



2017 H1 Revenue: €12M, + 28 %

Transaction volume: €951M, + 58 %

Paris, France July 27, 2017, 7:45 a.m.: HiPay Group (ISIN code: FR0012821916 - HIPAY), a fintech company specialized in online payments, announces its revenue for the first semester of 2017.

Consolidated Revenue In millions of euros	S1 2017	S1 2016	Var. %
First Semester			
Payment	11,6	9,1	+ 28 %
Micropayment ¹	4,7	5,9	- 20 %
TOTAL	16,2	15,0	+ 9 %

Commenting on the first 2017 semester results, Grégoire Bourdin, Chief Executive Officer at HiPay says: *“HiPay is finalizing its transition to payment services following a complete carve-out of its telecom branch in order to divest the asset. This transaction will strengthen HiPay’s strategic repositioning started 2 years ago. All resources will now be dedicated to the pursuit of our strategic objectives and innovation so we can provide added value to our clients.”*

PAYMENTS: A strong and cost-effective growth

With transaction volume increasing by 58%, to reach circa €1 billion in the first semester, HiPay has succeeded in both supporting existing clients in their growth momentum as well as developing the breadth of its client portfolio.

Revenue streams grew by 28% with an increasing share of significant clients who, while having a higher transaction volume, tend to have a lower commission rate. 55% of transactions are now initiated outside of France.

To support its growth and development, HiPay has continued to capitalize on its structure by recruiting new talent leading to a 28% growth in its workforce, which has reached 134 employees.

The financial situation remains strong with €6.7 million in net cash available at the end of June 2017, which will be further reinforced with the sale of its micropayment branch.

¹ In compliance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, S1 2017 micropayment activity results are presented on a separate line of the income statement.



MICROPAYMENTS: A necessary divestment to execute our growth strategy

After years of positive contributions to overall activity, the micropayment branch is now in a difficult position, with a 20% revenue decline in the first semester. This decline is mainly due to existing business erosion which started in 2010 and has not been offset since. The €4.7 million revenue is no longer sufficient to cover its costs, resulting in a negative €0.3 million EBIT, i.e. a €2 million decrease compared to the first semester in 2016.

Consistent with previous communications on this matter, investors at the General Shareholders' meeting on July 28, 2017 will be asked to make a decision regarding the sale of the micropayment branch to Gibmedia, a subsidiary of BJ Invest, for €6 million euros on debt-free, cash-free basis, including a €3 million earnout based on the next three years' revenue.

Next financial communication: November 7, 2017 – 2017 Q3 Results

About HiPay

We're a global payment provider processing more than €2bn annually across 150 countries and 220 payment types. By harnessing data analytics, we help deliver valuable customer insights that enable our clients' businesses to succeed.

More information at hipay.com.

Find us on [Twitter](#), [LinkedIn](#) and [Google+](#)

HiPay Group is listed on the Euronext Paris Compartment C (ISIN code: FR0012821916 – mnemo: HIPAY).

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This press release does not constitute an offer to sell or a solicitation of an offer to buy HiPay Group shares. If you wish to obtain more information about HiPay Group, please refer to our website hipay.com, under the Investors heading. This press release may contain some forward-looking statements. Although HiPay Group considers that these statements are based on reasonable statements 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. HiPay Group operates in a continually changing environment and new risks could potentially emerge. HiPay Group assumes no obligation to update these forward-looking statements, whether to reflect new information, future events or other circumstances.

Consolidated income statements for S1 2017 and S1 2016

Continuing operations: Payment division

<i>in thousands of Euros</i>	June 30th, 2017	June 30th, 2016 Restated IFRS 5	June 30th, 2016 published
Sales	11 579	9 063	14 926
Direct costs	- 5 287	- 3 876	- 4 912
Payroll charges	- 4 142	- 3 472	- 5 132
General expenses	- 3 373	- 2 181	- 2 829
EBITDA ⁽¹⁾	- 1 223	- 466	2 053
Depreciation and amortization	- 885	- 558	- 1 350
Current operating profit	- 2 108	- 1 024	703
Stock based compensation ⁽²⁾	- 90	- 58	- 58
Other non-current income and charges	-	- 622	- 1 033
Operating profit	- 2 198	- 1 704	- 388
Other financial income and charges	24	- 136	- 136
Earning of the consolidated companies	- 2 174	- 1 840	- 524
Share in the earnings of the companies treated on an equity basis	-	-	-
Earnings before tax of the consolidated companies	- 2 174	- 1 840	- 524
Income Tax	- 184	- 300	- 439
Net income of the consolidated companies	- 2 358	- 2 140	- 962
Including minority interests	30	5	5
Including Group share	- 2 388	- 2 145	- 967
Net income from discontinued operations	- 338	1 074	-
Net income	- 2 696	- 962	- 962
Including minority interests	30	5	5
Including Group share	- 2 726	- 967	- 967

