Paris, July 16th 2009

SECOND QUARTER TRADING UPDATE

- **Q2 gross profit down by 8.4% like-for-like**
- **H1 gross profit of €36.19 M fell by 4.5% like-for-like**
- **Given the sluggish advertising market, the Group anticipates a decrease of about 20% in H1 headline PBIT***

Gross profit (in € M)	2009	2008 LFL**	2008 published	Change 09/08 LFL**
Q1	17.22	17.19	16.27	+0.2%
Q2	18.97	20.70	19.80	-8.4%
Total H1	36.19	37.89	36.07	-4.5%

**Headline PBIT = Current operational income before restructuring costs*
*** On a like-for-like basis: 2008 pro-forma data including Bleuroy.com and VMS (formerly Valassis France) as of January 1st 2008*

Analysis of gross profit

Following a solid first quarter, during which HighCo's gross profit held up well despite the challenging market environment, the second quarter saw a sharp drop in activity. Gross margin for Q2 2009 amounted to €18.97 M, down by 8.4% like-for-like, including the acquisitions of BleuRoy.com and VMS (formerly Valassis France) in Q2 2008.

H1 2009 gross profit totalled €36.19 M, representing a 4.5% decrease like-for-like.

In the first half of 2009, the gross profit of HighCo's French businesses stood at €20.61 M, accounting for nearly 57% of the Group's gross profit. According to the geographical region, gross profit showed contrasting results: in France, it was down by 9.1% like-for-like while showing 2.4% growth in other countries (Benelux, Southern Europe).

First-half highlights

Faced with a slack consumer market, brands and distributors have cut back on marketing investments. The **deterioration of the advertising market continued to intensify over the first half of the year**. For example, ZenithOptimedia slashed its 2009 advertising spending forecast further for Western Europe, from -6.7% in April 2009 to -9.2% in July 2009. HighCo also felt the reverberations of this slowdown across its businesses, although it has been less severe than in advertising.

Divergent performances for Group businesses in the first half of 2009

The **digital** and **clearing** businesses boasted a strong first half, but this performance did not offset the deterioration in the point-of-sale marketing businesses in France.

In contrast, the **point-of-sale media, field marketing and trade marketing** businesses were hit especially hard in France due to the current slowdown. This worsened with the application of the new "LME" law, which has discouraged major consumer brands from investing with the main distributors.

Targets

The next analysts' meeting will take place on August 27th in Paris. HighCo will take this opportunity to present its results for H1 2009 and its outlook for FY 2009.

In the meantime, the Group would like to present the following points:
1- headline PBIT is expected to fall by about 20% in H1 2009 compared with H1 2008;
2- the drop in gross profit in H2 is expected to be less significant than in Q2, given the seasonal nature of distributors' advertising campaigns, which had a positive impact on gross profit in Q2 2008 but were discontinued in Q2 2009;
3- HighCo continues to boast a healthy financial position, with net cash surplus on the rise over the first half of the year, now standing at €15 M.

About HighCo

HighCo offers point-of-sale, digital and data marketing solutions that enable brands and distributors to reach consumers at the point of sale at the time of purchase. The Group employs over 850 staff in France, Benelux, Spain, Italy and Poland and is listed in compartment C of Euronext Paris.

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Upcoming events

H1 2009 Results	*August 26th 2009 (after market close)*
Analysts meeting for H1 2009	*August 27th 2009*
Q3 2009 Gross profit	*October 20th 2009 (after market close)*

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HighCo is a component stock of the following indices: CAC Small90, CAC Mid&Small 190 and SBF250.
ISIN: FR0000054231
Reuters: HIGH.PA
Bloomberg: HCO FP
For further financial information and press releases, go to www.highco.fr.