



INVESTOR PRESENTATION

SEPTEMBER 2013

Disclaimer

This document contains forward-looking statements. Although Solocal Group believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: the effects of competition, usage levels, the success of investments by the Group in France and abroad, and the effects of the economic situation.

A description of the risks borne by the Group appears in section 4 "Facteurs de risques" of the Solocal Group's "Document de Référence" filed with the French financial markets authority (AMF) on 29 April 2013.

The forward-looking statements contained in this document apply only from the date of this document, Solocal Group does not undertake to update any of these statements to take account of events or circumstances arising after the date of said document or to take account of the occurrence of unexpected events.

All accounting data are presented in audited consolidated form.

Solocal.

GROUP



mappy

123people

123deal

A VENDRE
A LOUER.fr

embauche.com



keltravo.com

CHRONORESTO



Zoom on

Solocal
NETWORK

COMPRENDRE
CHOISIR.COM

ClicRDV

PJMS

HORIZON MEDIA

leadformance

qdq

editus®
H&B-T



GENERAL HIGHLIGHTS



Highlights

- **Debt refinancing and priority given to deleveraging**
- **Shareholder structure and governance evolution**
- **Business resilience in an environment with stronger headwinds**
- **Successful Digital transformation** with 58% of revenues from Internet, confirming our Group strengths compared to Directories players
- **Launch of the transformation program “Digital 2015”** to accelerate online growth and generate more than 75% of revenues by Internet by 2015
- **New name, Solocal Group** to claim the Group Digital identity
- **Guidance 2013 maintained** at the low end of the range in view of the further deterioration in the advertising market in France

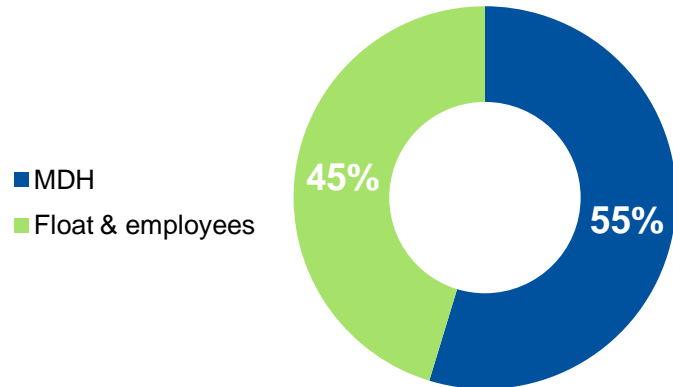
Refinancing and priority given to deleveraging

- **Refinancing concluded** end 2012 thanks to an almost unanimous agreement from lenders to extend debt maturity to September 2015
- **Debt reduction initiated** : €417 M repaid in 2012 and €263 M to be repaid by April 2015
- Confirmed **commitment to suspend dividend distribution** until net debt reaches a level corresponding to 3x GOM¹
- **2015 debt refinancing options under review** by the Group and its Board of Directors

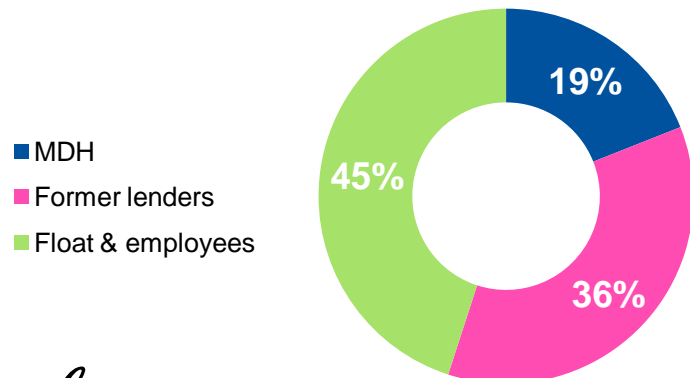
¹ GOM: Gross Operating Margin

Current shareholder structure

Pre-restructuring of MDH



Post-restructuring of MDH

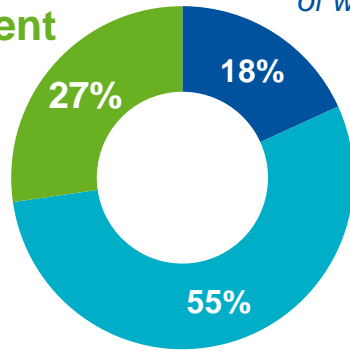


- **Financial restructuring agreement** announced by Médiannuaire Holding ("MDH") on December 12, 2012 and completed on March 27, 2013
- **Reduction of MDH participation from 55% to 19%** and entry of Cerberus in MDH (at 75%), KKR and Goldman Sachs becoming minority shareholders (see declaration of intent to AMF published on April 8, 2013)
- **Former Médiannuaire lenders become Solocal Group shareholders** following MDH restructuring, up to 36 %
- **Commitments of MDH and former Médiannuaire lenders to keep their shares** during different periods (cf. "Document de Référence 2012" - §18.4 "Pactes d'actionnaires", page 119)

A Board of Directors in compliance with best corporate governance practices

Previous composition

3 independent members

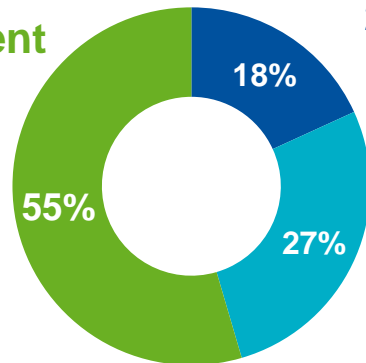


2 Solocal Group members
of whom Jean-Pierre Remy, CEO

6 KKR and Goldman Sachs members
of whom Jacques Garaialde, Chairman of the Board

Board of Directors' approved by the General Meeting of June, 5 2013

6 independent members



2 Solocal Group members
of whom Jean-Pierre Remy, Chairman & CEO

3 Cerberus members

■ Reorganization of the Board of Directors in order to take into account the changes in the shareholding structure

■ Conformity with best corporate governance practices recommended by AFEP/MEDEF

■ Doubling of the number of independent directors (6 out of 11) representing more than half of the Board members.



