date, no contingent liabilities or contingent assets have been identified.

The valuation of the acquisition of Qualizorg was carried out in preliminary format, due to partly incomplete or not yet fully evaluated information of the acquired customer relationships and trademark rights.

Remaining Additions

The remaining additions include the following business combinations.

Acquisition of n-design Gesellschaft für systematische Gestaltungen mbH, Germany

In 2018, CompuGroup Medical SE, acquired 95 percent of the shares in n-design Gesellschaft für systematische Gestaltungen mbH with registered office in Cologne, Germany. The purchase price amounted to EUR 1,650 thousand and has already been paid in the amount of EUR 1,150 thousand as of 31 December 2018. The outstanding purchase price of EUR 500 thousand was paid in the first quarter of 2019.

Acquisition of Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, Austria

In financial year 2018, the put options of the non-controlling shareholders for 9.9 percent of the shares in Innomed Gesellschaft für medizinische Softwareanwendungen GmbH, were exercised. This resulted in a purchase price of EUR 2,502 thousand, which was based on fixed sales volumes and was already paid out in the amount of EUR 2,263 thousand as of 31 December 2018. The outstanding purchase price of EUR 239 thousand was paid in the first quarter of 2019.

Significant effects of changes in accounting policies

IFRS 16

IFRS 16, Leases, was applied from 01 January 2019 and replaces IAS 17, Leases, and the related interpretations, which represented the previous standard for the accouting of leases. CompuGroup Medical SE has adopted the modified retrospective approach as defined by IFRS 16(C5)(b); the comparative figures for the prior-year periods have not been restated. A detailed description of the main effects of the application of IFRS 16 at CGM can be found in the Annual Report 2018. As part of the first-time application of IFRS 16, leases that were previously classified as operating leases in accordance with IAS 17 are recognized as lease liabilities at the present value of the remaining lease payments. The discounting is performed by using the lessee's marginal borrowing rate at the time of first application. A weighted average borrowing rate between 0,72% and 1,55% has been applied to the lease liabilities as of 01 January 2019.

Reconciliation of lease liabilities as of 01 January 2019:	EUR `000
Obligations from operating leases reported as at 31 December 2018	40,899
Discounted at the lessor's marginal interest rate on borrowed capital	39,500
Additional finance lease liabilities recognized as of 31 December 2018	961
Lease liabilities recognized at 01 January 2019	**40,461**
Thereof:	
Current leasing liabilities	14,788
Non-current leasing liabilities	25,673

The recognized rights of use consist of approximately 75% leases of land and buildings. No value adjustment of the rights of use was not necessary, as there are no onerous leases.

As of 01 January 2019, the changes regarding the accounting policy affected the following balance sheet items as follows:	EUR `000
Decrease in property, plant and equipment	–881
Increase in rights of use asset	40,881
Decrease in other financial liabilities	–961
Increase in lease liabilities	40,461
Increase in deferred tax liabilities	100
Increase in other reserves	400

No separation is made in contracts that contain non-leasing components in addition to leasing components. Each leasing component is shown as a leasing relationship together with the corresponding other service components.

In addition, at the date of first-time application of IFRS 16, the following significant options and simplifications were exercised:

+ For leased assets of minor value and current leases (less than twelve months), there are application simplifications, which the CGM Group does not make use of.
+In connection with the determination of the leasing term, subsequently enhanced obtained knowledge (so-called hindsight) is sometimes taken into account if this leads to a better estimate for the exercise of extension or termination options.
+ The regulation of grandfathering is not invoked. On 01 January 2019, the leasing standard will therefore be applied to all existing contracts falling within its scope. This applies to both, to contracts on the lessee side and to contracts on the lessor side.

The introduction of IFRS 16 had the following effects on the individual segments:

AIS: EBITDA + EUR 1,648 thousand
PCS: EBITDA + EUR 502 thousand
HIS: EBITDA + EUR 694 thousand
HCS: EBITDA + EUR 181 thousand
OTHER: EBITDA + EUR 1,070 thousand

Financial Instruments

The Group has various financial assets, such as trade receivables, which result directly from its business activities. The same recognition and measurement principles were applied as for the consolidated financial statements as of 31 December 2018.

The following table presents the book values and the valuation approaches in accordance with measurement categories for the Group's existing financial instruments according to IFRS 9.

