

Sèvres, 13 November 2012

PagesJaunes Groupe Results for the 3rd quarter of 2012

Consolidated revenues down -2.4% Internet growth continues +9.4% Successful refinancing and debt reduction

- Consolidated revenues of €800 million down -2.4% in the first nine months of the 2012 financial year
- Internet revenue: 58% of consolidated revenues, up +9.4% at the end of September 2012
- Gross operating margin of €362 million in the first nine months of 2012, i.e. 45.2% of revenues
- Successful refinancing and immediate gross debt reduction of €417 million

On the announcement of PagesJaunes Groupe's results for the 3rd quarter of 2012, Jean-Pierre Remy, Chief Executive Officer, said:

"Our Internet businesses continued to grow faster than the market in the 3rd quarter (+9.4% at the end of September 2012), which makes it possible to confirm our annual targets for revenue and gross operating margin. The economic environment limits our visibility for 2013."

The Board of Directors approved the Group's consolidated condensed accounts as at 30 September 2012.

In millions of euros	From 1 Jan. to 30 Sep 2012	From 1 Jan. to 30 Sep 2011	Change
Group revenues	799.9	819.4	-2.4%
of which Internet	463.3	423.6	+9.4%
in % of total	57.9%	51.7%	
Gross operating margin	361.8	380.9	-5.0%
as % of revenues	45.2%	46.5%	



I. Highlights

Internet growth outperforming the market

- Internet revenues: +9.4% at the end of September
- Search: +8.8% and Display, sites & digital marketing: +10.9% at the end of September

Very strong growth of mobile audience

- +80% mobile visits¹ at the end of September 2012 buoyed by the growth in downloads on Android
- PagesJaunes Groupe in the top 5 in terms of mobile audience in France at the end of August 2012²
- Almost 20 million mobile application downloads: 12 million for PagesJaunes and 7 million for Mappy
- Launch of PagesJaunes (iPhone V5, Full App Android, Microsoft Windows 8), Rest'Oh!
- Launch of Mappy GPS Free V3 and on-board car navigation

Development of indirect web audience and partnerships

- 25% of indirect audience, in particular through Bing, Google and Facebook (ZoomOn)
- Continued verticalisation of content and offers (Public sector, Health care sector, ...)
- Strong start with the "good deals" offer
- Partnerships with NRJ Global Régions, Local.ch, American Express

II. Trend in fixed and mobile Internet audiences

In millions of visits	From 1 Jan. to 30 Sep 2012	From 1 jan. to 30 Sep 2011	Change
PagesJaunes	893.7	812.6	+10.0%
of which mobile	167.2	99.1	+68.7%
Mappy	233.1	209.3	+11.4%
of which mobile	50.9	21.6	+135.6%
Other (a)	133.7	145.1	-7.9%
Total excluding 123people	1,260.5	1,167.0	+8.0%
of which mobile	222.9	123.7	+80.2%
123people	331.0	489.7	-32.4%
of which mobile	24.9	33.8	-26.3%
Total	1,591.5	1,656.6	-3.9%
of which mobile	247.8	157.5	+57.3%

Source: PagesJaunes Groupe

(a) on a like-for-like basis

The Internet audience for the Group's sites (excluding 123people) grew by +8.0% in the first nine months of 2012 compared with 2011, sustained in particular by the strong growth in the number of mobile Internet visits up by +80.2%. By the end of September 2012, the PagesJaunes, Mappy and AnnoncesJaunes applications had been downloaded 20 million times across all smartphones in France.

The Group's Internet sites experienced strong audiences in the 3rd quarter of 2012, with 20 million unique visitors in July 2012 (ranked 5th amongst the most visited sites in France whether fixed or mobile).

