2009 INTERIM FINANCIAL REPORT

A corporation with a capital of 4 027 367,90 euros
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Contents

Management report

PRESENTATION OF EARNINGS FOR THE FIRST HALF OF 2009

I. Comments concerning the income statement

Sales by activity

in thousands of euros	**30 June 2009**	**30 June 2008**
Advertising	28 243	30 377
Micropayments	46 036	30 440
Sales	**74 279**	**60 817**

Sales for the period come to 74.3 million euros, up 22% by comparison with the 1st half of 2008. The very good performance displayed by micropayments offset the decline of sales in the advertising activity.

Micropayments are Hi-media Group's main income source, and the Group's advertising business continues to resist the present crisis:

- The advertising activity is still standing up against a tough economic environment, with a decline for the first half limited to 7%, even though the Group estimates the contraction of the on-line advertising market at almost 10%.

- Micropayments continue to increase at a very sustained rate, +51% by comparison with the 1st half of 2008. This growth results from the international deployment of Allopass, as well as from the paid applications developed on Group sites combined with the impact of the acquisitions of the companies Mobile Trend and Mobile Works in June 2008.

Altogether, sales made on Group sites are up by 35%, thanks to the development of the audience of the existing sites (fotolog.com, jeuxvideo.com, blogorama.fr, actustar.com and toutlecine.com) and to the installed synergies. Thus revenue from the Publishing sector comes to 7.9 million euros (10.6% of the consolidated whole), against 5.8 million euros (9.6% of the consolidated whole) one year previously.

The group's gross profit comes to 28.1 million euros, up 15.8% by comparison with the 1st half of 2008 (24.3 million euros). The gross margin stands at 38%, down 2% from the 1st half of 2008 (40%), a fact explained by the increasing share of micropayments in total business.
Gross profit scored by the Advertising network comes to 15.8 million euros (16.6 million euros for the 1st half of 2008). The gross margin for that activity stands at 56%, up 1 basis point from the 1st half of 2008 (55%).
The gross profit scored by the micropayment business comes to 12.3 million euros (7,7 million euros in the 1st half of 2008). That activity's gross margin stands at 27%, up 2 basis points from the 1st half of 2008 (25%).

Purchases, coming to 8.3 million euros, are up by 13% by comparison with the 1st half of 2008 (7.3 million euros). That rise is explained in particular by the impact of the additions to the perimeter made in June 2008 and activity's growth.

Payroll expenses, at 10.3 million euros, were under control by comparison with the 1st half of 2008 (10.4 million euros).

Transfers to and write-backs from depreciation and provisions, amounting to 2.4 million euros, were up by 58% from the 1st half of 2008 (1.5 million euros). That increase is mainly due to the greater amount of business done, the incorporation of new companies, and the activation of technological tools developed in-house.

The operating profit, before valuation of stock options and of free shares, comes to 7.1 million euros, up 40% from the 1st six months of 2008 (5.0 million euros).

The consolidated net income amounts to 2 583 k€ (against 965 k€ on 30 June 2008), a result breaking down into:

- an operating profit of 5 598 k€ (against 2 823 k€ on 30 June 2008);

- financial net income of - 1 012 k€ (- 717 k€ on 30 June 2008), consisting mainly of the interest on the bank borrowing installed at the end of 2007 for financing the acquisitions made in 2008.

- and a tax charge coming to -2 096 k€ (-1 141 k€ on 30 June 2008) consisting of a current tax charge of -1 462 k€ (-1 588 k€ for the 1st half of 2008), and a deferred tax charge of 634 k€ (credit of 447 k€ for the 1st half of 2008).

II. Acquisitions and purchases of holdings

No acquisitions or purchases of holdings were made during the 1st half of 2009.
Some operations concerning reorganization of the group's legal structure were carried out during the period and are detailed in Note 2 to the summary of the consolidated semiannual financial statements in this document.

III. In-house developments and innovations

Hi-media announced the following during the 1st half of 2009:

- the on-lining of its Hipay secure electronic payment solution, a complete electronic payment solution secured by means of an SSL protocol enabling any merchant to offer customers a flexible, simple and very secure solution for settling purchases on line. Hipay sees to payment in real time of the good or service acquired, with a guarantee concerning provisions and customer assistance.

- Conclusion of a partnership between Fotolog and Microsoft aimed at incorporating Fotolog into the bouquet of Windows Live Internet Services, particularly Windows Live Messenger (formerly MSN), thus extending the Fotolog community to include Windows Live community. The members of Fotolog can instantaneously share, with all of their friends, the latest news from their Fotolog by using the Windows Live Messenger service.

- To accompany the growth of the micropayment business in France, in Europe and in the world as a whole, Allopass is extending its international representation with:
    - the opening of offices in the United States and in Scandinavia. Commercial establishments in Germany and in Great Britain are also planned.
    - a customer service available in 7 languages (French, German, English, Spanish, Italian, Polish and Swedish) and 2 time slots. This service was installed during the first half of 2009 in the interest of more effective accompaniment of users in their transactions and to optimize the revenue of merchant customers.
    - a new version of its Internet site, www.allopass.com. This new version, more ergonomic, simpler and more practical, facilitates the integration of the Allopass solution on web sites. The new Allopass site, more accessible for tradesmen and surfers, should enable its customers to favor micropayments and to manage transactions day by day.

IV. Important events since 30 June 2009

On 6 July 2009, Hi-media announced conclusion of a memorandum of understanding with a view to acquisition of AdLINK Media Deutschland GmBH, the on-line advertising network activity of the group AdLINK Internet Media AG.

The procedures regarding acquisition of the company AdLINK Media Deutschland GmBH are detailed in Note 19 to the summary consolidated semiannual financial statements in this document.

MAIN RISKS AND UNCERTAINTIES CHARACTERISING THE SECOND HALF OF 2009

The main risks to which the Group is exposed for the second half of 2009 are detailed in the section concerning "Risk factor" of the 2008 Annual Report filed with the Financial Markets Authority on 30 April 2009 and available on the company's internet site www.Hi-media.com. The company is unaware of any other risks and uncertainties for the remaining six months of the financial year.

PROSPECTS

For the first time ever since 2002, the advertising market declines but less than the other media. Thus Internet continues to gain market shares towards traditional media and midterm perspectives remain very strong.

Thanks to the AdLINK Internet Media acquisition, the ad network activity is going to be the European leader and will benefit from a strong strategic position with the anticipated upturn of the market as the overall macroeconomic environment is getting healthier. Furthermore, Hi-media and AdLINK ad network activities combination should generate more than 5 million euros of cost synergies and will create an extremely powerful offer, gathering a cumulated audience of more than 127 million unique visitors per month with strengthened targeting capabilities.

The group will be able to continue to leverage synergies between its different activities on a broader perimeter and a mastered environment. Moreover, it has to be precised that during the discussions held with AdLINK shareholders, based on figures at end of March 2009, and underlining the lack of visibility the company had at the period of time, Hi-media Group communicated on a yearly financial guidance for full year 2009 of 158 million in sales, 16 million in EBIT and 7 million euros in net income before the AdLINK acquisition and the costs related to this operation.

TRANSACTIONS BETWEEN AFFILIATED PARTIES

The affiliated parties of Hi-media group correspond to the authorized agents, senior managers and directors of the group, as well as the companies in which they exercise control, joint control or notable influence, or hold a significant voting right.