			IFRS 9 valuation			IFRS 16 valuation	
	Measurement category according to IFRS 9	Book value as at 31.03.2019	Amortized costs (continued)	Fair value through equity	Fair value through profit and loss	Amortized costs (continued)	Fair value as at 31.03.2019
Financial assets							
Cash and cash equivalents	AC	39,631	39,631	0	0	0	39,631
Trade account receivables	AC	122,084	122,084	0	0	0	122,084
Other financial assets*	AC	7,745	7,745	0	0	0	7,745
Receivables from finance lease agreements	-	18,510	0	0	0	18,659	19,797
Other investments	FVtPL	725	0	725	0	0	725
Total financial assets		**188,695**	**169,460**	**725**	**0**	**18,659**	**189,982**
Financial liabilities							
Liabilities to banks	AC	312,569	312,569	0	0	0	313,970
Purchase price liabilities	AC	20,362	20,362	0	0	0	20,362
Trade payables	AC	30,605	30,605	0	0	0	30,605
Other financial liabilities	AC	27,463	27,463	0	0	0	27,463
Lease Liabilities	-	40,887	0	0	0	40,887	40,887
Total financial liabilities		**431,886**	**390,999**	**0**	**0**	**40,887**	**433,287**
Total per category							
Financial instruments at fair value through other comprehensive income	FVtOCI	0	0	0	0	0	0
Amortized costs	AC	560,459	560,459	0	0	0	561,860

* Shown as other receivables in the previous year

Acquisitions and disposals of items of property plant and equipment

In the first three months of the financial year 2019, CompuGroup Medical SE acquired tangible assets with a total amount of EUR 5.3 million, of which EUR 2.8 million were additions from rights of use in accordance with IFRS 16.

Valuation of loan USA

The management decided through a resolution concerning the existing internal loan relationship between the CompuGroup Medical SE and the CompuGroup Holding Inc. to evaluate the US-loan according to IAS 21 section 15 for the current financial year. Thereby, the currency gain has been recognized with an amount of EUR 1,804 thousand under the other comprehensive income in the position currency conversion.

Related party transactions

The related party transactions are as follows:

	Sale of goods		Purchase of goods		Receivables		Liabilities	
EUR `000	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Related Persons	48	10	98	97	31	1	97	0
Related Companies	716	548	464	500	202	140	207	198
Associated companies	265	582	4	1,896	580	5,066	0	1,286
TOTAL	1,029	1,140	566	2,493	813	5,207	304	1,484

Related companies:

The received deliveries and services include especially the business relationship to MW Office / Marketing und Werbung GmbH with an amount of EUR 404 thousand. These services are claimed in particular by CGM Deutschland AG and Intermedix Deutschland GmbH. The performed deliveries and services comprise especially mps public solution GmbH with an amount of EUR 363 thousand as well as the Gotthardt Healthgroup RO SRL with an amount of 335 thousand.

Associated Companies:

With Gotthardt Informationssysteme GmbH being reclassified from associated company to a fully consolidated company as of 01 January 2019, both received and performed deliveries and services have decreased significantly compared to the previous year. The performed deliveries and services mainly include MGS Meine Gesundheit Services GmbH. Also receivables comprise especially MGS Meine Gesundheits-Services GmbH amounting to EUR 524 thousand. Due to full consolidation of Fablab S.r.l. and the resulting reclassification from the associated companies, both receivables and liabilities decreased significantly compared to the previous year.
All transaction with related parties have been concluded at market conditions.

Compliance with payment obligations and financial covenants

On the 22 June 2018 CGM entered into a new syndicated loan agreement with a bank consortium for a revolving loan facility (also referred to in the following as "RLF") in the amount of EUR 400.0 million. As a result, the existing syndicated loan agreement was terminated and repaid.

The syndicated loan facility has a duration of five years. The interest rate is based upon the EURIBOR rate for the interest period chosen plus a margin, which changes in accordance with the leverage ratio in contractually regulated levels. The interest rate for the first quarter of 2019 was 0.8 percent.

As of 31 March 2019, the RLF has been utilized to the tune of EUR 280.0 million.

In addition, loan commitment fees totaling EUR 1.4 million accrued, which 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 one financial covenant (leverage ratio).

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

During the ongoing financial year 2019, CGM has been and is compliant with all financial covenants in all of its loan agreements.

Contingent liabilities, guarantees and other commitments

During the fiscal year 2019, contigent liabilities, guarantees and other commitments did not change significatly compared to 31 December 2018.

