himediagroup
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2015 CONSOLIDATED FINANCIAL STATEMENTS

Joint-stock company with capital of € de 4,439,337
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Consolidated Financial Statements for FY 2015 and 2014

in thousands of Euros	**Notes**	**31 Dec.2015**	**31 Dec.2014 [(1)]**
Sales	Note 5	64 744	75 623
Charges invoiced by the media		- 45 373	- 51 561
Gross profit		**19 371**	**24 062**
Purchases		- 11 313	- 13 148
Payroll charges	Note 6	- 18 423	- 19 143
EBITDA		**- 10 364**	**- 8 229**
Depreciation and amortization		- 1 276	- 1 764
Current operating profit		**- 11 640**	**- 9 994**
Stock based compensation		- 65	- 81
Other non-current income and charges	Note 7	- 20 678	27 178
Operating profit		**- 32 384**	**17 102**
Cost of indebtedness	Note 8	- 110	- 418
Other financial income and charges	Note 8	- 616	161
Earning of the consolidated companies		**- 33 109**	**16 845**
Share in the earnings of the companies treated on an equity basis		- 62	8
Earnings before tax of the consolidated companies		**- 33 171**	**16 853**
Income Tax	Note 9	- 4 638	- 6 024
Net income of the consolidated companies		**- 37 809**	**10 829**
Net income from discontinued operations		- 2 473	- 5 544
Net income		**- 40 283**	**5 285**
Including minority interests		415	442
Minority interests from discontinued operations		208	- 533
Including Group share		**- 39 660**	**5 194**

	31 Dec.2015	**31 Dec.2014 [(1)]**
Weighted average number of ordinary shares	2 959 558	44 544 882
Earnings per share, Group share (in euro)	-13,40	0,01
Weighted average number of ordinary shares (diluted)	2 959 558	44 941 314
Diluted earnings per share, Group share (in euro)	-13,40	0,01

[(1)] The financial statements at 31 December 2014 have been prepared with the historical financial statements of Hi Media Group decreased to the combined financial statements of HiPay group established in accordance with the accounting policies presented in the notes to the combined financial statements of HiPay Group.
The combined financial statements are presented in the IPO prospectus approved June 2, 2015 by the AMF.

Statement of Comprehensive Income for FY 2015 and 2014

in thousands of euro	31 Dec.2015	31 Dec.2014
Net result	**- 39 660**	**5 194**
Other element of the global result		
- Hedge accounting on financial instruments	-	369
- Exchange differences	2	- 409
- Other	-	-
- Taxes on other elements of the global result	-	- 30
- Actuarial gain and losses related to post-employment benefits	68	76
Other elements of the global result, net of tax	**70**	**6**
Group share	70	6
Minority interests	0	-
Global result	**- 39 590**	**5 200**

Consolidated Balance Sheets as at December 31st, 2015 and December 31st, 2014

ASSETS - in thousands of euros	Notes	31 Dec.2015	31 dec.2014
Net Goodwill	Note 10	20 860	86 447
Net intangible fixed assets	Note 11	1 967	7 720
Net tangible fixed assets	Note 12	1 533	1 382
Deferred tax credits	Note 13	69	3 332
Other financial assets	Note 14	10 348	822
Non-current assets		**34 777**	**99 703**
Customers and other debtors	Note 15	36 506	57 242
Other current assets	Note 16	13 804	28 082
Current financial assets		14	13
Cash and cash equivalents	Note 17	7 434	48 733
Assets held for sale and discontinued operations		640	716
Current assets		**58 397**	**134 786**
TOTAL ASSETS		**93 174**	**234 489**

LIABILITIES - in thousands of euros	Notes	31 Dec.2015	31 dec.2014
Share capital		4 439	4 525
Premiums on issue and on conveyance		84 274	128 992
Reserves and retained earnings		- 22 694	- 18 626
Treasury shares		- 4 314	- 6 646
Consolidated net income (Group share)		- 39 660	5 194
Shareholders' equity (Group share)		**22 045**	**113 439**
Minority interests		- 70	676
Shareholders' equity	**Note 18**	**21 975**	**114 115**
Long-term borrowings and financial liabilities	Note 19	2 292	2 263
Non-current Provisions	Note 20	753	835
Non-current liabilities		-	-
Deferred tax liabilities	Note 13	646	74
Non-current liabilities		**3 691**	**3 172**
Short-term financial liabilities and bank overdrafts	Note 19	- 0	- 0
Current provisions		-	-
Suppliers and other creditors		53 647	91 228
Other current debts and liabilities	Note 21	13 861	25 974
Current liabilities		**67 508**	**117 202**
TOTAL LIABILITIES		**93 174**	**234 489**

Table of Consolidated Cash Flows for FY 2015 and 2014

in thousands of euros		31 dec.2015	31 Dec.2014
Net income		-40 283	5 285
Ajustments for :		-	-
Depreciation of the fixed assets		1 469	5 848
Value losses	Note 10	21 528	15 247
Other non-current without impact on the cash	Note 7	-3 174	6 081
Cost of net financial indebtedness		110	1 201
Share in associated companies		62	2 596
Net income on disposals of fixed assets		590	-55 495
Cash flow from discontinued operations		-2 485	-
Cash flow from business to be divested		-	-
Costs of payments based on shares		34	81
Tax charge or proceeds	Note 9	4 638	7 011
Operating profit before variation of the operating capital need		-17 511	-12 144
Variation of the operating capital need	Note 22	1 290	897
Cash flow coming from operating activities		-16 221	-11 247
Interest paid		-81	-1 152
Tax on earnings paid		-360	-747
NET CASH FLOW RESULTING FROM OPERATING ACTIVITIES		**-16 662**	**-13 145**
Income from disposals of fixed assets		-	-
Valuation at fair value of the cash equivalents		-	-
Proceeds from disposals of financial assets		-	1 859
Disposal of subsidiary, after deduction of cash transferred		-	81 540
Acquisition of a subsidiary		-2 062	-98
Acquisition of fixed assets		-3 071	-4 194
Variation of financial assets		-917	-7
Variation of suppliers of fixed assets		-570	515
Effect of the perimeter variations		-14 140	-
NET CASH FLOW COMING FROM INVESTMENT ACTIVITIES		**-20 761**	**79 615**
Proceeds from share issues		170	13
Redemption of own shares		-	-4 378
New borrowings	Note 19	28	2 292
Repayments of borrowings		-	-21 572
Other financial liabilities variation		-3 768	-4 080
Dividends paid to minority interests		-234	-234
NET CASH FLOW COMING FROM FINANCING ACTIVITIES		**-3 804**	**-27 959**
Effect of exchange rate variations		-73	17
NET VARIATION OF CASH AND OF CASH EQUIVALENTS		**-41 300**	**38 527**
Cash and cash equivalents on January 1st		48 733	10 207
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**7 434**	**48 733**

Table of Changes in Consolidated Shareholder's Equity for FY 2015 and 2014

in thousands of euros	Number of shares	Share capital	Premiums	Treasury shares	Reserve for options and free shares	Income and expenses on equity	Reserves and consolidated earnings	Shareholders' equity	Shareholders' equity *Minority interests*	Shareholders' equity
January 1, 2014	**45 112 645**	**4 511**	**127 881**	**- 2 457**	**701**	**3 423**	**- 19 919**	**114 138**	**970**	**115 108**
Dividends paid by subsidiaries to the minorities	-	-	-	-	-	-	-	-	- 234	- 234
Call exercise	-	-	-	-	-	-	-	-	-	-
Shares redemptions (1)	140 878	14	-	- 4 392	-	-	-	- 4 378	-	- 4 378
Stock options and free shares impact (2)	-	-	-	-	81	-	-	81	-	81
Perimeter variation	-	-	-	-	-	- 1 603	-	- 1 603	- 152	- 1 754
Income and charges directly posted in shareholders' equity	-	-	-	-	-	7	-	7	-	7
Net income of the period	-	-	-	-	-	-	5 194	5 194	91	5 285
Total global income	-	-	-	-	-	321	572	5 201	91	5 292
December 31, 2014	**45 253 523**	**4 525**	**127 881**	**- 6 849**	**782**	**1 827**	**- 14 725**	**113 439**	**675**	**114 115**
Dividends paid by subsidiaries to the minorities	-	-	-	-	-	-	- 245	- 245	- 32	- 277
Call exercise	-	-	-	-	-	-	-	-	-	-
Shares redemptions (1)	- 860 142	- 86	-	118	-	-	-	32	-	32
Stock options and free shares impact (2)	-	-	-	-	34	-	-	34	-	34
Perimeter variation	-	-	-	-	-	- 51 626	-	- 51 626	- 116	- 51 742
Income and charges directly posted in shareholders' equity	-	-	-	-	-	70	-	70	26	96
Net income of the period	-	-	-	-	-	-	- 39 660	- 39 660	- 623	- 40 283
Total global income	-	-	-	-	-	70	- 39 660	- 39 590	- 597	- 40 187
December 31, 2015 (3)	**2 959 558**	**4 439**	**127 881**	**- 6 731**	**816**	**- 49 728**	**- 54 630**	**22 045**	**- 70**	**21 975**

(1) *On December 31st, 2015, HiMedia SA holds 41 202 shares plus 12 767 own shares acquired under the contract of liquidity.*

(2) *See Note 24 in connection with the share subscription option plans and the allocations of free shares.*

(3) *On July 24th, 2015, HiMedia shares were subject to a shares consolidation: 1 new share with a nominal value of € 1.5 was allocated for 15 old shares with a nominal value of € 0.1 each.*

Notes concerning the Group's consolidated financial statements

The consolidated financial statements for financial year 2015, as well as the notes relating to them have been established under the responsibility of the HiMedia SA Board of Directors, closed out at its meeting held on March 15th, 2016 and submitted for approval of the Shareholders' Meeting which will rule on the closed accounts on December 31st, 2015.

Note 1. Significant event

1.1. Creation and introduction in stock exchange of HiPay Group

On June 29th, 2015, the HiPay Group entity got on Euronext. HiPay group comprises the following companies:

- HPME brought to the company HiPay Group on June 15th, 2015
- HiPay SAS brought by HiMedia to HPME on May 28th, 2015
- Mobile HiPay España brought by HiMedia to HPME on May 28th, 2015
- HiPay Payments do Brésil LTDA brought by Himedia to HPME on May 28th,2015
- 53.9 % of HiPay Portugal's LDA capital brought by HiMedia to HPME on May 28th, 2015

On December 31st, 2015, HiMedia SA detains 20 % of the company HiPay Group. These titles were valued according to the stock market price on December 31st, 2015 to 8 731k€ and are presented on the line "Other financial assets". Impacts of these transactions on non current expenses and income for the period are presented in Note 7 - Other non-current income and charges.