I. Compensation of management members

The compensation includes the remuneration paid to the Chairman of the Board of Directors, the attendance fees paid to the directors who are individuals and are not remunerated by the Company (3 directors) and the compensation paid to the Chief Operating Officer. The compensation and benefits relating to members of the management organs posted to the income statement amount to 719 k€ (against 969 k€ on 30 June 2008).

II. Transactions with the subsidiaries

Hi-media SA invoices its subsidiaries for holding expenses as well as for trademark expenses, eliminated in the consolidated financial statements.

III. Other affiliated parties

During the first half of 2009, no significant operations were carried out with:

- shareholders holding a significant voting right in the Hi-media S.A. capital,
- members of the management organs, including the directors,
- entities over which one of the main senior managers exercises control, joint control, or notable influence, or holds a significant voting right.

Group's summary consolidated financial statements

Consolidated income statements for the half-years ending on 30 June 2009 and 30 June 2008

in thousands of euros	Notes	30 June 2009	30 June 2008
Sales	3	74 279	60 817
Charges invoiced by the media		-46 185	-36 550
Gross profit		**28 094**	**24 268**
Purchases		-8 332	-7 344
Payroll charges	4	-10 274	-10 373
Transfers to and write-backs from depreciation and provisions		-2 354	-1 525
Current operating profit ***(before valuation of stock options and free shares)***		**7 133**	**5 026**
Valuation of stock options and of free shares	5	-1 535	-2 203
Other non-current income and charges		-	-
Operating profit		**5 598**	**2 823**
Cost of indebtedness		-1 133	-717
Other financial income and charges		121	-
Earnings of consolidated companies		**4 586**	**2 106**
Share in the earnings of the companies treated on an equity basis		93	-
Earnings before taxes of the consolidated companies		**4 679**	**2 106**
Taxes	6	-2 096	-1 141
Net income of the consolidated companies		**2 583**	**965**
Including minority interests		221	172
Including Group Share		**2 362**	**793**

	Notes	30 June 2009	30 June 2008
Weighted average number of ordinary shares		39 050 430	38 783 650
Earnings per share, Group share (in euros)		0,06	0,02
Weighted average number of ordinary shares (diluted)		40 955 354	39 721 845
Diluted earnings per share, Group share (in euros)		0,06	0,02

Consolidated balance sheets as of 30 June 2009 and 31 December 2008

ASSETS - *in thousands of euros*	**Notes**	**30 June 2009**	**31 Dec. 2008**
Net goodwill	7	134 473	134 740
Net intangible fixed assets	8	13 240	12 455
Net tangible fixed assets		3 065	3 135
Deferred tax credits	9	8 939	9 664
Other financial assets		1 044	946
Non-current assets		**160 762**	**160 940**
Customers and other debtors	10	43 624	46 769
Other current assets	11	11 932	10 719
Current financial assets		19	36
Cash and cash equivalents	12	13 966	18 830
Current assets		**69 541**	**76 354**
TOTAL ASSETS		**230 303**	**237 294**

LIABILITIES - *in thousands of euros*	**Notes**	**30 June 2009**	**31 Dec. 2008**
Share capital		4 027	3 981
Premiums on issue and on conveyance		107 173	103 011
Reserves and retained earnings		23 298	21 581
Treasury shares		-6 050	-6 160
Consolidated net income (Group share)		2 362	6 079
Shareholders' equity (Group share)		**130 810**	**128 492**
Minority interests		620	813
Shareholders' equity		**131 430**	**129 305**
Long-term borrowings and financial liabilities	13	23 200	27 051
Non-current provisions		776	776
Non-current liabilities	14	1 045	791
Deferred tax liabilities	9	670	687
Non-current liabilities		**25 691**	**29 305**
Short-term financial liabilities and bank overdrafts	13	14 104	14 945
Current provisions		-	-
Suppliers and other creditors		37 379	36 203
Other current debts and liabilities	15	21 699	27 536
Current liabilities		**73 182**	**78 684**
TOTAL LIABILITIES		**230 303**	**237 294**

Table of consolidated cash flows for financial year 2008 and for the half-years ending on 30 June 2009 and on 30 June 2008

in thousands of euros	Notes	30 June 2009	31 Dec. 2008	30 June 2008
Net income		2 583	6 423	965
Adjustments for:				
Depreciation of the fixed assets		2 110	2 773	1 318
Value losses		-	83	-
Investment income		-172	-94	-35
Interest charges		1 176	2 028	852
Extraordinary charge for commercial dispute		-	1 717	-
Share in associate companies		-93	-51	-
Earnings on disposals of fixed assets		50	200	45
Costs of share-based payments	5	1 535	3 411	2 203
Tax charge or credit	6	2 096	728	1 141
Operating profit before variation of operating capital need		9 285	17 217	16 232
Variation of account receivable and other debtors		2 057	-2 458	-4 895
Variation of accounts payable and other creditors		1 335	6 091	6 376
Net variation of provisions and personnel benefits		-	98	-208
Cash flow coming from operating activities		12 677	20 948	7 760
Interest paid		-1 085	-2 028	-852
Tax paid on earnings		-2 884	-2 207	-1 549
NET CASH FLOW COMING FROM OPERATING ACTIVITIES		**8 708**	**16 713**	**6 409**
Proceeds from disposals of fixed assets		-	-	-
Valuation of cash equivalents at fair value		172	94	63
Proceeds from disposals of financial assets		-	-	-
Disposal of a subsidiary, after deduction of the cash transferred		-	-	-
Subsidiary acquisition	15	-5 048	-11 860	-11 942
Acquisition of fixed assets		-2 961	-6 556	-3 044
Variation of financial assets		126	-276	-294
Variation of suppliers of fixed assets		-408	523	56
Effect of perimeter variations		-	-45	-
NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES		**-8 119**	**-18 121**	**-24 700**
Proceeds from share issues		-	-	-
Redemption of treasury shares		-	-2 948	-1 960
New borrowings		-	23 825	22 890
Repayments of borrowings	13	-4 811	-9 789	-1 504
Dividends paid		-391	-274	-274
NET CASH FLOW COMING FROM FINANCING ACTIVITIES		**-5 202**	**10 815**	**11 083**
Effect of exchange rate variations		-206	-52	37
NET VARIATION OF CASH AND OF CASH EQUIVALENTS		**-4 820**	**9 355**	**-7 311**
Cash and cash equivalents on January 1		18 786	9 431	9 431
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (1)		**13 966**	**18 786**	**9 431**

