Paris, 26 March 2013

Business down in 2012 but earnings and financial position remain strong

Pick-up in digital migration

Medium-term target to double the proportion of digital businesses, from 25% to 50% of gross profit

- 2012 gross profit of €71.60 M, down 2.4% on a reported basis and 7.7% like-for-like[1]
- 2012 headline PBIT[2] of €10.63 M, down 6.5%. Operating margin[3] of 14.8%
- Net income up 4.2% to €6.00 M
- Net cash[5] of €27.77 M at 31 December 2012

(in € M)	2012	2011	Change N/N-1
Gross profit	71.60	73.39	-2.4% (-7.7% LFL[1])
Headline PBIT[2]	10.63	11.36	-6.5%
Operating margin[3]	14.8%	15.5%	-70 bp
Pre-tax income	9.92	9.07	+9.3%
Net income	6.00	5.76	+4.2%
Earnings per share (EPS, in €) [4]	0.58	0.55	+4.8%
Net cash[5]	27.77	28.26	€0.49 M

[1] On a like-for-like basis including POS Media, MRM and RC Médias as of 1 January 2011 and the sale of the French "In-store Field Marketing" businesses on 1 January 2011 and at constant exchange rates.
[2] Headline PBIT: profit before interest, tax and restructuring costs.
[3] Operating margin = headline PBIT/gross profit.
[4] EPS (Earnings Per Share): Net income attributable to equity holders of the parent per share.
[5] Net cash: Cash and marketable securities less gross current and non-current financial liabilities.

Richard Caillat, Chairman of the Management Board, stated, *"Despite a business decline in 2012, our earnings and financial position remain strong. To resume growth, we are stepping up the digital migration of our businesses and have set a new medium-term target to double the proportion of digital activities."*

2012 financial performance

2012 gross profit amounted to €71.60 M, down 2.4% on a reported basis and 7.7% like-for-like[1]. Gross profit in France (down 3.7% at €40.52 M) held up better than the Group's International businesses (down 12.3% at €31.08 M), which continued to suffer from the performance in Belgium and to a lesser extent Spain. Business in Central Europe and the United Kingdom remains stable overall.

The effective management of indirect operating expenses (down 5.9% like-for-like[1]) helped curb the drop in **headline PBIT, which came to €10.63 M.** 2012 operating margin (14.8%) was down 70 bp on a reported basis and 160 bp like-for-like[1]. In France, headline PBIT grew 10.7% to €7.59 M, but the poor performance in Belgium impacted the Group's International growth (down 32.5% to €3.04 M).

Pre-tax income rose 9.3%, mostly thanks to the drop in restructuring costs and the absence of acquisition costs. **Net income attributable to equity owners of the parent increased 4.2% to €6.00 M**, driving EPS up 4.8% to €0.58 per share. A dividend of €0.15 per share (stable) will be proposed at the next Annual General Meeting.

HighCo's financial structure remains strong with **net cash of €27.77 M** in 2012, virtually stable (down €0.49 M) on 2011 thanks to maintained cash flow levels (€8.81 M versus €9.00 M in 2011).

Highlights by geographical region

In 2012, HighCo operated on an advertising expenditure market which declined 2.2% over the year and in a challenging climate for the retail and consumer goods sectors. On its two main markets (**France and Belgium),** HighCo recorded:

- Growth in the e-coupon business (Couponing);
- A slight drop in the volume of coupons processed (Clearing);
- Further expansion in issuing and managing promotional offers (Promotions & Fulfilment);
- A particularly steep decline in in-store media.

The Group maintains its target to double the proportion of its gross profit in new countries (from 10% to 20%), namely:

- The **United Kingdom**, winning the account with the fifth-largest food retailer, The Co-operative Group, and extending the agreement with the Department Of Health (DOH);
- **Spain**, with the initial coupon processing campaigns (Clearing);
- **Central Europe**, with the first coupon issuing campaigns in Hungary (Tesco), the Czech Republic and Slovakia (Metro/Makro);
- **Russia**, with the set-up of a subsidiary in Q1 2013 to sell in-store media;
- The **United Arab Emirates**, by boosting its activities and investing in a 30% stake in Integral Shopper;
- The initial commercial successes of the European development teams: P&G/Gillette, Packard Bell and Michelin.

Pick-up in digital migration

HighCo has set a **medium-term target to double the proportion of digital businesses to 50% of its gross profit** (versus 25% in 2012).

To resume growth in line with the dominant trends for the communication market, **HighCo is stepping up its digital migration**, focusing on three areas:

- dematerialising promotional offers (e-coupons, F-coupons, mobile coupons and promotions, scanners) through an "omni-channel" platform;
- dematerialising the processing of coupons and promotional offers through an international platform;
- digitising in-store communication and media.

Guidance

For 2013 HighCo forecasts:

- Continued improvement in business trends (gross profit);
- Higher operating expenses in digital and tight cost management in the other businesses.

The Group's financial resources will be allocated, as a priority, to:

- capital expenditure, for less than €2 M;
- share buybacks, for less than €1 M;
- the dividend payout, for a total of €1.6 M;
- acquisitions and investments.

At its meeting on 21 March 2013, the Supervisory Board approved the financial statements for the year ended 31 December 2012. At the time of writing, the audit of the consolidated financial statements has been carried out. The certification report will be issued once the required procedures have been finalised in order to file the registration document.

A financial analysts' meeting is scheduled for Wednesday, 27 March at 2.30 p.m. at the Palais Brongniart. The presentation will be available online prior to the meeting on the company's website www.highco.fr.

About HighCo

HighCo, operating in 15 countries in Europe and the Middle East, is the leading non-media communications group specialised in mass-market retail and consumer goods.
Boasting dual "Connect Shopper & Process Data" expertise, HighCo provides its brand and retailer clients with offline and digital solutions to adapt to new shopping dynamics:

- *COUPONING & CLEARING: Coupon issuing and processing. Data analysis.*
- *PROMOTIONS & FULFILMENT: Design and management of promotional campaigns.*
- *IN-STORE MEDIA & COMMUNICATION: Design, marketing and production of campaigns.*

HighCo has 850 employees and is listed in compartment C of NYSE Euronext Paris and the GAIA Index, a selection of 70 responsible Small and Mid Caps.

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Upcoming releases

Publications shall be released **after market close**

Q1 2013 Gross Profit: Tuesday, 23 April 2013
Q2 and H1 2013 Gross Profit: Friday, 12 July 2013
2013 Half-year Earnings: Monday, 26 August 2013
Q3 and 9-month YTD 2013 Gross Profit: Tuesday, 22 October 2013
2013 Gross Profit: Tuesday, 28 January 2014

SFAF financial analysts meetings

Annual Earnings: Wednesday, 27 March 2013 at 2.30 p.m. (Palais Brongniart, Paris).
Half-year Earnings: Tuesday, 27 August 2013 at 2.30 p.m. (Centre Affaires Victoire, Paris).

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HighCo is a component stock of the following indices: CAC® Small (CACS), CAC® Mid&Small (CACMS) and CAC® All-Tradable (CACT).

ISIN: FR0000054231
Reuters: HIGH.PA
Bloomberg: HCO FP

For further financial information and press releases, go to www.highco.fr.