A SUCCESSFUL DIGITAL TRANSFORMATION



Solocal Group, leader in local communication

Company profile & key 2012 figures

1 Strong digital business

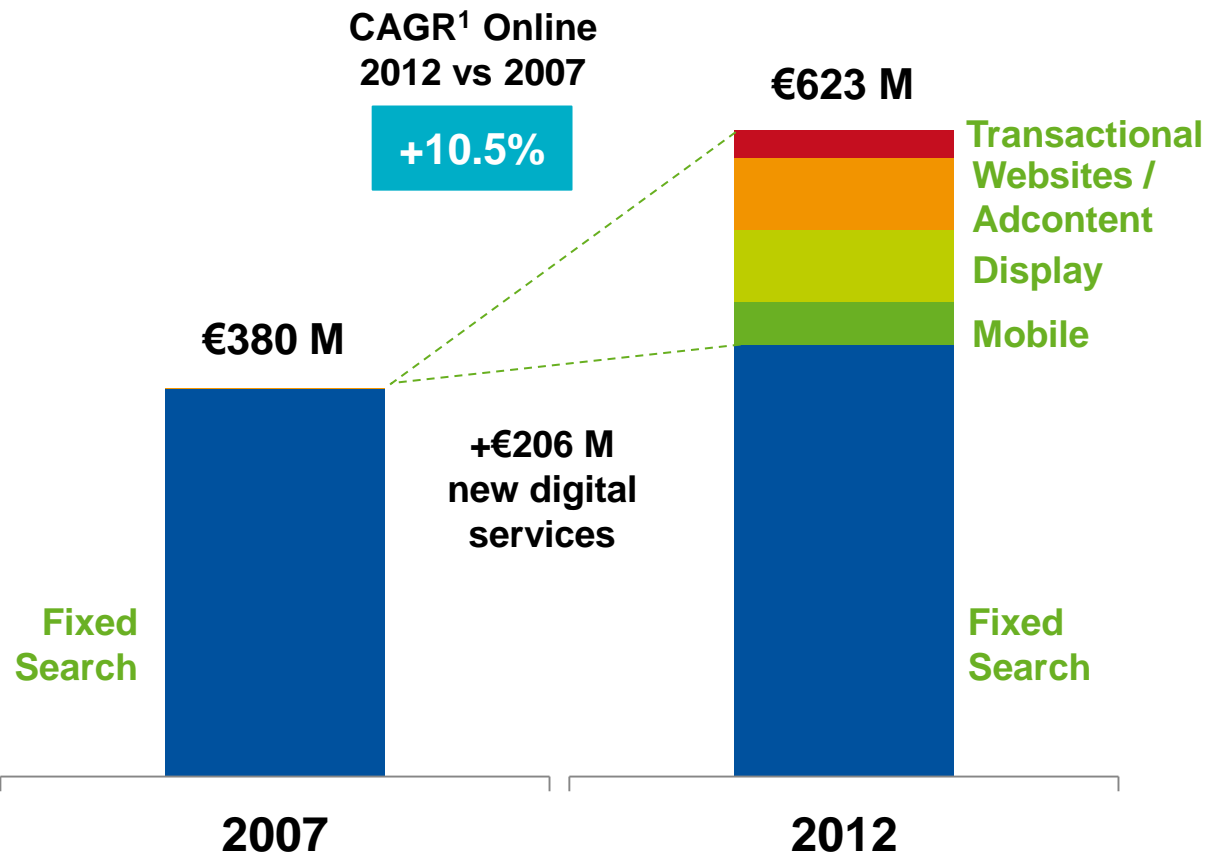
- €1.07 bn revenues and €464.5 M GOM (44%)
- 58% of Digital revenues, growth of +8.3%
- ~30% share of France online local advertising market
- Resilient, subscription-based business model

2 #1 local Internet player in France

- Top 10 web & mobile reach
- #1 in local mobile
- 650k clients
- #1 in brand content: +100k websites
- ~2,000 local communication sales representatives in France

Online growth accelerated by new services

Incremental Online revenues generated since 2007



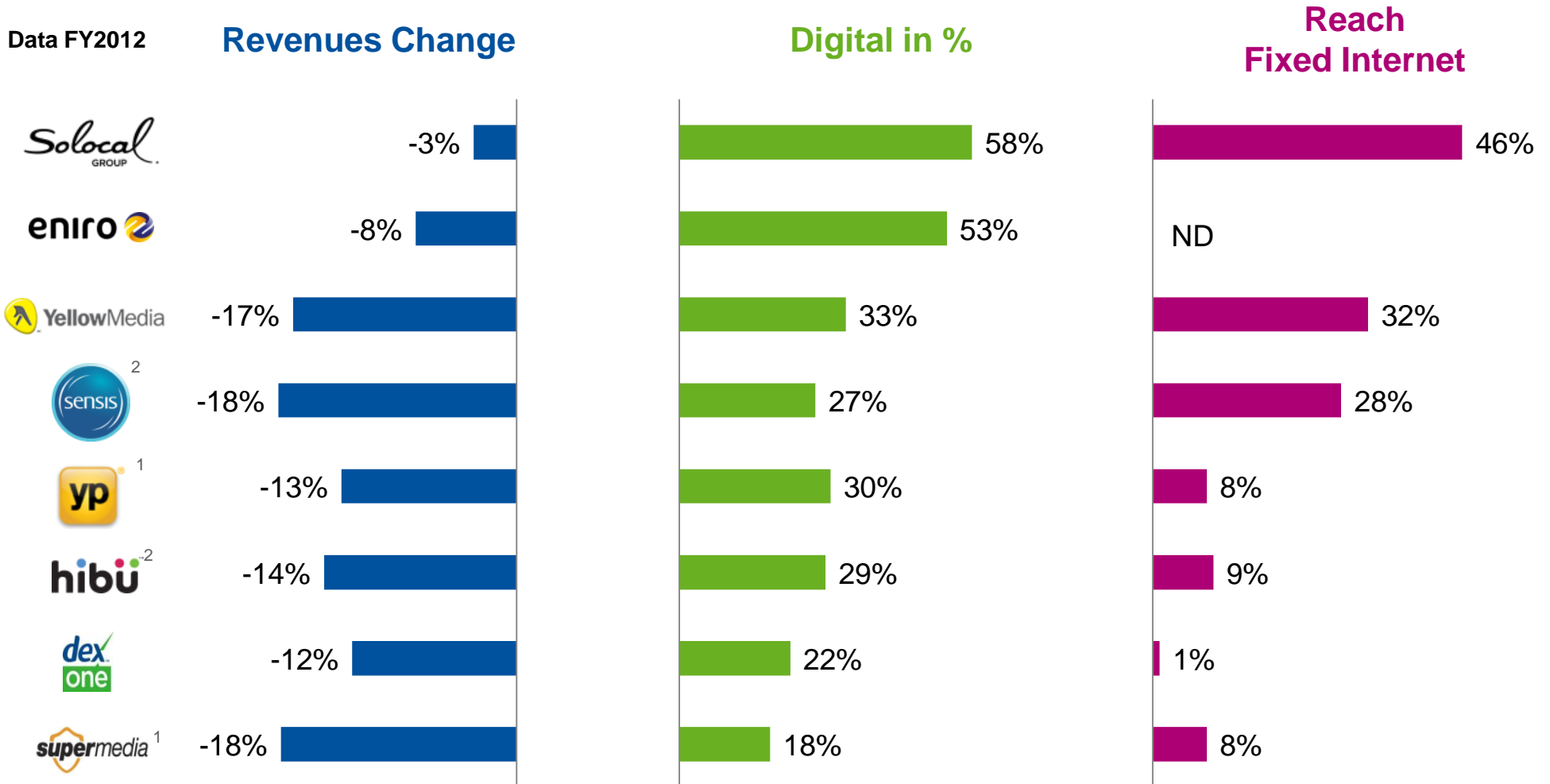
Double-digit online growth

- New services more specialised by market segments
- Enhanced user experience
- Increased ROI² for our clients