(1) *Positive cash flow reduced by bank overdrafts. Cf. note 13*

Table showing the variation of consolidated shareholders' equity for the half years ending on 30 June 2008 and on 30 June 2009

in thousand euros	Number of shares	Share capital	Additional paid-in-capital	Treasury stock	Stock options and free shares reserves	Earnings and retained earnings	Shareholder's equity *Group share*	Shareholder's equity *Minority interests*	Total shareholder's equity
1 Jan. 2008	**39 048 158**	**3 905**	**98 105**	**-3 212**	**6 712**	**14 479**	**119 989**	**762**	**120 750**
Dividend paid to the minorities	-	-	-	-	-	-	-	-274	-274
Call exercise	483 800	48	4 108	-	-4 167	-	-10	-	-10
Shares redemptions (1)	-	-	-	-1 960	-	-	-1 960	-	-1 960
Stock options and free shares impact (2)	-	-	-8	-	1 704	-	1 696	-	1 696
Income and charges directly posted in shareholder's equity	-	-	-	-	-	-4 200	-4 200	-	-4 200
Net income of the period	-	-	-	-	-	793	793	172	965
30 June 2008	**39 531 958**	**3 953**	**102 205**	**-5 172**	**4 249**	**11 073**	**116 308**	**661**	**116 969**
Dividend paid to the minorities	-	-	-	-	-	-	-	-	-
Call exercise	274 500	27	963	-	-980	-	10	-	10
Shares redemptions (1)	-	-	-	-988	-	-	-988	-	-988
Stock options and free shares impact (2)	-	-	-156	-	971	10	825	-	825
Income and charges directly posted in shareholder's equity	-	-	-	-	-	7 050	7 050	-19	7 031
Net income of the period	-	-	-	-	-	5 286	5 286	171	5 458
31 December 2008	**39 806 458**	**3 981**	**103 011**	**-6 160**	**4 240**	**23 419**	**128 491**	**813**	**129 305**
Dividend paid to the minorities	-	-	-	-	-	-	-	-391	-391
Call exercise	467 221	47	1	-	-46	-	2	-	2
Shares redemptions (1)	-	-	-	110	-	-	110	-	110
Stock options and free shares impact (2)	-	-	4 161	-	-2 886	-	1 275	-	1 275
Income and charges directly posted in shareholder's equity	-	-	-	-	-	-1 430	-1 430	-24	-1 453
Net income of the period	-	-	-	-	-	2 362	2 362	221	2 583
30 June 2009	**40 273 679**	**4 027**	**107 173**	**-6 050**	**1 309**	**24 350**	**130 810**	**620**	**131 430**

(1) On 30 June 2009, Hi-media S.A. held 1 034 153 treasury shares. In addition, within the framework of the liquidity contract Hi-media held 152 267 treasury shares on 30 June 2009.
(2) Cf. Note 17 concerning the stock option plans and allocations of free shares.

Report on global net income for the half years ending on 30 June 2008 and on 30 June 2009

in thousand euros	30 June 09	30 June 08
Net result	**2 583**	**965**
Other elements of the global result:		
- Actuarial gain and losses related to post-employment benefits -	-	-
- Hedge accounting on financial instruments	-254	-
- Translation adjustments	-1 199	-4 200
- Other	-	-
- Tax on other elements of the global net income	-	-
Other elements of the global result, net of tax	**-1 453**	**-4 200**
Group share	-1 430	-4 200
Minority interests	-24	-
Global net income	**1 129**	**(3 234)**

Notes concerning the Group's summary consolidated semiannual financial statements

Note 1. Accounting principles and methods

i. Preparation bases for the summary financial statements

The interim financial statements for the 1st half of 2009 are to be read as a complement to the audited consolidated financial statements for the financial year ending on 31 December 2008 as appearing in the reference document filed with the Financial Markets Authority (AMF) on 14 April 2009.

The interim consolidated financial statements as of 30 June 2009 are established in accordance with the accounting and valuation principles of the IFRS international accounting standards. Those international accounting standards consist of the IFRS (International Financial Reporting Standards), of the IAS (International Accounting Standards), as well as of their interpretations adopted by the European Union on 30 June 2009 (publication in the Official Journal of the European Union).

The interim consolidated financial statements for the half-year ending on 30 June 2009 have been prepared in accordance with the provisions of standard IAS 34 concerning "Interim financial information". The said statements include, for comparison purposes, the income statement for the 1st half of 2008 and the balance sheet dated 31 December 2008.

Hi-media group's consolidated financial statements include the financial statements of Hi-media S.A. and of its subsidiaries (the whole being designated as "the Group"), as well as the Group's holdings in its affiliated companies or companies under joint control. They are presented in thousands of euros.

The interim consolidated financial statements dated 30 June 2009 as well as the notes relating thereto have been established on the responsibility of the Board of Directors, and were closed out at its meeting held on 26 August 2009. They were the object of a limited examination by the auditors.

ii. Accounting principles and valuation methods

Hi-media group has applied the same accounting methods as in its consolidated financial statements for the financial year ending on 31 December 2008, with the exception of the following elements.

a. The new standards and the following amendments must be applied starting with the financial year beginning on 1 January 2009:

   - IAS 1 (revised) – Presentation of the financial statements: the group has opted for presentation of two distinct statements: an income statement and a global earnings statement. The summary consolidated financial statements dated 30 June 2009 have been prepared in accordance with revised IAS 1.
   - IFRS 8 – Sectorial information: The group applied IFRS 8 as of 31 December 2008.

b. The following new standards, amendments and interpretations must be applied starting with the financial year beginning on 1 January 2009, but had no effect on the group's financial statements:
   - IAS 23 as revised - costs of borrowings;
   - Amendment IFRS 2 – conditions regarding acquisition of rights and cancellations;
   - Amendments IAS 32 and IAS 1 – financial instruments redeemable at bearer's desire;
   - Amendment IAS 39;
   - IFRIC 13 – customer loyalty programmes;
   - IFRIC 15 – real property construction contracts;
   - IFRIC 16 – coverage of a new investment.

c. The following new standards, amendments and interpretations, published but not adopted by the EU, do not have to be applied for the financial year beginning on 1 January 2009, and were not applied early:
   - IFRS 3 and IAS 27 (both as revised): regroupings of companies: the group will apply IFRS 3 and IAS 27 as revised to all regroupings carried out starting on 1 January 2010;
   - IFRIC 17 – Distribution of non-monetary assets to the shareholders, applicable for the financial years beginning on 1 July 2009 or later;
   - IFRIC 18 – Transfers of assets by customers, applicable for financial years beginning on 1 July 2009 or later.

Note 2. Consolidation perimeter

2.1. List of consolidated entities

Corporate name	Countries	% of direct and indirect holding on 30 June 2009	% of direct and indirect holding on 31 December 2008	Date of creation or of acquisition	Date of financial year closeout
Companies created					
Hi-media Belgium SPRL	Belgium	100%	100%	09.03.00	31.12
Hi-media Portugal Lda	Portugal	53,90%	53,90%	31.10.00	31.12
Hi-Pi SARL	France	100%	100%	13.05.02	31.12
Hi-media Advertising Web SL	Spain	100%	100%	29.12.06	31.12
HPMP SPRL	Belgium	100%	100%	17.09.07	31.12
HPME SA	Belgium	100%	100%	08.05.08	31.12
Companies acquired					
Hi-media Network AB	Sweden	100%	100%	11.12.00	31.12
Hi-media Deutschland AG	Germany	100%	100%	30.04.01	31.12
Europermission SL	Spain	50%	50%	25.03.04	31.12
Hi-Midia Brasil SA	Brazil	25%	25%	18.07.05	31.12
Hi-media China Limited	China	49%	49%	01.05.06	31.12
Allopass SNC	France	100%	100%	08.02.06	31.12
L'Odyssée Interactive SAS	France	88%	88%	31.05.06	31.12
Adream SARL	France	100%	100%	01.08.06	31.12
Hi-media Sales AB	Sweden	100%	100%	04.09.06	31.12
Groupe Hi-media USA Inc.	USA	100%	100%	27.11.07	31.12
Vivat SPRL	Belgium	34%	34%	14.03.08	31.12
Bonne Nouvelle Editions SARL	France	100%	100%	06.06.08	31.12
Mobile Trend SAS	France	100%	100%	13.06.08	31.12
Mobile Works SAS	France	100%	100%	13.06.08	31.12