1.2. Distribution to the shareholders of HiMedia of a dividend in kind

On June 30th, 2015, an amount of 51.9 millions of Euros in the form of allocation of 80% of the actions HiPay Group, that is 43 603 772 actions, at the rate of an action HiPay Group for an action HiMedia.

The accounting translation of these operations in the HiMedia year-end financial statements is translated by:

- Taking into account the half-year results of subsidiaries of the bearing HiPay Group in the income from discontinued operations for the period going from January 1st, 2015 till June 30th, 2015. The income statement for the exercise 2014 was also restated to present the activities HiPay Group on this line income from discontinued operations. The detail by section of the income statement of June 30th, 2015 and June 30th, 2014 of HiPay Group is presented below.
- The distribution of 80% of the shares of HiPay Group entails a loss of control of this company. A capital gain of deconsolidation of 6.4 million euros was thus calculated on June 30th, 2015.
- The 20% of shares HiPay Group still held by the company HiMedia are classified in equity affiliates and integrated to their market value on June 30th, 2015.

The contributions of titles of HiMedia to HPME and Hipay Group prior to the listing have no incidences on consolidated financial statements.

HiPay Group income statement for the half-years ending on 30 June 2015, 30 June 2014 and 31 December 2014:

in thousands of Euros	30 June.2015	30 June.2014	31 Dec.2014
Gross profit	**12 512**	**11 288**	**23 184**
Purchases	- 6 809	- 5 779	- 12 470
Payroll charges	- 4 229	- 3 437	- 7 090
EBITDA	**1 474**	**2 072**	**3 624**
Depreciation and amortization	- 1 172	- 1 264	- 2 715
Current operating profit	**302**	**808**	**909**
Stock based compensation	-	-	-
Other non-current income and charges	- 2 566	- 2 683	- 4 030
Operating profit	**- 2 264**	**- 1 875**	**- 3 122**
Cost of indebtedness	- 57	- 519	- 782
Other financial income and charges	116	7	- 653
Earning of the consolidated companies	**- 2 206**	**- 2 387**	**- 4 557**
Share in the earnings of the companies treated on an equity basis	-	-	-
Earnings before tax of the consolidated companies	**- 2 206**	**- 2 387**	**- 4 557**
Income Tax	- 268	- 670	- 987
Income Tax on non-recurring items	-	-	-
Net income of the consolidated companies	**- 2 473**	**- 3 057**	**- 5 544**
Net income from discontinued operations	- 208	- 263	- 533
Net income	**- 2 681**	**- 2 794**	**- 6 078**

Besides, it is reminded that, in a context of recent European legislative change, HiPay group decided, starting from 2015, to modify the accounting of its turnover from activities called "micropayments" using telecom resources, and move from crude turnover recognition to a net recognition, as was already the case for other sources of income of the payment activity. The net turnover corresponds to the former gross margin.

HiPay Group balance sheet for the year ending on 31st December 2014:

To simplify the reading of the balance sheet changes during the period, we present below the balance of accounts combined HiPay Group:

ASSETS - in thousands of Euros	31 Dec.2014 [1]
Net Goodwill	45 222
Net intangible fixed assets	6 308
Net tangible fixed assets	81
Deferred tax credits	37
Other financial assets	237
Non-current assets	**51 885**
Customers and other debtors	17 253
Other current assets	19 813
Current financial assets	-
Cash and cash equivalents	23 337
Current assets	**60 402**
TOTAL ASSETS	**112 287**

LIABILITIES - in thousands of Euros	31 Dec.2014 [1]
Share capital	-
Premiums on issue and on conveyance	-
Reserves and retained earnings	61 305
Consolidated net income (Group share)	- 6 078
Shareholders' equity (Group share)	**55 227**
Minority interests	585
Shareholders' equity	**55 812**
Long-term borrowings and financial liabilities	-
Non-current Provisions	214
Non-current liabilities	-
Deferred tax liabilities	33
Non-current liabilities	**248**
Short-term financial liabilities and bank overdrafts	7 120
Current provisions	-
Suppliers and other creditors	28 409
Other current debts and liabilities	20 698
Current liabilities	**56 228**
TOTAL LIABILITIES	**112 287**

[1] The balance sheet of the combined financial statement comes from the registration documents n°15-251 filed with the AMF on June 2nd, 2015.

1.3. Other variation of perimeter of the period

On January 6th, 2015, HiMedia acquired 100% in AdMoove share capital.
On March 16th, 2015, HiMedia acquired the online advertising of Orange in Spain, United Sates and Mexico.
On May 1st, 2015, HiMedia acquired 2% in Quantum share capital, increasing its ownership from 49% to 51%.
On June 4th, 2015, HiMedia acquired 10% in Mobvious Italia share capital, increasing its ownership from 70% to 80%.
On June 30th, 2015, HiMedia sold 36% of its participation in Semilo to its founders.
On July 14th, 2015, HiMedia sold 55% of its participation HiMedia Deutschland AG.

There was no other significant change on the period.

Note 2. Accounting principles and methods

2.1. Reporting entity financial statements

HiMedia ("The Company") is a business domiciled in France. The Company's registered office is located at 6, Place colonel Bourgoin, 75012 Paris. The Company's consolidated financial statements for the financial year ended on December 31st, 2015 include the Company and its subsidiaries (together referred to as "the Group" and each individually as "the Group entities") and the Group's share in the associated companies or joint ventures.

2.2. Basis of preparation

In application of the European regulation n° 1606/2002 of July 19, 2002, the consolidated financial statements published for financial year 2015 are established in accordance with the international accounting standards set forth by the IASB (International Accounting Standards Board). These international accounting standards consist of IFRS (International Financial Reporting Standards), IAS (International Accounting Standards), and their interpretations, which were adopted by the European Union on December 31st, 2015 (published in the Official Journal of the European Union).

The consolidated financial statements are prepared on the historical cost basis, with the exception of the following:
- derivative financial instruments, at fair value,
- financial instruments at fair value through profit or loss, measured at fair value,
- financial assets available for sale, at fair value,
- the liabilities resulting from transactions for which payment is based on shares and which will be paid in cash, at fair value.

The consolidated financial statements are presented in euro, which is the Company's operating (functional) currency. All financial information presented in euro is rounded off to the nearest thousand Euros.

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements, except for changes in accounting policies relating to the implementation of new standards and amendments that entered into force on January 1st, 2015 and listed below.

The accounting methods are applied uniformly by the Group entities.

HiMedia Group has applied the same accounting methods as in its consolidated financial statements for the year ending on December 31st, 2014, with exception of elements below:

a) The following new standards, amendments and interpretations, must be applied as from the exercise opened on January 1st, 2015, but had no significant effect on the Group financial statements:

- Amendments induced IFRS annual improvements cycle of 2011- 2013:
  - IFRS 1: « First-time Adoption of International Financial Reporting Standards »
  - IFRS 3: Business Combinations : « Scope exceptions for joint ventures »
  - IFRS 13: « Fair Value Measurement »
  - IAS 40: « Investment Property »

- IFRIC 21, Levies.

b) The new standards, amendments and interpretations following, published, which are not compulsory applicable for the exercise beginning on January 1st, 2015, and which were not applied by anticipation:

- IFRS 9 and complements to IFRS 9 - Financial Instruments: classification and valuation of financial assets, the fair option value for financial liabilities and hedge accounting;
- IFRS 15 - " Revenues from contracts with customers.

The Group did not exercise the option to adopt in advance these standards, amendments and interpretations in the annual consolidated financial statements summarized on December 31st, 2015, and estimates that they should not have a significant impact on its results and financial position.

2.3. Consolidation principales

A subsidiary is an entity controlled by the Group. The Control exists when the Group has the power to govern financial and operating policies of the entity to obtain benefits from its activities. To appreciate the control, potential voting rights which can currently be exercised have been taken into consideration. Subsidiaries' financial statements are included in the consolidated financial statements from the date which control was gained until the date on which control ended. Subsidiaries' accounting methods are modified when necessary to align them on those adopted by the Group.

2.3.1. Companies under exclusive control

The companies controlled directly or indirectly by HiMedia SA are fully consolidated.

2.3.2. Associate companies (companies accounted for under the equity method)

Associate companies are the entities in which the Company has significant influence over the financial and operating policies, without having control. Significant influence is presumed when the Group holds from 20% to 50% of the voting rights of an entity. Associate companies are accounted for under the equity method and are initially recorded at cost. The Group's investments include goodwill identified on acquisition, net of accumulated impairment losses. The consolidated financial statements include the Group's share in total profits and losses and movements in equity accounted by the equity method, after taking into account adjustments for compliance of accounting policies with those of Group, from the date that significant influence is exercised until the date that significant influence ceases.
If the Group's share of the losses exceeds its interest in the company under the equity method, the book value of equity affiliates (including any long-term investment) is reduced to zero, and the Group ceases to post its share of the future losses, unless the Group is obliged to take part in the losses or to make payments on behalf of the company.

2.3.3. Transactions eliminated in the consolidated financial statements

Balance sheet amounts and transactions, income and expenses resulting from intra-group transactions are eliminated during preparation of consolidated financial statements. Income from transactions with associate companies is eliminated through consideration of investments in equity shares up to the Group's interest in the company. Losses are eliminated in the same manner as income but only where they do not represent a loss in value.

2.4. Foreign currency

2.4.1. Foreign currency transactions

Exchange differences on receivables and liabilities denominated in foreign currency of an entity are recognized in earnings or financial results of the entity according to the nature of the underlying transaction.
The exchange differences relating to monetary elements forming part of the net investment in foreign subsidiaries are included in translation reserves at their amount net of tax.
The Balance sheet accounts expressed in foreign currency are converted into euro at the rate of the closing of the FY, excluding the net position which is maintained at its historical value. The income statement and cash flow expressed in foreign currencies are converted at the average monthly exchange rate, absenting significant changes in the exchange rate. Currency gains and losses resulting from application of these different rates are not included in the income statement for the period but directly allocated into conversion reserves in the consolidated financial statements.

