



## **ANNUAL FINANCIAL STATEMENTS 2015**

Joint-stock company with capital of € 4 439 337  
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## Consolidated Financial Statements for Financial Years 2015 and 2014

<i>Thousand of €</i>	Notes	31 dec.2015	31 dec.2014
Services billed to customers		25 272	33 296
Other		8 624	14 809
<b>Net turnover</b>	<b>Note 15</b>	<b>33 896</b>	<b>48 106</b>
Self-constructed assets		892	969
Adjustments to depreciation and provisions		443	592
Other income		3	255
<b>Operating revenue</b>		<b>35 234</b>	<b>49 923</b>
Expenses invoiced by the media		27 646	37 641
Other purchases and external charges		7 472	12 212
Taxes, levies and similar payments		291	483
Wages and salaries		6 227	11 423
Social security charges		2 663	4 555
Depreciation on fixed assets		2 311	1 686
Provisions and impairment		4 465	395
Other expenses		550	1 310
<b>Operating expenses</b>		<b>51 625</b>	<b>69 705</b>
<b>Operating income</b>		<b>-16 390</b>	<b>-19 783</b>
<b>Financial revenue</b>		<b>18 438</b>	<b>3 112</b>
Interest and similar expenses		894	1 331
Book value of transferred assets		-	-
Provisions and impairment		40 874	11 856
Other		3 455	374
<b>Financial expenses</b>		<b>45 224</b>	<b>13 561</b>
<b>Financial net income</b>	<b>Note 16</b>	<b>-26 785</b>	<b>-10 449</b>
Proceeds from sales of assets		128 265	83 642
On management operations		17	0
Reversal of provisions		586	26
<b>Extraordinary revenue</b>		<b>128 868</b>	<b>83 668</b>
Book value of transferred assets		147 107	25 955
On management operations		397	442
Provisions and impairment		28	256
<b>Extraordinary expenses</b>		<b>147 532</b>	<b>26 653</b>
<b>Extraordinary net result</b>	<b>Note 17</b>	<b>-18 664</b>	<b>57 015</b>
<b>Net income before taxes</b>		<b>-61 839</b>	<b>26 783</b>
<b>Taxes</b>	<b>Note 18</b>	<b>-92</b>	<b>1 771</b>
<b>Net income</b>		<b>-61 931</b>	<b>28 555</b>

Balance sheets at December 31<sup>st</sup>, 2015 and December 31<sup>st</sup>, 2014

ASSETS - in thousands of euros	Notes	31 dec.2015			31 dec.2014
		Gross	Amort. and deprec.	Net	Net
Concessions, patents and software		7 629	6 123	1 506	1 995
Corporate goodwill		4 621	4 034	587	4 621
Intangible assets in progress		1 509		1 509	638
<b>Intangible fixed assets</b>	<b>Note 3</b>	<b>13 759</b>	<b>10 157</b>	<b>3 602</b>	<b>7 253</b>
Property, plant and equipment		1 352	204	1 148	749
Other property, plant and equipment		1 997	1 842	155	275
<b>PPE</b>	<b>Note 4</b>	<b>3 350</b>	<b>2 046</b>	<b>1 303</b>	<b>1 024</b>
Affiliates		156 579	122 850	33 728	113 250
Receivables related to affiliates		8 007	6 162	1 845	6 253
Deposits and sureties		222		222	201
Treasury shares		1 522	1 346	176	4 212
Other financial assets		35		35	35
<b>Long-term investments</b>	<b>Note 5</b>	<b>166 364</b>	<b>130 358</b>	<b>36 006</b>	<b>123 951</b>
<b>Total fixed assets</b>		<b>183 472</b>	<b>142 561</b>	<b>40 912</b>	<b>132 228</b>
Trade notes and accounts receivable.	<b>Note 6</b>	17 850	999	16 851	30 614
Other receivables	<b>Note 7</b>	30 473	7 525	22 948	17 772
<b>Receivables</b>		<b>48 323</b>	<b>8 524</b>	<b>39 799</b>	<b>48 387</b>
Short-term investment securities		50		50	336
Liquid assets		2 506		2 506	28 626
<b>Cash and cash equivalents</b>	<b>Note 8</b>	<b>2 556</b>		<b>2 556</b>	<b>28 961</b>
Prepaid charges		319		319	426
Deferred charges		108		108	137
Unrealized foreign exchange losses		49		49	27
<b>Total current assets</b>		<b>51 355</b>	<b>8 524</b>	<b>42 831</b>	<b>77 938</b>
<b>Total assets</b>		<b>234 827</b>	<b>151 085</b>	<b>83 742</b>	<b>210 165</b>

