



Hi-media USA – Payments Business Unit Company Backgrounder Q1 2010

Hi-media Payments, through its product offering Allopass, is a leading provider of micropayment solutions worldwide and the largest in Europe. In business for more than eight years, its parent company, Hi-media Group, is one of the largest pure play Internet companies in Europe with 2009 revenues in excess of 172 million Euros.

To address the phenomenal growth of micropayments, driven by virtual goods economies and a need for publishers to directly monetize online content, Hi-media has opened a San Francisco office focused on the Allopass micropayments offering.

Hi-media Overview

Paris-based Hi-media Group was formed in 1996 and now employs more than 500 employees worldwide in 12 countries. Hi-media is an online media group, content publisher and provider of services designed to grow, retain and monetize Internet audiences. The company's three primary business units are:

- Hi-media Payments: The leading provider of micropayment solutions in Europe through the Allopass product. Hi-media Payments comprises over 140 employees and is the fastest growing division of Hi-media in terms of revenue, with more than 39% annual growth this past fiscal year. Hi-media Payments also includes the recently launched European e-wallet solution Hipay.
- Hi-media Network: The 2nd largest online display advertising network in Europe, with a reach of over 155 million monthly unique visitors worldwide.
- Hi-media Publishing: Hi-media owns and operates leading websites such as photo sharing / social networking site Fotolog (based in New York); video game news site Jeuxvideo.com; celebrity news and gossip site Actustar.com; and Sport.fr, a leading resource for sports fans.

Worldwide Leader in Micropayments

Hi-media Payments currently processes more than eight million transactions per month from thousands of merchant customers worldwide. The company is servicing North American customers and their global client base from its new San Francisco office, with an all-inclusive payment offering that currently enables merchants to monetize in more than 60 countries. The Allopass payment wall offers multiple micropayment options at online checkouts, giving consumers a quick and easy way to pay for digital goods, content and services. Allopass allows merchants to open up new revenue streams and cater to a broader audience of consumers who want more secure and convenient ways to pay, or do not have access to a bank account or credit card, with a simple one-time integration.

Hi-media Payments works with companies selling virtual goods and other digital content, including:

- Social game developers (for virtual currency / in-game items)
- Online-gaming (MMOs and Virtual Worlds)
- Social networks (for virtual gifts and premium services)
- Media companies (for both archival/content and classified ads)
- Dating sites
- Quizzes
- Media (Live Video Broadcasts/VOD and music downloads)
- Document downloads (i.e., education, research, legal, etc)

Allopass has been designed and developed to complement traditional online payment products such as credit cards, PayPal and Google Checkout.

Allopass payment options include:

- Mobile phone billing/premium SMS – end user uses a premium rate text message to complete payment and is billed through their wireless carrier
- Home Phone Billing – end user is billed through their home phone provider
- Credit/Debit Card – end user enters a debit or credit card number at checkout and is billed by the credit card company or bank
- Prepaid Cards – end user buys a card at a point of sale (ie, 7-11) and may purchase digital goods and services online up to the prepaid value
- ISP Billing – end user is billed through their Internet Service Provider
- Electronic Wallet (Hipay) – offers end users a range of electronic payment options. Hi-pay is Hi-media's version of an e-wallet and is available to customers in Europe, where Hi-media holds a banking license as an Electronic Money Issuer.
- Cash Payment – end user completes a form on the website, prints out an invoice, and then completes the payment in cash at any approved bank branch or payment facility.

Boost revenues with more paying customers and better conversion rates

Hi-media Payments maximizes revenue opportunities by aggregating the perfect mix of payment offerings - 4 to 6 locally relevant and popular alternative payment methods - such as mobile payments, home phone billing and third-party pre-paid card offerings, which have been proven to generate more paying customers than PayPal and credit cards alone. Based on years of experience servicing hundreds of thousands of merchants, Allopass understands which payment methods are most relevant to specific regions around the world and can target the merchant's audience on a global scale. The merchant can easily customize the Allopass payment wall with the most suitable offerings, and can add or delete options if needed.

Merchant Benefits and Opportunities:

Hi-media Payments is 100% focused on helping its merchant customers get paid for the sale of their products. Some of the many benefits to using Allopass include:

- Single integration to access alternative payments in 60 countries: The Allopass aggregated payment wall approach gives merchants significant time-to-market advantages versus a staggered implementation of alternative methods on a country by country, method by method approach.
- Monetize local audiences: Hi-media empowers merchants to monetize their customers - no matter where they are. Hi-media Payments eliminates the complexity of international payments by billing in local currency, localizing payment flows, and ensuring payment terms are in compliance with local regulations.
- Prompt Payments: Hi-media Payments is the only company that guarantees merchant payback in 7-10 days, significantly shrinking the payment cycle. Other providers typically take anywhere from 30-120 days to pay a merchant, as they wait to be paid by other partners in the value chain. Hi-media is a successful and publicly-traded company, and does not have to sustain this waiting period; thereby quickly paying merchant customers via wire transfer.
- Synergistic Opportunities: Customers using Allopass benefit from the entire Hi-media value chain. By leveraging the synergies of the Hi-media ad network and online publishing sites, merchants can drive additional traffic through cross-promotions with other Hi-media properties and acquire new paying customers. This is a significant differentiator for Hi-media Payments that no other payment provider can offer.
- Speedier, Seamless Transactions – Hi-media Payments offers payment methods that reduce or avoid friction in the checkout process, thereby leading to higher completion rates and generating more paying customers. Reducing friction and increasing the speed of the transaction is a key driver of higher impulse buys and allows publishers to maintain the integrity of an end user's in-game or content viewing experience.
- Customer Support: Hi-media Payments diligently works to protect your brand and reputation with a multilingual support team of 20 people, maximizing the lifetime value of your users.
- Robust Management Tools: Hi-media Payments provides robust reporting tools and real-time statistics to analyze earnings across payment methods and geographies. Raw transaction data can also be extracted for analysis.

Hi-media Leadership

Pooj Preena - CEO, Hi-Media USA

Pooj is a prominent member of the Silicon Valley tech community, well known as the first US employee at Skype. During his career, Pooj has worked with leading tech ventures including Skype, Betaworks, OMGPOP (formerly iminlikewithyou), Jangl and Hewlett-Packard. He is an occasional angel investor and sits on the board of advisors of several technology start-ups worldwide.

Cyril Zimmerman - CEO and founder, Hi-Media

Cyril founded Hi-media in 1996 at the age of 24 as a pan European advertising network. It has since grown to one of the largest online media companies in Europe with the leading advertising network and the leading micropayment solution in the EU. He sits on the board of Rue89.com, a French online news site, and Believe.com, a European online music label.

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