¹ Excluding 123people

² Statistical indicator from Nielsen Médiamétrie: "Reach" rate for Mobile Internet at 26.8% at the end of August 2012



III. Financial Results

In millions of euros	From 1 Jan. to 30 Sep 2012	From 1 jan. to 30 Sep 2011	Change
Group revenues	799.9	819.4	-2.4%
Internet	463.3	423.6	+9.4%
as % of group revenues	57.9%	51.7%	
Printed directories	316.2	368.6	-14.2%
as % of group revenues	39.5%	45.0%	
Other businesses	20.4	27.2	-25.0%
as % of group revenues	2.6%	3.3%	
Gross operating margin	361.8	380.9	-5.0%
as % of revenues	45.2%	46.5%	
Internet	206.2	196.2	+5.1%
as % of Internet revenues	44.5%	46.3%	
Printed directories	147.7	175.8	-16.0%
as % of Printed directories revenues	46.7%	47.7%	
Other businesses	7.9	9.0	-12.2%
as % of Other businesses revenues	38.7%	33.1%	
Operating income	322.8	350.3	-7.9%
Net financial result	(95.0)	(92.0)	-3.3%
Share of the result from associated companies	(0.7)	-0.1	na
Income before tax	227.2	258.2	-12.0%
Corporate income tax	(88.2)	(95.9)	+8.0%
Corporate income tax rate	38.7%	37.1%	
Net income	139.0	162.3	-14.4%

The first nine months of 2012 saw Group consolidated revenues fall by -2.4%.

In a more difficult context, Internet businesses recorded a growth of +9.4% over the first nine months of 2012, sustained in particular by "search" activities and mobile development. On the other hand, the Printed directories business fell by -14.2% over the first nine months of 2012.

Internet revenues represent 57.9% of the Group's revenue over the first nine months of 2012 compared to 51.7% over the first nine months of 2011.

The Group's gross operating margin was 361.8 million euros in the first nine months of 2012, down -5.0% compared with the first nine months of 2011. The gross operating margin rate stood at 45.2% in the first nine months of 2012 compared to 46.5% in the first nine months of 2011. This decrease is linked with the commercial investment in the PagesJaunes business and subsidiaries.

The Group's operating income, down -7.9% over the first nine months of 2012 compared to the first nine months of 2011, reached 322.8 million euros. The decrease in operating income is mainly the result of the decline in gross operating margin as well as the increase in depreciation and amortization associated with the Internet developments.



The Group's net income in the first nine months of 2012 was 139.0 million euros, down -14.4% compared to the first nine months of 2011. This deterioration was mainly associated with the decrease in operating income and the increase in financial expenses following the partial refinancing of the bank debt undertaken in May 2011. The average cost of gross debt (including hedging instruments) stood at 5.26% in the first nine months of 2012 compared to 5.56% in the first nine months of 2011 due in particular to the drop in the Euribor rates and the drawings under the revolving credit line (for which the margin is less than the average margin). Moreover, the tax rate changed from 37.1% over the first nine months of 2011 to 38.7% over the first nine months of 2012, mainly impacted by the additional 5% contribution levied on corporation tax since the end of 2011.

IV. Financial structure

Net debt³ stood at 1,735.3 million euros at 30 September 2012 compared with 1,891.7 million euros at 31 December 2011 and 1,905.8 million euros at 30 September 2011.

At 30 September 2012, the group had headroom of 15% for its financial leverage covenant, which was 3.65 times an aggregate close to GOM **and of 35% on its interest coverage ratio** which was 4.06 times the net interest expenses⁴.

The Group's net cash flow declined by -9.0%, from 181.6 million euros in the first nine months of 2011 to 165.2 million euros in the first nine months of 2012. **At 30 September 2012, the Group had net cash and cash equivalents of 521.1 million euros,** of which 281.4 million euros was due to the RCF credit facility which was drawn on at the beginning of 2012.