¹ Compound Annual Growth Rate

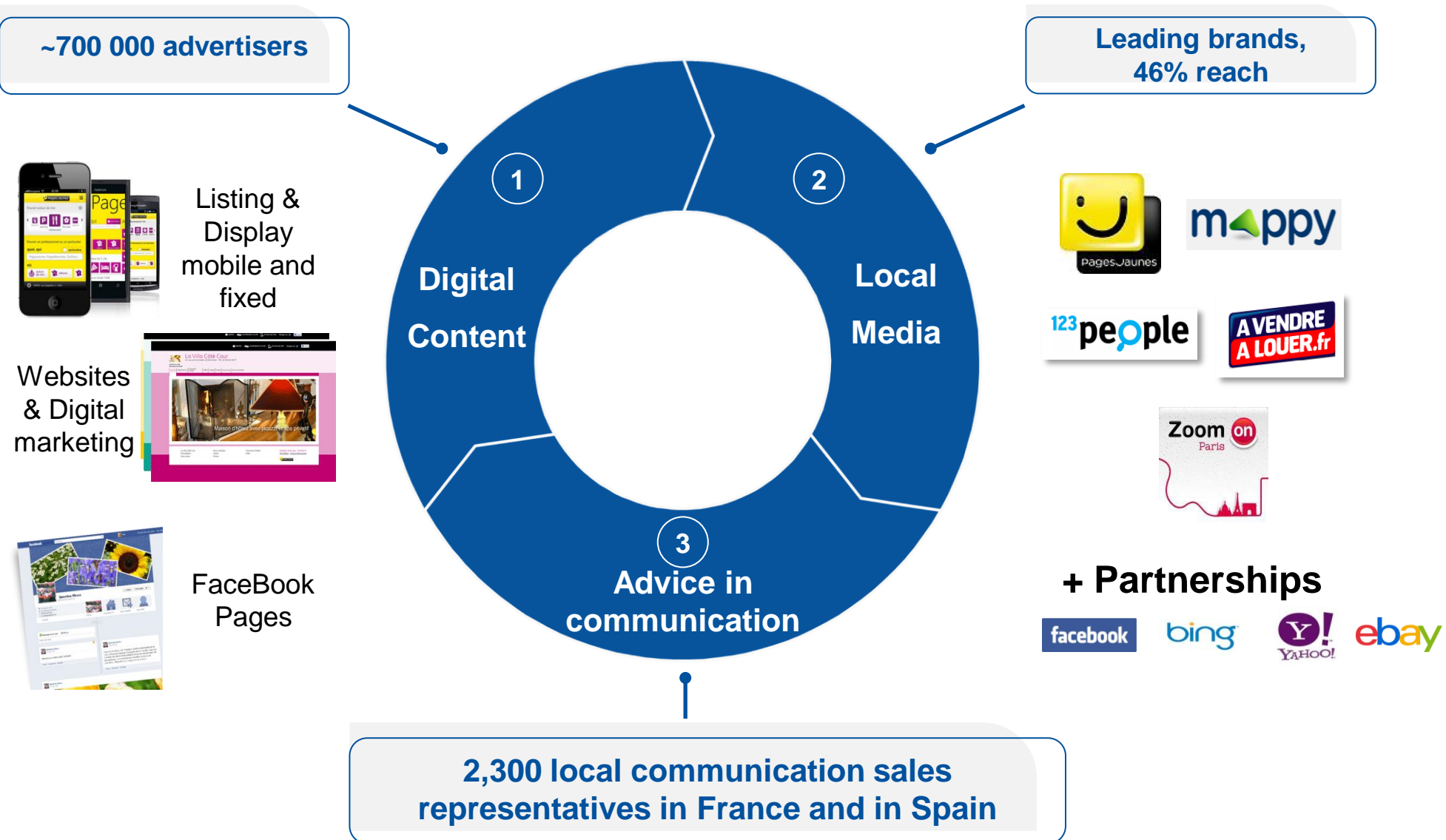
² Return On Investment

A transformation to digital, unique in the Directory space



Sources : Annual reports, BIA Kelsey ¹Online weight 2011 ²Reach average from April to December 2012

An Online strategy built on contents, medias and local communication expertise



Launch of « DIGITAL 2015 » program to achieve the digital transformation

- **ACCELERATE OUR ONLINE GROWTH** by specialising our offers, focusing on our clients' needs by business category and developing new services to support them in digital marketing
- **ENHANCE THE EFFICIENCY OF OUR MEDIAS, FIXED AND MOBILE**, by providing an enriched user experience and maximising benefits for our clients
- **CLAIM A DIGITAL, FLEXIBLE COMPANY MODEL**, by helping our teams to develop their own talents, by transforming our IT systems, by making organisation and culture evolve
- **EMBARK ALL TEAMS ON TRANSFORMATION**, to facilitate our development both in France and internationally.

Organisation around 5 business categories



Medias & brands 

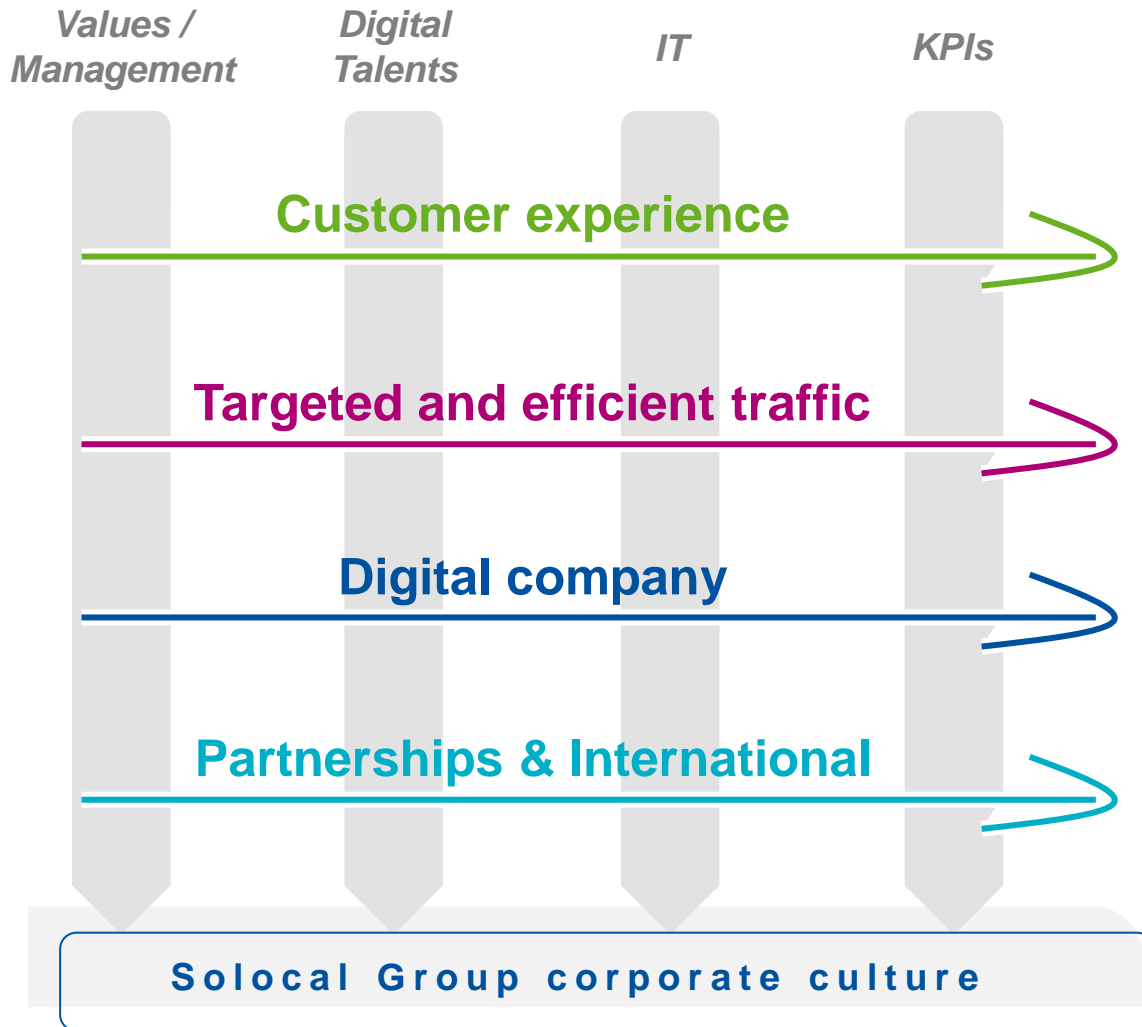


KPIs	RETAIL	SERVICE	HOME	B2B	PUBLIC
	<ul style="list-style-type: none"> ~210M revenues 215k clients 32 M searches / month 	<ul style="list-style-type: none"> ~230M revenues 115k clients 20 M searches / month 	<ul style="list-style-type: none"> ~330M revenues 180k clients 11 M searches / month 	<ul style="list-style-type: none"> ~165M revenues 80k clients 13 M searches / month 	<ul style="list-style-type: none"> ~65M revenues 60k clients 32 M searches / month

Key players
(France & International)



« Digital 2015 » : strong mobilisation and 50 key projects



All teams mobilised on 50 projects aiming to drive Online growth

■ Customer

- Sales and marketing specialisation in 5 Business Units
- Sales tools effectiveness
- Client relationship management