Balance sheets at December 31<sup>st</sup>, 2015 and December 31<sup>st</sup>, 2014

LIABILITIES - in thousands of euros	Notes	31 dec.2015	31 dec.2014
Share capital and proprietorship accounts		4 439	4 525
Bond, merger and share premiums		72 854	117 572
Retained earnings			-15 059
Reserves		507	507
Profit or loss for the financial year		-61 931	28 555
Tax-regulated provisions		4 662	5 220
<b>Shareholders' equity</b>	<b>Note 9</b>	<b>20 532</b>	<b>141 320</b>
<b>Provisions for risks and expenses</b>	<b>Note 10</b>	<b>183</b>	<b>27</b>
<b>Borrowings from credit institutions</b>	<b>Note 11</b>	<b>2 449</b>	<b>2 403</b>
Trade receivables and payables	<b>Note 12</b>	29 920	37 371
Taxation and social liabilities		3 043	7 194
Debts on fixed assets	<b>Note 13</b>	543	1 605
Other liabilities	<b>Note 14</b>	24 059	19 168
<b>Operating income</b>		<b>57 565</b>	<b>65 337</b>
Unrealized foreign exchange gains		2 225	1 075
Deferred income		787	3
<b>Total liabilities</b>		<b>83 742</b>	<b>210 165</b>

## Note on the Hi-Media SA's financial statements

Hi-Media S.A. ("Hi-Media" or the "Company") is an advertising sales agency marketing advertising spaces for websites under contract with Hi-media ('Media') to advertisers. It provides for media the prospecting and marketing to advertisers, the retrieval, distribution and targeting of advertising inserted on the sites and as such receives an agency fee.

### Note 1. Highlights Of FY 2015

#### a) Creation and introduction in stock exchange of HiPay Group

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

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

#### b) Distribution to the shareholders of HiMedia of a dividend in kind

On June 30<sup>th</sup>, 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.

On December 31<sup>st</sup>, 2015, HiMedia SA detains 20 % of the company HiPay Group. These titles were valued according to the stock market price on December 31<sup>st</sup>, 2015 to 8 731k€ and are presented on the line "Other financial assets".

#### c) Other variation of perimeter of the period

The main variations of perimeter of the period are the following ones:

On January 6<sup>th</sup>, 2015, HiMedia acquired 100% in AdMoove share capital.

On March 16<sup>th</sup>, 2015, HiMedia acquired the online advertising of Orange in Spain, United States and Mexico.

On May 1<sup>st</sup>, 2015, HiMedia acquired 2% in Quantum share capital, increasing its ownership from 49% to 51%.

On June 4<sup>th</sup>, 2015, HiMedia acquired 10% in Mobvious Italia share capital, increasing its ownership from 70% to 80%.

On June 30<sup>th</sup>, 2015, HiMedia sold 36% of its participation in Semilo to its founders.

On July 14<sup>th</sup>, 2015, HiMedia sold 55% of its participation HiMedia Deutschland AG.

## Note 2. Accounting principles and methods

The financial statements are presented in accordance with French generally accepted accounting principles and reflect the ANC 2014-03 of June 5<sup>th</sup>, 2014 concerning the standard accounting practices.

The following accounting policies have been adopted by the Company:

### 2.1. Intangible assets

Software and licenses acquired by the Company are recorded on the balance sheet at their acquisition value and depreciated over their estimated useful lives, between 3 and 5 years.

Brands acquired by the Company are recorded on the balance sheet at their acquisition value. They are not subject of amortization. They are depreciated if the operating conditions require so.

According to the CNC (French accounting authority) (avis 2004-15) on assets, applicable since 1 January 2005, development costs must meet the six following criteria to be capitalized:

- Technical feasibility of the project
- Intention to complete the project
- Commercial success
- Future economic benefits
- Financial feasibility – resources to complete, and use and sell the product
- Reliable cost evaluations

Business assets are recorded at their acquisition cost and may be depreciated if their market value is less than their book value at year end.

### 2.2. Property, plant and equipment

Fixed assets are stated at its acquisition cost and are depreciated over the useful lives as follows:

Fixtures and fittings	6 to 8 years	straight-line
Office and computer equipment	3 years	straight-line
Furniture	8 years	straight-line

### 2.3. Permanent financial investments and current accounts of subsidiaries

The gross value of subsidiaries is either acquisition cost or the amount of capital used on their constitution.