2.4.2. Activities abroad

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition, are translated into euro by using the exchange rate on the closing date. Revenues and expenses of a foreign operation, apart from overseas operations in a hyperinflationary economy are translated into euro using the exchange rates prevailing at the dates of transactions.
Exchange differences arising from the conversion are posted to the conversion reserve under shareholders' equity.

2.5. Use of estimates and judgments

Preparation of the financial statements in accordance with the IFRS standards requires Management to take account of estimates and of assumptions in determining the carrying amounts of certain assets, liabilities, income and charges, as well as of certain information provided in notes attached to the assets and liabilities, in particular:

- The goodwill and the related depreciation tests,
- The share of profit associated,
- The intangible assets acquired,
- The deferred tax credits,
- The depreciation of receivables,
- The provisions for risk,
- The charge for stock options and free shares.
- The financial instruments

The estimates and underlying assumptions are developed on the basis of past experience and other factors, such as events to come, deemed reasonable in light of the circumstances. They are also used as the basis for the exercise of judgments necessary for determination of the book values of assets and liabilities, which cannot be obtained directly from other sources. In view of the inherently uncertain nature of these valuation procedures, the definitive amounts may prove to be different from those originally estimated.

The estimates and the underlying assumptions are reviewed on an ongoing basis. The impact of the changes in accounting estimates is directly entered in the accounting during the period of the change if it affects only that period, or during the period of change and future periods if they are also affected by the change.

2.6. Intangible fixed assets

2.6.1. Goodwill

Business Combinations outlines the accounting when an acquirer obtains control of a business. Such business combinations are accounted for using the 'acquisition method'. Control is the ability to manage the financial and operating strategies of an entity in order to get a direct benefit from its activities. To measure this control, the Group takes into account the potential voting rights which are currently exercisable.

Goodwill is evaluated by the group at acquisition date as:

- The fair value of the consideration transferred; plus
- If the business combination is done step by step, the fair value of any participation previously held in the acquired company; minus
- The net amount accounted (generally at the fair value) for the identifiable acquired assets and liabilities

When the difference is negative, revenue can be directly booked in the result as a gain on a bargain purchase.
The acquisition costs, other than the ones related to a debt or capital account issuance, the group has to bear due to the business combination, are booked in expenses.
Any consideration to be paid, such as a price adjustment clause to be paid among the achievement of any performance ratio, is evaluated at the fair value at the acquisition date. The changes of the fair value of the consideration which could occur at a later date are booked in the profit and loss statement.

Impairment test methods of cash generating units are detailed in Note 2.8 below. In the event of impairment, depreciation is included in profit for the year.

Goodwill related to associate company acquisitions is included in the item “Equity method investments.” They are tested through impairment test on the securities.

2.6.2. Other intangible assets

Research and development costs

Development costs, including those related to software and new sites or new versions of sites are capitalized as intangible assets as soon as the company can demonstrate:

- Its intention, financial and technical ability to conduct the development project to completion;
- Its ability to use or sell the intangible asset, once completed ;
- The availability of adequate technical and financial resources to complete the development and the sale;
- That it is likely that the future economic advantages attributable to the development expenditure will go to the company;
- And that the cost of the asset may be measured reliably.

Other research and development costs are expensed in the period in which they are incurred.
These intangible assets are depreciated over the estimated useful life according to the consumption of the economic benefits connected with them. They are impaired, if possible, if their recoverable value is less than their book value.

Other acquired intangibles

To satisfy the definition of an intangible fixed asset, an element must be identifiable (separable or arising from contractual or legal rights), controlled by the company, and it must be probable that future economic benefits attributable to them will go to the company.
An acquired intangible asset is recognized in the balance sheet as soon as its cost can be reliably measured, on the basis that in such a case the future economic benefits attributable to the asset will go to the company.
These intangible assets consist primarily of trademarks, licenses and software, and customer relations. Licenses, software and customer relations, which have a finite useful life, are amortized over a period of between 3 to 8 years.

2.7. Property, plant and equipment

The original value of PPE corresponds to their purchase cost.
Maintenance costs and repairs are expensed as incurred, except those incurred for increased productivity or to extend the useful life of the property.
Assets financed by finance leases, where risks and rewards have been transferred to the lessee, are presented to the asset for the present value of future payments or market value, whichever is lower. Corresponding debt is recognized under financial liabilities. These capital assets are amortized according to the method and useful life described below.
The depreciation is expensed over the estimated useful life for each asset.

The estimated useful lives are as follows:

Fixtures and facilities	5 to 10 years
Office and computer equipment	3 to 5 years
Furniture	4 to 8 years

2.8. Impairment of fixed assets

2.8.1. Financial assets

A financial asset is examined on each closing date to determine if there is an objective evidence of impairment. The Group considers that a financial asset is impaired if there is objective evidence that one or several events had a negative impact on the future estimated cash flows of the asset.
The loss of value of a financial asset measured at amortized cost is the difference between its carrying amount and the value of estimated future cash flows, discounted at the original effective interest rate on financial assets.
Impairment losses are recognized in earnings.

The impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

2.8.2. Non-financial assets

The carrying amounts of non-financial assets of the Group, other than deferred tax liability, are examined on each closing date to assess if there is any indication of an asset which has been impaired. If there is such an indication, the asset's recoverable amount is appraised. For goodwill, intangible assets with indeterminate useful life or which are not yet ready to be put on service, the recoverable amount is estimated on each closing date. The recoverable amount of an asset or cash generating unit is the greatest amount between its useful value and the depreciated fair value from sales costs. To assess the useful value, future estimated cash flows are updated at pre-tax rates reflecting current market appreciation of the time value of money and specific risks to the asset. For the purpose of impairment tests, assets are regrouped in the smallest group of assets generating cash inflows resulting from continued use, largely independent of cash inflows generated from other assets or groups of assets, i.e. cash generating units.
An impairment loss is recognized if the carrying amount of an asset or its cash generating unit is greater than its recoverable amount. Impairment losses are recognized in the income statement. An impairment loss recognized as a cash generating unit (group of units) is allocated first to reduce the carrying amount of any goodwill allocated to cash generating unit, then the reduction in carrying value of other assets of the unit (group of units) pro rata to the carrying value of each asset in the unit (group of units).

An impairment loss recognized in connection with goodwill cannot be reversed. For other assets, on the closing date of each FY the Group assesses if there is an indication that impairment losses recognized during previous periods have decreased or no longer exist. An impairment loss is reversed if there is a change in assessments used to determine the recoverable amount. The carrying value of an asset, increased due to the reversal of impairment loss must not be greater than the carrying value which would have been determined, net of depreciation, if no impairment loss had been recognized.

2.9. Receivables

Trade receivables are initially assessed at their fair value then at the amortized cost and subject to individual consideration. Impairment is recognized when the current value (updated value of estimated future cash flows) is less than the book value.

The receivables transferred to third parties (billing contract) are removed from the Group's assets when the risks and benefits associated with them are substantially transferred to such third parties and if the factoring company in particular accepts the credit risk, the rate risk and the payback period.

The credit risk is the risk of non-recovering receivables. Under contracts deconsolidating the entities in the Group, the credit risk is supported by the factoring company. This means that the Group is no longer exposed to the risks of non-recovery, and, as a result, the disposal is regarded as being without recourse.
The rate risk and payback period risk corresponds to the transfer of the financial risk linked with the lengthening of the debt collection period and related carrying costs. Under the deconsolidating contracts of the entities in the Group, the commission rate for a given disposal is adjusted exclusively according to EURIBOR and the time it took to settle the previous disposal. The financing commission is paid at the start of the period and is not subsequently modified.

The risk of technical dilution is linked with non-payment of the receivable due to faults observed in services rendered or commercial disputes. For every deconsolidating contract signed by the entities in the Group, the warranty does not cover the general risks or the risk of delayed payment; the guarantee fund is made up to cover the debts (credit notes etc.) in a technical dilution.

2.10. Cash and cash equivalents and current financial assets

The cash and cash equivalents comprise the elements that are immediately liquid and whose changes in fair value are not significant, such as cash in bank deposit accounts, mutual fund shares and the available cash with the factor.
Current financial assets that do not meet the definition of cash equivalents and held for future transactions are valued at fair value and changes are recorded in the income statement.

2.11. Non-current assets and disposal group intended for sale

A non-current asset or a group of assets and liabilities is held for sale when its carrying value may be recovered principally through its divestiture and not by its continued utilization. To meet this definition, the asset must be available for immediate sale and the divestiture must be highly probable. These assets and liabilities are recognized as assets held for sale and liabilities associated with assets held for sale, without offset. The related assets recorded as assets held for sale are valued at the lowest value between the fair value (net of divestiture fees) and the carrying value, or cost less accumulated depreciation and impairment losses, and are no longer depreciated.

2.12. Capital

2.12.1. Common shares (common stock)

Common shares are classified as equity instruments. Incidental costs directly attributable to the issuance of common stock or stock options are deducted from equity, net of tax.

2.12.2. Repurchase of equity instruments (treasury shares)

If the Group repurchases its treasury stock, the compensation amount paid, including directly related costs, is recognized net tax, reduced by shareholders' equity. Shares repurchased are classified as treasury stock and deducted from shareholders' equity. When treasury stock is sold or reissued, the amount received is recognized via increasing shareholders' equity, and the transaction profit or loss is transferred as retained earnings increases or decreases.

2.13. Loans

All loans are initially recognized at the fair value of the received compensation corresponding to the cost, net of the fees directly tied to these loans. After initial recognition, loans are assessed at their amortized cost using the effective interest rate method. This rate corresponds to the internal rate of return allowing updating of the expected cash flows over the duration of the loan. Moreover, if the loan includes an incorporated derivative (in the case for example of an exchangeable bond) or if it includes a shareholders' equity component (in the case of a convertible bond), the amortized cost is calculated solely on the debt component once the derivative is incorporated or the shareholders' equity component is separated. In case of future expected cash flows changes (for example, anticipated reimbursement initially unforeseen), then the amortized cost is adjusted by compensating the result to reflect new expected cash flows, updated at initial effective interest rates.

