

## HIMEDIA GROUP: A THIRD QUARTER TURNOVER OF 38 MILLION EUROS

- **HiPay (payments):**
  - Accelerated rise in volume of transactions;
  - Return to margin growth
- **HiMedia (advertising):**
  - Gain of market shares on alternative solutions while traditional display advertising continues to decline;
  - Focus on mobile advertising as source of growth

Paris, November 4 2014, 5.35 PM – The online media group HiMedia Group (code ISIN FR0000075988 - HIM, HIM.FR) releases its results for the third quarter of 2014.

### Main consolidated data<sup>1</sup> (in millions of Euros)

	Q3 2014	Q3 2013	Variation	9m 2014	9m 2013	Variation
<b>HiPay (Payments)</b>						
Volume of transactions	144,0	107,6	34%	399	327	22%
Sales	22,3	22,9	-3%	68,0	70,9	-4%
Gross profit	6,0	5,9	2%	17,8	18,6	-4%
<b>HiMedia (Publicité)</b>						
Sales	15,3	18,3	-16%	53,4	62,2	-14%
Gross profit	5,0	6,5	-23%	19,0	24,3	-22%
<b>HiMedia Group</b>						
Sales	37,6	41,2	-9%	121,4	133,1	-9%
Gross profit	11,0	12,5	-12%	36,8	42,9	-14%

Commenting on the figures for the third quarter of 2014, Cyril Zimmermann, Founder and Chief Executive Officer of HiMedia Group:

*“Over the third quarter, the growth path of HiPay, the group’s payment activity has doubled compared to the first semester of the year. This dynamic has allowed completing the transition between the Group’s traditional and its new online payment activities, which henceforth will mainly drive the group’s growth. This transition is already under way for the group’s advertising activities (HiMedia). Yet several months will be needed for the RTB, the mobile and the video activities to take over the traditional display activity.”*

<sup>1</sup> Excluded the divestiture of Jeuxvideo.com in June

## **ACTIVITY ANALYSIS**

Over the 2014 third quarter, HiMedia Group generated a consolidated turnover of 38 million Euros, excluding the sale of Jeuxvideo.com.

### **HiPay (online payments)**

Over the third quarter, the volume of transactions increased by 34%, compared to a growth rate of 16% recorded during the first semester of the year. The electronic payment activity increases by 56% and drives the growth of HiPay.

The total gross margin benefits from this growth as the part of the online payment activity in the mix product continues to rise. It now represents 35% of HiPay's total gross margin. During the period, the online payment activity recorded a 2% growth of its gross margin. This result confirms the return to growth, achieved thanks to important investments undertaken by the Group since 2010.

### **HiMedia (digital advertising)**

The advertising activity is still subject to the transition process. Taken into consideration the cession of Jeuxvideo.com, this activity recorded a decline of 16% in the third quarter, facing tightened market conditions. The main trends which were identified in the beginning of the year persist and confirm a weakening display and an increasing importance of alternative levers (RTB, video and mobile) in the Group's advertising mix product.

Since the beginning of the year, the mobile accounts for a major part in the development of the activity with key references in numerous countries such as Le Monde, Webedia and Reworld Media in France, Twitter, Shazam and Melty in Italy or LinkedIn in Spain. HiMedia seizes this momentum to develop various other products in order to extend the Group's product range and to gain market shares.

## **OUTLOOK**

HiPay: the success of the electronic payment activities continues to drive HiPay's overall growth. The Group confirms its annual volume of transactions objective of more than 700 million euros over the end of the year.

HiMedia will pursue its transition process with the mobile as principal backbone and a reinforced focus on the convergence of the three levers (mobile, video and RTB) thanks to new product developments. A business recovery is expected following a similar gradual return to growth scenario pursued by HiPay. The margins should be restored beginning of 2015 onwards, following the end of display contracts which have become unprofitable.

The Group has important financial resources which will enable it to pursue its development notably on mobile advertising and electronic payment solutions.

### **About HiMedia Group**

HiMedia Group guides advertisers, publishers and retailers on the development of their digital strategies. Operating in two business areas, digital advertising - HiMedia - and online payment - HiPay, its experts offer the solutions that are best adapted to boosting clients revenues.

Established in 8 European countries, the Group employs approximately 420 people and generated sales of €185 million in 2013. Independent since its creation in 1996, the company is listed on Euronext Paris (Compartment C) and is included in the CAC Small, CAC-All Tradable and CAC PME indices.

Code ISIN: FR 0000075988 / Mnémo: HIM.

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**Next financial communication:** 2014 fourth quarter sales, January 29, 2015, 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.