Some operations on behalf of reorganizing the group's legal structure were carried out in the first half of 2009:

- the company Hi-media Advertising Web SL absorbed the company Publicidad y Marketing SL
- the company Hi-media Belgium absorbed the company Publicityweb SPRL on 29 April 2009, effective retroactively to 1 January 2009.
- The name and the legal form of the company Eurovox SAS on 31 December 2008 were modified on 10 April 2009 to Eurovox S.A.S., becoming Allopass S.N.C.
- The corporate names of the companies Hi-media Scandinavia AB and Hi-media Local AB were modified, respectively, on 12 May 2009 and 6 May 2009, Hi-media Scandinavia AB becoming Hi-media Network AB and Hi-media local becoming Hi-media Sales AB.
- The corporate name of the company Fotolog inc. was modified on 22 May 2009: Fotolog Inc. becoming Group Hi-media USA Inc.

All of the subsidiaries are consolidated on the basis of full consolidation, with the exception of Europermission SL, which is consolidated on the basis of proportional consolidation, and of Hi-media China Limited, Hi-Midia Brazil SA and Vivat, consolidated on the basis of the equity method.

2.2. Perimeter variation

There were no perimeter variations during the 1st half of 2009.

Note 3. Sales

Sales break down as follows by activity:

in thousands of euros	30 June 2009	30 June 2008
Advertising network	28 243	30 377
Micropayments	46 036	30 440
Sales	**74 279**	**60 817**

Note 4. Payroll charges

The breakdown of payroll charges between salaries, social security charges and provisions for end-of-career indemnities look as follows:

in thousands of euros	30 June 2009	30 June 2008
Salaries	7 184	7 464
Social security charges	3 078	2 882
Provision for end-of-career indemnities	12	27
Payroll charges	**10 274**	**10 373**

The staff varies as follows:

in thousands of euros	31 Dec. 2008	Incoming	Outgoing	30 June 2009
France	220	26	24	222
Foreign	170	9	27	152
Staff	**390**	**35**	**51**	**374**

Note 5. Payments based on shareholders' equity instruments

The payroll charges relative to the payments based on shareholders' equity instruments that were posted to the income statement pursuant to the IFRS 2 standard break down as follows:

in thousands of euros	30-June-09	30-June-08
Stock-options - Plans of 26 May 03, 10 July 03 and 12 Jan. 05	-	-
Free shares - Plan of 22 Dec. 05	-	-
Free shares - Plan of 20 Jan. 06	-	20
Free shares - Plan of 23 Feb. 06	-	215
Free shares - Plan of 13 July 06	-	265
Free shares - Plan of 11 Sept. 06	-	272
Free shares - Plan of 2 Nov. 2006	-	16
Free shares - Plan of 28 Dec. 2006	-	108
Free shares - Plan of 1 March 07	713	589
Free shares - Plan of 14 May 07	21	13
Free shares - Plan of 14 June 07	35	22
Free shares - Plan of 23 July 2007	66	23
Free shares - Plan of 8 November 2007	60	58
Free shares - Plan of 19 December 2007	96	130
Free shares - Plan of 22 April 2008	82	65
Free shares - Plan of 14 May 2008	-	1
Free shares - Plan of 22 July 2008	34	-
Free shares - Plan of 24 September 2008	153	-
Free shares - Plan of 19 December 2008	14	-
Free shares - Plan of 13 March 2009	-	-
Valuation of the options and free shares	**1 275**	**1 798**
Takeover of the Fotolog Inc. retention plans	260	405
Payments based on shareholders' equity instruments	**1 535**	**2 203**

The future charge to be posted to earnings for the plans existing on 30 June 2009 looks as follows:

in thousands of euros	Cumulative future charges[1]	2009 [1]	2010-2012 [1]
Payments based on shares settled by issue of Hi-media shares	861	311	550
Payments based on shares settled in cash [2]	529	182	347
Total payments based on shares	**1 391**	**494**	**897**

(1) Based on turnover ratio and performance's achievements as estimated as at 30 June 2009.

(2) These payments based on shares and settled in cash correspond to the option plans granted by Fotolog Inc. to its employees before its acquisition by Hi-media. The Fotolog options that were allocated, the acquisition period of which had not yet ended, have not been replaced by Hi-media shares, but were led to be redeemed on a cash basis after a period of services to be performed in the Group. The payments based on shares settled in cash were valued, pursuant to IFRS 2, on the basis of the value per share of Fotolog Inc., determined at the time of the acquisition.

Note 6. Taxes

The tax charge breaks down as follows:

in thousands of euros	30 June 2009	30 June 2008
Current taxes	-1 462	-1 588
Deferred taxes	-634	447
Tax (charge)/Income	**-2 096**	**-1 141**
Effective tax rate (%)	*45%*	*54%*

The difference between the effective tax rate and the theoretical tax rate can be analyzed as follows:

in thousands of euros	30 June 2009	30 June 2008
Tax rate in France	**33,33%**	**33,33%**
Theoretical tax (charge)/Income	-1 560	-702
Elements concerning the comparison with the effective rate:		
Earnings charged to losses subject to carryover not previously recorded	1	-
Recognition of deferred tax credits for losses subject to carryover	24	364
Tax rate difference between the countries	108	144
Permanent differences and other elements	-670	-947
Actual tax (Charge)/Income	**-2 096**	**-1 141**
Effective tax rate	*45%*	*54%*

The current tax charge for the 1st half of 2009 relates essentially to the taxes on profits.

On 30 June 2009, the effective tax rate results mainly from the permanent differences, particularly from the charge connected with the payments based on shareholders' equity instruments.

The companies Hi-media France SA, Allopass SNC, Hi-Pi SARL, Adream SARL, Mobile Trend SAS, Mobile Works SAS and Bonne Nouvelle Editions SARL are consolidated for taxation purposes.

Note 7. Goodwill

in thousands of euros	31 Dec. 2008	Exchange Var.	Increases	Decreases	30 June 2009
Goodwill	144 709	-924	656	-	144 441
Depreciation	-9 969	-	-	-	-9 969
Net goodwill	**134 740**	**-924**	**656**	**-**	**134 473**

The increase of 656 k€ is explained mainly by the increase in the value of Mobile Trend goodwill, after taking account of the revaluation of the 2008 additional price on the basis of Mobile Trend's definitive corporate results closed out at the end of May 2009.

Pursuant to IFRS 3, Hi-media allocated the Mobile Trend acquisition price at the fair value of the identified assets, liabilities and contingent liabilities. The assets, liabilities and contingent liabilities identified below comply with the IFRS 3.37 criteria: their fair value can be established reliably and they are the sources of incoming or outgoing future cash in the case of assets other than intangible ones and of liabilities other than contingent ones.

Hi-media has identified an intangible asset representing the technologies developed by the Mobile Trend technical teams before the acquisition in an amount of 101 k€. Since the market value of this technology cannot be observed, this asset was valued in accordance with the reproduction cost method (development expenses required for reconstitution of such technology). The related deferred tax liability taken into account comes to 34 k€ and has its counterpart in goodwill. In view of the nature of this asset, Hi-media notes that obsolescence can be anticipated, particularly because of changing technology. Furthermore, Hi-media already capitalizes development expenses and considers such assets as having a finite period of use. The lifetime of the technologies identified at Mobile Trend has been set at 5 years, in accordance with the accounting principles applied by the Group with respect to amortization periods of the technologies identified at the time of acquisition.