2.14. Derivative financial instruments

Derivative financial instruments are used in the purpose to manage exposures to financial risk. All derivatives are assessed and recognized at their fair value: initially on the contract subscription date and subsequently during each closing. Processing of profit (loss) reevaluation depends on the designation or not of the derivative as a hedge and if that is the case, the nature of the hedged element.
Derivative fair value fluctuations not designated as hedge instruments are recognized in earnings during the period to which they are related. Fair value is based on market value for listed instruments or on mathematical models such as options pricing model or updating methods for cash flows for unlisted instruments.
Changes in fair value of derivatives designated as hedges of future cash flows are recognized in other comprehensive income and reported reserves within shareholders' equity for the effective portion of changes in fair value of financial instruments, and in profit gains and losses relating to the ineffective portion. The amounts recognized in equity are recycled in the income statement based on the income statement impact of hedged items.

2.15. Provisions

A provision is recognized when the Group has a current, legal or implicit bond resulting from a past event regarding a third-party, and about which it is likely or certain that it will provoke a resources outflow benefiting this third-party. In cases of restructuring, a bond is made when the restructuring has been subject of a detailed plan or a start of execution.

A provision for an onerous contract is posted when the economic benefits which the Group expects from the contract are lower than the costs which have to be assumed in order to satisfy contractual obligations. The provision is valued at the current value of the cost expected from termination or execution of the contract, whichever is the lower.

When companies are regrouped, a provision is also posted for purchase contracts held by the acquired company with unfavorable conditions compared to those of the market on the date of acquisition.

2.16. Employee benefits

2.16.1. Cost based plans

A cost based plan is a defined post-employment plan under which an entity pays fixed contributions to a separate entity and has no legal or constructive obligation to make additional contributions. Contributions payable to a defined contribution plan are recognized under charges related to employee benefits when due.

2.16.2. Defined-benefit pension plans

A defined-benefit plan refers to post-employment defined benefits other than defined contribution plan.
Group net bonds pursuant to defined benefit plans are assessed separately for each plan in assessing the amount of future benefits acquired by personnel in exchange for services rendered during the current and previous periods. This amount is updated to determine its current value. The fair value of plan assets is then deducted. Calculations are made every year by a qualified actuary, using the projected unit credit method.
The Group recognizes immediately in other comprehensive income of all actuarial gains and losses under defined benefit plans.

2.16.3. Benefits upon termination of the employment contract

Benefits at the end of the employment contract are recognized as expenses when the Group, without realistic possibility of retraction, is manifestly involved in a formalized and detailed plan either through redundancies before the normal retirement date or packages encouraging premature retirement to reduce payroll, and concerned persons must have been informed before the closing date. Preliminary retirement benefits are recognized as expenses if the Group has issued a package encouraging the early retirements, and it is likely the package will be accepted and the number of persons accepting it could be assessed in a reliable way.

2.16.4. Short-term benefits

The obligations in connection with the short-term benefits are valued on a non-discounted basis and are recognized when the corresponding service is rendered. A liability is recognized for the amount the Group expects to pay under profit-sharing and bonuses paid in treasury in the short term if the Group has a present legal or constructive obligation to make such payments in exchange for past services rendered by the staff member and the obligation can be reliably estimated.

2.16.5. Share-based payments

Buy options and share subscription options as well and bonus shares are granted to senior managers and to certain Group employees. In accordance with IFRS 2 "Share-Based Payment", options and shares are valued at fair value at the grant date.
The related expense is recalculated each closing date in function of the levels reached from performance criteria and Sales rates. To determine the future expected expense on these plans, the parameters are recalculated at each closing in function of past completion and better estimate of management on that date. Parameters defined could thus appear different to those initially valued.

i. Instruments settled by issuing HiMedia shares

To value these instruments, the Group uses the Black & Scholes mathematical model. Changes in market conditions subsequent to the date of grant shall not affect the initial assessment. In particular, plans to award free shares are valued on the basis of share price the day HiMedia board of directors has determined the allocation of bonus shares, taking into account the period -assignment of the share after the acquisition of rights and the expected dividends.
The fair value of these instruments, determined at the grant date is expensed in return on equity, and spread over the period during which the beneficiaries acquire their rights. The evaluation of the charges takes into account the probability of achieving performance and presence conditions.
The cumulative charge on these instruments is adjusted at each balance sheet according to the refresh rate affect performance and presence. This difference is recognized in the income statement.

ii. Instruments settled by cash remittances

Charges, measured at grant date are spread over the period during which the beneficiaries acquire their rights. The consideration of this charge is a debt. The evaluation of the charges takes into account the probability of achieving performance and presence conditions.
When these plans come from acquisitions of subsidiaries, the estimated life of the instrument is calculated on the basis of the plans originally granted to employees.
The cumulative charge on these instruments is revalued at each balance sheet. Where appropriate, the valuation difference is recognized in the income statement.

2.17. Segment information

In accordance with IFRS 8, the Group presents segment information based on internal reporting, as it is reviewed regularly by the Executive Board to assess the performance of each sector and allocate resources.
An operating segment is a component of the company:
- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses related to transactions with other components of the same entity);
- Whose operating results are regularly reviewed by the chief operating decision maker of the entity to make decisions about resources to be allocated to the segment and assess its performance, and for which specific financial information is available.

In view of this definition, HiMedia's operational sectors correspond to the following geographical sectors:
- France
- Rest of the world

This identification is based on the Group's internal organizational systems and management structure.

Accordingly, the Group provides in Note 23 the following information:
- segment sales, margin and the segment operating profit,
- segment assets,
- Reconciliations of the totals of segment information with the corresponding amounts of the Group.

No liability is assigned to the sectors in the internal system for monitoring results.

2.18. Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Tax is recognized in income/expense unless it relates to a business combination or to elements that are recognized directly in equity or in other comprehensive income in which case it is recognized in equity or other elements of comprehensive income.
Current tax is the estimated amount of tax payable in relation to taxable income of a period, and is determined using tax rates enacted or substantively enacted at the balance sheet date, any adjustment added to the amount tax payable with regard to previous periods.

Deferred tax is determined and recognized using the balance sheet approach of the liability method for all temporary differences between the carrying amounts of assets and liabilities and their tax bases. The following elements are not subject to deferred taxes: the initial recognition of an asset or liability in a transaction that is not a regrouping of businesses and that affects neither the accounting profit nor the taxable income, and the temporary differences connected with investments in subsidiaries and joint ventures insofar as it is likely that they will not be reversed in the foreseeable future. Furthermore the deferred tax is not accounted for in case of a taxable temporary difference generated from the initial recognition of goodwill. The deferred tax credits and liabilities are valued at the tax rates that are expected to be applied for the period during which the asset is realized and the liability settled, on the basis of the taxation rules and regulations that have been adopted or virtually adopted as at the closeout date. The deferred tax credits and liabilities are offset if there is a legal enforceable right to offset the payable tax credits and liabilities, and if they concern taxes on earnings deducted by the same taxation authority, either in the same taxable entity, or in taxable entities that are different but that intend to settle the payable tax credits and liabilities on the basis of their net amount or to realize the credits and settle tax liabilities simultaneously.
A deferred tax credit is posted only insofar as it is likely that the Group will record future taxable profits to which the corresponding timing difference can be charged. The deferred tax credits are considered on each closeout date and are reduced to the extent that it is no longer likely that a sufficient taxable profit will be available.

2.19. Revenue recognition

Recognition of gross or net revenue
Under IAS 18-7/18-8, the company that acts as a principal in the transaction recognizes the revenue amounts billed to end customers. In order to determine whether the company is acting as a principal or as an agent, it should assess the risks and responsibilities taken by the company to deliver the goods or providing services. From that viewpoint, HiMedia referred to EITF 99-19, within the framework of IFRS, which gives a list of indicators to determine whether the company is acting as a principal or as an agent. For the recognition of gross sales, HiMedia has ensured that its indicators are showing that the Company acts as a principal, and are indeed present in conducted transactions made with its customers, advertisers or users.

The advertising network business consists of providing advertisers with a comprehensive service on their advertising campaigns on websites, which HiMedia has already signed a management contract with them. As such, HiMedia generally intervenes as the single provider of the advertiser, and not as a commission agent. Hence, the advertiser does not have any contractual relationship with the website. The price of the services for which the advertiser is invoiced charged to the advertiser inseparably includes the price of the advertising space, the advice relative to the choice of the media as well as the cost of the technical services for getting items online, for distribution along with the following-up on the campaign (in both quantitative and qualitative terms) and the recovery of invoices issued. Sales correspond to the amounts charged to advertisers.
Under certain contracts, HiMedia intervenes as a mere business provider and distributor of the campaign. The represented websites assure itself the belling and the recovery of the campaigns. HiMedia intervenes only as an agent, and Sales correspond in this case to the charged commission by HiMedia in the website.

The activity contains three marketing methods:

- sale of advertising spaces at the cost per thousand;
- sale of performance-based direct marketing operations;
- sponsoring contracts;

The sale of advertising space includes putting online and dissemination of advertising banners in different sizes, on one or more media supports (websites) by HiMedia in-house for a specified period. The value of the contracts depends on the cost per thousand for advertising displays and the volume purchased by the advertiser.
For contracts completed by the closing date, the revenue recognized in the income statement is the value of the contract or the value of the number of viewed pages if it is less than that specified in the contract.
For contracts outstanding at the reporting date, the revenues recognized to date is the value of the number of pages actually viewed at the closing date if the number of page viewed is less than or equal to that provided for the contract.

The sale of performance-based operations calls for a number of clicks on the advertisers' advertising messages. Only the clicks are measured, and as such, are recognized as revenue.

Sponsoring contracts provide for fixed compensation packages for the insertion of the logo or other distinguishing mark of advertisers on the medium concerned, governed by HiMedia. The package is recognized as revenue over the term of service.

2.20. Operating profit

Operating profit is obtained by deducting, from the current operating profit, the charges for stock options and free shares and the other non-recurring charges. The other products and non-current charges, if any impairment of goodwill and other assets acquired, the capital gains or losses on disposal of consolidated companies or of activities, restructuring charges, the charges connected with exceptional terminations of contracts, business litigations or business associated failure.

2.21. Earnings per share

The Group presents basic and diluted earnings per share for its common shares. The basic earnings per share are calculated by dividing the earnings attributable to the Company's common shareholders by the weighted average number of common shares in circulation during the period. Earnings per diluted share is determined by adjusting the profit attributable to the holders of the common shares and the weighted average number of common shares in circulation for the effects of all dilutive potential common shares, which include the stock options and the free shares allocated to the members of the management and staff.

