

Paris, 4 May 2010

**HI-MEDIA REPORTS A 39% INCREASE IN SALES FOR THE FIRST QUARTER OF 2010, TO 51 MILLION EUROS**

- **+80% growth in advertising**
- **Micropayments: strong sustained organic growth of +16%**

**Paris, 4 May 2010** – The on-line media group Hi-media (ISIN Code FR0000075988 - HIM, HIM.FR), the European leader in monetising the Internet audience, releases its activity figures for the first quarter of 2010.

**Main consolidated figures (in million of euros)**

	<b>Q1 2009</b>	<b>Q1 2010</b>	<b>Variation</b>
<b>Sales :</b>			
Advertising	13.2	23.9	+80%
Payments	23.4	27.1	+16%
<b>Total</b>	<b>36.6</b>	<b>51.0</b>	<b>+39%</b>
<b>Gross margin<sup>1</sup> :</b>			
Advertising	53%	46%	
Payments	27%	25%	
<b>Total</b>	<b>37%</b>	<b>35%</b>	

Commenting on the 2010 first quarter figures, Hi-media Group's founder and CEO Cyril Zimmermann declares:

« We posted another strong activity growth quarter thanks to the dynamism of our organic activity and the positive impact of the successful integration of AdLINK Media. During these first months of the year, the advertising market has demonstrated a slight improvement which should accelerate throughout the year. The micropayment fundamentals are very well oriented with publisher demands to invoice part of their content that get stronger and stronger. On both activities, the good positioning of the Group and the launch of new offers will enable Hi-media to perform during all the yearlong with strong perspectives for the second half of the year».

<sup>1</sup> Including 100% gross margin coming from the own and operated websites of the Group (Hi-media Publishing)

## **Hi-media Advertising**

Thanks to AdLINK Media integration the advertising activity almost doubled with a 81% growth rate compared to last year first quarter. In proforma figures, the display activity (ie excluding search marketing) gets back on a growth path with an increase of 1%. This growth figure is in line with the Q1 2010 market trends.

The beginning of the year has seen Hi-media winning or renewing key contracts such as Viamichelin, Sporever or Netlog, as well as launching of its mobile offer at the European level and finalizing its performance marketing tests. This performance marketing offer will be, to begin with, available in France and then rolled out in all the countries where the ad network is present.

## **Hi-media Payments**

The Group's online payment activity continues to post strong organic growth rate with a 16% activity increase for the first quarter of the year compared to last year first quarter. In addition of the organic growth, the Allopass platform implemented new features such as new local way of payments with MPME (mobile - France), Zeevex (prepaid card - USA) and Cuenta Digital (payment aggregator- Latam).

## **Hi-media Publishing**

The websites published by the Group represent 6% of the Group consolidated sales. This contribution decreases notably due to the AdLINK Media integration which dilutes the overall weight of the publishing activity inside the Group.

Jeuxvideo.com posted a new audience record with 3.8 million unique visitors per month (source: Nielsen Net Rating, January 2010) and continues to develop its offer and its content with the recent launch of [www.mygamecover.com](http://www.mygamecover.com) (video games jacket covers creation).

The Group own and operated websites audience represents more than 50 million unique visitors per month (source: Google Analytics, March 2010).

## **Financial Situation**

The advertising activity gross margin (46%) naturally decreases due to the AdLINK Media integration (for which the gross margin rates were historically lower than the Hi-media ones).

The consolidated gross margin for the payment activity remains in the 25% area, in line with the past quarters. This gross margin rate reflects the average rate between the payment processing activity (Hipay, SMS routing) where the margin is posted as sales and the Allopass platform activity where the full transaction amount (net of telco fees) is posted in sales.

On the overall Group standpoint, the consolidated gross margin is at 35% (vs. 37% Q1 2009) in line with the Group's 2009 consolidated proforma gross margin.

## **Perspectives**

The beginning of the year is in accordance to the Group's plan. The various developments made at the end of last year and during the first quarter of 2010 should contribute to the Group activity growth in 2010, helped by the improvement of the market environment.

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](http://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 Group :**

Hi-media, the online media group, is one of the top Internet publisher in the world with more than 50 million unique visitors per month on its proprietary websites. Hi-media is also the leading European player in online advertising and electronic payment. Its business model relies thus on two different sources of revenues: online advertising via its dedicated ad network Hi-media Advertising and online content monetization via its micropayment platform Allopas. The group which operates in 9 European countries, USA and Brazil employs more than 500 people and posted in 2009 206 million euros in sales (proforma). Independent since its creation in 1996, the company is listed since 2000 on the Euronext Eurolist Paris (Eurolist B) and is included in the SBF 250, CAC IT and CAC Small 90. ISIN code: FR0000075988. Hi-media qualifies for FCPI as it received the OSEO label of "innovating company".

Site : [www.hi-media.com](http://www.hi-media.com)

### **Financial communication**

H1 2010 sales: 20 July 2010, after the market closure

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