■ Traffic

- New PagesJaunes search / Verticals
- Transactional services
- Web-2-store / products and deals

■ **Business digitalisation** (billing, production)

■ New IT

■ **Human resources** (values, talents, behavior, change)



H1 2013
HIGHLIGHTS AND RESULTS



1st half 2013 highlights

Temporary acceleration of the decrease in revenues

- Decline of 4.7% in H1 2013 revenues in the strongly deteriorated advertising market ¹
- Printed directories declining by 14.3% in H1 2013
- Weak growth of +2.4% in Internet business, heavily impacted by the sharp downturn in the display business

Measures taken to support Online revenues growth

- Launch of new offers (search, deals, local display, Web-2-store, websites)
- Increased communication on ROI of our products (300k customers on Business Center)
- Reinforcement of actions and customer acquisition teams at PagesJaunes and Mappy

Acceleration of online audience growth

- Fixed and mobile Internet: +8% in visits² in Q2
- Mobile and tablets: +58% in visits² in Q2, representing 23% of total audiences
- Mobile: more than 26 million application downloaded, a +50% increase year-on-year

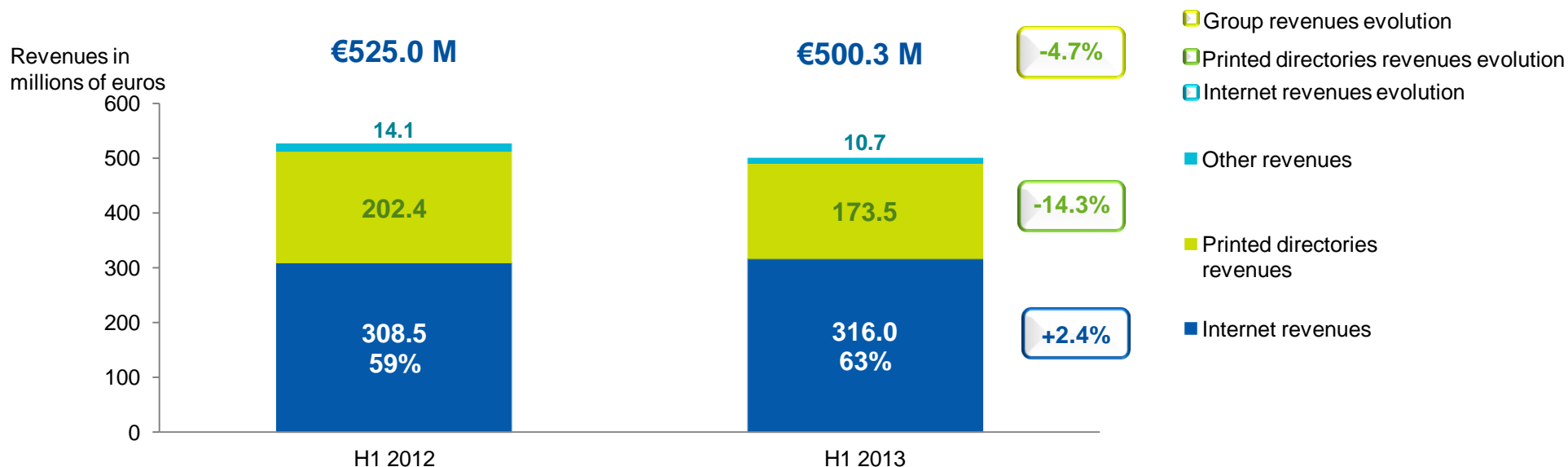
New strategic initiatives

- Acceleration of Mappy's development in online shopping and start of the commercialisation of the Web-2-store « Vitrine digitale » offer for shops and retailers in Bordeaux and Paris
- Launch of eBay partnership to develop an e-commerce offer
- Zoom On, France's leading social media with more than 1 million fans on Facebook
- Digital 2015: highly motivated teams and implementation on schedule

Group revenues -4.7% in a depressed economic and advertising environment

Group revenues of €500.3 M in H1 2013, down -4,7%

- Depressed advertising market¹,
- Decrease of -4.3% without Editus
- Printed directories: 35% of revenues (39% in Q2), contraction of -14.3%
- Internet: 63% of revenues, weak growth of +2.4%



GOM rate: 43.1% in H1 2013 compared to 44.2% in H1 2012

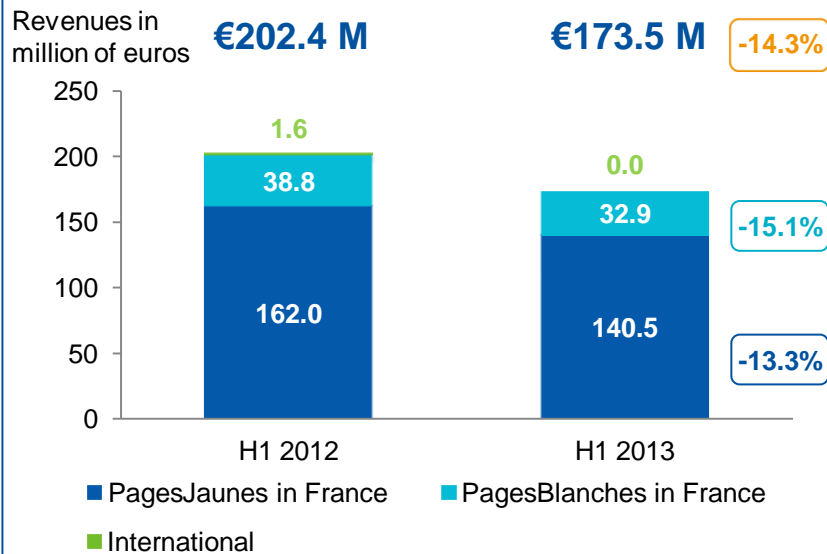
- impacted notably by the overlap of non-recurring income² as well as the strong deterioration of activity Display which dampened Internet margin

¹ French advertising market 2013 estimated by Warc at -2.0% (in June 2013 v.s +1.3% estimated in Nov. 2012) and by ZenithOptimedia at -2.5% (in June 2013 vs. -1.4% estimated in Dec. 2012)

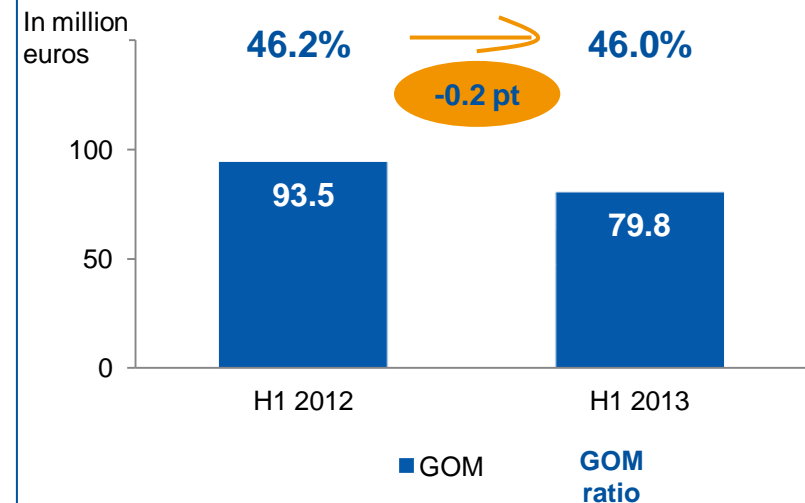
² Including investment tax credits from 2008 and 2009 recorded in 2012

