



**Intelligent
Marketing**

Aix-en-Provence, 17 July 2019 (6.00 p.m.)

HIGHCO: THE PICK-UP IN GROWTH IN THE SECOND QUARTER (GROSS PROFIT), AT 3.9% LFL, SHOULD CONTINUE IN THE SECOND HALF OF THE YEAR

Pick-up in business growth

- Q2 2019 gross profit¹ of €25.03 M, up 11.4% on a reported basis and 3.9% LFL².
- H1 2019 gross profit¹ of €48.2 M, up 11.6% on a reported basis and 3.5% LFL².
- Very strong growth surge for digital businesses: Q2 up 10.7% LFL; H1 up 8.7% LFL.
- Strong growth in France: Q2 up 4.6% LFL; H1 up 4.2% LFL.
- Growth in International business: Q2 up 2% LFL; H1 up 1.4% LFL.

2019 half-year earnings: Rise expected in adjusted headline PBIT³ and adjusted operating margin³

2019 guidance: Better-than-expected business growth with H2 growth over 3.9%

- Growth in 2019 gross profit of more than 3.7% LFL.
- Slight rise in adjusted operating margin (adjusted headline PBIT/gross profit)³ (2018 adjusted operating margin: 18.3%).

Gross Profit (in € M)¹	2019	2018 Reported	2018 LFL²	2019/2018 Reported change	2019/2018 LFL² change
Q1	23.17	20.73	22.48	+11.8%	+3.1%
Q2	25.03	22.47	24.09	+11.4%	+3.9%
Total H1	48.20	43.19	46.58	+11.6%	+3.5%

¹ Limited audit by the Statutory Auditors currently in progress.

² Like for like: Based on a comparable scope (i.e. including Useradgents over six months in 2018 and 2019, as of 1 January) and at constant exchange rates (i.e. applying the average exchange rate over the period to data from the compared period).

³ Adjusted headline profit before interest and tax: Recurring operating income before restructuring costs and excluding the cost of performance share plans. Adjusted operating margin: Adjusted headline PBIT/Gross profit.

Didier Chabassieu, Chairman of the Management Board, stated, "Following a healthy first quarter, HighCo accelerated its business growth in the second quarter, at 3.9%, bolstered by the strong growth in Digital business, which represented 54.8% of the Group's gross profit for the first half of 2019. This good performance should continue in the second half of the year, with business growth expected to exceed growth in the second quarter."



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PICK-UP IN BUSINESS GROWTH

Following a healthy Q1 2019 (up 3.1% like for like), **the Group accelerated its business growth in Q2 to reach gross profit of €25.03 M, up 11.4% on a reported basis and 3.9% like for like.**

The Group's gross profit came to €48.2 M for H1 2019, up 11.6% on a reported basis and 3.5% like for like.

With a like-for-like increase of 10.7% in Q2 2019, Digital remains the Group's growth driver. The share of Digital in total Group business continued to rise significantly, up from the reported figure of 49.4% in Q2 2018 to 56.2% in Q2 2019.

This strong quarterly performance enabled the Group to achieve a 54.8% share of Digital in its total business activity at end-June 2019, i.e. a significant gain of 8.7% like for like. Meanwhile, offline businesses fell 2.2% like for like over the first half of 2019.

Revenue for H1 2019 totalled €89.9 M.

STRONG GROWTH IN FRANCE; GROWTH IN INTERNATIONAL BUSINESS

In France, Q2 2019 gross profit totalled €18.62 M, a strong rise of 4.6% like for like, accounting for 74.4% of the Group's gross profit. This growth is driven by the positive trend in digital businesses (up 11% like for like); their share in total French business rose to 64.4% over the quarter.

Gross profit in France amounted to €36.33 M for H1 2019, up 4.2% like for like, and was driven by Digital (up 9.4% like for like). The share of Digital in total French business increased from 54.5% at end-June 2018 (excluding Useradgents) to 61.7% a year later (including Useradgents), benefiting in particular from growth in mobile.

International gross profit in Q2 2019 stood at €6.41 M, up 2% like for like. In Benelux, gross profit increased 2.2% like for like over the second quarter to €6.14 M.

International gross profit totalled €11.87 M for H1 2019, rising 1.4% like for like. In Benelux, following slight growth in Q1 (up 0.7% like for like), **business growth came out at 1.5% like for like for the first half of 2019,** accounting for 23.5% of the Group's gross profit. The 5.8% growth in digital businesses over the half-year, representing 30.7% of gross profit for the region, helped offset the drop in the volume of paper coupons cleared and the decline in offline in-store media. Business in Southern Europe fell slightly over the first half of 2019 (down 0.7% like for like). The region accounts for 1.1% of the Group's gross profit.

2019 HALF-YEAR EARNINGS

Based on the consolidation in progress, **the Group forecasts an increase in half-year earnings,** with:

- Increase in adjusted headline PBIT³ and slight growth in adjusted operating margin³ for H1 2019 (adjusted H1 2018 headline PBIT³: €11.32 M, adjusted H1 2018 operating margin³: 26.2%);
- A sound financial position, with a net cash surplus (including the working capital resources of Data businesses) expected to exceed the €52.17 M figure at 31 December 2018.

The 2019 half-year earnings will be released on Wednesday, 28 August after market close. A conference call with analysts will take place on Thursday, 29 August.



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2019 GUIDANCE: BETTER-THAN-EXPECTED BUSINESS GROWTH WITH H2 GROWTH OVER 3.9%

With H2 business growth expected to exceed growth in Q2 (up 3.9% like for like), the Group has revised **its guidance for 2019** as follows:

- **Growth in 2019 gross profit of over 3.7% on a like-for-like basis** (2018 gross profit: up 2.6% like for like), with a higher share of Digital in the Group's business in 2019 than in 2018 (52.9% in 2018);
- Slight rise in adjusted operating margin (2018 adjusted operating margin: 18.3%).

About HighCo

As an expert in data marketing and communication, HighCo continuously innovates to work with brands and retailers in meeting the retail challenges of tomorrow.

Listed in compartment C of Euronext Paris, and eligible for the "long only" DSS, HighCo has more than 750 employees and since 2010 has been included in the Gaia Index, a selection of 70 responsible Small and Mid Caps.

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Upcoming events

Publications take place **after market close**.

2019 Half-year Earnings: Wednesday, 28 August 2019

Conference call on 2019 half-year earnings: Thursday, 29 August 2019 (11.00 a.m. CET)

Q3 and 9-month YTD 2019 Gross Profit: Wednesday, 16 October 2019

Q4 and FY 2019 Gross Profit: Wednesday, 22 January 2020



HighCo is a component stock of the indices CAC® Small (CACs), CAC® Mid&Small (CACMS) and CAC® All-Tradable (CACT).

ISIN: FR0000054231

Reuters: HIGH.PA

Bloomberg: HCO FP

For further financial information and press releases, go to www.highco.com.

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