
SUCCESSFUL POSITIONING FOR AdUX

CONFIRMATION OF RECOVERY IN OPERATING RESULTS

RETURN TO GROWTH EXPECTED IN 2017

Paris, 9 February 2017, 5:40 p.m. – Digital marketing specialist HiMedia Group (ISIN code: FR0012821890 - HIM, HIM.FR), which will propose changing its legal name to AdUX in line with its trade name at the next Shareholders' Meeting, has published its revenue for the fourth quarter of 2016.

- **Revenue of €18.5 million in fourth-quarter 2016⁽¹⁾**
 - Revenue from growth activities⁽²⁾ rose by 55% year-on-year in fourth-quarter 2016 and represented 57% of consolidated revenue
 - Consolidated revenue declined by 5% in relation to fourth-quarter 2015 and gross margin stabilised at €8.3 million⁽¹⁾
- **Confirmation of the recovery in the Group's operating results**
 - EBITDA⁽³⁾: €1.4 million in fourth-quarter 2016⁽¹⁾ versus €0.6 million in fourth-quarter 2015
 - EBITDA⁽³⁾: €1 million for full-year 2016⁽¹⁾
- **2017 outlook: return to growth in consolidated revenue and higher EBITDA margin**

⁽¹⁾ Based on unaudited financial statements at 31 December 2016.

⁽²⁾ Growth activities correspond to native and local advertising (or community advertising for Spanish speakers in the United States) including the Admoove, Local Media, Himedia Sweden, Latam Digital Ventures and Quantum subsidiaries.

⁽³⁾ Earnings before interest, tax, depreciation and amortisation.

Commenting on the Group's fourth-quarter figures, Cyril Zimmermann, Chairman and Chief Executive Officer of HiMedia Group (AdUX) said: *"The return to positive EBITDA in 2016 confirms that the Group is on the road to recovery. Backed by a range of advertising products designed to combine effective advertising (Ad) and respect for the user experience (UX), we will return to growth and increase our profitability in 2017 under the AdUX trade name."*

FOURTH-QUARTER 2016 REVENUE AND KEY FULL-YEAR CONSOLIDATED DATA

	(€m)	Q4 2016 ⁽¹⁾	Q4 2015	Var.	FY 2016 ⁽¹⁾	FY 2015	Var.
Group	Revenue	18,5	19,5	-5%	59,1	64,7	-9%
	Gross margin	8,3	8,2	+1%	26,8	19,4	+38%
	EBITDA ⁽³⁾	1,4	0,6	+142%	1,0	(10,4)	+110%
Growth activities⁽²⁾	Revenue	10,5	6,8	+55%	30,6	17,4	+75%
	Gross margin	5,0	3,3	+51%	14,7	8,9	+66%
	EBITDA ⁽³⁾	1,3	0,5	+184%	1,2	0,1	+1437%
Legacy activities	Revenue	8,0	12,7	-37%	28,6	47,3	-40%
	Gross margin	3,4	4,9	-32%	12,1	10,5	16%
	EBITDA ⁽³⁾	0,1	0,1	+5%	(0,2)	(10,4)	+98%

Consolidated revenue amounted to €18.5 million in the fourth quarter of 2016, allowing the Group to end the year with consolidated revenue of €59.1 million in preparation for growth in 2017. Gross margin for the fourth quarter, at €8.3 million, reached its highest level in two years, thereby confirming the upward trend that began 18 months ago.

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⁽³⁾ Earnings before interest, tax, depreciation and amortisation.

This positive development was led by the very strong rise of growth businesses (up 55% in the fourth quarter and 75% over the full year), which now account for 57% of consolidated revenue and 60% of consolidated gross margin.

Revenue from legacy activities declined by 37% in the fourth quarter to €8 million and was down 40% for the full year, notably due to the change in trading scope decided in 2015. The negative impact of this change will continue to be felt on consolidated revenue until the end of first-quarter 2017. Revenue from legacy activities should then stabilise over the rest of the year.

CONFIRMATION OF POSITIVE EBITDA FOR FULL-YEAR 2016

In the midst of this gradual turnaround in business, the Company continued to cut costs, which contracted by €4 million over the full year. Fourth-quarter EBITDA improved to €1.4 million from €0.6 million in the prior-year period.

The Group achieves its targets with positive EBITDA of €1 million for the full year 2016.

OUTLOOK AND FINANCIAL STRUCTURE

The Company's focus on advertising campaigns that are both effective for advertisers and more respectful of the user experience corresponds to a real market expectation and is producing results. The Group expects consolidated revenue to expand in 2017, driven by continued momentum in growth activities and a more modest contraction in legacy activities as from the second quarter.

Given the measures taken to improve margins, the Group also expects to achieve EBITDA growth in full-year 2017. Further out, EBITDA margin levels would be able to rise to above 10%. The Company has the financial resources to ensure its development, with a cash position of €5.7 million and a transferable equity interest in HiPay valued at €3.2 million on the basis of the share price on 31 December 2016.

Investor calendar:

- Annual results on 16 March 2017 before market open



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About HiMedia Group:

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

With operations in six European countries, the United States and Latin America, the Group reported revenue of €65 million in 2015.

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

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