Trend in Printed directories

Controlled decrease of revenues



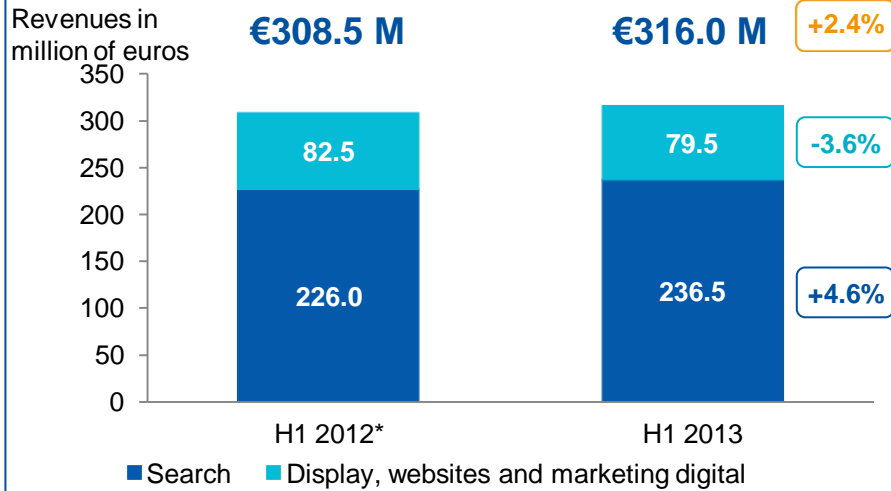
Good resistance of margin rate



-14.3% decline of Printed directories
Limited decrease of GOM rate at -0.2 pt in H1 2013

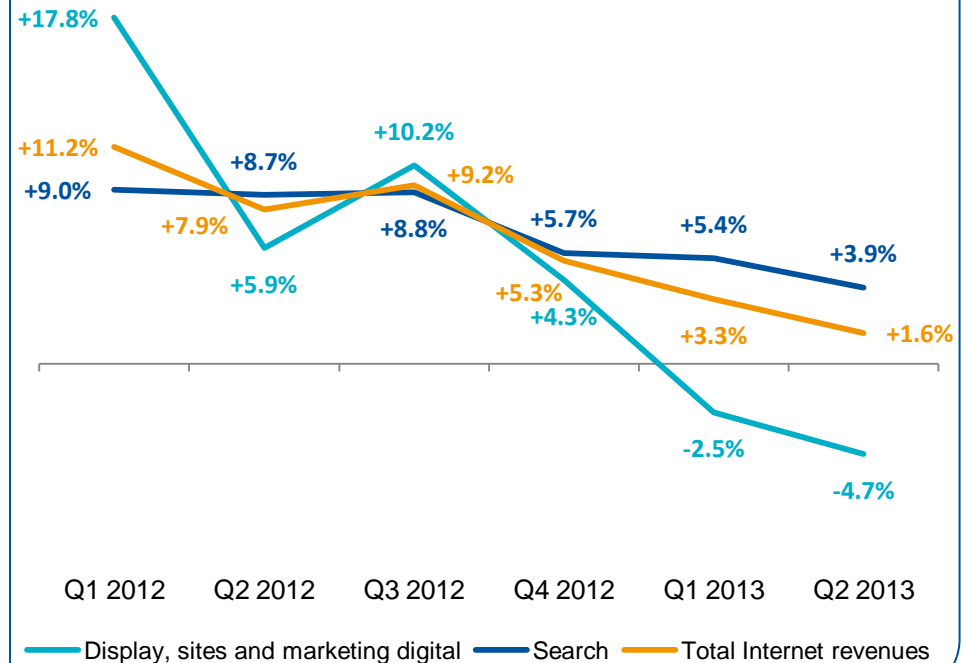
Trend in Internet

Weak Internet growth mainly impacted by Display



*Revised H1 2013 split following reclass between Search and Display

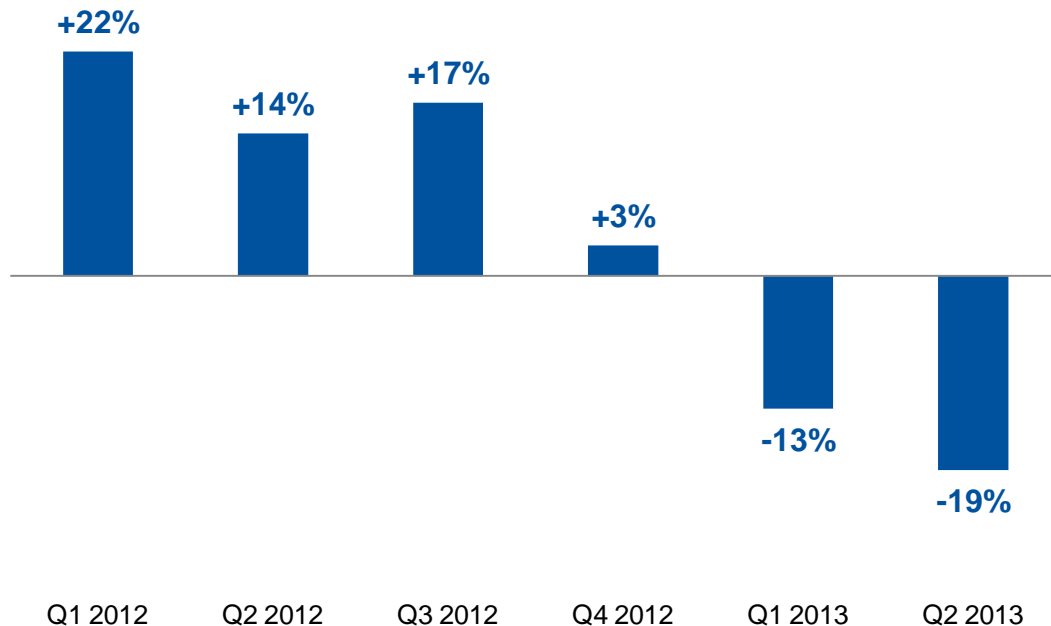
Sharp Display slowdown



Internet revenues at 63.2% of Group revenues up by +2.4% in H1 2013

Strong decrease of Display

Very strong deterioration of Display revenues growth



Strong business deterioration up to the end of May 2013

- Very high sensitivity to macroeconomics
- Substitution by concurrent offers (TV, performance-based search) and weak presence on video
- Weak level of business with media agencies

Continued investments to strengthen our business in short and medium term

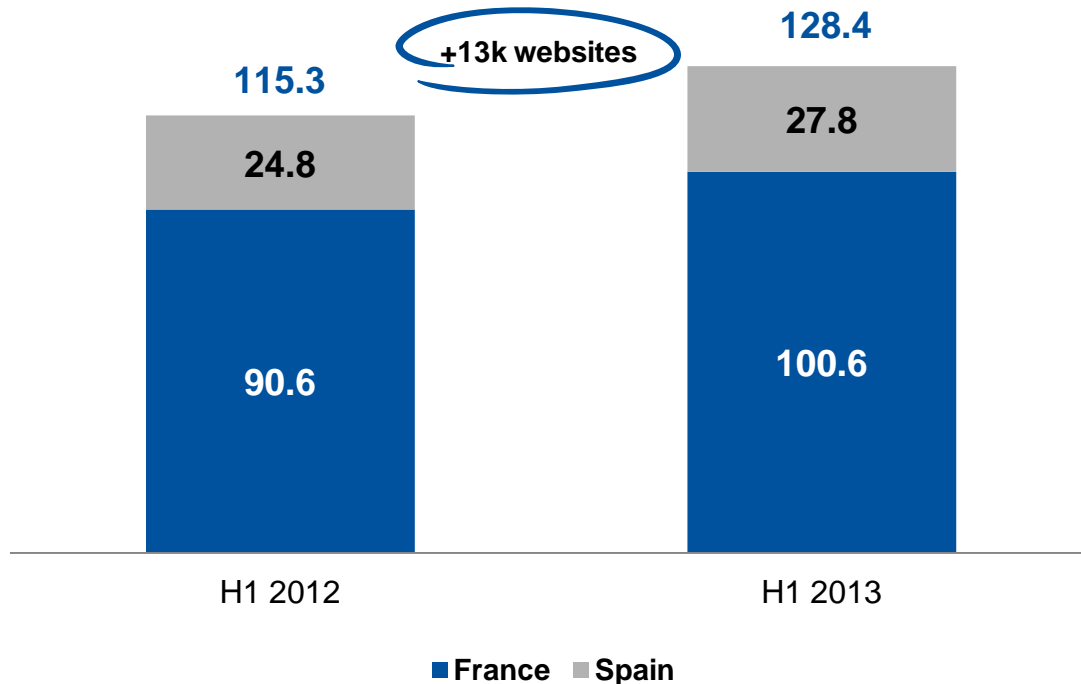
- Continued premium CPM on PJ / Mappy
- Solocal AdExchange growth
- « local data » strength unique to Solocal