According to law 2006-1666 dated 21 December 2006, the cost of acquisition of equity interests incurred during the fiscal years ending on or after December 31, 2006 were capitalized and amortized over a period of five years through an accelerated depreciation.

A provision for impairment of securities and current accounts can be made when the going concern value, determined at the close of each fiscal year falls below their book value.

The value in use is calculated on the basis of the method of discounted cash flows on the basis of the Group's forecasts for 4 years, and of a terminal value discounted to infinity. The discounted cash flows was performed using a discount rate from 5,2 % to 8,9% among countries (7.3% to 9.9% in 2014), a growth rate to infinity from 0% to 2.5% (2.5% in 2014). A sensitivity analysis of the calculation of going concern values to changes in key parameters (discount rate, long-term growth rate, EBITDA gross margin and increase in revenue) was performed.



#### 2.4. Receivables and related accounts

Receivables are measured at their nominal value and a provision for impairment is established when a specific loss appears likely.

#### 2.5. Short-term investment securities

Short-term investment securities are stated in the balance sheet at their acquisition value. When their inventory value is less than their acquisition cost, A provision for impairment is made for to cover the difference. Unrealized gains at the close are not recorded in the income statement.

#### 2.6. Treasury shares

A provision for impairment of treasury shares is recognized when the book value exceeds the net asset value equal to the average share price over the last month before the end of the year.

#### 2.7. Recognition of revenue billed to advertisers

The activity breaks down into three marketing methods:

- sale of advertising space at the cost per thousand;
- sale of marketing operations at performance
- sponsorship contracts;

The Company conducts its sales through contracts of sale of advertising spaces, and to a lesser extent, signed sponsorship deals with advertisers who are Hi-Media customers.

##### 2.7.1. Advertising network activity

The sale of advertising space includes putting on line and disseminating of premium offer goods in different sizes on one or more media (websites) by Hi-Media for a specified period. The value of contracts depends on the number of pages requested by the advertiser or on the number of clicks/actions.

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 (clicks or actions) if it is less than that specified in the contract.

For contracts outstanding at the reporting date, the revenue recognized to date is:

- either the value of the number of pages (clicks or actions) actually seen in the closing date if the number of viewed pages (clicks or actions) is less than or equal to that provided under the contract;
- or the pro rata value of the number of viewed pages (clicks or actions) in the contract if the number of pages (clicks or actions) actually seen is higher than that under the contract.

##### 2.7.2. Sponsorship contracts

Sponsorship contracts provide for fixed compensation packages for the insertion of the logo or other distinguishing mark of advertisers on the medium concerned, governed by Hi-Media. The package is recognized over the term of service.

**2.8. Presentation of expenses to purchase spaces in the income statement**

Space-buying fees billed by editors to Hi-Media are presented as operating expenses. The difference between the revenues billed by Hi-Media for advertisers and the space-buying fees billed by publishers to Hi-Media represent the commission fee perceived by Hi-Media.

**2.9. Corporate tax**

The corporate tax is recognized using the method of tax payable. It is not reflected in the income statement of future effects of the temporary tax differences.

**2.10. Retirement benefits**

Pension obligations on December 31<sup>st</sup>, 2015, calculated on the basis of the collective agreement in force in the Company and of information about the personnel in the Company at the close, are presented in off-balance sheet commitments.

**2.11. Individual training entitlement**

Law No. 2014-288, dated March 5<sup>th</sup>, 2014, relating to training, employment and social democracy repeals the statutory training entitlement system (DIF) and replaces it with the personal training account regime (CPF) as from January 1<sup>st</sup>, 2015.

DIF training hours not consumed are available for 5 years under the CPF regime. Under the new regime, an employee may accumulate up to 150 hours of training.

**2.12. Tax credit to aid competitiveness and promote employment (CICE)**

The CICE, which took effect on January 1<sup>st</sup>, 2013 resulted in the recognition by Hi-Media of an income, recorded in operating income under the line item "social security contributions".

The base consists of gross compensation paid, subject to social security contributions and not exceeding 2.5 times the minimum wage.

The tax credit rate for 2015 was 6%.