(1) Profit from recurring operations before depreciation, amortization and provisions

(2) End of the 2015 plan



Consolidated balance sheets on June 31st, 2017 and December 31st, 2016

Continuing operations: Payment division

<i>ASSETS - in thousands of Euros</i>	June 30th, 2017	Dec 31st, 2016 published
Net Goodwill	40 222	45 222
Net intangible fixed assets	4 369	6 955
Net tangible fixed assets	179	204
Deferred tax assets	1 455	1 492
Other financial assets	256	304
Non-current assets	46 482	54 178
Receivables and other debtors	47	12 413
Other current assets	47 156	35 381
Cash and cash equivalents	6 686	8 831
Assets held for sale and discontinued operations	22 889	-
Current assets	76 779	56 625
TOTAL ASSETS	123 261	110 803

<i>LIABILITIES - in thousands of Euros</i>	June 30th, 2017	Dec 31st, 2016 published
Share capital	54 505	54 505
Premiums on issue and on conveyance	15 495	15 495
Reserves and retained earnings	- 14 520	- 12 699
Consolidated net income (Group share)	- 2 388	- 2 377
Shareholders' equity (Group share)	53 092	54 925
Minority interests	182	152
Shareholders' equity	53 274	55 076
Non-current Provisions	151	194
Non-current liabilities	151	194
Suppliers and other creditors	4 920	19 184
Other current debts and liabilities	45 230	36 348
Non-current liabilities and groups of liabilities held for sale	19 686	-
Current liabilities	69 836	55 533
TOTAL LIABILITIES	123 261	110 803



Consolidated cash flow statement for S1 2017, full-year 2016 and S1 2016

Continuing operations: Payment division

in thousands of Euros	June 30th, 2017 IFRS 5	Dec 31st, 2016 published	June 30th, 2016 published
Net income	-2 358	- 2 321	- 962
<i>Adjustments for:</i>	-	-	-
Depreciation of the fixed assets	895	3 095	1 380
Other non current elements without impact on the cash	-	1 167	-
Financial income and charges	4	77	84
Net income on disposals of fixed assets	- 20	-	-
Costs of payments based on shares	90	- 177	58
Tax charge or proceeds	184	1 665	439
Operating profit before variation of the operating capital need and provisions	- 1 205	3 506	999
Variation of the operating capital need	498	- 1 770	- 680
Cash flow resulting from operating activities	- 707	1 735	319
Interest paid	- 4	- 77	- 84
Tax on earnings paid	- 349	- 520	- 269
Net Cash Flow Resulting From continuing Operating Activities	- 1 060	1 138	- 35
Net Cash Flow Resulting From operating activities of discontinued operations	752	-	-
Net Cash Flow Resulting From Operating Activities	- 308	1 138	- 35
Acquisition of a subsidiary, after deduction of cash acquired	-	- 360	-
Acquisition of fixed assets	- 1 265	- 3 810	- 1 753
Variation of financial assets	-	- 8	-
Net Cash Flow Resulting From continuing investing Activities	- 1 265	- 4 178	- 1 753
Net Cash Flow Resulting From operating investing of discontinued operations	- 431	-	-
Net Cash Flow Resulting From Investing Activities	- 1 696	- 4 178	- 1 753
Repurchase of own shares	520	7	139
Dividends paid to minority interests	-	- 68	-
Net Cash Flow Resulting From continuing Financing Activities	520	- 61	139
Net Cash Flow Resulting From operating Financing of discontinued operations	-	-	-
Net Cash Flow Resulting From Financing Activities	520	- 61	139
Effect of exchange rates variation	- 1	3	5
Net Variation Of Cash And Cash Equivalents from continuing Activities	- 1 805	- 3 098	- 1 645
Net Variation Of Cash And Cash Equivalents from discontinued operations	321	-	-
Cash and cash equivalents on January 1st	8 831	11 929	11 929
Cash And Cash Equivalents At The End Of The Period	7 347	8 831	10 284