New organisation

- Solocal Network

Websites and digital marketing growth

Number of websites managed* by Solocal Group (in thousand)



Source : Solocal Group (Scope France: PagesJaunes SA only)

* Websites managed: websites sold – websites not renewed for more than one year

Websites

- **Responsive web design** native for all our websites (fixed, mobile, tablet)
- **Verticalisation of websites**
 - Look and Feel customized by sector
 - Transactional functionalities introduced (ie. appointment, e-commerce, reservation,...)
- **B2B communication**
- **Agreement with eBay** to launch e-commerce offer

Digital Marketing

- **ClicRDV**: + 22 million appointments made online by more than 1.8 million users since its start up
- **Solocal Network**: new contracts with worldwide brands (luxury, retail, network)

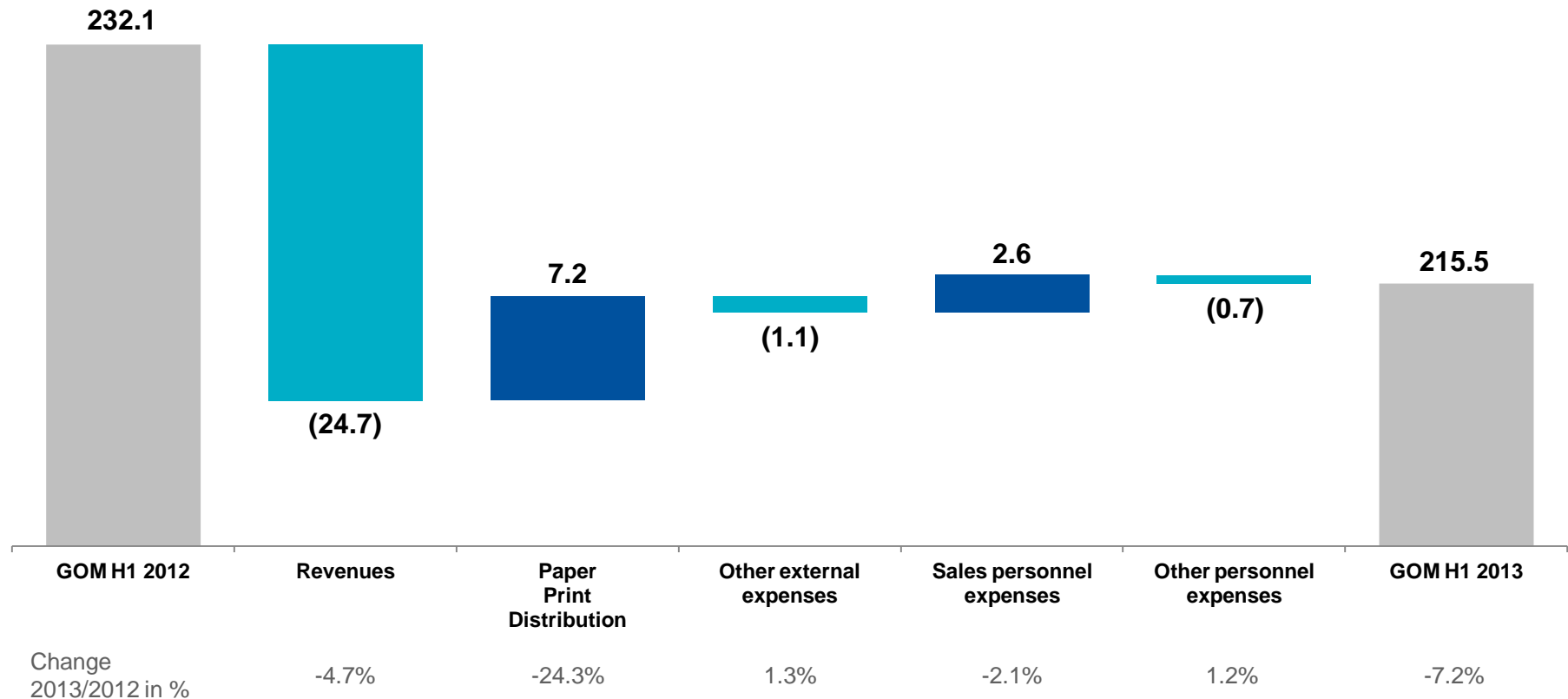
GOM of 215.5 million euros, 43.1% of Group revenues

Gross operating margin by segment

In million euros	H1 2013	H1 2012	Change
Group gross operating margin	215.5	232.1	-7.2%
<i>as % of Group revenues</i>	43.1%	44.2%	-110 bps
Internet	132.7	134.1	-1.0%
<i>as % of Internet revenues</i>	42.0%	43.5%	-150 bps
Printed directories	79.8	93.5	-14.7%
<i>as % of Printed directories revenues</i>	46.0%	46.2%	-20 bps
Other businesses	3.1	4.6	-32.6%
<i>as % of Other businesses revenues</i>	29.0%	32.6%	na

Gross operating margin decreased by -7.2%

Change in consolidated gross operating margin (GOM) in million euros



Underlying GOM margin stable in H1 2013

	H1 2013	H1 2012	Change
Reported gross operating margin (€M)	215.5	232.1	-7.2%
- Expensing of fixed costs of the sales force		-3.0	
- 2008 and 2009 Investment Tax Credit accounted in 2012		-2.2	
Underlying gross operating margin (€M)	215.5	226.9	-5.0%
Underlying GOM Margin	43.1%	43.2%	-10 bps