**Note 3. Intangible assets**

Changes in gross values are as follows:

<i>In thousands of euros</i>	<b>31 dec.2014</b>	<b>Increase</b>	<b>Decrease</b>	<b>31 dec.2015</b>
Software and licenses	6 028	1 527		7 555
Hi-media Trademarks	74			74
Customer relations	4 621			4 621
Fixed assets in progress	638	2 636	1 765	1 509
<b>Total</b>	<b>11 361</b>	<b>4 163</b>	<b>1 765</b>	<b>13 759</b>

Corporate goodwill comes from the merger with Adlink France on December 29<sup>th</sup>, 2009.

Software includes the commissioning of the IT developments of the previous year and the current year.  
Constructions in progress refer to internal IT developments.

Changes in depreciation and provisions for impairment are as follows:

<i>In thousands of euros</i>	31 dec.2014	Increase	Decrease	31 dec.2015
Software and licenses	4 108	2 015		6 123
Hi-media Trademarks				
Customer relations		4 034		4 034
Fixed assets in progress				
<b>Total</b>	<b>4 108</b>	<b>6 049</b>		<b>10 157</b>

Corporate goodwill has been depreciated for €4,034k at December 31<sup>st</sup>, 2015

Changes in net values are as follows:

<i>In thousands of euros</i>	31 Dec.2014	31 Dec.2015
Software and licenses	1 921	1 432
Trademarks	74	74
Customer relations	4 621	587
Fixed assets in progress	638	1 509
<b>Total</b>	<b>7 253</b>	<b>3 602</b>

#### Note 4. Property, plant and equipment

Changes in gross values are as follows:

<i>In thousands of euros</i>	31 Dec.2014	Increase	Decrease	31 Dec.2015
Fixtures and fittings	822	547		1 369
Office and computer equipment	1 704	24		1 728
Furniture	249	4		253
<b>Total</b>	<b>2 775</b>	<b>575</b>		<b>3 350</b>

Changes in depreciation are as follows:

<i>In thousands of euros</i>	31 Dec.2014	Increase	Decrease	31 Dec.2015
Fixtures and fittings	73	148		221
Office and computer equipment	1 508	112		1 620
Furniture	170	35		206
<b>Total</b>	<b>1 751</b>	<b>295</b>		<b>2 046</b>

Changes in net values are as follows:

<i>In thousands of euros</i>	31 Dec.2014	31 Dec.2015
Fixtures and fittings	749	1 148
Office and computer equipment	196	108
Furniture	78	47
<b>Total</b>	<b>1 024</b>	<b>1 303</b>

#### Note 5. Long-term investments

Changes in gross values are as follows:

<i>In thousands of euros</i>	31 Dec.2014	Increase	Decrease	31 Dec.2015
Equity investments	220 110	139 677	203 208	156 579
Receivables related to affiliates	6 253	1 754		8 007
Deposits and sureties	201	24	3	222
Treasury shares	4 212		2 690	1 522
Other	35			35
<b>Total</b>	<b>230 811</b>	<b>141 455</b>	<b>205 902</b>	<b>166 364</b>

The main variations are related to the contributions of titles of HiMedia to HPME and HiPay Group prior the IPO (see Note 1).

HiMedia acquired 100% in AdMoove share capital for €2,060k.

HiMedia sold 55% of its participation HiMedia Deutschland AG for €19,709k.

Changes in depreciation are as follows:

<i>In thousands of euros</i>	31 Dec.2014	Increase	Decrease	31 Dec.2015
Equity investments	105 160	35 067	17 376	122 850
Receivables related to affiliates	1 700	4 462		6 162
Deposits and sureties				
Treasury shares		1 346		1 346
Other				
<b>Total</b>	<b>106 860</b>	<b>40 874</b>	<b>17 376</b>	<b>130 358</b>

Changes in net values are as follows (see Note 24):

<i>In thousands of euros</i>	31 Dec.2014	31 Dec.2015
Equity investments	114 950	33 729
Receivables related to affiliates	4 552	1 845
Deposits and sureties	201	222
Treasury shares	4 212	176
Other	35	35
<b>Total</b>	<b>123 951</b>	<b>36 006</b>

**Note 6. Receivables and related accounts**

Trade receivables and payables are as follows:

<i>In thousands of Euros</i>	31 Dec.2015	31 Dec.2014
Customers	17 450	31 010
Invoices to be established	400	750
<b>Receivables</b>	<b>17 850</b>	<b>31 760</b>
Provision for impairment of receivables	-999	-1 146
<b>Net receivables</b>	<b>16 851</b>	<b>30 614</b>

Invoices to be established correspond to the services rendered to advertisers that were not yet billed on December 31<sup>st</sup>, 2015.

