

Paris, 3 May 2012

**HI-MEDIA: 49.3 MILLION EUROS OF SALES IN THE FIRST QUARTER AND INCREASE OF THE GROSS PROFIT**

- **Following rationalisation of the Group perimeter in the last quarter of 2011 pro forma sales figure increase by 1%**
- **Pro forma gross profit up by 5%**

**Paris, 3 May 2012**– Online media group Hi-Media (Code ISIN FR0000075988 - HIM, HIM.FR), the European leader in monetization of the Internet audience, has released its business report for the first quarter of 2012.

**Main consolidated data (in millions of euros)**

Q1 2012	Q1 2011	Q1 change
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**Pro forma sales**

	Q1 2012	Q1 2011	Q1 change
Advertising	21.0	21.9	-4%
Payments	28.3	27.1	4%
Total	49.3	49.0	1%

Q1 2012	Q1 2011	Q1 change
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**Pro forma gross profit<sup>1</sup>**

	Q1 2012	Q1 2011	Q1 change
Advertising	9.9	10.1	-2%
Payments	7.5	6.5	+14%
Total	17.4	16.6	+5%

Regarding the figures for the first quarter of 2012, Cyril Zimmermann, Founder and Chief Executive Officer of the Hi-Media Group, indicates:

“The group is continuing its efforts to rationalise the perimeter, and to integrate its advertising activities and payment solution. 2012 will be an important year since our markets are undergoing a transformation, with an increasing demand for automated and global monetization solutions. Over and above our current efforts involving our margins in order to preserve our profitability in a difficult economic environment, we’re preparing the Group’s growth over the next five years with our two marketplaces in advertising

<sup>1</sup> Including the margin generated on proprietary sites (Hi-Media Publishing)

### **Hi-Media Advertising: close-up on Ad eXchange and automated advertising transactions**

The advertising market deteriorated considerably relative to the first quarter of 2012, particularly in Southern Europe (Spain, Italy and Portugal), and the Group’s strong exposure resulted in lower business. The business orientation is still good in Germany, where the company successfully completed its reorganisation. France and Belgium are in an intermediate situation, with a slack market.

Overall, the Group’s advertising activities dropped by 4% pro forma (restated for the removal of the United Kingdom and Holland; -11% published including the United Kingdom and Holland in the 1<sup>st</sup> quarter of 2011, at €23.9 million). The gross margin for the business increased from 46% to 48%, thanks to the good behaviour of certain sites owned by the group, notably jeuxvideo.com. The trend will be identical in the coming months and will then turn around with the ramp-up of the **Hi-Media Ad eXchange marketplace that provides advertisers and digital media with automated advertising transactions.**

**Launched in the third quarter of 2011, the Hi-Media Ad eXchange advertising marketplace is positioned as one of the leaders in Europe with nearly 20 billion advertising formats available each month.** In the first quarter of 2012, Hi-Media convinced major actors from the European web to join its Ad eXchange, such as Seloger.com and Overblog in France, Aufeminin and Kapaza in Belgium as well as Filmstart and StayFriends in Germany.

### **Hi-Media Payments: strong increase of the volume of transactions**

In the first quarter of 2012, the Group posted **growth of 21% in the volume of transactions transiting via its Allopass and HiPay payment platforms.**

This increase is primarily due to the strong momentum around the HiPay solution and the Group’s two strategic sectors, namely video games and online press. As such, in the first quarter, Hi-Media Payments was selected by the sites Leparisien.fr and Lequipe.fr. The Group also won the invitation to tender launched by the epresse EIG that markets the digital versions of many titles from the daily press and news magazines in France (Les Echos, L’Equipe, Le Figaro, Libération, Le Parisien/Aujourd’hui en France, La Croix, L’Humanité, L’Express, Le Point and Le Nouvel Observateur).

The Hi-Media Payments sales figure (the company recognises the gross volume of transactions in certain cases, and the gross profit on transactions in other cases, according to the IFRS international accounting standards) increased by 4% in proforma (-11% in published figures as a result of the discontinuation of certain activities in the last quarter of 2011 with a 1<sup>st</sup> quarter of 2011 at €31.9m,), and **the gross profit rose**

## **Prospects**

In the first three months of fiscal 2012, the Hi-Media Group continued to rationalise its perimeter and activities. This rationalisation is providing resistance to the current deteriorated environment, while helping to improve the Group's margins. **The pro forma gross profit rose by 5%**, against a business increase of 1%.

As the marketing and e-commerce partner of the digital content industry, Hi-Media is building an overall audience monetization solution around **two marketplaces: Hi-Media Ad eXchange for advertising and Hi-Media Payments for payment solutions.**

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 <http://www.hi-media.com> under the Corporate Information heading.

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 is one of the largest European digital media Group. Its business model relies on two different revenue streams: online advertising via Hi-Media Advertising and online content monetization via Hi-Media Payments. The group, which operates in 9 European countries, the USA and Brazil, employs more than 500 people and in 2011 posted over 230 million euros in sales. Independent since its creation in 1996, the company is listed since 2000 on the Euronext Eurolist Paris (Eurolist C) and is included in the CAC Small and CAC All-Tradable indices. ISIN code: FR0000075988.

Website: [www.hi-media.com](http://www.hi-media.com) Visit our blog: <http://blog.hi-media.com>

### **Financial communication**

Result for the 1<sup>st</sup> half of 2012: 30 August 2012, before the stock market.

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