Pursuant to IFRS 3, Hi-media looked for any other asset, liability or contingent liability not valued by Mobile Trend.
With respect to Mobile Trend commercial relationships, they consist mainly of links with the mobile service users which are neither under contract nor personal and the permanence of which cannot be demonstrated, and hence cannot be measured. Moreover, the trademark is not connected with the purchase document and does not enjoy any particular reputation. Hence the commercial relationships and the trademark are not posted to the accounting separately from the goodwill.

The acquisition is mainly aimed at anchoring Hi-media's market share in the SMS micro-payment activity. Hence that market share represents the bulk of the goodwill.

The only identified liabilities concern a provision for risk in an amount of 250 k€. No other contingent liabilities had been identified as of 30 June 2009.

The exchange variation amounting to -924 k€ corresponds to the conversion differential from USD into Euros of the Fotolog Inc. goodwill, tracked in terms of USD, between 31 December 2008 and 30 June 2009.

7.1 Valuation of the recoverable value of the goodwill on 30 June 2009

A depreciation test is applied, if appropriate, pursuant to the procedures defined in note 10.1 of the appendix to the consolidated financial statements dated 31 December 2008, when an indication of value loss exists at the time of the semi-annual closeout.
The environment during the first half of 2009 was not significantly different from the one anticipated in the value tests carried out at the end of 2008, with the exception of the Hi-media Suède and Fotolog cash generating units (« UGT »). The value loss indicator for Hi-media Suède UGT corresponds to the contraction noted on the Swedish advertising market. The value loss indicator for the Fotolog UGT corresponds to the decline of the advertising market in the Spanish-speaking areas.
Hence a value test was carried out at the end of June 2009 on those 2 UGT, but it did not lead to recognition of a value loss, the recoverable values remaining higher than the book values on 30 June 2009. However, the recoverable values obtained on 30 June 2009 were reduced from the ones determined on 31 December 2008 particularly because of allowance for a lower sales forecast under the conditions noted on the current advertising market.

The depreciation test, relying mainly on the method of discounted net future cash flows, consists in determining the recoverable value of each entity generating its own cash flows and they do not differ from the ones used in 2008.

The main assumptions used in determining the value of the cash generating units on 30 June 2008 are as follows:

- method for valuation of the cash generating unit: value in use
- number of years of net cash flows before projection to infinity: 4 years (2013)
- long-term growth rate: 2.5% (2.5 % in 2008)
- discounting rate: 8.9 % to 9.7 % depending on CGU (9 % in 2008)
- growth rate of Fotolog sales: between +22% and +30% per year for the 2010-2013 period
- growth rate of sales in Sweden: between +7% and +10% per year for the 2010-2013 period

Sales assumptions are based on advertising market trends and expected audience' sites growth.
The procedures of the depreciation test are detailed in note 10 to the consolidated financial statements in the 2008 Annual Report.

Note 8. Intangible fixed assets

The fixed assets in progress arising during the period (1.9 M€) correspond mainly:

- to development of the Allopass platform, particularly as concerns its multilingual access and currency management,
- to creation of new functionalities on the Group sites, particularly Fotolog and jeuxvideo.com
- to improvement of the back office platforms supporting the advertising network activity.

in thousands of euros	**30 June 2009**	**31 Dec. 2008**
Software and licenses	7 290	4 093
Trademarks	4 566	4 574
Customer relations	424	466
Fixed assets in progress	898	3 152
Other	62	169
Net intangible fixed assets	**13 240**	**12 454**

Note 9. Deferred taxes

i. Recognized deferred tax credits and liabilities

The details concerning the deferred taxes posted to earnings are presented in Note 6.
The sources of deferred tax credits and liabilities recognized as of 30 June 2009 are as follows:

DEFERRED TAX CREDITS *in thousands of euros*	**30 June 2009**	**31 Dec. 2008**
Tax losses subject to carryover	11 996	13 204
Intangible fixed assets	-2 115	-1 624
Other timing differences	-942	-1 916
Deferred tax credits	**8 939**	**9 664**

DEFERRED TAX LIABILITIES *in thousands of euros*	**30 June 2009**	**31 Dec. 2008**
Intangible fixed assets	768	472
Other timing differences	-98	215
Deferred tax liabilities	**670**	**687**

ii. Unrecognized deferred tax credits

As of 30 June 2009, the unrecognized deferred tax credits consisted mainly of the following losses subject to indefinite carryover (on base):

- 1 211 k€ for Hi-media Advertising Web S.L.
- 352 k€ for Bonne Nouvelle Editions S.A.R.L.
- 255 k€ for Hi-Pi S.A.R.L.
- 620 k€ for Fotolog Inc.

Making a total of 2 438 k€, representing an unrecognized deferred tax credit of 843 k€.

Note 10. Accounts receivable

in thousands of Euros	30 June 2009	31 Dec. 2008
Accounts receivable	34 751	39 056
Invoices to be established	10 250	8 758
Depreciation	-1 377	-1 045
Net accounts receivable	**43 624**	**46 769**

The accounts receivable include the invoices transferred by Hi-media France SA under factoring contracts without a transfer of the insolvency risk. The amount of such transferred receivables stood at 6 083 k€ on 30 June 2009.

The contractual conditions regarding the factoring contracts of the companies Allopass SNC, Mobile Trend SAS and Mobile Works SAS make a transfer possible of the main risks and advantages connected with the transferred receivables, and hence their removal from the balance sheet.

According to IAS 39, receivables transferred to third parties (factoring contract) are removed from Group assets when the risks and advantages associated with them are substantially transferred to such third parties and if the factoring company, in particular, accepts the insolvency risk and the interest and collection delay risk.

The insolvency risk corresponds to the risk of non-collection on the claim. Within the framework of deconsolidation contracts of the Group entities, the insolvency risk is borne by the factoring company, which means that the Group is no longer exposed to the collection risk of the invoice, and hence the transfer is regarded as being without recourse.

The rate and the collection delay risk correspond to the transfer of the financial risk connected with the lengthening of the period for collection on the claims and to the carrying cost associated therewith. Within the framework of the deconsolidation contracts of the Group entities, the commission rate for a given transfer is adjusted solely as a function of the EURIBOR rate and of the payment period of the previous transfer. Moreover the financing commission is paid at the beginning of the period and is not subsequently modified.

The risk of technical dilution is connected with non-payment of the receivable because of shortcomings that are noted or because of non-collection, taking commercial disputes into account. For each deconsolidation contract concluded by the Group entities, the guarantee reservation does not cover the general risks or the risks of late payment. The guarantee fund is constituted to cover the debits (credit notes…) of technology dilution.

The deconsolidated receivables in the meaning of IAS 39 within the framework of factoring contracts amount to 16.7 M€ as at 30 June 2009.
Cash available thanks to those factoring contracts amounts to 6.0 M€ as at 30 June 2009.