Receivables and related accounts are mainly for a term of less than one year.

The provision for depreciation corresponds mainly to debt dues for which recoverability represents a risk at December 31<sup>st</sup>, 2015.

Under a factoring agreement signed in 2013, Hi-Media presented unpaid receivables amounting to €2,980k at December 31<sup>st</sup>, 2015 for which the Company transfers the risk of non-recovery in the case customers do not pay.

**Note 7. Other receivables**

Other receivables were as follows:

<i>In thousands of Euros</i>	31 Dec.2015	31 Dec.2014
Supplier down payments and credit notes receivable	1 893	908
Other receivables	24 455	19 392
Value-added tax	3 627	4 219
Receivables on the factor including guarantee funds	499	779
<b>Total other receivables</b>	<b>30 473</b>	<b>25 298</b>
Provision for doubtful accounts	-7 525	-7 525
<b>Total other receivables, net</b>	<b>22 948</b>	<b>17 772</b>

The item "Other receivables" corresponds to €21,455k to current account of subsidiaries which are detailed in the table of subsidiaries and shareholdings. These current accounts are depreciated up to €7,525k in which €7,226k corresponds to the depreciation of the current account with Group Hi-media USA.

Current accounts from the cash pooling between subsidiaries amount to €4,226k in December 2015.

Receivables on the factor correspond mainly to the guarantee fund to €178k and to the company's vendor current account for €227k.

**Note 8. Marketable securities and cash**

<i>In thousands of Euros</i>	31 Dec.2015	31 Dec.2014
Short-term investment securities	0	0
Treasury shares	50	336
Other shares	0	0
Liquid assets	2 506	28 626
<b>Total</b>	<b>2 556</b>	<b>28 961</b>

On December 31<sup>st</sup>, 2015, Hi-Media held 41,202 of its own shares. Moreover within the framework of the liquidity contract, Hi-Media holds 12,767 of its own shares.

## Note 9. Shareholders' equity

### 9.1. Changes in equity

The following changes were recorded in equity during the year:

<i>In thousands of Euros</i>	Share capital	Issue premium	Reserves	Retained earnings	Profit or loss for the financial year	Tax-regulated provisions	Total
<b>31 dec.2014</b>	<b>4 525</b>	<b>117 455</b>	<b>625</b>	<b>-15 059</b>	<b>28 555</b>	<b>5 220</b>	<b>141 320</b>
Dividends							
Allocation of income		-42 505		15 059	-28 555		-56 000
Capital increase							
Capital decrease	-86						-86
Income for the period					-61 931		-61 931
Other changes		-2 213				-558	-2 771
<b>31 dec.2015</b>	<b>4 439</b>	<b>72 737</b>	<b>625</b>		<b>-61 931</b>	<b>4 662</b>	<b>20 532</b>

As a result of the decision of the Board of directors of May 12th 2015, the share capital of the company was decreased in the 86,014.20 € by cancellation of 860,142 own shares.

### 9.2. Share capital

On December 31<sup>st</sup> 2015, the share capital consists of 2,959,558 actions with a nominal value of €1.5 for each.

**9.3. Stock option plan and allocations of bonus shares****9.3.1. Stock options**

	<b>Plan n°11</b>	<b>Plan n°12</b>	<b>Total</b>
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	<b>490 000</b>
Total number of shares available for subscription	173 755	64 600	<b>238 355</b>
Including number of shares that could be acquired by authorized agents	0	49 600	<b>49 600</b>
Including number of shares that could be acquired by the ten leading employee	94250	0	<b>94 250</b>
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	<b>1 567</b>
Remaining options non subscribed	27 315	10 155	<b>37 470</b>
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	<b>37 470</b>
Including number of shares that could be acquired by authorized agents	0	7 797	<b>7 797</b>
Including number of shares that could be acquired by the ten leading employee	14 816	0	<b>14 816</b>
Subscription price (in euros)	13,55	12,28	

<sup>(1)</sup> 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.

<sup>(2)</sup> 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).

<sup>(3)</sup> 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.