Cash net income (non-IFRS)

EUR `000	01.01.- 31.03.2019	01.01.- 31.03.2018	01.01.- 31.03.2019	01.01.- 31.03.2018	01.01.- 31.12.2018
Cash net income (EUR)*	30,313	24,284	30,313	24,284	121,064
Cash net income per share (EUR)*	0.61	0.49	0.61	0.49	2.45

* Definition Cash net income: Consolidated net income plus amortization of intangible assets except amortization of in-house capitalized software.

Significant post balance sheet events

Acquisition of the assets of Eurosof 2000 S.L.U., Spain

In April 2019, OWL Computer S.L.U., a 100 percent subsidiary of Medigest Consultores S.L., acquired the business operations of Eurosof 2000 S.L.U. (in the following Eurosof) as part of a business combination by transferring the net assets (asset deal).

Eurosof 2000 is a medium-sized company based in Badajoz, a medium-sized city, capital of the Extremadura region in south-eastern Spain. The Farmalog software currently runs in 390 pharmacies. In Spain, pharmacy software solutions in each region require certification by the local pharmacist to connect to the e-prescription servers. The Farmalog e-prescription module is already approved and used in pharmacies in four Spanish regions.

According to current estimates, the business area will be included in the consolidated financial statements for the first time in May 2019. The preliminary turnover of Eurosof for the financial year 2019 amounted to about EUR 893 thousand with an EBITDA of EUR 334 thousand. The total consideration to be paid amounts to EUR 2,100 thousand, of which EUR 1,680 thousand was already paid in April 2019. In addition, contingent purchase price payments of EUR 420 thousand are expected until 2021.

Due to the temporal proximity of the acquisition date to the time of preparation of the quarterly financial statements, it was not possible to carry out a valuation of the asset deal of Eurosof, as the required information is either not yet completely available or could not yet be fully evaluated.

Segment reporting

In accordance with IFRS 8 „Operating Segments" the activities of CompuGroup Medical SE are divided into operating segments for segment reporting purposes.

In contrast to the previous segment reporting, the centrally from Koblenz managed functions of the company (e.g. IT, Human Resources and legal), were reclassified through the offsetting and reconciliation in other business transactions. The changed segment reporting is presented in the column '2018 - new segments' for the first quarter of 2018.

Following business segmentd form the basis of the segment reporting. The range of services offered by these four business segments, can be presented as follows:

+ **AIS:** Development and distribution of practice software solutions as well as the provision of services for registered doctors, dentists and laboratories. In addition, Internet Service Providing services are provided to physicians and other healthcare participants.
+ **PCS:** Development and distribution of software solutions as well as the provision of services for pharmacists.
+ **HIS:** Development and distribution of hospital software solutions as well as the provision of services.
+ **HCS:** Networking of service providers (doctors, dentists, hospitals and pharmacists) with other key market players in healthcare, such as payers, pharmaceutical companies and research institutions.

On the basis of the reporting system, the Executive Board, as the Chief Operating Decision Maker, evaluates the performance of the four reporting segments and makes decisions on the allocation of resources. For the evaluation and assessment of the business segments, the Management Board uses „Earnings before interest, tax, depreciation and amortization" (EBITDA) as key performance indicator, which thus represents the segment result.