Note 3. Financial risk management

The Group is exposed to the following risks connected with to the use of financial instruments:
- credit risk
- liquidity risks
- market risk

This note provides information concerning the Group's exposure to each of the above risks, its objective, its policy and procedures for measuring and managing risk and capital. Quantitative information appears in other places in the consolidated financial statements.
It is incumbent on the Board of Directors to define and monitor the framework for the Group's risk management.

3.1. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk arises mainly from client's receivables and short-term investment securities.

The Group's exposure to the credit risk is influenced mainly by the individual characteristics of the customers. The statistical profile of customers, particularly including the risk of default by activity sector and country in which the customers do business, has no real influence on the credit risk. There is no concentration of the credit risk, whether with respect to the customers or geographically speaking.

The Group has defined a credit policy under which the solvency of each new customer is analyzed individually before it can benefit from the payment and delivery conditions offered by the Group. To that end, the Group uses external ratings, when they are available. The customers are not meeting the Group demands, with respect to solvency may not conclude any transactions with the Group unless they pay for their orders in advance.

At each closing, the Group determines a level of impairment representing its estimate of the losses on receivables and other debts, and investments. This impairment is determined by an analysis of individualized significant risks.

To minimize credit risk, the HiMedia SA company has taken out credit insurance. The credit insurance contract concluded is based on three services: prevention, collection, compensation.

- Prevention: the credit insurer provides continuous monitoring and informs the company in case of a deterioration of its customers' creditworthiness.
- Collection: in case of default, the company forwards the legal proceedings consisting of all documents proving the claim to the insurance company, which intervenes with the defaulter and sees to collection by amicable or legal means.
- Compensation: the company will be indemnified in case of established insolvency or of judicial proceedings affecting the debtor. In the other cases, if it has been impossible to make collection within the waiting period defined in the contract, the insurance company will also provide a compensation for the claim. The insurance company bears 75% of the amount, including all taxes, namely 90% of the amount excluding taxes. The indemnification period is approximately from one to five months. To qualify for such coverage, the subsidiaries must first obtain the insurer's coverage approval customer by customer and making the unpaid declaration within 150 days after the term.

In addition, the companies HiMedia and Hi-Pi have concluded factoring contracts for which the main risks and advantages have been transferred to the factoring companies (see note 2.9).

The maximum exposure to the credit risk on the closeout date is indicated in the following notes:

- Note 14 Other financial assets
- Note 15 Current trade and other receivables
- Note 16 Other current assets

3.2. Liquidity risk

The liquidity risk corresponds to the risk that the Group encounters difficulties in honoring its debts when they come due. The Group's approach for managing the liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they come due, under normal or "tense" conditions, without incurring any unacceptable losses or impairing the Group's reputation.

The Group has established management of the cash flow needs, aimed at optimizing its return of cash flow on investment. This excludes the potential impact of extreme circumstances, such as natural disasters, that one cannot be reasonably predict.

Moreover the Group has concluded, for certain subsidiaries, factoring contracts enabling it to obtain short-term financing and to be more flexible in daily management of its liquidity.

The group conducted a special review of its liquidity risk and deems that it is able to meet future scheduled payments.

On December 31st, 2015, the remaining contractual maturities of financial liabilities were as follows (including interest payments):

(in thousands of euros)	Book value	Contractual cash flows	Less than 1 year	1-5 years	More than 5 years
Zero-interest financing for innovation	2 292	2 292	120	1 920	252
Accrued interest on loans	0	-	-	-	-
Accounts payable & fixed assets payable	54 189	54 189	54 189	-	-
Taxation and social liabilities	10 221	10 221	10 221	-	-
Other liabilities	3 099	3 099	3 099	-	-
Bank overdrafts	0	-	-	-	-
Total	69 799	**69 799**	**67 628**	**1 920**	**252**

The loans and financial liabilities are detailed in the Note 19

3.3. Market risk

3.3.1. Currency risk

Currency risk is the risk that changes in exchange rates and it affects the Group's earnings or the value of the financial instruments. Currency risk management aims to control market risk exposures in acceptable limits, while optimizing the couple (profitability/risk).

The Group is exposed to a currency risk:

- On the activities of its subsidiaries based in the US (Latam Digital Venture LLC, EresMas Inc., Himedia US LLC, HiMedia Group USA Inc.), Sweden (HiMedia Sales), Mexico (StarM Interactiva SACV, Fullscreen solutions SACV) fully consolidated and, to a lesser extent ;
- In connection with the activity carried on by his subsidiary consolidated on the basis of the equity method in Brazil (Hi-Midia Brazil) ;

100% of the purchases and sales, of capital expenditure, assets and liabilities of those subsidiaries and goodwill pertaining are denominated, respectively, in dollars, Swedish crowns and Mexican pesos.

The Group's investments in its subsidiaries have a functional currency that is not the euro, and are not covered by the Group, considers that such exchange positions are long term in nature.

in thousands of euros

Sensitivity to exchange rate	USD	MXN	SEK
Total assets	5 570	2 748	12 019
Total liabilities	-12 151	-1 820	-1 234
Net position	-6 582	928	10 785
Assumptions regarding changes against the euro	1%	1%	1%
Impact on profit before tax	**7**	**2**	**-6**
Impact on equity	**50**	**-9**	**-23**

3.3.2. Interest rate risk

Following the repayment occurred on September 22th, 2014 of the syndicated loan signed in 2011, the company is no longer exposed to the risk of interest rates.

3.4. Categorization of financial instruments

	CATEGORIES					31 Dec.2015	
in thousands of euros	**Fair value by earnings**	**Assets available for sale**	**Loans and receivables**	**Debts at amortized cost**	**Derivative instruments**	**value in balance sheet**	**Fair value**
Other financial assets	-	1 280	319	-	-	1 600	1 600
Receivable	-	-	36 506	-	-	36 506	36 506
Other current assets	-	-	13 350	-	-	13 350	13 350
Current financial assets	-	-	-	-	-	-	-
Cash and cash equivalents	7 434	-	-	-	-	7 434	7 434
FINANCIAL ASSETS	**7 434**	**1 280**	**50 175**	**-**	**-**	**58 889**	**58 889**
Borrowings and financial debts	-	-	-	2 292	-	2 292	2 292
Non-current liabilities	-	-	-	-	-	-	-
Accounts payable	-	-	-	53 647	-	53 647	53 647
Other current debts and liabilities	-	-	-	12 909	-	12 909	12 909
FINANCIAL LIABILITIES	**-**	**-**	**-**	**68 847**	**-**	**68 847**	**68 847**

Fair value hierarchy

Financial instruments measured at fair value after its initial recognition are arranged by hierarchy as follows:

- Level 1 : Short-term investments are valued at fair value through profit or loss by reference to quoted prices in active markets ;
- Level 2 : the derivatives instruments are evaluated by reference to observable prices in active markets ;
- Level 3 : the available financial assets for sale are measured at fair value based on valuation techniques using data on assets and liabilities that are not based on observable market.

Note 4. Consolidation scope

4.1. List of consolidated entities

Corporate name	Country	% held directly and indirectly on 31/12/2015	% held directly and indirectly on 31/12/2014	Consolidation method	Date of creation or of acquisition	Date of financial year closeout
Created companies						
Hi-media Belgium SPRL	Belgium	100%	100%	FC	09.03.00	31.12
Hi-media Portugal LTDA	Portugal	54%	54%	FC	31.10.00	31.12
Hi-Pi SARL	France	100%	100%	FC	13.05.02	31.12
Hipay Mobile Espana SL	Spain	-	100%	-	29.12.06	31.12
HPMP SPRL	Belgium	100%	100%	FC	17.09.07	31.12
HPME SA	Belgium	-	100%	-	08.05.08	31.12
Allopass Scandinavia AB	Sweden	100%	100%	FC	30.09.09	31.12
Allopass Mexico SRLCV	Mexico	100%	100%	FC	17.07.09	31.12
Hi-media Payment do Brasil LTDA	Brazil	-	100%	-	16.11.11	31.12
Hi-media Regions SAS	France	49%	49%	EM	06.12.12	31.12
Mobvious Italia SRL	Italy	80%	70%	FC	17.05.13	31.12
Quantum SAS	France	51%	49%	FC	23.04.14	31.12
Fotolog SAS	France	49%	49%	EM	15.05.14	31.12
Hi-media France Advertising SAS	France	100%	100%	FC	02.12.14	31.12
HiPay Group	France	20%	-	EM	16.03.15	31.12
Adexpert SPRL	Belgium	50,1%	50,1%	FC	06.06.14	31.12
Local Media SAS	France	50,1%	50,1%	FC	02.12.11	31.12
Latam Digital Ventures	USA	70%	-	FC	02.02.15	31.12
Hi-Media LLC	USA	100%	-	FC	30.04.15	31.12
FullScreen Solutions	Mexico	94%	-	FC	25.03.15	31.12
Quantum Native Solutions Italia SRL	Italy	100%	-	FC	22.12.15	31.12
Acquired companies						
Hi-media Deutschland AG	Germany	45%	100%	EM	30.04.01	31.12
Europermission SL	Spain	50%	50%	EM	25.03.04	31.12
Admoove	France	100%	-	FC	06.01.15	31.12
Hi-Midia Brasil SA	Brazil	14%	14%	EM	18.07.05	31.12
Hipay SAS	France	-	100%	-	08.02.06	31.12
Hi-media Sales AB	Sweden	100%	100%	FC	04.09.06	31.12
Groupe Hi-media USA Inc	USA	100%	100%	FC	27.11.07	31.12
Vivat SPRL	Belgium	100%	100%	FC	14.03.08	31.12
Bonne Nouvelle Editions SARL	France	100%	100%	FC	06.06.08	31.12
Hi-media Nederland BV	Netherland	100%	100%	FC	31.08.09	31.12
Hi-media Italia SRL	Italy	100%	100%	FC	31.08.09	31.12
Hi-media Network Internet España SL	Spain	100%	100%	FC	31.08.09	31.12
Pragma Consult SPRL	Belgium	45%	45%	EM	30.01.12	30.09
Semilo BV	Netherland	-	36%	-	01.02.12	31.12
New Movil Media SL	Spain	100%	100%	FC	13.12.12	31.12
Eresmas	USA	70%	-	FC	16.03.15	31.12
Starm Interactiva	Mexico	70%	-	FC	16.03.15	31.12
TheBluePill SAS	France	-	100%	-	13.02.13	31.03
Hi Media Digital Business SL	Spain	100%	-	FC	16.03.15	31.12

On January 6th, 2015, HiMedia acquired 100% in AdMoove share capital.
On March 16th, 2015, HiMedia acquired the online advertising of Orange in Spain, United Sates and Mexico.
On May 1st, 2015, HiMedia acquired 2% in Quantum share capital, increasing its ownership from 49% to 51%.
On June 4th, 2015, HiMedia acquired 10% in Mobvious Italia share capital, increasing its ownership from 70% to 80%.
On June 30th, 2015, HiMedia sold 36% of its participation in Semilo to its founders.