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

### 9.3.2. 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 10. Provisions**

<i>In thousands of Euros</i>	31 dec.2014	Allocation	Reversal	31 dec.2015
Provisions for disputes		134		134
Provision for unrealized foreign exchange losses	27	49	27	49
Other risk provisions				
<b>Total Other risk provisions</b>	<b>27</b>	<b>183</b>	<b>27</b>	<b>183</b>
Provision for expenses				
<b>Total</b>	<b>27</b>	<b>183</b>	<b>27</b>	<b>183</b>

**Note 11. Borrowings from credit institutions**

<i>In thousands of Euros</i>	31 dec.2015	31 dec.2014	Issue currency	Expiration	Effective rate
zero rate loan for innovation	2 400	2 400	EUR	2021	0%
Accrued interest			EUR	0	Variable
Credit bank accounts	49	3	EUR	2016	Variable
<b>Total</b>	<b>2 449</b>	<b>2 403</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Note 12. Trade payables and related accounts**

Trade receivables and payables are as follows:

<i>In thousands of Euros</i>	31 dec.2015	31 dec.2014
Suppliers	17 343	18 505
Invoices to be received	12 578	18 866
<b>Total</b>	<b>29 920</b>	<b>37 371</b>

Accounts payable primarily include publisher billings to HiMedia that have not yet been paid at the closing.

**Note 13. Debts on fixed assets**

The debts on fixed assets correspond mainly of IT services.

**Note 14. Other liabilities**

Other liabilities mainly relate to current account payables vis-à-vis the subsidiaries for €22,680k of which €9,475k of current account payables relate to cash pooling.

It also includes payables to customers and accrued credit notes for €1,333k.

**Note 15. Turnover**

<i>in thousands of Euros</i>	<b>31 dec.2015</b>	<b>31 dec.2014</b>
Advertising	25 272	33 296
Other	8 624	14 809
<b>Total</b>	<b>33 896</b>	<b>48 106</b>

"Other" refers to various services, mainly intra-group related to the role of Hi-Media Holding.

**Note 16. Financial net income****16.1. Financial expenses**

<i>In thousands of Euros</i>	<b>31 dec.2015</b>	<b>31 dec.2014</b>
Interest charges	894	1 331
Depreciation and impairment of equity investments in subsidiaries and receivables related	39 528	11 820
Other depreciation and impairment of financial assets	1 346	35
Abandoned or unclaimed accounts	3 322	340
Other financial charges	133	35
<b>Financial expenses</b>	<b>45 224</b>	<b>13 561</b>

The equity securities were depreciated by:

- Hi-media Network Internet España SL : €5,428k
- HIPI SARL : €6,909k
- Hi-media Italy Srl : €6,200k
- Hi-Media Sales AB : €9,467k
- HiPay Group : €5269k

**16.2. Financial revenue**

<i>In thousands of Euros</i>	<b>31 dec.2015</b>	<b>31 dec.2014</b>
Interest on current accounts	573	1 368
Reversal of provisions of the securities	17 376	30
Revenues from equity investments	359	832
Other	131	882
<b>Financial revenue</b>	<b>18 438</b>	<b>3 112</b>

Reversal of provisions concerns the sale of HiMedia Deutschland AG.

**Note 17. Extraordinary result**

In 2015, extraordinary income is mainly composed:

- The sale of HiMedia Deutschland securities for €-19,7m; this loss is compensated by reversal recorded in financial revenue for €16,7m , so a final net loss for €3m,
- The gain on Allopass securities sale to HiPay Espana Mobile for € 4.6m link to the spin-off
- Write-backs of depreciation for €586k and donations to the Hi-Media Foundation for € -382k,
- The revenues of other changes in perimeter and own shares for €-3,8m.

**Note 18. Corporate tax**

Hi-Media is head of a tax consolidation group consisting of its French subsidiaries owned at more than 95%: Hi-pi SARL and Bonne Nouvelle Editions SARL. The tax treaty provides that the tax burden is supported by the subsidiary, as in the absence of tax consolidation.

The tax benefit related to tax losses of subsidiaries retained at Hi-Media France SA, is considered an immediate gain for the year at Hi-Media SA.

The tax costs of -€92k of the exercise consists in particular of €404k of the contributions on the distributed income bound to the operation of split of HiPay and income and costs of the tax consolidation group.

