

HIMEDIA GROUP: STRONG GROWTH OF THE GROSS PROFIT IN Q4 (+119%)

- **Increase of the gross profit in Q4**
 - +119% in Q4 2015 vs. Q4 2014, with a constant perimeter
 - +55% in H2 2015 vs. H2 2014, with a constant perimeter

- **A recovery in line with expectations in H2 vs. H1 2015**
 - H2 turnover of €31.9 million vs. €32.6 million with a constant perimeter
 - H2 gross profit of €12.9 million vs. €5.8 million with a constant perimeter

Paris, 4th February 2016, 5:40 PM – The digital advertising group HiMedia Group (ISIN code FR0012821890 - HIM, HIM.FR) has published its turnover figures for the fourth quarter of the 2015 financial year, ended on 31 December.

Main consolidated data (in millions of euros)

	Q4 2015	Q4 2014 <i>Constant perimeter⁽¹⁾</i>	Change <i>Constant perimeter⁽¹⁾</i>	Q4 2014 <i>Pro forma⁽²⁾</i>	Change <i>Pro forma⁽²⁾</i>
Turnover	19.3	23	-16%	20.1	-4%
Gross profit	7.7	3.5	+119%	1.8	+328%

	FY 2015	FY 2014 <i>Constant perimeter⁽¹⁾</i>	Change <i>Constant perimeter⁽¹⁾</i>	FY 2014 <i>Pro forma⁽²⁾</i>	Change <i>Pro forma⁽²⁾</i>
Turnover	64.5	80.7	-20%	75.6	-15%
Gross profit	18.8	23.7	-21%	24.0	-22%



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⁽¹⁾ The constant perimeter figures have been calculated by taking into account the exit of the perimeter of HiMedia Deutschland and HiPay Group in July 2015, and of the Publishing activities and they also took into account the inclusion within the perimeter of the companies Admoove, Quantum and of the Orange networks in Spain, the USA and Mexico during H1 2015.

⁽²⁾ The pro forma data have been prepared with the historical financial statements of the HiMedia group decreased to the figures of HiPay Group.

Commenting on the fourth quarter figures, Cyril Zimmermann, Chief Executive Officer of HiMedia Group, stated: "Our fourth quarter numbers confirm a business stabilisation and a clear turnaround in the gross profit after our repositioning. We're continuing our actions in this direction in 2016."

BUSINESS HAS STABILISED AS A RESULT OF ARBITRATION EFFORTS AND PERIMETER ADJUSTMENTS

Business in the second half of the year is comparable with H1 2015 despite the discontinuation of certain unprofitable activities as announced during the summer. In pro forma numbers and with considering the acquisitions carried out during the year in the mobile marketing sector (drive to store), native advertising and within the Hispanic markets of North America, the Group turned around the trend and stabilised its turnover, which only dropped by 4% during the last quarter, compared to 19% during the first 9 months of the year.

The reorientation of activities on growth segments is therefore beginning to bear fruit, and should be confirmed in 2016.

CONFIRMED RECOVERY OF THE GROSS MARGIN RATE

As in the third quarter, the company can confirm having returned to a gross profit rate above 35%, which takes into account the recognition in Sweden of the only net margin in turnover for the main part of the business (this 85% margin activity serves to weight the overall structure above the margin rates close to 30% used in the advertising market).

Business is therefore stabilised and freed from the weight of the guaranteed minimums that were previously burdening the gross profit.

PROSPECTS

In view of the rebound of the gross profit and the completed cost reductions, the Group can therefore confirm its objective of limiting its losses in terms of EBITDA (current operating income before amortisation and depreciation) to an amount under €2 million for financial year 2015. Also, the objective of returning to a positive EBITDA is still expected in 2016.



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About HiMedia:

A pioneer in the sector, HiMedia is a European leader in digital marketing.

Present in 6 European countries, the United States and Latin America, the HiMedia company generated a turnover of 65 million Euros in 2015.

Independent since its creation, the company is listed in the Euronext Paris compartment C, and is included in the CAC Small, CAC All-Tradable and CAC SME indices. ISIN code: FR 0012821890 / Trading symbol: HIM

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Next financial communication: 2015 full year results, on 18th March 2016 after the market closing.

This press release does not constitute an offer to sell, or a solicitation of an offer to buy Hi-Media shares. If you wish to obtain more complete information about HiMedia Group, please refer to our Internet site <http://www.himedigroup.com>, under the Investors heading.

This press release may contain some forward-looking statements. Although HiMedia Group considers that these statements are based on reasonable hypotheses on the publication date of this release, they are by their very nature subject to risks and uncertainties that could cause the actual results to differ from those indicated or projected in these statements. HiMedia Group operates in a continually changing environment and new risks could potentially emerge. HiMedia Group assumes no obligation to update these forward-looking statements, whether to reflect new information, future events or other circumstances.
