

HI MEDIA GROUP REPORTS 39% REVENUE GROWTH FOR THIRD QUARTER 2008 AND UPDATES FULL YEAR GUIDANCE TO REFLECT THE CURRENT MARKET ENVIRONMENT

- **Online Advertising revenues up 3% in a difficult market environment**
- **Robust momentum in micropayment revenues, up 73.4%**
- **Proprietary sites reach 12% of total Group sales**
- **Gross margin stability supported by diversified revenue streams model**

Paris, November 6, 2008 - The online integrated media group, Hi-Media Group (ISIN Code FR0000075988 - HIM, HIM.PA) publishes today its sales figure for the third quarter of 2008.

Main consolidated data (in millions of euros)

	Q3 2007	Q3 2008	Change in %	YTD 2007	YTD 2008	Change in %
Sales:						
Advertising ¹	11.6	11.9	+3%	37.5	42.3	+13%
Micro-payments	12.3	21.3	+73%	35.4	51.7	+47 %
Total	23.9	33.2	+39%	72.9	94.0	+29%
<i>Of which Publishing</i>	<i>1.3</i>	<i>4.0</i>	<i>+196%</i>	<i>3.5</i>	<i>9.9</i>	<i>+181%</i>
Gross margin²:						
Advertising	49.3%	59%		49.2%	56%	
Micro-payments	27.2%	26%		28.9%	25%	
Total	38.0%	38%		39.4%	39%	

Commenting on the third quarter of 2008 performance, Cyril Zimmermann, founder and CEO of Hi-Media Group, said:

"Hi-Media continues to enjoy strong revenue acceleration despite difficult market conditions. The Group's diversified revenue streams, with a growing contribution from our proprietary sites and rapidly expanding micropayments sales, effectively help us compensate for deteriorating online advertising markets. The economic environment and ongoing uncertainty have impacted the entire industry, including ourselves, especially since September and we do not foresee any improvement in 2009 in the advertising segment. However, our integrated and balanced business model allows us to mitigate this slowdown as we are able to deliver double digit growth and maintain a sustainably high level of gross margin. The successful integration of Mobiletrend and the continuous progress made in our publishing strategy are providing us with effective resilience in such a difficult operating environment."

¹ The Advertising Network activities and Direct Marketing were merged in 2007 within an Advertising Segment.

² Including the 100% margin recorded on the proprietary sites (Hi-Media Publishing)

Hi-Media's momentum accelerated to 39% in the third quarter ended September 30, 2008, after growth rates of respectively 26% and 22% in the first and second quarter.

Online Advertising

Online Advertising revenues grew by 3.1% in the third quarter as a result of contrasted geographical trends. While France (up 8.2% year-on-year) showed satisfactory growth in a deteriorating context, more mature markets such as Germany and Sweden became more challenging. Demand remained strong for Hi-Media's Network in Spain, Belgium and Portugal.

Furthermore, despite this slowdown, its focused marketing strategy and dynamic sales force helped Hi-Media Group increase its market share and register numerous new contract wins this quarter. In France, the most noticeable additions were jimmy.fr or cinecinema.fr. In Portugal, the Group added centralmusical.pt, carteira.pt and surfreport.com as clients. In Germany Hi-Media signed with Universal and Thomas Cook and in Belgium with Mappy In addition in Brazil, large sites such as br.weather.com and psicofxp.com are now part of Hi-Media's network.

As of September 30, the number of page impressions published reached the unprecedented level of more than 13 billion.

Micro-Payments

Micro-Payments revenues increased by 73.4% over the third quarter thanks to the following growth drivers:

- Continued increase in the number of transactions per website and in the number of websites using the Allopass solution;
- Full impact of the new contracts signed in the second quarter;
- The integration of MobileTrend;
- Higher penetration rates in new markets, in Latin America in particular thanks to Fotolog.

Hi-Media has been able to extract many synergies and to demonstrate the scalability of its model. This resulted in:

- Lower dependence on the French market;
- An increased geographic diversification of its customer base;

Also, this activity is benefiting from the increased contribution to the Group's consolidated sales of proprietary sites, as these tend to generate higher revenues from micro-payment solutions.

Publishing

Hi-Media's own and operated sites performed well in the third quarter and now account for more than 12% of the Group's revenues, well beyond the objective of 10%.

Attracting an always growing number of online visitors, Fotolog alone registered more than 21 million members at the end of September.

Financial situation

The increase in the publishing activity, supported by the Group's rapid vertical integration, helped drive the advertising gross margin 10 points higher than a year ago. After an exceptionally high second quarter, Micro-Payments gross margin at 25.5% is now well in line with the long-term objective of 25%.

Hi-Media continues to enjoy a healthy financial structure. As stated at the end of the first half, the Group's long-term debt (30.8 million Euros) remains very contained in comparison to shareholders' equity (117 million Euros) and fully respects the covenants initially agreed on with the banks. As part of its debt repayment schedule, Hi-Media paid nearly 5 million euro at the end of October.

Outlook

Full year results will be negatively impacted by a non cash item of 1.6 million euro related to a settlement agreement with a customer.

2008, as stated last January upon the release of the full year 2008 objectives, is a transition year focused on accelerating the development of own and operated audience and the diversification of the Group in two balanced sources of revenue. The successful execution of this strategy should allow Hi-Media to limit the negative impact on its various businesses of the current market conditions. Nevertheless, in order to reflect the Group's lower visibility on advertising revenues in the fourth quarter, but also its confidence in the continuing growth of micropayment, the Group is updating its full year 2008 objectives as follows:

- Revenues should be approximately 133 - 135 million euros, compared to the previous objective of more than 140 million euro,
- Current operating profit should be around 15 million euros* compared to the previous objective of 17 to 18 million euros*.

The present press release constitutes the "narrative" report concerning the third quarter of 2008 as disclosed by the Company's Board of Directors, in application of article IV L 451-1-2 of the Monetary and Financial Code and of article 221-1 of the general rules and regulations of the AMF (Financial Markets Authority)

*Note: before stock based compensation and settlement agreement

This press release does not constitute an offer to sell, or a solicitation of an offer to buy Hi-Media shares. If you wish to obtain further information about Hi-Media, please refer to our website www.hi-media.com. This press release may contain some forward-looking statements. Although Hi-Media considers that these statements are based on reasonable hypotheses at the date of publication of this release, they are by their nature subject to risks and uncertainties which could cause actual results to differ materially from those indicated or projected in these statements.

Hi-Media operates in a continually changing environment and new risks emerge continually. Hi-Media does not undertake and expressly disclaims any obligation to update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

About Hi-Media

Hi-Media now ranks among the world's biggest Internet publishers, with 30 million unique users ranking Hi-Media among the world's 100 leading Internet media groups (comScore). The Hi-Media audience is monetized by the Group's integrated advertising network and micro-payment platform, which also provide such services for third parties with more than 230,000 partner sites. Hi-Media is among Europe's leaders in interactive advertising and electronic micro-payments. The Group operates in 9 countries. Hi-Media is listed on the Euronext Paris Eurolist B and belongs to the SBF 250, CAC IT, and CAC Small 90 indices. ISIN Code: FR0000075988. Site: www.hi-media.com

Financial calendar

2008 Full year revenues: January 29, 2009

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