Segment reporting

as at 31 March 2019

	Segment AIS Ambulatory Information Systems			Segment PCS Pharmacy Information Systems			Segment HIS Hospital Information Systems			Segment HCS Health Connectivity Services		
	2019	2018	2018	2019	2018	2018	2019	2018	2018	2019	2018	2018
EUR '000	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12
Sales to third parties	**110,574**	**106,120**	**461,862**	**27,851**	**26,408**	**113,391**	**26,125**	**23,642**	**101,262**	**10,639**	**9,757**	**40,371**
thereof Software license	6,488	9,500	36,876	1,687	1,341	5,648	2,469	2,845	10,799	99	92	276
thereof Hardware	13,990	17,020	82,851	4,904	4,639	25,594	810	410	3,677	–372	0	0
thereof Professional Services	12,115	12,720	56,344	2,147	2,190	10,246	6,933	5,487	25,089	1,550	1,352	5,224
thereof Software Maintenance & hotline	56,294	52,149	213,973	8,290	8,273	32,423	12,868	12,252	50,912	853	732	3,885
thereof Other recurring revenues	20,644	12,720	65,385	9,940	9,141	36,338	3,029	2,513	10,249	167	330	1,468
thereof Adverting, eDetailing and Data	421	558	2,022	767	785	2,955	0	0	0	7,684	6,292	25,621
thereof Software Assisted Medicine	47	7	1,489	0	0	0	0	0	0	695	993	4,039
thereof Other revenue	575	1,446	2,922	116	39	187	16	136	536	–37	–34	–142
Point in time of revenue recognition												
at a specific point in time	16,443	19,318	91,084	5,241	4,913	27,328	1,402	879	5,761	–409	–34	–142
over a period of time	**94,131**	**86,802**	**370,778**	**22,610**	**21,495**	**86,063**	**24,723**	**22,763**	**95,501**	**11,048**	**9,791**	**40,513**
	110,574	106,120	461,862	27,851	26,408	113,391	26,125	23,642	101,262	10,639	9,757	40,371
Sales between segments	4,956	8,525	34,298	7,760	13,611	56,581	989	884	2,812	1,280	1,293	5,406
Segment Sales	**115,530**	**114,644**	**496,160**	**35,611**	**40,019**	**169,972**	**27,114**	**24,526**	**104,074**	**11,919**	**11,050**	**45,777**
thereof recurring sales	76,938	64,869	279,358	18,230	17,414	68,761	15,897	14,765	61,161	1,020	1,062	5,354
Capitalized inhouse services	2,197	1,332	8,581	0	0	0	2,650	1,819	8,531	0	0	0
Other income	4,457	616	3,614	663	133	1,110	520	459	3,012	1,789	38	496
Expenses for goods and services purchased	–25,550	–34,532	–146,846	–12,982	–18,303	–77,144	–4,181	–3,949	–17,884	–3,527	–3,080	–13,608
Personnel costs	–37,593	–31,596	–129,080	–9,845	–9,928	–39,655	–16,425	–15,388	–63,608	–3,808	–3,001	–12,438
Other expense	–20,124	–17,139	–73,739	–4,451	–4,969	–20,750	–5,369	–4,983	–22,516	–1,560	–1,639	–6,776
EBITDA	38,917	33,325	158,690	8,996	6,951	33,533	4,309	2,484	11,609	4,813	3,368	13,451
in % of sales	35.2%	29.1%	34.4%	32.3%	17.4%	29.6%	16.5%	10.1%	11.5%	45.2%	30.5%	33.3%
Depreciation of tangible assets												
Amortization of intangible assets												
EBIT												
Results from associates recognised at equity												
Financial income												
Financial expense												
EBT												
Taxes on income for the period												
Profit for the period from discontinued operations												
Consolidated net income for the period												
in % of sales												