Note 11. Other current assets

All other current assets have due dates of less than one year.
The prepaid charges correspond mainly to the share of invoiced charged for marketing and overhead relative to the period after 30 June 2009.

in thousands of euros	**30 June 2009**	**31 Dec. 2008**
Deductible VAT	6 968	6 041
Current accounts	558	537
Prepaid charges	1 332	1 040
Down payments and credit notes receivable	618	1 142
Factor's guarantee	1 174	938
Other	1 282	1 021
Other current assets	**11 932**	**10 719**

Note 12. Cash and cash equivalents

in thousands of euros	**30 June 2009**	**31 Dec. 2008**
OPCVM (UCITS) shares	1 847	2 024
Reserve available at the factor's	7 912	11 440
Liquid assets	4 207	5 366
Cash and cash equivalents	**13 966**	**18 830**

As a complement to the factoring contract signed in 2001 by Hi-media SA, the companies Allopass SNC, Mobile Trend SAS and Mobile Works also concluded factoring contracts. The contractual conditions of the said new contracts allow a transfer of the main risks and advantages connected with the transferred receivables, and hence their removal from the balance sheet.

Note 13. Borrowings and financial liabilities

On 7 November 2007 Hi-media took out a syndicated credit line in an amount of 41.5 M€.
That credit line breaks down into one line of 14 million euros (A1 tranche), with a duration of five years, and another line amounting to 27.5 million euros (A2 tranche), for a duration of six years.
As of 31 December 2008, all of the A1 and A2 tranches had been drawn.
The A1 tranche made it possible to repay the borrowing of 5 million euros taken out on 30 June 2006 partial refinancing of the acquisition price of Hi-media Local AB, formerly Medianet.
The A2 tranche enabled the group to finance the acquisitions of Fotolog and of Mobile Trend group, as well as to launch some new projects.

	Balance sheet balance on 30 June 2009				
in thousands of euros	*Non-current*	*Current*	*Issue currency*	*Due date*	*Effective rate*
Syndicated loan - A1 Tranche	7 000	2 905	EUR	2012	3-month Euribor + 1.25%
Syndicated loan - A2 Tranche	15 942	4 773	EUR	2013	3-month Euribor + 1.5%
Financing connected with factoring	-	6 093	EUR	Undet.	3-month Euribor + 0.8%
Bank overdrafts	-	-	EUR	2008	fixed
Other borrowings	258	333	EUR/USD	2011	fixed/floating
Total	**23 200**	**14 104**			

The repayment of 4.8 M€ presented on the line called "Repayments of borrowings" in the consolidated cash flow table of 30 June 2009 corresponds to the following flows:

- Payment of the semi-annual installment on the A1 tranche of the syndicated loan for 1.4 M€
- Payment of the semi-annual installment on the A2 tranche of the syndicated loan for 2.3 M€
- Variation of the balance financed by the Hi-media France SA factor for 1.1 M€

Note 14. Non-current liabilities

The non-current liabilities consist mainly of the fair value of the hedging financial instruments acquired in connection with the borrowing.
Pursuant to the borrowing contract concluded in October 2007, the following were taken out:

- an initial interest rate swap, fixed payer / variable receiver, 3-month Euribor, starting in February 2008 (due in February 2012) for a notional amount of 9.8 M€,
- a second interest rate swap, fixed payer / variable receiver, 3-month Euribor, starting in July 2008 (due in February 2013) for a notional amount of 13.7 M€.

The efficiency tests carried out showed that the hedging accounting could be applied to these two swaps. Thus the variation of fair value of the said swaps was posted as a reduction of shareholders' equity, the counterpart thereto being a non-current liability.

Note 15. Other current debts and liabilities

All other debts (liabilities) are due at less than one year.

in thousands of euros	30 June 2009	31 Dec. 2008
Taxation and social liabilities	14 550	15 040
Additional prices	5 485	9 760
Debts on fixed assets	184	592
Prepaid income	606	1 068
Other liabilities, customer down payments and credit notes to be established	874	1 076
Other current debts (liabilities)	**21 699**	**27 536**

The liabilities on additional prices correspond mainly to the balance of the 2009 additional price of Mobile Trend.

For the period, the company paid 4.9 M€ as the 2009 additional price of Mobile Trend.

Note 16. Operational sectors

IFRS 8 has been applied by anticipation since 31 December 2008.

Operational sectors are presented according to the methods described in the 2008 annual report and correspond to the 3 operational poles to which manpower are affected.

	Advertising		Micropayment		Publishing		Eliminations		Total	
	S1 09	S1 08	S1 09	S1 08	S1 09	S1 08	S1 09	S1 08	S1 09	S1 08
Revenue	**30 261**	**29 046**	**46 311**	**32 419**	**5 117**	**4 295**	**(7 410)**	**(4 943)**	**74 279**	**60 817**
Of which own and operated websites	*4 494*	*3 962*	*1 978*	*463*	*5 117*	*4 295*	*(3 684)*	*(2 864)*	*7 905*	*5 855*
Gross profit	**12 408**	**12 479**	**11 033**	**7 525**	**4 652**	**4 264**			**28 094**	**24 268**
Operating profit by activity	**6 499**	**4 369**	**4 687**	**3 824**	**(342)**	**(69)**			**10 843**	**8 124**
Profitability rate	*21 %*	*15 %*	*10 %*	*12 %*	*-7 %*	*-2 %*			*15 %*	*13 %*
Restatement of the gross profit generated upon Publishing entities on other Group entitites	(1 348)	(1 189)	(92)	(36)	1 440	1 224			-	-
Restated operating profit by activity	**5 151**	**3 180**	**4 595**	**3 789**	**1 098**	**1 155**			**10 843**	**8 124**
Profitability rate	*17 %*	*11 %*	*10 %*	*12 %*	*21 %*	*27 %*			*15 %*	*13 %*
Unallocated income and charges excluding stock options and free shares									(3 711)	(3 098)
Operating profit before valuation of stock options and of free shares									**7 133**	**5 026**
Valuation of stock options and of free shares									(1 535)	(2 203)
Operating profit									**5 598**	**2 823**
Financial net income									(1 012)	(717)
Share of earnings MEE (by the equity method)									93	-
Taxes									(2 096)	(1 141)
Net income									**2 583**	**965**
Group share									**2 362**	**793**

Note 17. Stock-options plans and allocation of free shares

17.1. Stock-options

	Plan no. 1	Plan no. 2	Plan no. 3	Plan no. 4	Plan no. 5	Plan no. 6	Plan no. 7	Plan no. 8	Plan no. 9	Plan no. 10	Total
Meeting date	30 June 99	21 Apr. 00	21 Apr. 00	21 Apr. 00	21 Apr. 00	21 Apr. 00	25 Apr. 03	25 Apr. 03	25 Apr. 03	24 Apr. 08	
Date of Board of Directors meeting	30 June 99 17 Nov. 99	4 May 00 27 June 00	14 Sept. 00	2 Nov. 00	13 Dec. 00	23 Oct. 01	26 May 03	10 July 03	12 Jan. 05	19 Dec. 08	
Total number of shares allocated [1]	152 475	37 210	70 734	27 400	37 037	91 001	500 000	350 000	150 000	50 000	1 465 857
Total number of shares available for subscription	-	2 850	-	1 700	2 866	-	70 000	-	101 500	50 000	233 916
Including number of shares that could be acquired by authorized agents	-	2 850	-	-	-	-	50 000	-	-	-	52 850
Including number of shares that could be acquired by the ten leading employee	-	-	-	-	2 866	-	20 000	-	85 000	-	107 866
Beginning of exercise of the options	1 July 04	5 May 02	15 Sept. 02	3 Nov. 02	14 Dec. 02	23 oct. 03	26 May 05	10 July 05	12 Jan. 07	19 Dec. 08	
Date of expiration	30 June 09	4 May 10	14 Sept. 10	2 Nov. 10	13 Dec. 10	23 oct. 11	25 May 13	10 July 13	12 Jan. 15	14 May 18	
Subscription price (in euro) [2]	0,01	8,06	9,93	8,20	5,31	0,59	0,33	0,35	1,14	1,81	
Exercise procedures [3]	A	B	B	B	B	B	A	A	A	C	
Number of shares subscribed to on 30/06/09	22 879	-	-	-	-	-	430 000	350 000	22 000	-	824 879
Options cancelled during the period	-	-	-	-	-	-	-	-	-	-	-
Remaining options	-	2 850	-	1 700	2 866	-	70 000	-	101 500	50 000	228 916