Information on the deferred or latent tax situation:

<i>In thousands of Euros</i>	31 dec.2015	31 dec.2014
Offsets		
Investment subsidies		
Unrealized foreign exchange gains	2 225	1 075
Extraordinary depreciation		
Temporary non-deductible expenses		50
Temporary non-taxable income		
Expenses deducted or taxable income for tax purposes and not yet recognized		
Items to be charged		
Tax loss carryovers	55 067	39 786

**Note 19. Off balance sheet commitments****19.1. Commitments received**

None

**19.2. Off-balance sheet liabilities**

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

In virtue of a protocol signed on May 25<sup>th</sup>, 2011 a shareholder of Hi-midia Brasil has a buy option of Hi-midia Brasil detained 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 k€ 204.

**19.3. Staff benefits**

Pension liabilities: On December 31<sup>st</sup>, 2015, the amount of the liability was estimated at €199k and accounted for actuarial elements.

**Note 20. Disputes**

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

**Note 21. Staff**

The number of staff stood at 55 employees on December 31<sup>st</sup>, 2015 against 153 employees on December 31<sup>st</sup>, 2014.

**Note 22. Officers and directors**

This includes compensation of the chairman of the Board and the COO for a total amount of €374k in 2015, against €882k at December 31<sup>st</sup>, 2014. It is not granted the attendance fees to authorized agents.

The company has no commitment regarding pensions or regarding assimilated compensations.

**Note 23. Event subsequent to December 31<sup>st</sup>, 2015**

None

## Note 24. Table of subsidiaries and affiliates

Corporate name	Address	Operating currency	Share capital <sup>(1)</sup>	Equity excluding net income and other than capital <sup>(1)</sup>	% direct holding	Securities	
						Gross value <sup>(2)</sup>	Net value <sup>(2)</sup>
Hi-Media Belgium SPRL	Av. des Volontaires 19 1160 Bruxelles	EUR	3 467	- 1 252	100%	4 627	4 627
Hi-Media Portugal Lda	Avenida Duque d'Avila 26 Lisboa	EUR	125	696	54%	71	71
HIPi SARM	6 place Colonel Bourgoin, 75012 Paris	EUR	1 141	763	100%	9 484	2 533
Europemission SL	Marquès de Riscal 11 2A Planta Madrid	EUR	2	- 1	50%	2	-
Local Media	6 place Colonel Bourgoin, 75012 Paris	EUR	130	- 332	50%	122	122
Hi-Media Sales AB	Box 71 - Hantverkargatan, 14 827 22 Ljusdal.	SEK	100	15 276	100%	16 288	6 776
Groupe Hi-media USA	101 5th Avenue, New York, NY 10003	USD	1	- 6 099	100%	67 544	-
Bonne Nouvelle Editions SARM	6 place Colonel Bourgoin, 75012 Paris	EUR	447	- 250	100%	1 617	39
HPMP	Av. des Volontaires 19 1160 Bruxelles	EUR	100	77	90%	90	90
Hi-media Nederland BV	Postbus 381, 1200 AJ Hilversum	EUR	20	363	100%	962	900
Hi-media Network Internet España SL	Orense n°6, 28 020 Madrid	EUR	725	- 1 414	100%	10 363	677
Hi-media Italy Srl	Via Cosimo del Fante 4, 20122 Milano	EUR	10	2 226	100%	6 624	-
Allopass Scandinavia	Box 71 - Hantverkargatan, 14 827 22 Ljusdal.	SEK	100	245	100%	10	-
Allopass Mexico SRLCV	Protasio Tagle 104, Col. San Miguel Chapultepec. Mexico DF	MXN	2 819	- 3 470	100%	196	-
Mobvious Italia	Via Cosimo del Fante 4, 20122 Milano	EUR	10	142	80%	8	8
New Movil Media S.L	Orense n°6, 28 020 Madrid	EUR	3	- 327	100%	1 547	1 535
HiMedia Advertising	6 place Colonel Bourgoin, 75012 Paris	EUR	1	-	100%	1	1
Quantum SAS	6 place Colonel Bourgoin, 75012 Paris	EUR	50	- 894	51%	95	95
Latam Digital Ventures	World Trade Center México Montecito 38. Piso 6 Oficina 24, Col. Nápoles. 03810 México D.F.	USD	3	-	70%	-	-
Hi-Media LLC	25 Taylor Street NO.202, San Francisco CA 94102	USD	1	-	100%	-	-
Admoove	6 place Colonel Bourgoin, 75012 Paris	EUR	281	- 112	100%	2 060	2 060

<sup>(1)</sup> in thousands of operating monetary units<sup>(2)</sup> in thousands of Euros