Net financial income stabilisation, increase of amortisation charges

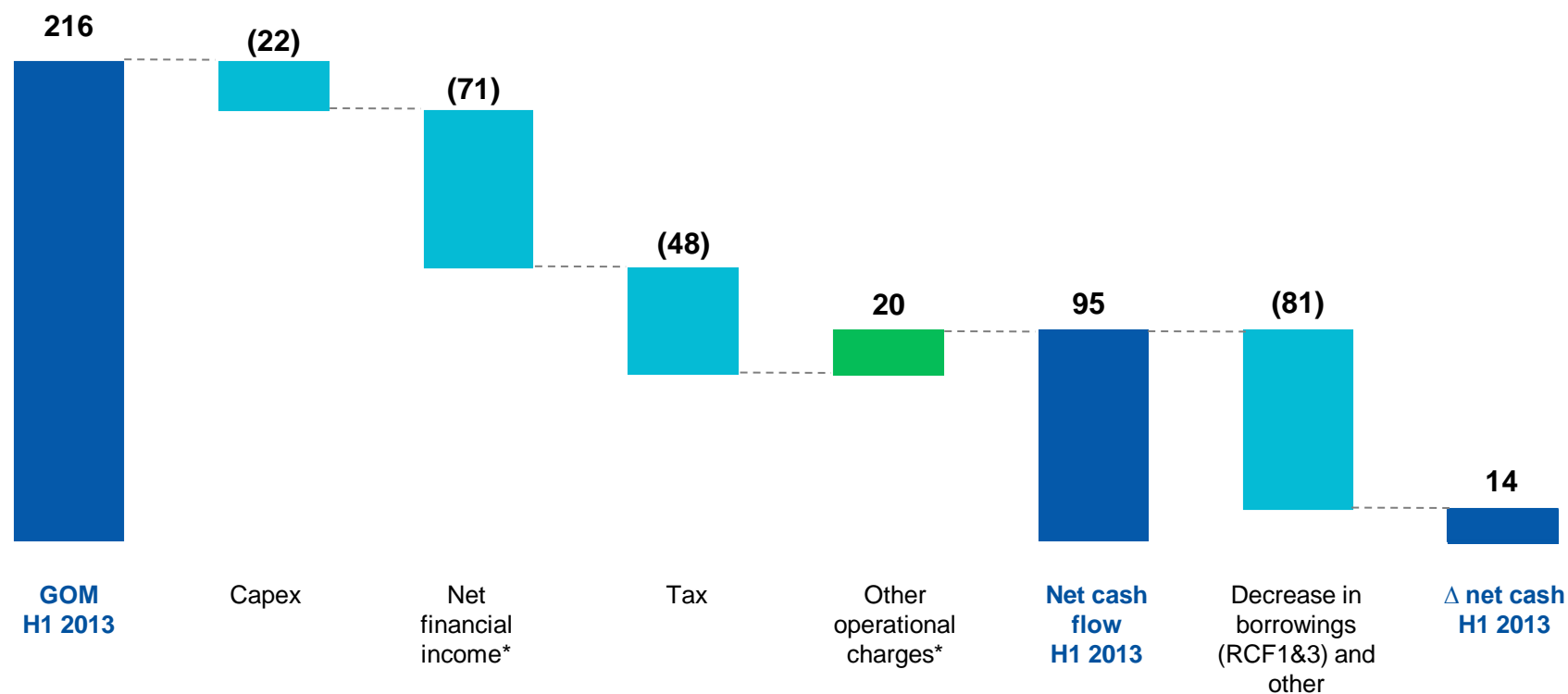
Corporate income tax rate impacted by year end 2012 increases

From gross operating margin to consolidated income

In million euros	H1 2013	H1 2012	Change
Gross operating margin	215.5	232.1	-7.2%
<i>Legal employee profit sharing</i>	(7.0)	(6.8)	-2.9%
<i>Depreciation and amortisation</i>	(20.0)	(17.0)	-17.6%
<i>Other income and expenses</i>	(3.5)	(0.6)	na
Operating income	184.9	207.8	-11.0%
Net financial income	(66.8)	(65.1)	-2.6%
<i>Share of profit or loss of an associate</i>	(0.1)	(0.4)	na
Income before tax	118.0	142.3	-17.1%
<i>Corporate income tax</i>	(47.4)	(55.2)	+14.1%
<i>Corporate income tax rate</i>	40.1%	38.7%	
Net income	70.6	87.1	-18.9%

Net cash flow: €95 M as of 1st half 2013

Net cash flow as of 30 June 2013 (in million euros)

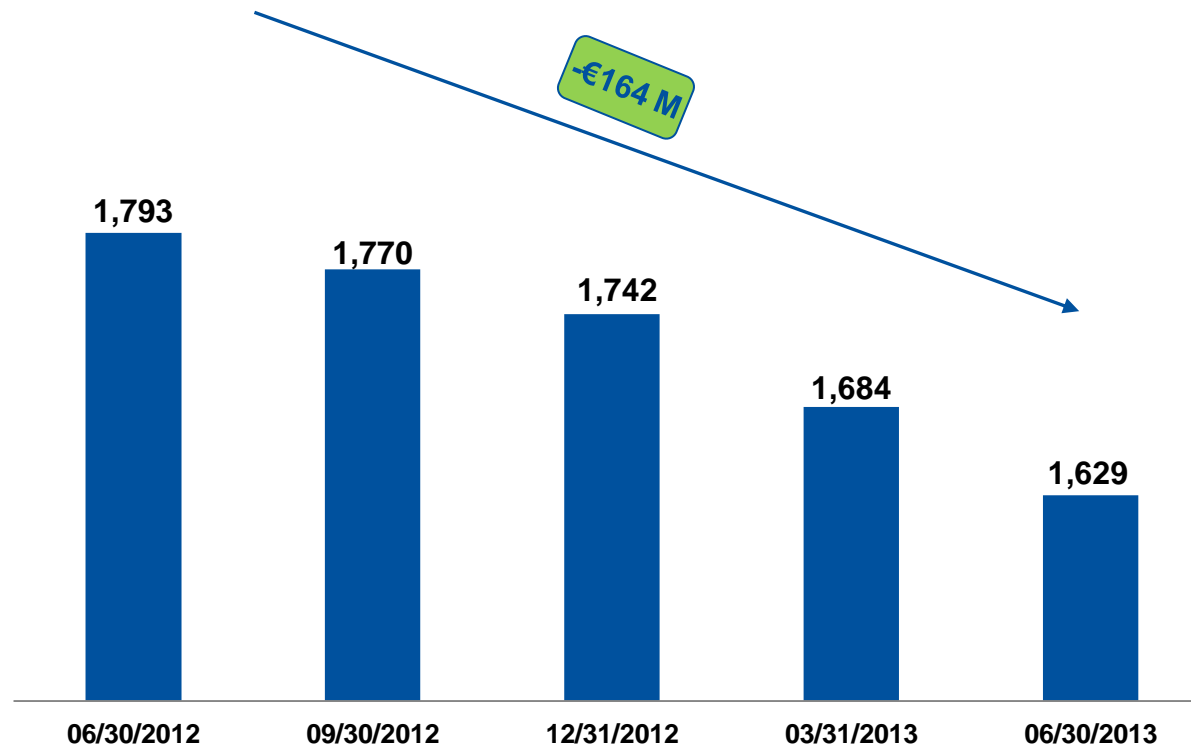


*Of which € 10 M of interests concerning 2012

**Including primarily change in working capital requirement and legal employee profit sharing

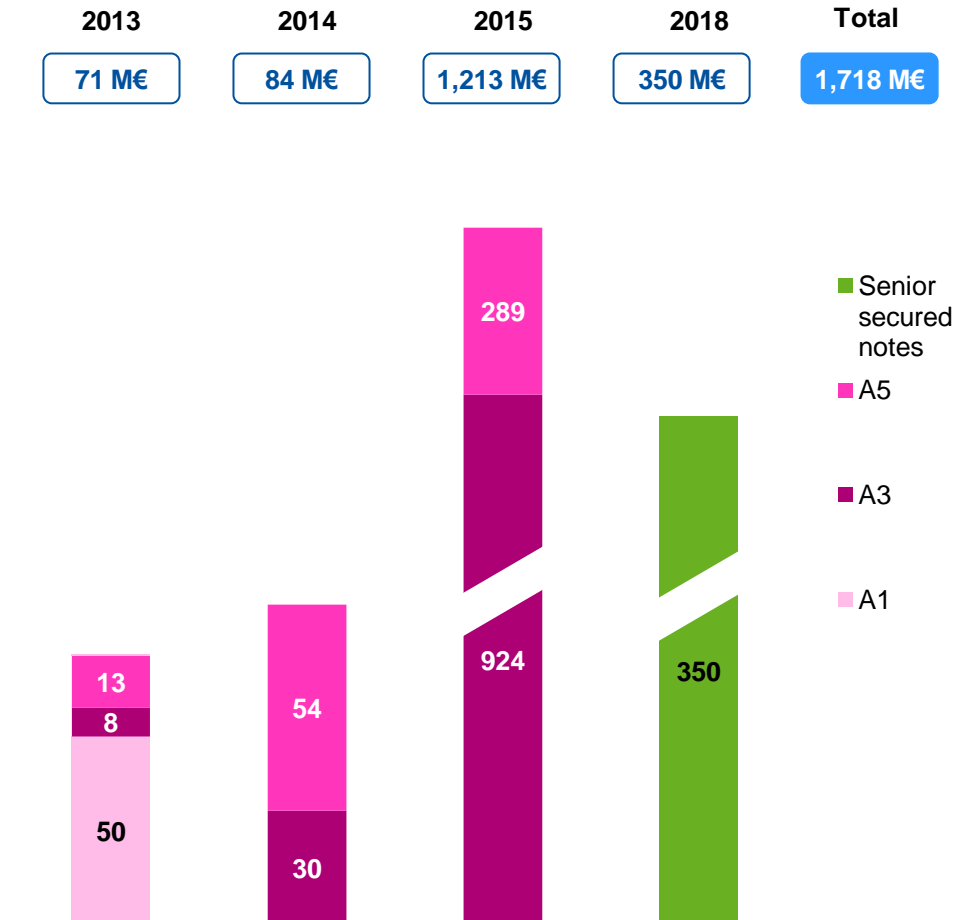
Continued reduction of indebtedness

Net debt* (in million euros)



