



Paris, 28 January 2014

RETURN TO GROWTH IN 2013 AND PICK-UP IN DIGITAL MIGRATION

- Pick-up in growth in Q4: Gross profit of €18.16 M, up 3.0% like-for-like¹.
- Return to growth in 2013: Gross profit of €71.80 M, up 0.6% like-for-like¹.
- 2013 headline PBIT² estimated at more than €8.70 M, in line with market guidance.
- Poor performance in Belgium in Q4 and H2, resulting in goodwill impairment of about €9 M at 31 December 2013.
- Pick-up in digital migration:
 - Acquisition of the PRIXING promotional mobile application;
 - Exclusive negotiations³ to buy a 66.5% stake in the social media agency MILKY.

Gross Profit (in € M)	2013	2012	2013/2012 Change	2013/2012 LFL ¹ Change
Q1	17.49	18.01	-2.9%	-2.8%
Q2	18.99	18.85	+0.7%	+1.0%
Q3	17.16	17.02	+0.9%	+1.5%
Q4	18.16	17.72	+2.5%	+3.0%
Total 2013	71.80	71.60	+0.3%	+0.6%

¹ Like-for-like and at constant exchange rates (LFL).

² Headline PBIT: profit before interest, tax and restructuring costs.

³ Advanced stage of exclusive negotiations with Novao to team up with company management to buy a 66.5% stake in the share capital of Milky.

Didier Chabassieu, Chairman of the Management Board, stated: *"We achieved our return to growth with a like-for-like increase in business of 3.0% for Q4 and 0.6% for the 2013 financial year. Growth was driven by our two strategic focuses, digital (up 6.8% LFL) and new countries (up 10.7% LFL). We are kicking off 2014 by stepping up our digital migration even further, with the acquisition of the Prixing promotional mobile application and the announcement of exclusive negotiations³ to buy a 66.5% stake in the social media agency Milky."*



Pick-up in growth in Q4

As previously announced, **growth continued to strengthen in Q4 with gross profit of €18.16 M, a like-for-like increase of 3.0%** (0.1% decline over the first nine months of 2013).

The fourth quarter saw a sharp turnaround in France, with gross profit of €11.26 M, rising 9.8% like-for-like (down 0.1% over the first nine months of 2013).

International businesses posted gross profit of €6.90 M, down 6.5% like-for-like:

- Poor performance in Belgium, with a like-for-like drop of 9.9% in Q4 (3.9% decline over the first nine months of 2013).
- Continued growth in new countries (Spain, United Kingdom and Central Europe) of 4.1% like-for-like (up 13.1% over the first nine months of 2013).

Return to growth in 2013 thanks to the strategic focuses on "digital" and "new countries"

Group revenue totalled €133.06 M, rising 1.0% like-for-like and 0.6% on a reported basis.

Gross profit is HighCo's main business indicator. The figure grew to €71.80 M in 2013, up 0.6% like-for-like and 0.3% on a reported basis.

- **Solid performance in France and new countries**

In France, gross profit stood at €41.51 M, a like-for-like increase of 2.4%.

The gross profit of international businesses fell 1.7% like-for-like to €30.30 M, reflecting the sharp contrast between the decline in Belgium (down 5.3% LFL) and new countries (up 10.7% LFL).

Growth in new countries remained strong in Central Europe, particularly in the Czech Republic, Hungary and Ukraine. A subsidiary was opened in Russia to launch the Group's collaboration with the Russian retailer Magnit. On a contrasting note, the Group decided to discontinue DATA businesses in Spain.

New countries generated 10.6% of HighCo's gross profit in 2013 (up 60 bp on the reported 2012 figure). The Group maintains its medium-term target of 20% of gross profit.

- **Growth in digital businesses**

The Group's digital businesses stepped up their growth (7.0% in Q4 and 6.8% LFL for FY 2013). The traditional non-digital businesses held up well in Q4 (up 1.3% LFL) but continued to decline overall in the 2013 financial year (down 1.5% LFL).

The growth in digital businesses was driven by the dematerialised, multi-channel issuing of coupons and promotions. The successful tests conducted on m-coupons (mobile coupons) for Intermarché has opened up new prospects in Europe.

Digital businesses accounted for 27.1% of HighCo's gross profit in 2013 (up 170 bp on the reported 2012 figure). The Group maintains its medium-term target of 50% of gross profit.



Closing of the 2013 financial statements

Based on the year-end closing in progress, HighCo projects **Headline PBIT² of more than €8.70 M**, in line with the guidance announced on the release of the Group's 2013 half-year earnings.

The 7.6% decline in the Belgian businesses in the second half of the year prompted HighCo to lower its medium-term forecasts for that geographical segment. **The Group will recognise nearly €9 M in goodwill impairment for Benelux in its financial statements for the year ending 31 December 2013.** This impairment has no impact on the Group's annual cash flow or its net cash position⁴, which is estimated at more than €26 M at 31 December 2013 (€27.79 M at 30 June 2013 and €27.77 M at 31 December 2012).

The consolidated financial statements will be released on 24 March after market close and will be followed by a financial analysts' meeting on 25 March at 2.30 pm.

2014: Pick-up in our digital migration with the acquisition of the PRIXING mobile application and exclusive negotiations³ for a 66.5% stake in the social media agency MILKY

To boost its digital businesses in Europe, **HighCo announced its acquisition of Prixing's assets from Epic Dreams.** This free application boasted more than 1.6 million downloads in 2013 and revenue of €0.25 M. Prixing is a universal price comparison mobile app that scans bar codes to provide consumers with access to all product information, to prices in nearby stores using global positioning technology and to mobile user reviews. Its technology uses a unique database that covers two million products at 20,000 points of sale and more than 10 million prices updated in real time.

Furthermore, HighCo has announced that it has entered into an advanced stage of exclusive negotiations with Novao to team up with company management to buy a 66.5% stake in the share capital of Milky. Milky is an agency specialised in mobile innovation and social media. It is certified by Facebook as a Preferred Marketing Developer and by Salesforce as a Silver Cloud Alliance Partner. In 2013, Milky generated gross profit of more than €1.5 M.

³ Advanced stage of exclusive negotiations with Novao to team up with company management to buy a 66.5% stake in the share capital of Milky.

⁴ Net cash: cash (asset) minus gross financial debt (liability).

About HighCo

HighCo offers MARKETING SOLUTIONS to BRANDS and RETAILERS to connect with the Shopper through all new communication channels.

Seizing the opportunities offered by digital technology, HighCo uses data to design innovative issuing and clearing solutions for its COUPONS & PROMOTIONS business and creation and adsell solutions for IN-STORE MEDIA.

Operating in 15 countries, HighCo has nearly 900 employees and is listed in compartment C of NYSE Euronext Paris and in the GAIA Index, a selection of 70 responsible Small and Mid Caps.

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Upcoming events

Publications take place **after market close**

2013 Annual Earnings: Monday, 24 March 2014
SFAF financial analysts meeting: Tuesday, 25 March 2014 (at 2.30 pm)
Q1 2014 Gross Profit: Tuesday, 29 April 2014
Q2 and H1 2014 Gross Profit: Wednesday, 16 July 2014
2014 Half-year Earnings: Wednesday, 27 August 2014
Conference call on 2014 half-year earnings: Thursday, 28 August 2014 (10 am)
Q3 and 9-month YTD 2014 Gross Profit: Tuesday, 28 October 2014
Q4 2014 Gross Profit: Tuesday, 27 January 2015

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HighCo is a component stock of the 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.com.

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