All other Segments				Sum Segments				Consolidation				CGM Group		
2019	2018 new Segments	2018	2018	2019	2018 new Segments	2018	2018	2019	2018 new Segments	2018	2018	2019	2018	2018
01.01. – 31.03.	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12	01.01. – 31.03.	01.01. – 31.03.	01.01. - 31.12
25	**34**	**34**	**137**	**175,214**	**165,961**	**165,961**	**717,023**	**0**	**0**	**0**	**0**	**175,214**	**165,961**	**717,023**
0	0	0	0	10,743	13,777	13,777	53,599	0	–1	0	0	10,743	13,777	53,599
0	0	0	6	19,332	22,069	22,069	112,128	0	0	0	0	19,332	22,069	112,128
0	0	0	28	22,745	21,749	21,749	96,931	0	0	0	0	22,745	21,749	96,931
23	20	20	86	78,328	73,425	73,425	301,279	0	–1	0	0	78,328	73,425	301,279
0	0	0	0	33,780	24,704	24,704	113,440	0	0	0	0	33,780	24,704	113,440
0	0	0	0	8,872	7,635	7,635	30,598	0	0	0	0	8,872	7,635	30,598
0	0	0	0	742	1,000	1,000	5,528	0	0	0	0	742	1,000	5,528
2	14	14	17	672	1,601	1,601	3,520	0	0	0	0	672	1,601	3,520
2	14	14	23	22,679	25,091	25,091	124,054	0	0	0	0	22,679	25,091	124,054
23	**20**	**20**	**114**	**152,535**	**140,870**	**140,870**	**592,969**	**0**	**0**	**0**	**0**	**152,535**	**140,870**	**592,969**
25	34	34	137	175,214	165,926	165,961	717,023	0	35	0	0	175,214	165,961	717,023
4,032	4,060	757	13,189	19,017	28,373	25,070	112,286	–19,017	–28,373	–25,070	–112,286	0	0	0
4,057	**4,094**	**791**	**13,326**	**194,231**	**194,334**	**191,031**	**829,309**	**–19,017**	**–28,373**	**–25,070**	**–112,286**	**175,214**	**165,961**	**717,023**
23	20	20	86	112,108	98,130	98,130	414,720	–0	–0	0	0	112,108	98,130	414,720
272	242	63	1,400	5,119	3,393	3,215	18,512	0	0	179	0	5,119	3,393	18,512
12,143	11,201	1,716	41,803	19,572	12,447	2,962	50,035	–14,105	–10,866	–1,380	–42,001	5,467	1,581	8,034
–373	–638	–506	–2,678	–46,613	–60,502	–60,370	–258,160	17,131	25,096	24,964	106,732	–29,482	–35,406	–151,428
–12,742	–10,967	–3,975	–43,083	–80,413	–70,880	–63,889	–287,864	945	1,211	–5,781	1,097	–79,468	–69,669	–286,767
–9,569	–10,426	–2,554	–44,220	–41,073	–39,156	–31,285	–168,001	14,147	12,150	4,278	45,109	–26,926	–27,006	–122,892
–6,212	–6,494	–4,465	–33,452	50,823	39,636	41,664	183,831	–899	–781	–2,810	–1,349	49,924	38,854	182,482
				29.0%	23.9%	21.8%	25.6%					28.5%	23.4%	25.4%
												–6,784	–2,760	–11,415
												–7,816	–7,810	–33,188
												35,324	28,283	137,879
												–498	–421	–293
												359	627	2,010
												–1,428	–2,727	–10,845
												33,757	25,762	128,751
												–10,117	–8,804	–36,156
												0	0	0
												23,640	**16,958**	**92,595**
												13.5%	10.2%	12.9%

Additional information

FINANCIAL CALENDAR 2019

Date	Event
15 May 2019	Annual General Meeting
08 August 2019	Interim Report Q2 2019
18 September 2019	Investor and Analyst Conference
07 November 2019	Interim Report Q3 2019

SHARE INFORMATION

The share of CompuGroup finished the first quarter with a closing price of EUR 52.50. The average closing share price increased by 8.1 percent from EUR 44.61 (Q4/2018) to EUR 48.22 (Q1/2019).

The highest quoted price during the first quarter was EUR 54.20 on 19 March 2019 and the lowest price EUR 39.32 on 03 January 2019.

The trading volume of CompuGroup shares was 4.3 million shares during the first quarter, up 3.9 percent compared to the previous quarter. On average, the daily trading volume was approximately 67,500 shares (daily average in 2018: approximately 71,500).

By the end of March 2019, a total of five analyst companies were covering the CompuGroup Medical share on a regular basis. The forecast price targets ranged from EUR 40.00 to EUR 60.00. Three analysts rated the shares a "buy", one analyst as „sell" and one analyst as "hold" or "neutral".

SHARE BUYBACK

On December 13, 2018, CGM SE announced a share buyback program with a total volume of up to € 20.0 million and a term until April 30, 2019.

While the acquired shares may be used for all purposes specified in the authorization of the Annual General Meeting on May 20, 2015, CompuGroup Medical SE intends to redeem the majority of the repurchased shares or to use them for potential acquisition purposes. On December 14, 2018, CGM SE announced the start of the share buyback program. In the period from December 17, 2018 to March 19, 2019, shares were repurchased exclusively via the stock exchange in electronic trading of the Frankfurt Stock Exchange (Xetra). During this period CGM SE repurchased 426,153 shares for a total of € 19,999,962.61. This corresponds to an average purchase price of € 46.9314 per share.

CONTACT INFORMATION

CompuGroup Medical SE
Investor Relations
Maria Trost 21
56070 Koblenz

Telephone: +49 (0) 261 8000-6200
Fax: +49 (0) 261 8000-3200

E-Mail: investor@cgm.com
www.cgm.com

Management Responsibility Statement

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, 06 May 2019

CompuGroup Medical Societas Europaea
The Management Board

Frank Gotthardt

Frank Brecher

Uwe Eibich

Christian B. Teig

Dr. Ralph Körfgen

Hannes Reichl

CompuGroup Medical SE
Maria Trost 21
56070 Koblenz
Germany