Financial structure and debt maturity profile as of 30st June 2013

	Size (€M)	Marge (bps) / Rate (%)
Tranche A1	49.6	175
Tranche A3	962.0	400
Tranche A5	356.4	360
RCF 1*	-	175
RCF 3*	-	360
Total bank debt	1,368.0	381**
Senior secured notes	350.0	8.875%
Bank and bond debts	1,718.0	6.91%***
Other debts	16.3	
Total gross debt	1,734.3	
Net cash	105.9	
Total net debt	1,628.5	



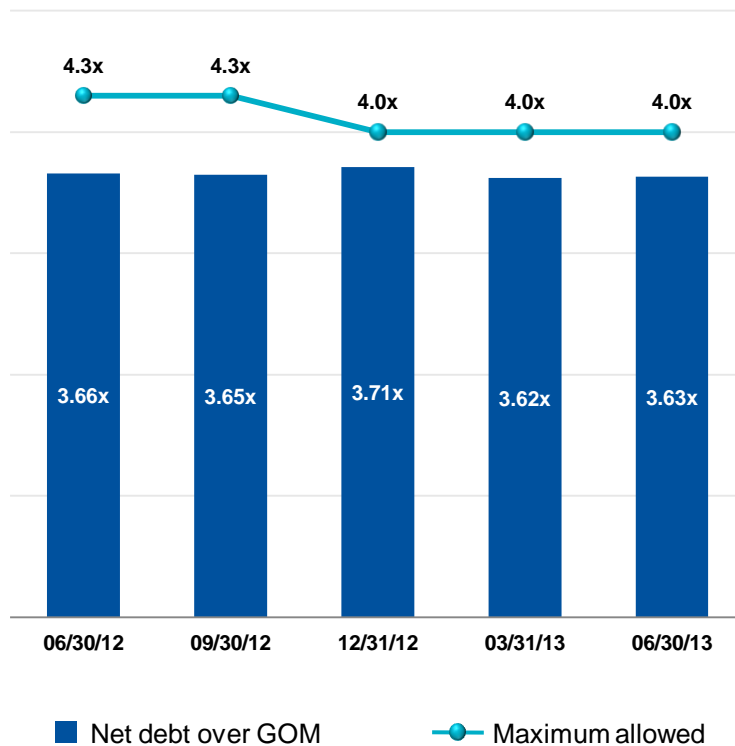
* At 06/30/2013, €95.8 M available under the undrawn revolving credit line (at 12/31/2012, €20 M available) ** Average weighted margin *** Weighted average of bank debt cost and coupon on the high yield notes.

Gross debt corresponding to bank and bond debts excluding available undrawn RCF and excess cashflow. Undrawn RCF: M€ 96 as of 06/30/2013, M€ 71 as of 12/31/2013 and M€ 60 as of 12/31/2014

Compliance with covenants

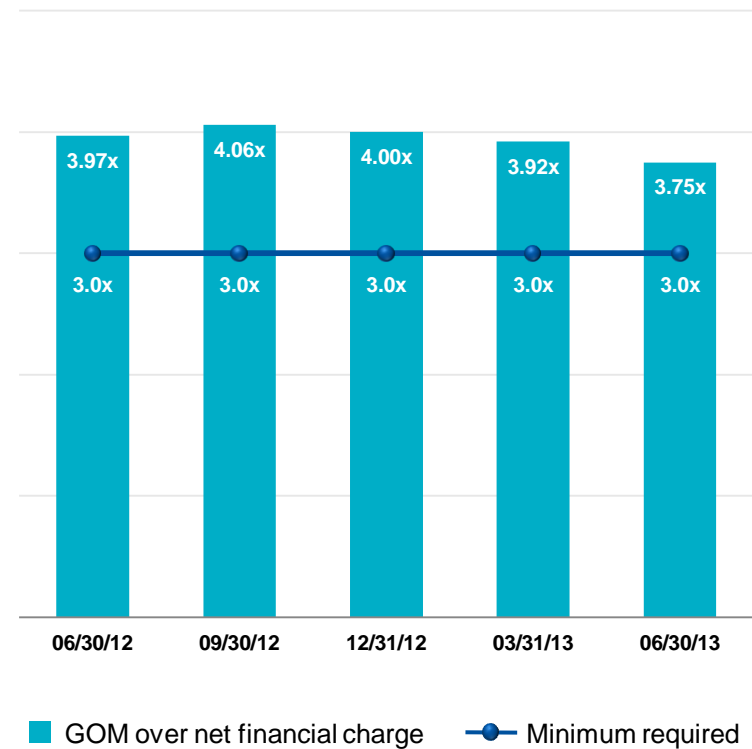
Financial leverage*

9%



Interest coverage

25%



* Covenant 3.75x as of 31 december 2013

Guidance 2013

The Group maintains its 2013 objectives at the low end of the range in view of the further deterioration in the advertising market in France:

- **REVENUE DECREASE BETWEEN -5% AND -3%**
- **2013 GOM BETWEEN 425 AND 445 MILLION EUROS**
- Confirmation of the priority given to **REDUCING INDEBTEDNESS**



QUESTIONS & ANSWERS





GLOSSARY



Glossary – Operating P&L

Group Digital revenues:

- Total of Internet revenues from PagesJaunes (pagesjaunes.fr, annoncesjaunes.fr, pagespro.com, websites and mobile Internet) and Internet revenues from all other subsidiaries in the Group

Net external charges:

- Include external purchases: primarily include the editorial costs (purchase of paper, printing and distribution of printed directories), costs linked to databases, expenses for the information system, communication and marketing expenses, as well as structure expenses. For example: costs for producing Internet sites (launch of the Internet Visibility Pack), information system costs in line with the new developments, linked to services for advertisers or new functionality on the pagesjaunes.fr website
- And also include other operating income and expenses: are primarily comprised of taxes, certain provisions for risks, and provisions for bad debts

Salaries and charges:

- Exclude legal employee profit-sharing and share-based payment

Gross operating margin (GOM):

- Revenues less external purchases, operating expenses (net of operating income) and salaries and social charges. The salaries and social charges included in the gross operating margin do not include employee profit-sharing or the cost of share-based payment

Glossary – Financial structure

Net financial debt:

- Total gross financial debt plus or minus the fair value of derivative asset or liability hedging instruments and minus cash and cash equivalents

Ratio of net debt to GOM:

- As defined in the agreement concluded with the financial establishments, in other words the ratio between an aggregate of consolidated net debt (excluding fair value of hedging instruments and loan issuing expenses) and an aggregate close to consolidated GOM

Ratio of GOM to net financial expenses:

- As defined in the agreement concluded with the financial establishments, in other words the ratio between an aggregate close to consolidated GOM and an aggregate of consolidated net financial expenses (excluding change in fair value of hedging instruments recognised in P&L and loan issuing expenses amortisation)

Average cost of total debt:

- Weighted average of bank debt cost and coupon on the high yield notes