There was no other significant change on the period.

Concerning more specifically, the operation of split with HiPay:
On 27th of May 2015, shares of companies HiPay Mobile Espana SL, HiPay SAS, HiPay Payments do Brasil, and 53,9% of HiPay Portugal's capital were brought by Hi-Media to HPME.
On 15th of June 2015, shares of HPME were brought to HiPay Group SA, recently created.
On the 30th of June 2015, HiMedia paid an exceptional dividend in kind to the shareholders related to 80% of HiPay Group shares.

These operations are presented in the significant event of the period.

Note 5. Sales

The breakdown of sales by activities is as follows:

in thousands of euros	**31 dec.2015**	**31 Dec.2014**
France	31 208	38 629
Rest of the world	33 535	36 994
Sales [(1)]	**64 744**	**75 623**

[(1)] Included sales of L'Odyssée Interactive for €2,1m in 2014.

Note 6. Payroll charges

The breakdown of the payroll charges between salaries, social security charges and end-of-career indemnities appears as following:

in thousands of Euros	**31 dec.2015**	**31 Dec.2014**
Salaries	12 632	13 040
social security charges	5 768	6 050
Provision for end of career indemnities	23	53
Payroll charges	18 423	19 143

Staff changes were as follows:

	31 Dec.2014	**Incoming**	**Outgoing**	**31 Dec.2015**
France	177	87	-148	116
Foreign	153	43	-61	135
Staff	**330**	**130**	**-209**	**251**

The variation of the period is mainly linked to HiPay Group.

Note 7. Other non-current income and charges

The non-recurring expenses (-€20.7m) mainly result from:

- The goodwill impairment of French "historical activity" CGU, Italian and Portuguese CGU and partial goodwill impairment of Swedish CGU entity for -€21.5 million
- Income and expenses related to the reorganization of the group HiMedia for €0.1million, mainly composed of the capital gain related to the distribution of non-cash assets as dividends of Hipay shares and the depreciation of the HiPay shares for for - €4.2 million based on the stock exchange price as at 31th of December 2015.
- The reorganization and the recognition of a badwill related to the acquisition of Orange entities in Spain and Latin America for €1.9million
- Expenses related to the disputes and the breaches of commercial contract for -€1.2million

Note 8. Financial net income

in thousands of euros	31 Dec.2015	31 Dec.2014
Investment products	175	157
Interest on borrowing	-110	-418
Other comprehensive income	-790	5
Financial net income	**-726**	**-257**

Note 9. Income Tax

The tax charge breaks down as follows:

in thousands of euros	31 Dec.2015	31 Dec.2014
Current taxes	- 748	- 243
Deferred taxes	- 3 890	- 5 781
Tax (charge)/Proceeds	**- 4 638**	**- 6 024**
Effective tax rate (%)	***-14%***	***36%***

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

in thousands of Euros	31 Dec.2015	31 Dec.2014
Tax rate in France	**33,33%**	**33,33%**
Theoretical tax (charge)/proceeds	11 061	- 5 618
Elements concerning the comparison with the effective rate:	-	-
Effect of rate change	3	2
Earnings charged to losses subject to carryover not previously recorded	930	906
Recognition / (depreciation) of deferred tax credits on losses carried over	- 3 587	- 5 649
Difference of tax rate between the countries	626	- 1 049
Effect of non-asset deficit transfers from the fiscal year	- 6 900	- 6 864
Permanent differences and other elements	- 6 665	11 502
Taxes without basis	- 106	745
Real tax (charge)/proceeds	**- 4 638**	**- 6 024**
Effective tax rate	-14%	36%

HiMedia France SA, Hi-Pi SARL and Bonne Nouvelle Editions SARL have been consolidated for tax purposes.

Given the net income for the exercise and of taxable income growth opportunities of tax consolidation whose head is HiMedia SA, the Company does not expect earnings charged to losses carried forward in a reasonable deadline; therefore the Group has decided to derecognize the deferred tax credits (-€ 2.8 million). Furthermore, and in line with the analysis in Note 10 Goodwill, the Group has decided to derecognize all deferred tax credits of Italian and Sweden CGU (-€ 0.8 million).

Note 10. Goodwill

en milliers d'euros	31 déc.2014	Var. change	Var. périmètre	Transfert	Aug.	Dim.	31 déc.2015
Goodwill	166 563	-	-62 927	-	-	-	103 635
Impairments	-80 116	-	18 869	-	-	-21 528	-82 776
Goodwill net	**86 447**	**-**	**-44 059**	**-**	**-**	**-21 528**	**20 860**

The variation of perimeter is mainly related to:

- the HiPay Group deconsolidation for 45 222 thousands of Euros
- AdMoove's goodwill for €1.9million

10.1. Net book value of goodwill assigned to each CGU

The net book value of the goodwill assigned to each CGU (Cash Generating Unit) is as follows:

in thousands of euros	31 Dec.2014	Reallocation	Exchange var.	Var. perimeter	Increase	Decrease	31 Dec.2015
Hi-media France	9 993	-	-	-	0	-9 993	-
Hi-media Allemagne	0	-	-	-0	0	-	-
Hi-media Belgique	4 194	-	-	-129	0	-	4 065
Hi-media Espagne	6 337	-	-	-	0	-	6 337
Hi-media Italie	4 761	-	-	-	0	-4 761	-
Hi-media Portugal	82	-	-	-	0	-82	-
The Blue Pill	682	-	-	-682	0	-	-
Admoove	-	-	-	1 891	0	-	1 891
Quantum	-	-	-	83	0	-	83
Hi-media Sales	15 174	-	-	-	0	-6 691	8 483
Advertising sector	**41 225**	**-**	**-**	**1 163**	**-**	**-21 528**	**20 860**
Hipay	45 222	-	-	-45 222	-	-	-
Payments sector	**45 222**	**-**	**-**	**-45 222**	**-**	**-**	**0**
Goodwill	**86 447**	**-**	**-**	**-44 059**	**-**	**-21 528**	**20 860**

The acquisitions of the period, AdMoove (goodwill of €1.9 million) and Quantum (not significant goodwill), related specialized technologies in the "Native Advertising" and "Drive to Store" , which are different from business activities historical advertising of HiMedia has been integrated into a new CGU "Native and Drive to store", whose business are different of the historical advertising activities of HiMedia which are subject to a separate CGU than the CGU France "historical activities", called below "CGU France - historical activities".

10.2. Evaluation of the recoverable value of the goodwill on December 31st, 2015

On June 30th, 2015, evidence of impairment in the value of assets in CGU Hi-media France « historical activities », Hi-media Italy, Hi-media Portugal and Hi-media Sweden led the company to carry out impairment tests on these CGU on the same terms as the previous years. Those test conducted the company to recognize total or partial impairment on June 30th, 2015, on the following CGU (Cash Generating Unit):

- Impairment on CGU France (€10m)
- Impairment on CGU CGU Italy (€4.8m)
- Impairment on CGU Portugal (€0.01m)
- Partial impairment on CGU Sweden (€6.7m)

This strategic review and test these values have also led to both impairment of intangible assets (see Note 11) and deferred tax assets (see Note 13) related to these CGU.

Regarding the CGU which goodwill was not impaired at December 31th, 2015, the business plans reflect the maintaining of the weight of the top 3 publishers. According to the CGU, the top 3 publishers represents between 30% and 50% of the portfolio of publishers, except Sweden for which the principal Publisher represent more than 80% of the revenue.

On December 31st, 2015, an impairment test on all the CGU was conducted in the same methods as the previous years. This procedure, based mainly on the method of discounted future net cash flows, is the assessment of the recoverable value of each entity generating its own cash flow.

The main assumptions in order to determine the value of the cash generating units are as follows:
- method for valuation of the cash generating unit : value in use,
- number of years for which the cash flows are estimated and projected to infinity: 4 years (2016-2019 normative),
- long-term growth rate: 2.5% (2.5% in 2014),
- discount rate for Europe: 7.3% to 8.9% (6.5% to 9.9% in 2014), among countries
- growth rate of sales: between -12% and +139% per year during the period 2016-2019, among countries and activities and new products launch.

The discount rate corresponds to the weighted average cost of capital. It was calculated by the company according to the standards on the basis of sectoral data, and the market data source for the beta, the risk-free rate, the risk premium and the debt.
The long-term growth rate is an average estimated with a representative sample from market sources.

A sensitivity analysis calculating the variation in key parameters did not point to any likely scenario in which the recoverable value of a CGU will become less than its book value. The key parameters variations used for the sensitivity analysis are presented below:

	Discounting rate		Growth rate to infinity		Rate EBITDA	Revenue Growth Rate
	Rate used	Var	Rate used	Var		
Hi-media Belgique	8,9%	+200 pts	2,5%	-150 pts	-200 pts	-20 pts
Hi-media Local (Sweden)	8,1%	+50 pts	2,5%	-100 pts	-100 pts	-10 pts
Hi-media Espagne	7,8%	+150 pts	2,5%	-150 pts	-100 pts	-5 pts
Native et Drive to Store	7,3%	+200 pts	2,5%	-150 pts	-150 pts	-15 pts

In the impairment tests, the above variables have been adjusted together or two per two separately and the results didn't show any likely scenario where the recoverable value of a CGU is under its accounting value.

Note 11. Intangible fixed assets

Development fees capitalized during the period are mentioned in the line "software and licenses" and correspond mainly to:

- The continuation of developments for the lunch of the Quantum platform,

- The continuation of developments for MapubFacile platform,
- In developing of new out-stream formats and rich media,
- The continuation of the development for intern tools (billing tools, business management tool…).