Corporate name	Sales excluding taxes last financial year <sup>(1)</sup>	Income (profit or loss for the last financial year) <sup>(1)</sup>	Dividends received by the company during the year <sup>(2)</sup>	Average exchange rate	Date of creation or acquisition
Hi-Media Belgium SPRL	7 444	-222			09.03.00
Hi-Media Portugal Lda	843	-552	285		31.10.00
HIFI SARL	8 028	629			13.05.02
Europemission SL					25.03.04
Local Media	4 554	-114			02.12.11
Hi-Media Sales AB	44 543	5 238		9,19	04.09.06
Groupe Hi-media USA	89	-212		1,09	27.11.07
Bonne Nouvelle Editions SARL	268	-106			06.06.08
HPMP		14			17.09.07
Hi-media Nederland BV	1 749	260			31.08.09
Hi-media Network Internet España SL	4 044	-1 351			31.08.09
Hi-media Italy Srl	5 135	-1 404			31.08.09
Allopass Scandinavia	247	29		9,19	30.09.09
Allopass Mexico SRLCV		40		18,91	17.07.09
Mobvious Italia	1 287	32	74		17.05.13
New Movil Media S.L	1 575	175			13.12.12
HiMedia Advertising					02.12.14
Quantum S.A.S.	2 632	-371			23.04.14
Latam digital Ventures				1,09	02.02.15
Hi-Media LLC		-230		1,09	30.04.15
Admoove	1 731	-185			06.01.15

<sup>(1)</sup> in thousands of operating monetary units

<sup>(2)</sup> in thousands of Euros

**Note 25. Items related to affiliates and shareholdings****25.1. Revenues, expenses and balance sheet amounts**

<i>In thousands od Euros</i>	Operating revenue	Financial Revenue	Financial expenses	Accounts receivables	Accounts payable
Hi-Media Belgium SPRL	1 148		44	1 295	522
Hi-Media Portugal Lda	87	285	5	180	2
HIPI SARL	1 016	54	371	177	882
Europemission SL					
Hi-Midia Brasil					
Hi-Media Sales AB		161	33	487	
Local Media	1 755	31		2 333	1 451
Groupe Hi-media USA		226		16	43
Bonne Nouvelle Editions SARL		3			12
HPMP			5		
Hi-media Nederland BV		3	18	70	
Hi-media Network Internet España SL	892	64	9	515	102
Hi-media Italy Srl	1 582		17	263	1 418
Allopass Scandinavia					
Allopass Mexico SRLCV					
Mobvious Italia SRL					
New Movil Media SL					
Hi-media France Advertising SAS					
Quantum SAS	75	5		188	66
Latam Digital Ventures					
Hi-Media LLC					
Admoove	264	6		329	474
HiPay Group					
Hi-media Regions SAS					
<b>Total</b>	<b>6 819</b>	<b>838</b>	<b>502</b>	<b>5 853</b>	<b>4 972</b>

**25.2. Current accounts**

The main current accounts held by HiMedia are detailed as follows:

<i>in thousands of Euros</i>	Gross	Depreciation	Net
Hi-Media Belgium SPRL	-666		-666
Hi-Media Portugal Lda	-37		-37
Hi-Media Deutschland AG			
Hi-Pi SARL	-5 960		-5 960
Hi-Media Brasil			
Hi-Media Sales AB	-2 239		-2 239
Groupe Hi-media USA	6 206	7 226	-1 020
Bonne Nouvelle Editions SARL	190		190
HPMP	-122		-122
Hi-media Nederland BV	-659		-659
Local Media	1 228		1 228
Hi-media Network Internet España SL	1 018		1 018
Hi-media Digital Business SL	-1 077		-1 077
Hi-media Italy Srl	-269		-269
Hi-media Régions			
Allopass Scandinavia			
Hi-Media France Advertising SAS			
HiPay Group			
Latam Digital Ventures	-845		-845
Hi-Media LLC	187		187
Europemission SL			
Admoove	496		496
Allopass Mexico SRLCV			
New Mobil Media	350		350
Quantum	589		589
Mobvious	-317		-317

**25.3. Details of receivables related to investments**

<i>in thousands of Euros</i>	Gross	Depreciation	Net
Hi-media Network Internet España SL	1 012		1 012
Hi-Media Sales AB	1 700	1 700	
Hi-media Italy Srl	5 294	4 462	832
<b>Total</b>	<b>8 007</b>	<b>6 162</b>	<b>1 844</b>