

Results for the 1st Half of 2014 in line with the Roadmap

- **Solid sales momentum: future revenue indicators for HR Solutions and Marketing & Advertising activities record double-digit growth**
- **Gross Operating Income of +€0.5m in France, contributing to substantial improvement in the Group's Gross Operating Income**
- **€32.7 million strengthening of the Group's financial structure following the IPO of July 2nd, 2014**
- **Growth in member acquisition and significant increase in usage indicators**
- **Tianji records further development in China**

PARIS (France) - Viadeo (FR0010325241- VIAD, PEA-PME eligible), the leading Professional Social Network (PSN) in France and China¹, today announces its consolidated financial results² for its first half to June 30th, 2014, as approved by the Board meeting of August 27th 2014.

Dan Serfaty, Chairman and CEO of Viadeo, states: *“The evolution of the figures for the first half of 2014 reinforces our belief in our strategy to strengthen the Group's Corporate activities. Firstly, the sales momentum recorded over the period confirms the relevance of Viadeo's strategic positioning as detailed at the time of the Company's IPO. This momentum, which is very promising regarding future revenue from Recruitment Services, highlights the potential of our positioning on the global market, which we estimate to be worth 150-200 million euros in France and over 400 million euros in China.*

Secondly, the significant improvement in gross operating income underlines our operational efficiency in France. In China, in accordance with Viadeo's strategy, we are continuing to invest in the technological platform and in developing usage.

Lastly, ongoing development of our usage indicators, which allow us to analyze traffic on our web and mobile technological platform, has shown an enthusiastic trend that confirms the success of our business model based on natural data growth. The 3.8 million members who joined Viadeo during the first half of 2014, including 2.8 million in China and 440,000 in France, are hard proof of our Professional Social Network's success and its multi-local positioning. Now that we've reached critical size, we are confident that our exponential development will continue in coming years and provide solid growth prospects.”

¹ Viadeo estimates based on the number of registered members compared with the number of registered members declared by the Group's two main listed competitors on their respective websites for the markets on which they operate.

² These results have been the subject of a limited review by the auditors.

Simplified income statement

(€ thousands)	H1 2014	H1 2013
Revenue from activities	13,544	14,366
Other income	157	1,084
Income from ordinary activities	13,702	15,451
Personnel expenses	-9,688	-11,477
External Marketing expenses	-1,888	-2,729
Other expenses	-4,018	-5,627
Gross Operating Income	-1,892	-4,383
<i>of which: France</i>	<i>528</i>	<i>-1,486</i>
<i>of which: China</i>	<i>-2,420</i>	<i>-2,897</i>

Revenue that does not yet reflect the high sales momentum

- Sales momentum

As a reminder, Viadeo's revenue includes three different types of revenue:

- Revenue from **Recruitment and Training Services**, a strategic focus for the Group incorporating three main product families: job offers on the Group's website and mobile applications, access to the member database via a specialized interface to meet recruiters' requirements, and "Employer Brand" communication products;
- Revenue from **Marketing and Advertising Services**, that includes marketing in the form of global communication campaigns of advertising products such as banners published on the Group's sites and emails sent to members. These operations target members based on profile criteria;
- Revenue from online **memberships**. Based on a "Freemium" model, the Group offers its members the option of purchasing an online subscription, which provides access to a broader range of features reserved for "Premium" members.

Over the first half of 2014, Viadeo continued to pursue its intensification strategy on the Corporate Activities segment (Recruitment/Training Services and Marketing/Advertising Services), notably by recruiting new Sales team personnel to prepare for the final quarter of the year, which traditionally sees substantial Recruitment/Training activity.

Compared to the first half of 2013, sales momentum was particularly dynamic within these business lines, with a substantial increase in the billing of Recruitment/Training Services and in orders taken for Marketing/Advertising Services, despite the currently challenging advertising market:

(€ thousands)	30/06/2014	30/06/2013	Δ
Billing of Recruitment and Training Services	4,986	4,466	+12%
Order book for Marketing & Advertising Services	1,134	755	+50%

Given the way that revenue is amortized (sales being spread across the contract's duration), this first-half sales momentum will have a positive impact on future revenue but is, as yet, not fully reflected in first-half accounts.