The gross value of the intangible fixed assets has changed as follows:

in thousands of euros	31 Dec.2014	Changes in currency	Transfer	Increase	Decrease	31 Dec.2015
Software and licenses	18 170	99	3 860	753	-17 961	4 921
Trademarks	4 173	427	-0	-	-385	4 215
Customer relations	657	-	-	-	-	657
Fixed assets in progress	3 100	-	-4 094	3 889	-1 289	1 606
Other	592	0	-	-	725	1 317
Total	**26 692**	**527**	**-234**	**4 642**	**-18 909**	**12 716**

The main decrease corresponds to intangible fixed assets of HiPay Group (see Note 1).

The cumulative amortization and depreciation of the intangible fixed assets have changed as follows:

in thousands of euros	31 Dec.2014	Changes in currency	Transfer	Increase	Decrease	31 Dec.2015
Software and licenses	13 796	99	-	3 089	-12 207	4 778
Trademarks	4 099	427	-0	0	-384	4 142
Customer relations	520	-	-	-	-	520
Fixed assets in progress	-34	-	-	-	34	-
Other	591	-0	-	719	-	1 310
Total	**18 972**	**526**	**-0**	**3 809**	**-12 557**	**10 750**

The net values of the intangible assets changed as follows:

in thousands of euros	31 Dec.2015	31 Dec.2014
Software and licenses	143	4 374
Trademarks	74	75
Customer relations	137	137
Fixed assets in progress	1 606	3 134
Other	7	1
Total	**1 967**	**7 720**

The variation of the period is mainly link to the intangible fixed assets of HiPay Group (see Note 1) as well as depreciation corresponding to abandoned projects on historical activities in the amount of €0.7m.

The net carrying value of the intangible assets with an indefinite use duration assigned to each CGU is as follows:

in thousands of euros

UGT	Asset	31 Dec.2015	31 Dec.2014
Hi Media	Hi-Media trademark	74	74
	Other	-	1
Total		**74**	**75**

Note 12. Tangible fixed assets

The gross value of the tangible fixed assets changes as follows:

in thousands of euros	31 Dec.2014	Changes in currency	Transfer	Increase	Decrease	31 Dec.2015
Fittings & installations	1 110	1	-	588	-100	1 599
Office equipment and computer hardware	3 375	7	-1	74	-1 293	2 162
Furniture	881	4	-1	20	-231	674
Total	**5 366**	**12**	**-2**	**682**	**-1 624**	**4 434**

The cumulative amortization and depreciation of the tangible fixed assets evolve as follows:

in thousands of euros	31 Dec.2014	Changes in currency	Transfer	Increase	Decrease	31 Dec.2015
Fittings & installations	260	0	-	186	-91	355
Office equipment and computer hardware	3 027	6	-2	182	-1 226	1 987
Furniture	696	4	-	62	-204	559
Total	**3 984**	**9**	**-2**	**430**	**-1 520**	**2 902**

The net values of the tangible fixed assets evolve as follows:

in thousands of euros	31 Dec.2015	31 Dec.2014
Fittings & installations	1 243	850
Office equipment and computer hardware	177	348
Furniture	113	185
Total	**1 533**	**1 382**

Note 13. Deferred taxes

13.1. Recognized deferred tax credit and liabilities

The breakdown of deferred taxes recognized in income is presented in Note 9

The sources of deferred tax assets and net recognized liabilities presented net by fiscal entity on December 31st, 2015 are as follows:

NET DEFERRED TAX CREDITS

in thousands of euros	31 Dec.2015	31 Dec.2014
Tax loss carryovers	18	3 658
Intangible fixed assets	0	0
Other timing differences	50	-325
Deferred tax credits	**69**	**3 332**

Following the strategic review conducted in the H1 financial report, reasonable covering horizon loss carryforwards no longer keeps their activation. The variation is mainly due to the impairment of deferred tax assets composed of tax loss carryforwards of the tax group whose head is HiMedia France for €2.8m and Italy for €0.7m and Sweden for €0.1m.

NET DEFERRED TAX LIABILITIES

in thousands of euros	31 Dec.2015	31 Dec.2014
Intangible fixed assets	-	- 0
Other timing differences	646	74
Deferred tax liabilities	**646**	**74**

13.2. Unrecognized deferred tax credits

On December 31st, 2015, the unrecognized deferred tax credits consisted mainly of the undefined losses carried over 20 years through HiMedia Group USA for €18.1m as well as undefined losses carried of HiMedia France S.A. for €55.1 million, which can be undefined carried forward.

Note 14. Other financial assets

On December 31st, 2015 the other financial assets decompose as follows:

in thousands of Euros	31 Dec.2015	31 Dec.2014
Equity affiliates	8 748	-74
Other securities	1 245	301
Deposits and sureties	354	595
Total	**10 348**	**822**

Equity affiliates correspond mainly to HiPay Group.

Note 15. Current trade and other receivables

in thousands of euros	31 Dec.2015	31 Dec.2014
Clients and invoices to be established	38 416	62 390
Depreciation	-1 910	-5 148
Current trade and other receivables	**36 506**	**57 242**

The carrying value indicated above represents the maximum exposure to the credit risk for this heading.

On December 31st, 2015, the contracts involve credit risk transfer: all the sold trade receivable has been derecognized (see below). The amount of receivables sold with credit risk transfer and derecognized under IAS 39 in connection with factoring contract at December 31st, 2015 amounted to €5.9 million.

The anteriority of the commercial receivables as at the closing date is analyzed as follows:

in thousands of euros	31 Dec.2015	31 Dec.2014
Unmatured (*)	19 428	31 182
0-30 days	2 954	7 562
31-120 days	6 195	6 701
120-360 days	6 110	7 161
More than one year	1 818	4 636
Customers and other debtors	**36 506**	**57 243**

(*) All of the unmatured receivables are at less than one year.

The depreciation of commercial receivables developed as follows during the financial year:

in thousands of Euros	31 Dec.2015	31 Dec.2014
Depreciation: Balance as at January 1st	5 148	3 499
Period funding	295	2 056
Impairment loss	-600	-408
Change in scope	-2 932	0
Depreciation: balance on December 31st	**1 910**	**5 148**

The depreciation corresponds mainly to due receivables which collectability presents a risk on December 31st, 2015.

i. *Receivables transferred without transfer of credit risk*

On December 31st, 2015 there are no factoring agreements without risk transfer.

ii. *Receivables sold without credit risk transfer*

The contractual terms of factoring agreements HiMedia SA and Hi-Pi Sarl (concluded in December 2013) allow the transfer of significant risks and rewards related to receivables sold, and thus their derecognition of balance sheet.

According to IAS 39, receivables transferred to third parties (factoring contract) are removed from the Group's assets, when associated risks and benefits are substantially transferred to third parties and if the factoring company in particular supports the credit risk, the interest rate risk and the recovery period (Note 2.9).

Note 16. Other current assets

All of the other current assets are due at less than one year.
The prepaid charges correspond mainly to the part of the general expenses relative to the period after December 31st, 2015.

in thousands of euros	31 Dec.2015	31 Dec.2014
Financial and corporate assets	9 843	10 614
Receivables of related parties	635	657
Prepaid charges	453	635
Factor guarantee fund	608	532
Other	2 264	15 643
Other current assets	**13 804**	**28 082**

The item Financial and corporate assets is mainly composed of VAT and IS receivables.

The main variation of the period corresponds to HiPay Group (see Note 1).

Note 17. Cash and cash equivalents

in thousands of euros	31 Dec.2015	31 Dec.2014
"OPCVM" fund shares	-	3 007
Cash reserve with the factor	-	286
Liquid assets	7 434	45 440
Cash and cash equivalents	**7 434**	**48 733**

Note 18. Shareholders’ equity

For the consolidated variation of shareholders equity of the group, see page 8 above.
The nominal value of the HiMedia share is €1.50.
Management of the shareholders’ equity concerns the shareholders’ equity as defined in the IFRS standards. It consists mainly in deciding the level of the present or future capital as well as on payout of dividends.
The shareholders’ equity contains the share of minorities and Group share. The share of the minorities consists of the share held by non-Group shareholders of HiMedia Portugal, Adexpert, Local Media, Mobvious Italia, Quantum and Latam Digital Venture. It varies mainly as a function of changes in those subsidiaries’ reserves and earnings from its subsidiaries.
Shareholders’ equity Group share consists of the share capital of HiMedia SA, reduced by the internally held shares, as well as the reserves and earnings accumulated by the Group.
The Group wants to have the employees participate in the capital by allocations of stock options and of free shares.

Note 19. Loans and financial liabilities

	Balance sheet balance on 31 Dec.2015				
in thousands of Euros	**Non-current**	**Current**	***Issue currency***	***Expiration***	***Effective rate***
Zero-interest financing for innovation	2 292	-	EUR	2021	0
Total	**2 292**	**-**			

19.1. Financing connected with factoring

There is no sold receivable under factoring contracts without transferring credit risk on December 31st, 2015.

Note 20. Non-current Provisions

20.1. Details concerning non-current provisions

in thousands of euros	**31 Dec.2015**	**31 Dec.2014**
Provisions for risks and expenses	184	75
End-of-career benefits	569	759
Non-current provisions	**753**	**835**

20.2. Non-current provisions

in thousands of euros	**31 Dec.2014**	**Increase**	**Decrease - Non used**	**Decrease - Used**	**31 Dec.2015**
Non-current provisions	75	134	-25	-	184

20.3. Staff benefits

Group commitments mainly concern French entities. The evaluation of these last is determined by the method of projected credit units.
Commitments have been calculated in accordance with the provisions of the advertising collective agreement of HiMedia and journalist's collective agreement and the collective agreement for specialized press for BNE.

The provision relative to the Group's retirement commitments is as follows:

in thousands of euros	31 Dec.2015	31 Dec.2014
Discounted value of the obligations as at January 1	759	794
Cost of services rendered and financial cost	22	59
Actuarial losses/(gains) recognized in equity	- 68	- 77
Change in scope	- 144	- 17
Discounted value of the obligations as at December 31	**569**	**759**

The assumptions used in the assessment of pension liabilities for the French entities at closing are as follows:

	2015	2014	2013
Discounting rate	2,00%	1,60%	3,25%
Rate of future increase of salaries	2,50%	2,50%	2,50%
Retirement age (Executives)	67 years	67 years	67 years
Retirement age (Non-Executives)	62 years	62 years	62 years
Actuarial table	INSEE F 2010	INSEE F 2010	INSEE F 2010

The assessment of the commitments is calculated according to the projected unit credit method.