(1) Options allocated to the employees currently present in the company, the employees having left the company being unable to retain the benefit of such options.

(2) Subscription price of the options calculated on the day of award of the options and corresponding to the weighted average of the market prices during the last 20 trading sessions (for certain plans, a 5% reduction has been made).

(3) Procedure A: 100% of the options may be exercised at the end of a 2-year period following the meeting of the Board of Directors having allocated the said options.
Procedure B: 1/3 of the options may be exercised at the end of a 2-year period following the meeting of the Board of Directors having awarded the said options, then 1/3 the following year, and the remaining 1/3 four years after allocation.
Procedure C: 1/6 at the end of each quarter-year following the beginning time for exercise of the options.

The number of options and the weighted average of the exercise prices are as follows:

	1st half of 2009		2008	
	Options	**Weighted average exercise price**	**Options**	**Weighted average exercise price**
Options in circulation at the opening	255 732	1,19	210 311	0,92
Options allocated during the period	-	-	50 000	1,81
Options exercised during the period	26 816	0,83	4 579	0,01
Options cancelled during the period	-	-	-	-
Options in circulation at the close	228 916	1,23	255 732	1,19
Options that could be exercised at the close	212 248	1,18	222 398	1,12

The parameters adopted for valuing the share option plans granted after 7 November 2002 are as follows:

Date of the Board of Directors meeting	**26 May 03**	**10 July 03**	**12 Jan. 05**	**19 Dec. 2008**
Number of options allocated	500 000	350 000	150 000	50 000
Fair value of an option on the allocation date	0,36	0,36	1,45	0,06
Fair value of the plan on the allocation date	179 424	125 034	217 270	3 000
Exercise price of the option	0,33	0,35	1,14	1,81
Anticipated volatility of the option price	212%	208%	184%	51%
Anticipated lifetime	4 years	4 years	4 years	2 years
Anticipated dividend on the options	-	-	-	-
Lapsed option rate adopted	-	-	-	-
Risk-free interest rate adopted	3,11%	2,80%	2,94%	3,51%

17.2. Allocation of free shares

Pursuant to IFRS 2, the plans for allocation of free shares are valued on the basis of the Hi-media share price on the day of the meeting of the Board of Directors deciding on allocation of the said free shares.

	Plan no. 1	Plan no. 2	Plan no. 3	Plan no. 4	Plan no. 5	Plan no. 6	Plan no. 7
Meeting date	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05
Date of the Board of Directors meeting	22 Dec. 05	20 Jan. 06	23 Feb. 06	13 July 06	11 Sept. 06	2 Nov. 06	28 Dec. 06
Total number of shares allocated	154 000	94 000	275 600	144 500	143 000	10 000	60 000
Including the number of shares that could be definitively allocated to authorized agents	-	7 500	168 000	10 000	100 000	-	-
Including the number of shares that could be definitively allocated to the ten leading employees	-	37 500	38 000	47 500	-	10 000	30 000
Number of cancelled shares	22 000	7 000	10 800	9 000	4 000	-	1 000
Number of shares definitively allocated as of 30 June 2009	132 000	87 000	264 800	135 500	139 000	10 000	59 000
Number of shares that could be definitively allocated	-	-	-	-	-	-	-
End of the acquisition period	22 Dec. 07	20 Jan. 08	23 Feb. 08	13 July 08	11 Sept. 08	2 Nov. 08	28 Dec. 08
End of the retention period	22 Dec. 09	20 Jan. 10	23 Feb. 10	13 July 10	11 Sept. 10	2 Nov. 10	28 Dec. 10
Share price on the date of the Board of Directors meeting	6.05	7.75	9.99	7.03	7.63	6.36	7.33
Non-transferability discount	-	-	-	-	-	-	-
Fair value of the free share	6.05	7.75	9.99	7.03	7.63	6.36	7.33

	Plan no. 8	Plan no. 9	Plan no. 10	Plan no. 11	Plan no. 12	Plan no. 13	Plan no. 14
Meeting date	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05	2 Nov. 05
Date of the Board of Directors meeting	01-March-07	14-May-07	14-June-07	23 July 07	8 Nov. 07	19 Dec. 07	22 Apr. 08
Total number of shares allocated	510 000	8 000	14 500	15 000	28 500	103 000	80 000
Including the number of shares that could be definitively allocated to authorized agents	170 626	-	-	-	-	-	-
Including the number of shares that could be definitively allocated to the ten leading employees	138 666	-	-	-	5 000	40 000	10 000
Number of cancelled shares	121 358	-	3 000	-	7 000	24 000	20 000
Number of shares definitively allocated as of 30 June 2009	388 642	8 000	11 500	-	-	-	-
Number of shares that could be definitively allocated	-	-	-	15 000	21 500	79 000	60 000
End of the acquisition period	01-March-09	14-May-09	14-June-09	23 July 09	8 Nov. 09	19 Dec. 09 19 Dec. 11	22 Apr. 10
End of the retention period	01-March-11	14-May-11	14-June-11	23 July 11	8 Nov. 11	19 Dec. 11	22 Apr. 12
Share price on the date of the Board of Directors meeting	6.7	7.15	7.38	7.52	6.94	5.45	5.15
Non-transferability discount	-	-	-	-	-	-	Yes
Fair value of the free share	6.7	7.15	7.38	7.52	6.94	5.45	4.28

	Plan n°15	Plan n°16	Plan n°17	Plan n°18	Total
Meeting date	24-Apr-08	24-Apr-08	24-Apr-08	24-Apr-08	
Date of the Board of Directors meeting	22-July-08	24-Sept-08	19-Dec-08	13-Mar-09	
Total number of shares allocated	40 000	1 350 000	89 000	5 000	3 124 100
Including the number of shares that could be definitively allocated to authorized agents	-	450 000	-	-	906 126
Including the number of shares that could be definitively allocated to the ten leading employees	-	800 000	14 000	-	1 170 666
Number of cancelled shares	-	-	-	-	229 158
Number of shares definitively allocated as of 30 June 2009	-	-	-	-	1 235 442
Number of shares that could be definitively allocated	40 000	1 350 000	89 000	5 000	1 659 500
End of the acquisition period	22-July-10	24-Jan-11 24-July-11 24-Sept-12	19-Dec-10	13-Mar-11	
End of the retention period	22-July-12	24-Jan-13 24-July-13 24-Sept-12	19-Dec-12	13-Mar-13	
Share price on the date of the Board of Directors meeting	4,25	3,1	1,74	1,97	
Non-transferability discount	Yes	Yes	Yes	Yes	
Fair value of the free share	3,52	2,33	1,38	1,58	

Note 18. Off balance sheet commitments

18.1. Commitments received during the period

No commitments were received during the period.

