

## HI-MEDIA: SUCCESS OF NEW PRODUCTS

- **New activities now represent more than 50% of the company's volume of sales**
  - **Advertising: Video, mobile, ad-exchange and special operations continue to progress strongly**
  - **Payments: Rise of banking payment methods**
- **Stable growth for the Advertising department despite a difficult market environment**
- **Improvement expected by the end of the year for Payments activities**

**Paris, November 5, 2013, 5:35 PM** – The online media group Hi-Media (ISIN code FR0000075988 - HIM, HIM.FR), one of the European leaders in internet audience monetization, releases its activity report for the third quarter 2013.

### Main consolidated data (in millions of Euros)

Q3 2013	Q3 2012	Q3 Variation
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#### Sales

Advertising	18.4	18.2	+1%
Payments	22.9	24.5	-6%
Total	41.3	42.7	-3%

Q3 2013	Q3 2012	Q3 Variation
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#### Gross Profit<sup>1</sup>

Advertising	8.1	8.1	-
Payments	6.0	6.0	-
Total	14.1	14.1	-

Commenting on the figures for the third quarter of 2013, Cyril Zimmermann, Founder and Chief Executive Officer of the Hi-Media Group, states: ***"In an economic context still difficult, Hi-Media has succeeded in generating growth in both of its activity segments thanks to its product innovation. For the first time, in the third quarter, its new products represent more than half of the company's gross sales and show very strong increases. This dynamism enables us to establish our services in a structural changing market and to achieve optimal positioning for the market recovery."***

<sup>1</sup> Including gross margin realised on owned sites

## **ANALYSIS OF THE ACTIVITY**

### **HiMedia: continuous growth of its new activities**

With a turnover of €18.4 million, HiMedia's activity level shows a slight growth (+1%) despite a weak advertising market in all European countries.

The new activities which include video, mobile, RTB (Real Time Bidding) and special operations continue to gain market shares. As a consequence, for the first time since their launch, these activities represent almost half of the revenues from advertising of the Group.

Beyond their strong growth, these activities are becoming key offers of the market. In fact, Plein Ecran, the video advertising activity, launched a few months ago, has become the first offer of its kind in the French market (source: Mediametrie, August 2013) and the RTB business, AdExchange.com, is now a key player of the market, working with more than 1000 publishers and 10 000 advertisers.

Gross margin conditions remain stable compared to third quarter 2012.

### **HiPay: strong dynamism of electronic payment activities**

The company's online payment activities show, as expected, a renewed dynamism. The gross sales has increased by 16% compared to the same period a year ago.

The decline in global turnover is a lot lower in comparison with the past four quarters and a return to positive growth is still expected by the end of the year.

The mobile payment activities are stabilizing and banking payments activity continues to grow strongly. The banking payment methods gross sales increased by 47% compared to third quarter 2012 and now represent more than 60% of the company's payment volume of transactions. The trend is expected to continue over the next few months, with the recent launch of HiPay TPP (third party processing).

Taking into account the evolution of the product mix, the gross profit is stable over the quarter in comparison with the same period last year.

## **PERSPECTIVES**

The new products now represent more than 50% of the company's gross sales and will continue to grow.

In online Advertising, HiMedia is perfectly positioned to benefit from the ongoing structural changes. The company expects a growth of its advertising activities despite a still uncertain environment.

There should be, as announced, a positive turnaround in payment activity at the end of the year thanks to the dynamism of its banking payment methods (wallet and TPP) and the stabilization of its micropayment activity.



During the fourth quarter 2013, Hi-Media's both activities will benefit from the 18-month work on its offers. Advertising activities will be growing and payment should return to growth. Furthermore, the Group continues to invest in people and technologies in order to support the long-term transformation of its offer.

#### **About Hi-Media Group**

Hi-Media is one of the leading European digital media groups. Its economic model is based on two revenue sources: online advertising via HiMedia and content monetization via HiPay. Present in 9 European countries, the group employs approximately 470 people and generated sales of 198 million euros in 2012. Independent since its creation in 1996, the company is listed in the NYSE Euronext Paris compartment C, and is included in the CAC Small and CAC All-Tradable indices. ISIN code: FR 0000075988 / Trading symbol: HIM

More information on [www.hi-media.com](http://www.hi-media.com) and on our blog <http://blog.hi-media.com/>

**Financial communication:** Fourth quarter sales: January 23, 2014, after market closing.

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This press release may contain some forward-looking statements. Although Hi-Media considers that these statements are based on reasonable hypotheses on the publication date of this release, they are by their very nature subject to risks and uncertainties that could cause the actual results to differ from those indicated or projected in these statements. Hi-Media operates in a continually changing environment and new risks could potentially emerge. Hi-Media assumes no obligation to update these forward-looking statements, whether to reflect new information, future events or other circumstances.