The Group has successfully refinanced its bank debt:

- The Group obtained the consent of 98% lenders on its refinancing request. Lenders agreed to extend to September 2015 the maturity of over 91% of the facilities A1 and RCF maturing in November 2013.
- Pro-forma refinancing, gross debt amounts to 1,814 million euros⁵. The deleveraging of the Group is on going with 417 million euros⁵ of immediate reduction in gross bank debt and 191 million euros of contractual amortisation by April 2015.
- The refinancing process is expected to be fully completed by end of November 2012 and will have a limited impact over the fiscal year financial expenses. On a full year basis, the increase in average cost of gross debt will be contained to 91⁵ bps.

Following the refinancing of 97% of the Group debt over the last 18 months, the Group debt maturity profile⁶ is more favorable:

- Bank debt tranche A1 and RCF 1: principal of 72 million euros maturing in November 2013,
- Bank debt tranche A3, A5 and RCF 3: principal of 1,392 million euros maturing in September 2015 and
- Senior secured notes: principal of 350 million euros maturing in June 2018.

The Group confirms its commitment of suspending its dividend until its net indebtedness reaches a level corresponding to 3 times EBITDA⁷.

3 Net debt corresponds to the total gross financial debt plus or minus the fair value of derivative asset and/or liability hedging instruments and minus cash and cash equivalents.

4 Excluding the change in the fair value of hedging instruments, amortisation of loan issue expenses and accretion income.

5 Increase of average cost of debt on a full year basis excluding impact of contractual amortisation: +113 bps of weighted margin of bank debt which represents 81% of total debt

6 At the end of the conclusion and the entry into force of the necessary endorsements. Gross debt corresponding to bank and bond debts, excluding Other debts of €60 millions as at September 2012.

7 As defined in the facility agreement with financial institutions



V. Outlook for 2012

The Group confirmed its objectives for 2012:

- Expected decrease in revenues between -1% and -3%;
- Acceleration of growth in Internet businesses, which will represent close to 60% of total revenues in 2012;
- Expected gross operating margin between €470 million and €485 million.

About PagesJaunes Groupe

PagesJaunes Groupe is the leader in France in local advertising and information, generating €1.1 billion in consolidated revenues in 2011. PagesJaunes Groupe's services can be accessed in particular through fixed and mobile Internet, printed directories (the PagesJaunes and PagesBlanches directories), directory enquiry services by telephone and SMS (118008). PagesJaunes Groupe's fixed and mobile Internet sites, primarily pagesjaunes.fr, mobile.pagesjaunes.fr, mappy.com and annoncesjaunes.fr, are visited by more than one Internet user in two in France each month.

PagesJaunes Groupe has a sales force of more than 2,200 commercial advisers in France and Spain and provides a comprehensive range of advertising products for its local and national advertising customers. With €575 million in Internet revenues in 2011, representing over 52% of its consolidated revenues, PagesJaunes Groupe is the largest European operator in terms of Internet advertising revenues.

PagesJaunes Groupe is listed on NYSE Euronext Paris (PAJ). Information on PagesJaunes Groupe is available at www.pagesjaunesgroupe.com.

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This document contains forward-looking statements. Although PagesJaunes Groupe 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, PagesJaunes usage levels, the success of investments by the PagesJaunes Groupe in France and abroad, and the effects of the economic situation. A description of the risks borne by the PagesJaunes Groupe appears in section 4 "Facteurs de risques" of the PagesJaunes Groupe's "Document de Référence" filed with the French financial markets authority (AMF) on 26 April 2012. The forward-looking statements contained in this document apply only from the date of this document, and PagesJaunes Groupe 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 unforeseen events. All accounting data are presented in non-audited consolidated form.