Note 21. Other current debts and liabilities

All other debts are due to less than one year.

in thousands of euros	31 Dec.2015	31 Dec.2014
Taxation and social liabilities	10 221	19 725
Debts on fixed assets	541	612
Prepaid income	952	275
Other liabilities	2 146	5 362
Other current liabilities	**13 861**	**25 974**

The entry Taxation and social liabilities is mainly constituted of VAT and debt to social welfare entities.

The variation of the period is mainly link to the intangible fixed assets of HiPay Group (see Note 1)

Note 22. Working capital required

in thousands of Euros	Notes	31 Dec.2014	Cash impacts	Other movements	Perimeter change	Foreign exchange	31 Dec.2015
Customers and other debtors	Note 15	57 242	- 14 779	4 793	- 10 985	234	36 506
Fiscal and social assets	Note 16	10 614	2 895	661	- 4 327	- 0	9 843
Current account	Note 16	657	- 7 126	- 1 654	8 755	3	635
Prepaid expenses	Note 16	635	- 15	-	- 171	4	453
Other receivables	Note 16	16 176	2 406	-	- 15 703	- 7	2 872
Sub-total asset (1)		**85 324**	**- 16 619**	**3 801**	**- 22 432**	**234**	**50 308**
		-	-	-	-	-	-
Suppliers and other creditors		91 228	- 18 779	2 045	- 20 641	- 206	53 647
Taxation and social liabilities	Note 21	19 725	- 3 141	186	- 6 553	5	10 222
Debts on fixed assets	Note 21	612	-	- 70	-	-	541
Deferred incomes	Note 21	275	- 4 174	-	4 850	0	952
Other liabilities	Note 21	5 362	8 147	96	- 12 329	872	2 147
Sub-total liabilities (2)		**117 202**	**- 17 948**	**2 256**	**- 34 673**	**671**	**67 509**
		-	-	-	-	-	-
Working capital required from discontinued operations (3)		**-**	**2 619**	**-**	**-**	**-**	**2 619**
		-	-	-	-	-	-
Working capital required (1) - (2) - (3)		**- 31 878**	**- 1 290**	**1 544**	**12 241**	**- 437**	**- 19 820**

The other movements on customers and other debtors are mainly linked to HiMedia SA deconsolidated factor agreements. This cash flow appears on cash flow resulting from financial activities in the table of cash flow consolidated.

Note 23. Segment information

23.1. Earnings by activity

In thousands of euro	France		Rest of World		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Sales	31 208	38 629	33 535	36 994	64 744	75 623
Gross profit	1 809	5 222	17 563	18 840	19 371	24 062
EBITDA	-8 539	-6 238	-1 825	-1 992	-10 364	-8 229
Current operating profit	-9 633	-7 252	-2 008	-2 742	-11 640	-9 994
Operating profit	-40 427	34 329	8 043	-17 226	-32 384	17 102
Financial result	-3 514	560	2 788	-817	-726	-257
Income Tax	-3 538	-4 103	-1 099	-1 920	-4 638	-6 024
Net income of the consolidated companies	-47 547	33 339	9 738	-22 510	-37 809	10 829

Since the payment activity transfer, HiMedia presents his segment information by geographical area.

23.2. Total current assets and non-current assets

	France		Reste du Monde		Total	
en milliers d'euros	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Actifs non courants	15 110	- 351	19 666	100 054	34 776	99 703
Actifs courants	34 380	59 738	24 016	75 049	58 397	134 787
Actifs Net	**49 491**	**59 387**	**43 682**	**175 103**	**93 174**	**234 489**

HiMedia SA, while possessing assets primarily related to business sales of advertising space, detain also the infrastructures of the holding. The related assets have been left in the sales sector of the advertising space.

23.3. Sales by geographical area

	France		Rest of World		Total	
in thousands of Euros	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Sales	31 208	38 629	33 535	36 994	64 744	75 623

Note 24. Stock option plan and allocations of free shares

24.1. Stock options

	Plan n°11	Plan n°12	Total
Meeting date	03 May 11	03 May 11	
Date of Board of Directors meeting	31 jan. 12	27 Aug. 2012	
Total number of shares allocated [1]	385 000	105 000	**490 000**
Total number of shares available for subscription	173 755	64 600	**238 355**
Including number of shares that could be acquired by authorized agents	0	49 600	**49 600**
Including number of shares that could be acquired by the ten leading employee	94250	0	**94 250**
Beginning of exercise of the options	31 jan. 14	27 Aug. 2014	
Date of expiration	31 jan. 22	27 Aug. 2022	
Subscription price (in euros) [2]	2,13	1,93	
Exercise procedures [3]	A	A	
Number of options subscribed to on Dec. 31st, 2015	-	-	**-**
Options cancelled during the period	1 567	0	**1 567**
Remaining options non subscribed	27 315	10 155	**37 470**
Data after share consolidation and after adjustment resulting from the distribution of HiPay securities [4]			
Total number of shares available for subscription	27 315	10 155	**37 470**
Including number of shares that could be acquired by authorized agents	0	7 797	**7 797**
Including number of shares that could be acquired by the ten leading employee	14 816	0	**14 816**
Subscription price (in euros)	13,55	12,28	

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

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

(3) Procedure A: 100% of the options may be exercised at the end of a period of 2 years following the Board of Directors meeting that allocated to these options.

Procedure B : 1/3 of the options may be exercised after a period of 2 years following the Board of Directors meeting have attributed options, then 1/3 the following year, the remaining one third 4 years after the allocation.
Procedure C: 1/6 at the end of each quarter-year following the beginning time for exercise of the options.

(4) As part of the distribution of 80% of HiPay Group's shares in June 2015, the company adjusted the subscription price of the options to take into account the effect of this distribution on the share price Hi-Media.
The company also adjusted the number of allocated options to preserve the rights of allottees.
Finally, the number of options takes into account the grouping of shares made in July, 2015 with a parity of 1 new action for 15 old actions.

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

	2015		2014	
	Options	Weighted average exercise price	Options	Weighted average exercise price
Options in circulation at the opening	20 624	29,10	24 715	29,10
Options allocated during the period	-	-	-	-
Consequential adjustments to the distribution of securities HiPay Group	21 579	-9,71	-	-
Options exercised during the period	3 167	17,10	-	0,00
Options cancelled during the period	1 567	31,95	4 092	29,10
Options in circulation at the close	37 470	13,21	20 624	29,10
Options that could be exercise at the close	37 470	13,21	20 624	29,10

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

Date of the Board of Directors' meeting	31 Jan. 2012	27 Aug. 2012
Number of options allocated	385 000	105 000
Fair value of an option on the date of allocation	0.42	0.45
Fair value of the plan on the date of allocation	228 611	47 250
Exercise price of the option	2.13	1.93
Anticipated volatility of the option price	55%	51%
Anticipated lifetime	2 ans	2 ans
Dividend expected on the options	-	-
Option lapse rate adopted	-	-
Risk-free interest rate adopted	0.96%	0.10%

24.2. Allocations of free shares

	Plan n°25	Plan n°26	Plan n°27	Plan n°28	Total
Meeting date	03 May 11	03 May 11	03 May 11	06 May 14	
Date of the Board of Directors' meeting	31 Jan. 12	27 Aug. 2012	11 Oct. 2013	07 Sep. 2015	
Total number of shares allocated	23 433	9 333	667	66 000	99 433
Including the number of shares that can be subscribed to by the authorized agents	-	5 333	-	-	5 333
Including the number of shares that can be subscribed to by the leading ten employee allocated	14 200	-	-	33 000	47 200
Number of cancelled shares	6 487	3 027	-	-	9 514
Number of shares definitively allocated as at Dec. 31, 2015	-	-	-	-	-
Number of shares that can be definitively allocated	16 946	6 306	667	-	23 919
End of acquisition period	31 Jan. 14	27 Aug. 2014	11 Oct. 2015	07 Sep. 2018	
End of retention period	31 Jan. 16	27 Aug. 2016	11 Oct. 2017	07 Sep. 2019	
Share price on the date of the executive board meeting	33,60	32,40	27,00	7,65	
Non-transferability discount	yes	yes	yes	yes	
Fair value of the free share	25,65 19,65	24,6	16,95	6,51	

Note 25. Off balance sheet commitments

25.1. Commitments received

HiMedia has no commitment applicable on 31st December 2015.

25.2. Commitments given

The lease signed on May 2nd 2014 concerning the premises housing of the French operations of the Group, which represents a commitment of €1.05 million per year (non-indexed) until June 30th, 2020.

Under the agreement signed on May 25th 2011, a shareholder of Hi-midia Brasil has an option to buy Hi-Midia Brasil shares held by HiMedia SA.

In addition, HiMedia has a long-term lease for a portion of its computer population. This contract represents an annual rent (undiscounted) of €204k.

25.3. Litigations

Some labor relations litigations have arisen with former employees disputing the legitimacy of their dismissals. The company has set aside the provisions it considers necessary in the light of its judgment of the justification for the plaintiffs' demands.

Note 26. Events that have occurred since December 31st, 2015

None

Note 27. Transactions between affiliated parties

27.1. Compensation of members of management bodies

This includes compensation of the chairman of the Board and the COO. It is not granted the attendance fees to authorized agents.

in thousands of Euros	31 dec.2015	31 Dec.2014
Short term employee benefit (including benefits)	374	482
Non current benefit	-	400
Post-employment benefits	-	-
Other long-term benefits	-	-
Providing termination benefits	-	-
Sharebased payment	-	38
Total	**374**	**920**

In the framework of the distribution in kind of the HiPay Group's shares and the IPO of the said company on June 29, 2015, the Board of Directors reduced, as from this date, the annual fix remuneration of the General Manager in order to take into account the new form of the group HiMedia, from € 390K to € 195K.
On December 31st, 2015, the fix remuneration includes for € 33k the remuneration paid by the subsidiary HiMedia LLC based in the United States (California).

27.2. Transactions with the subsidiaries

HiMedia SA charges its subsidiaries ad serving costs, holding costs (management fees), brand fees and personal expenses, which are eliminated in the consolidated accounts.

27.3. Other affiliated parties

Due to a sublease signed on December 8th, 2015, HiMedia SA invoiced to HiPay Group costs under the rent and amortization of fixtures for €0.9 m on December 31st, 2015.

On June 29th, 2015, HiMedia SA sold to HiPay Group a stake of the Ledger Company.