Regarding activities in France, there was a 12% increase in deferred revenue compared with the same period of 2013. This corresponds to the pro-rata share of services already sold that will be amortized over future quarters:

(€ thousands)	30/06/2014	30/06/2013	Δ
Deferred revenue from Recruitment & Training Services	3,126	2,785	+12%

- **Breakdown in revenue**

Group revenue by product line:

(€ thousands)	H1-2014	H1-2013	Δ
Recruitment/Training Services	4,272	4,040	+ 5.7%
Marketing/Advertising Services	2,078	2,201	- 5.6%
Online membership	7,194	8,125	- 11.5%
Total	13,544	14,366	- 5.7%

As previously mentioned, it is important to emphasize that these results for the first half of 2014 do not yet reflect the Company's buoyant sales momentum, since their writing down in accounts is spread over time as they are used by clients.

Revenue from online memberships was down 11.5%, due to the platform migration carried out in 2013 and by the low monetization of mobile usage. In accordance with the objectives announced at the time of its IPO, the Group still anticipates an improvement in this business line by the end of the year, which should then stabilize before recording moderate growth.

Given the weight of paid membership in the Group's revenue (approximately 50% of revenue, down 1 point compared with the end of 2013), the decrease in this product line has had a negative impact on the Group's overall revenue.

Lastly, given the ongoing efforts to develop sales and usage in China, France accounted for more than 95% of Group revenue in H1 2014.

Results in line with expectations

The Group improved its gross operating income by almost €2.5 million to -€1,892k, versus -€4,383k a year earlier.

In detail:

- A gross operating profit of +€528k for activities in France;

This significant improvement in operating revenue notably reflects the end of the exceptional investments undertaken in 2012 and 2013 during the new platform migration and the numerous non-recurrent costs associated with it.

- A gross operating loss of -€2,420k for activities in China, which remains a priority for the Group in terms of development. Investments to improve the Tianji platform on the one hand and boost usage on the other continued, this prior to the monetization phase.

The change to IFRS accounting standards for the accounts of co-company activities requires the use of the equity method for the Russian subsidiary's activities. The subsidiary's result is now presented on a corresponding line of the income statement to the amount of -€209k over the first half of 2014, compared to -€144k over the first half of 2013.

Strengthened Financial Structure

In order to strengthen its financial structure prior to its IPO, the Group issued convertible bonds that generated an exceptional financial expense (non cash) of €3,082k during the first half of the year.

On July 4th, 2014, just after the end of the first half, when the Company carried out its IPO on the Euronext market, the Group strengthened its financial structure by over €32.7 million.

This figure includes a capital increase of over €22 million as well as €10.7 million resulting from the conversion of all of convertible bonds plus their accrued interest.

Development of the member database and the performance of usage indicators

The Group's member database and its usage indicators both recorded buoyant growth. Over the first half of this year, more than 3.8 million members joined Viadeo, including more than 2.8 million in China and more than 440,000 in France.

In China, the Tianji platform's usage indicators are continually improving (average for the first half of 2014 compared to the second half of 2013):

- Profile information collected: +13%
- Requests for direct contact accepted: +25%

It should be noted that these indicators have recorded a significant improvement despite a seasonal effect that is generally negative over the first year half in China.

The Viadeo platform's usage indicators are also continually improving (average for the first half of 2014 compared to the second half of 2013):

- Profile information collected: +7%
- Requests for direct contact accepted: +50%

And finally, the results from the Viadeo platform's mobile activity also recorded a substantial increase (average for the first half of 2014 compared to the second half of 2013):

- Unique visitors: +16%
- Visits: +41%



Next financial press release:

Revenue for the third quarter of 2014 to be released on November 13, 2014

2014 annual revenue to be released on February 12, 2015

About Viadeo

Viadeo is a key player in the Professional Social Networking space, with around 60 million members worldwide. The market leader in France with almost 9 million members and in China with more than 20 million members, Viadeo has recorded exceptional growth since its creation, particularly in French-speaking countries and emerging markets such as China, Russia and Africa. Viadeo allows professionals to connect no matter what sector they work in, what position they hold, or where they are based. Viadeo members enjoy a wide range of opportunities from finding former colleagues and classmates, connecting with future managers or recruiting new team members, to interacting with people in their market niche, developing an activity or raising their profile.

For further information, please go to corporate.viadeo.com/en/

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