



INTELLIGENT MARKETING SOLUTIONS

Paris, 19 July 2016

EXCELLENT PERFORMANCE IN Q2 2016: GROSS PROFIT UP 15.4% LFL

Growth remains at the same robust levels

- Q2 2016¹ gross profit of €22.56 M, up 16% on a reported basis and 15.4% LFL²
- H1 2016¹ gross profit of €42.95 M, up 15.2% on a reported basis and 14.8% LFL
- Further pick-up in growth in France: Q2 LFL up 20.9%; H1 LFL up 19.5%
- Continued growth in International business: Q2 LFL up 5.5%; H1 LFL up 6.9%
- Outstanding growth in Digital: Q2 LFL up 27.8%; H1 LFL up 32%
- Half-year earnings: sharp rise expected in half-year headline PBIT³ and operating margin⁴

Improved business growth outlook for 2016

- Growth in gross profit revised upwards from more than 6% to more than 8% like for like.

Gross Profit (in € M) ¹	2016	2015 reported	2015 LFL ²	2016/2015 Reported change	2016 / 2015 LFL ² change
Q1	20.39	17.83	17.87	+14.4%	+14.1%
Q2	22.56	19.44	19.54	+16.0%	+15.4%
Total H1	42.95	37.27	37.41	+15.2%	+14.8%

¹ Limited audit currently in progress by the Statutory Auditors.

² LFL: On a like-for-like basis and at constant exchange rates.

³ Headline PBIT: Profit before interest, tax and restructuring costs.

⁴ Operating margin: Headline PBIT/Gross profit.

Didier Chabassieu, Chairman of the Management Board, stated, "Thanks to our like-for-like strong growth of 15.4% in the second quarter, generated primarily in France and by our digital businesses, HighCo has had an excellent half year, with business up 14.8% like for like. The strength of our digital businesses – which accounted for 46.8% of our total business in the second quarter, moving us closer to our target of 50% by 2017 – confirms that we are on the right track in our strategy. Given our higher-than-expected performance in the second quarter, we have further raised our business growth target for 2016."



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ANOTHER STRONG SURGE IN GROWTH FOR DIGITAL BUSINESSES IN Q2 2016: UP 27.8% LIKE FOR LIKE

With like-for-like growth of 27.8% in Q2 2016, Digital continues as the Group's growth driver. The share of digital business increased from 41.2% in Q2 2015 to 46.8% in Q2 2016. Offline businesses also rose 6.3% over the quarter. As a result, HighCo boasted significant business growth in Q2 2016, **up 16% on a reported basis and 15.4% like for like to €22.56 M**.

The digital businesses grew 32% like for like in H1 2016, with the share of Digital increasing from 38.4% in H1 2015 to 44.7% in H1 2016. HighCo is nearing its target to reach a share of more than 45% of the Group's total business generated by Digital in 2016. Offline businesses rose 3.9% like for like over the half year. **The Group's gross profit in H1 2016 amounted to €42.95 M, up 15.2% on a reported basis and 14.8% like for like**.

STRONG GROWTH SUSTAINED IN FRANCE

France again posted an impressive performance in Q2 2016, with gross profit up 20.9% to €15.18 M like for like, representing 67.3% of the Group's total gross profit. This gain was driven by Digital, which rose 31.8% in the second quarter with the significant expansion in Drive to Store businesses (digital coupon issuing, mobile marketing, services for click-and-collect and online retail platforms).

H1 2016 gross profit totalled €27.96 M in France, rising 19.5% like for like. Digital businesses grew 39.8% over the first half of the year, and their share in gross profit reached 54.2%.

INTERNATIONAL BUSINESS CONTINUES ITS STRONG PERFORMANCE

International gross profit climbed 5.5% in Q2 2016 to €7.37 M like for like. In H1 2016, international gross profit amounted to €14.99 M, for like-for-like growth of 6.9%, or 34.9% of the Group's gross profit for the first half of the year. Business continued to grow in Belgium (Q2 2016: up 7.5%, H1 2016: up 7.4%), representing 29.6% of the Group's gross profit for the first half of the year.

Business in other countries (Spain, Italy and the United Kingdom) rose over the first half of 2016, although the United Kingdom underperformed the Group. Other countries represented 5.3% of the Group's gross profit over the first half of the year.

2016 HALF-YEAR EARNINGS

Based on the consolidation in progress, the Group forecasts:

- Strong growth in half-year headline PBIT and operating margin (headline PBIT/gross profit) compared with H1 2015;
- A financial position remaining at the same healthy level, with its net cash surplus (including the working capital resources of the DATA businesses) expected to increase substantially compared with 31 December 2015.

IMPROVED BUSINESS GROWTH OUTLOOK

Given the excellent, better-than-expected performance in Q2, the Group has further raised its business guidance for the year. Growth in gross profit for 2016 was revised from more than 6% to more than 8% like for like (2015 gross profit: up 5.5% like for like).



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About HighCo

Since its creation, HighCo has placed innovation at the heart of its values, offering its clients – brands and retailers – Intelligent Marketing Solutions to influence shopper behaviour with the right deal, in the right place, at the right time and on the right channel.

With nearly 900 employees, HighCo operates in 14 countries. HighCo is listed in compartment C of Euronext Paris and in the Gaia Index, a selection of 70 responsible Small and Mid Caps, winning first prize in its category (revenue < €150 M) for 2015.

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Upcoming events

Publications take place **after market close**.

2016 Half-year Earnings: Wednesday, 31 August 2016

Conference call on 2016 half-year earnings: Thursday, 1 September 2016 (11 a.m.)

Q3 and 9-month YTD 2016 Gross Profit: Wednesday, 19 October 2016

Q4 2016 Gross Profit: Tuesday, 24 January 2017



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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