18.2. Commitments given during the period

No commitments were given during the period

18.3. Pledges

In connection with the syndicated credit line (cf. Note 13), Hi-media pledged - to the benefit of the participating credit institutions - the securities of its subsidiaries Allopass SNC, L'Odyssée Interactive SAS and Hi-Pi SARL, as well as the Hi-media SA business.

Hi-media Deutschland pledged 20 k€ in short-term investment securities in order to guarantee payment of its rentals.

18.4. Disputes

By a document dated 20 July 2007, SPORT24 served a writ on HI-MEDIA on the main issue for an appearance before the Commercial Court of Paris for termination of negotiations and on the grounds of an alleged impossibility of concluding an advertising network contract with another service provider, and claiming 180 k€. Hi-media is opposing those applications and is applying for 240 k€ in a cross-application. No provision was set aside in the accounting as of 30 June 2009, since the financial risk is considered slight. The conciliation meeting of March 2009 failed, and the decision will be issued in September 2009.

Moreover in July 2007, Allopass and Eurovox companies were the object of a tax reassessment for financial years 2005 and 2006. The group protested against the said reassessment. As of 30 June 2009, the required provisions had been set aside. The cost of the said reassessment should be covered by the guarantee of liabilities concluded in connection with acquisition of Eurovox group.

There is a dispute between Hi-media and the former partners of a company acquired by Hi-media. That dispute bears on the conditions regarding payment of the additional price provided for in the acquisition contract. Hi-media has been sentenced to pay the additional price of 40 000 euros, and has decided to appeal that decision.

There is a dispute between Hi-media and La Poste concerning the execution of an ad network contract covering the 1st of February 2007 to 31st January 2010 period. In its court filling dated 26th of June 2009, La Poste contests the calculation method applied with respect to the yearly revenues paid by Hi-media on the basis of this contract and asks for a payment of €2,458K corresponding to unpaid or partially unpaid issued invoices as of June 26, 2009. As Hi-Media does not agree on those invoices, discussions are still ongoing regarding the calculation method of the revenue share being attributed to La Poste. Hi-media posted as of June 30, 2009 a related expense that, to its best knowledge, corresponds to the revenues due to La Poste.

There is a commercial dispute between Allopass SNC (ex Eurovox) and one of its customers in connection with execution of a contract connected with the micropayment business. On 30 June 2009, the necessary provisions were set aside.

Another dispute is the one between the company Fotolog Inc. and Fotomedia concerning the allegedly illicit use of a patent. The possible cost of that dispute should be covered by the guarantee of liabilities concluded in connection with acquisition of Fotolog.

There is a commercial dispute between Hi-media and one of its suppliers, but no provision was set aside as of 30 June 2009, as the risk is considered small.

Some industrial tribunal disputes have arisen with former employees disputing the legitimacy of their dismissals. The company has posted the provisions that it considered necessary in the light of its judgment of the justification for the plaintiffs' actions.

Note 19. Events after the close

On 6 July 2009, Hi-media signed a memorandum of understanding with a view to acquisition of 100% of the voting rights of AdLINK Media Deutschland GmBH, the on-line advertising network activity of the group AdLINK Internet Media AG.

This operation will be carried out on 31 August 2009 following a legal restructuring leading to a transfer of the securities of the AdLINK Group companies operating in the advertising network sector to a legal entity called AdLINK Media Deutschland GmbH, created in connection with the acquisition.

Determination of the value
Hi-media and AdLINK Internet Media AG have agreed to value the company AdLINK Media Deutschland GmBH at 29.4 million euros and 100% of the Hi-media shares at 146.3 million euros.

For calculation of the relative values of the two companies, a multi-criteria analysis has been used.
For Hi-media, the following in particular were taken into account:

- The recent market performance;
- The target prices established by analysts covering the security;
- Market multiples of a sample of comparable companies, and;
- A more fundamental valuation based on discounting the available cash flows.

For AdLINK Media Deutschland GmBH, the following were taken into account:

- The market multiple, and
- The discounting of the available cash flows.

Regrouping cost
AdLINK Media Deutschland GmBH, valued at 29.4 million euros, will be transferred to Hi-media in accordance with the following terms contained in the memorandum of understanding:

- Delivery of 3 940 000 shares with a par value of 0.10 euro, to be issued by Hi-media as a capital increase with a premium on conveyance of 13.9 million euros, equal to the difference between the value of the conveyances, namely 14.3 million euros, and the nominal capital increase of 394 thousand euros
- Delivery of 795 000 internally held shares by Hi-media within the framework of acquisition of the balance of the AdLINK Media shares supplemented by
- A deferred payment in the form of a vendor's credit in an amount of 12.2 million euros. The said vendor's credit, to come due on 30 June 2011, is repayable at the end and will bear interest of 3.7% for the first twelve months and 5% for the remaining period

Following that transaction, AdLINK Internet Media AG will hold 10.7% of the Hi-media share capital.

The Financial statements of the company Adlink Media Deutschland GmbH were not yet available as of Hi-media Group's semi-annual accounting closeout date on 30 June 2009. An Adlink Media consolidated opening balance sheet as of 31 August 2009 will be established during the second half of 2009 following implementation of the acquisition. The acquisition cost of the Adlink Media GmbH securities will correspond to the market value (at market prices) of the 4 735 000 Hi-media securities delivered in exchange for the AdLINK Media securities as of the day of implementation of the acquisition, to which one must add the amount of the vendor's credit and the acquisition expenses.

Hence the consolidated goodwill relative to the acquisition cannot be estimated on the closeout date of Hi-media Group's semi-annual financial statements, 30 June 2009.

Statement by the person responsible for the interim financial report

I hereby attest that to my best knowledge, the summary financial statements presented in the 2009 semiannual financial report are established in accordance with the applicable accounting standards and give a fair representation of the property, financial situation and earnings of the company and of the set of companies included in the consolidation, and that the semiannual financial report offers a fair representation of the important events occurring during the first six months of the financial year and of their effect on the semiannual financial statements, of the main risks and uncertainties for the remaining six months of the financial year, and of the main transactions between affiliated parties.

Cyril Zimmermann
Chairman of the Board of Directors and Managing Director of Hi-media S.A.

Auditors' report concerning the 2009 semiannual financial information

To the Shareholders:

Following our appointment as statutory auditors by the Shareholders' Meeting and in accordance with article L.451-1-2 III of the French Monetary and Financial Code (*ou* French Monetary and Financial Law) ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Hi-Media S.A. for the six-month period ended 30 June 2009,
- the verification of information contained in the half-yearly management report.

These condensed half-yearly consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

II. Specific verification

We have also verified information given in the half-yearly management report in respect of the condensed half-yearly consolidated financial statements that were subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, on the 27 August 2009

KPMG Audit
A department of KPMG S.A.

Stéphanie Ortega
Partner

Boulogne Billancourt, on the 27 August 2009

EREC Associés

Jean-François Colomes
Partner