Appendix 1: Quarterly trend in fixed and mobile Internet audiences

In millions of visits	From 1 July to 30 Sep 2012	From 1 July to 30 Sep 2011	Change
PagesJaunes	285.4	268.6	+6.3%
of which mobile	64.6	39.2	+64.8%
Mappy	84.9	73.3	+15.8%
of which mobile	24.2	9.3	+160.2%
Other (a)	44.3	40.7	+8.8%
Total excluding 123people	414.6	382.5	+8.4%
of which mobile	90.4	49.5	+82.6%
123people	102.7	138.0	-25.6%
of which mobile	9.1	12.0	-24.2%
Total	517.3	520.5	-0.6%
of which mobile	99.5	61.5	+61.8%

Source: PagesJaunes Groupe

(a) on a like-for-like basis

Appendix 2: Quarterly consolidated income statement

In millions of euros	From 1 July to 30 Sep 2012	From 1 July to 30 Sep 2011	Change
Revenues	274.9	285.1	-3.6%
External purchases	(54.4)	(61.4)	11.4%
Other operating income and expenses	(1.4)	(1.7)	17.6%
Salaries and charges	(89.5)	(86.6)	-3.3%
Gross operating margin	129.6	135.4	-4.3%
<i>as % of revenues</i>	47.2%	47.5%	
Legal employee profit-sharing	(4.8)	(3.6)	-33.3%
Share-based payment	(0.2)	(0.4)	50.0%
Depreciation and amortisation	(9.5)	(6.3)	-50.8%
Gain and losses from disposals	0.0	(0.1)	na
Acquisition costs of shares	-	(0.2)	na
Operating income	115.1	124.8	-7.8%
<i>as % of revenues</i>	41.9%	43.8%	
Financial income	1.3	0.1	na
Financial expenses	(31.3)	(34.9)	+10.3%
Net financial result	(29.9)	(34.8)	+14.1%
Share of profit or loss of an associate	(0.3)	(0.0)	na
Income before tax	84.9	90.0	-5.7%
Corporate income tax	(33.0)	(33.1)	0.3%
Net income	51.9	56.8	-8.6%
of which attributable to:			
- shareholders of PagesJaunes Groupe	51.9	56.8	-8.6%
- non-controlling interests	-	-	-



Appendix 3: Consolidated income statement at the end of September

In millions of euros	From 1 Jan. to 30 Sep 2012	From 1 jan. to 30 Sep 2011	Change
Revenues	799.9	819.4	-2.4%
External purchases	(164.3)	(178.6)	8.0%
Other operating income and expenses	(2.0)	(5.1)	60.8%
Salaries and charges	(271.8)	(254.8)	-6.7%
Gross operating margin	361.8	380.9	-5.0%
<i>as % of revenues</i>	<i>45.2%</i>	<i>46.5%</i>	
Legal employee profit-sharing	(11.6)	(10.5)	-10.5%
Share-based payment	(0.7)	(1.1)	36.4%
Depreciation and amortisation	(26.5)	(18.0)	-47.2%
Gain and losses from disposals	(0.1)	(0.3)	66.7%
Acquisition costs of shares	-	(0.7)	na
Operating income	322.8	350.3	-7.9%
<i>as % of revenues</i>	<i>40.4%</i>	<i>42.8%</i>	
Financial income	3.9	2.6	50.0%
Financial expenses	(98.9)	(94.7)	-4.4%
Net financial result	(95.0)	(92.0)	-3.3%
Share of profit or loss of an associate	(0.7)	(0.1)	na
Income before tax	227.2	258.2	-12.0%
Corporate income tax	(88.2)	(95.9)	8.0%
Net income	139.0	162.3	-14.4%
of which attributable to:			
- shareholders of PagesJaunes Groupe	139.1	162.3	-14.3%
- non-controlling interests	-	-	-

Appendix 4: Consolidated cash flow statement

In millions of euros	From 1 Jan. to 30 Sep 2012	From 1 jan. to 30 Sep 2011	Change
Gross operating margin	361.8	380.9	-5.0%
Legal employee profit-sharing	(11.6)	(10.5)	-10.8%
Non monetary items included in GOM	(1.6)	4.0	na
Net change in working capital	1.0	0.4	na
Acquisition of tangible and intangible fixed assets	(29.2)	(29.0)	-0.6%
Operational cash flow	320.4	345.9	-7.4%
<i>in % of GOM</i>	<i>88.6%</i>	<i>90.8%</i>	
Financial result pay out or cash	(79.0)	(68.6)	-15.1%
Corporate income tax paid	(76.2)	(95.7)	+20.4%
Net cash flow	165.2	181.6	-9.0%
Increase (decrease) in borrowings and bank overdrafts	279.7	(22.9)	na
Dividends paid	-	(162.7)	na
Acquisitions of investment securities and subsidiaries, net of cash acquired	(1.3)	(19.7)	na
Other net cash used in investing activities	(0.7)	(5.2)	+86.3%
Net cash variation	443.0	(29.0)	na
Net cash and cash equivalents at beginning of period	78.1	103.5	-24.6%
Net cash and cash equivalents at end of period	521.1	74.5	na



Appendix 5: Consolidated balance sheet

In millions of euros	30-sept-12	31-Dec-11	30-sept-11
ASSETS			
Total non-current assets	221.6	215.3	206.9
Net goodwill	93.9	94.1	93.8
Other net intangible fixed assets	70.3	66.4	60.9
Net tangible fixed assets	26.3	28.2	26.9
Other non-current assets of which deferred tax assets	31.2	26.6	25.2
Total current assets	992.1	667.8	558.6
Net trade accounts receivable	324.3	439.3	326.7
Prepaid expenses	101.2	109.4	102.0
Cash and cash equivalents	524.0	82.7	79.0
Other current assets	42.6	36.4	50.8
TOTAL ASSETS	1,213.7	883.1	765.5
LIABILITIES			
Total equity	(1,984.3)	(2,120.9)	(2,150.6)
Total non-current liabilities	2,057.4	2,040.4	2,032.3
Non-current financial liabilities and derivatives	1,992.2	1,981.5	1,971.7
Employee benefits - non-current	57.6	51.2	52.4
Other non-current liabilities	7.6	7.6	8.3
Total current liabilities	1,140.6	963.6	883.7
Bank overdrafts and other short-term borrowings	287.6	8.5	15.4
Deferred income	571.0	636.6	583.2
Employee benefits - current	101.4	118.3	99.7
Trade accounts payable	79.0	94.3	85.9
Other current liabilities	101.7	105.9	99.5
TOTAL LIABILITIES	1,213.7	883.1	765.5

Appendix 6: Consolidated net debt

In Millions of euros	30-June-12	31-Dec-11	30-June-11
Cash and cash equivalents	524.0	82.7	79.0
Gross Cash position	524.0	82.7	79.0
Bank overdrafts	(3.0)	(4.6)	(4.5)
Net Cash position	521.1	78.1	74.5
Bank borrowings	(1,600.1)	(1,600.2)	(1,600.2)
Bond borrowings	(350.0)	(350.0)	(350.0)
Revolving credit line drawn	(281.4)	-	-
Loan issuance expenses	27.8	33.4	35.6
Capital leases	(0.1)	(0.1)	(0.1)
Liabilities in respect of hedging instruments	-	-	(1.9)
Fair value of hedging instruments	(62.7)	(56.4)	(54.3)
Accrued interest not yet due	(14.4)	(7.4)	(16.4)
Other financial liabilities	(10.3)	(12.1)	(11.7)
Gross financial debt	(2,291.2)	(1,992.8)	(1,999.0)
<i>of which current</i>	<i>(299.0)</i>	<i>(11.3)</i>	<i>(27.4)</i>
<i>of which non-current</i>	<i>(1,992.2)</i>	<i>(1,981.5)</i>	<i>(1,971.7)</i>
Net cash (debt)	(1,770.1)	(1,914.7)	(1,924.5)
Net cash (debt) excluding fair value of financial instruments and loan issuance expenses	(1,735.3)	(1,891.7)	(1,905.8)