

PRESS RELEASE

Sèvres, 11 February 2016

2015 full year results : Internet revenues +4% and EBITDA² margin of 31%

- 2015 Internet revenues of €640 million (representing 73% of revenues), up +4%¹
- 2015 revenues of €873 million, down -5%¹
- 2015 EBITDA² of €270 million, representing 31%³ of revenues

Jean-Pierre Remy, Chief Executive Officer of SoLocal Group, stated:

“Digital 2015 programme has transformed SoLocal into a digital Group and allowed our Internet business to recover growth, with +4% in 2015. Thanks to the operational contingency plan, we complied with all bank covenants at year-end. The development of the Group remains constrained by its bank covenants; this is why we continue to explore all refinancing options and the 2016 outlook will depend on the retained orientation.”

I. Revenues and EBITDA

The Board of Directors approved the Group's consolidated accounts as of 31 December 2015. When presenting its full year 2015 results, SoLocal Group separated the evolution of its continued activities from divested activities (see press release of October 19th, 2015). Business indicators covered are for continued activities.

In million of euros	2014	2015	Change
Internet revenues	618	640	+3.6%
Local search	486	496	+2.1%
Number of visits (in million)	2,046	2,238	+9%
ARPA (in €)	874	940	+8%
Number of clients (in thousand)	556	528	-5%
Digital marketing	132	144	+9.3%
Penetration rate (in number of clients)	21%	22%	
Print & Voice revenues	304	232	-23.4%
Revenues	922	873	-5.3%

¹ In 2015, compared to 2014

² Recurring, excluding exceptional items

³ Recurring EBITDA/revenue margin, excluding exceptional items

Revenues stood at €873 million in 2015, down -5.3% compared to 2014:

- **Internet** revenues grew by **+3.6%**, mainly driven by the acceleration of the Digital marketing business up +9.3% thanks to local programmatic and websites & contents, and the growth of Local search ARPA, partially offset by reduced investments in client acquisition.
- **Print & Voice** revenues down by **-23.4%** over the period.

In million of euros	2014	2015	Change
Internet recurring EBITDA	202	201	-0.3%
<i>EBITDA / revenue margin</i>	33%	31%	
Print & Voice recurring EBITDA	109	69	-36.6%
<i>EBITDA / revenue margin</i>	36%	30%	
Recurring EBITDA	311	270	-13.0%
<i>EBITDA / revenue margin</i>	34%	31%	

Recurring EBITDA was **€270 million** in 2015, down -13.0% versus 2014, mainly due to the -36.6% decline of the Print & Voice EBITDA partially offset by a stabilization of the Internet EBITDA.

The **EBITDA/revenue margin** was **31%** in 2015, a limited drop of 3 points compared to 2014, thanks to the full implementation of the operational contingency plan :

- Divestment of 4 non profitable and non growing Internet businesses
- Strong discipline in resource and cost management with cost reduction of -1% compared to 2014 and in the implementation of voluntary departure plan
- Streamlined processes

II. Net income and financial structure

In million of euros	2014	2015	Change
Recurring EBITDA	311	270	-13.0%
Depreciation and amortisation	(47)	(52)	+10.6%
Net financial expense	(98)	(84)	-14.9%
Corporate income tax	(71)	(62)	-13.1%
Recurring income from continued activities	94	73	-22.8%
Contribution to net income from exceptional items	(21)	(30)	+41.4%
Net income from divested activities	(13)	(16)	+18.1%
Net income	59	27	-55.1%

Depreciation and amortisation amounted to **-€52 million in 2015**, up +10.6% compared to 2014 in line with Digital 2015 investment programme.

Net financial expense was **-€84 million in 2015**, in reduction of -14.9% compared to 2014, mainly thanks to the impact of debt repayments made between the two periods.

Corporate income tax was a charge of **-€62 million in 2015**, in reduction of -13.1% compared to 2014.

Recurring income from continued activities amounted to **€73 million in 2015**, down -22.8% compared to 2014.

Contribution to net income from exceptional items was **-€30 million in 2015**, as a result of provisions made in connection with the court decisions on the annulment of the approval of the Employment Safeguard Plan by the French labor inspectorate (Direccte) late 2013 (cf. Press release 'Consequences of the decision of the French Council of State on the Employment Safeguard Plan' published today) and the voluntary departure plan as part of the operational contingency plan.

Net income from divested activities amounted to **a loss of -€16 million in 2015**, mainly due to exceptional provisions recognised in connection with the divestments of these activities.

The Group's **net income** was **€27 million in 2015**, down -55.1% compared to 2014.

Net debt⁴ was **€1,091 million as of 31 December 2015**, a decrease of -€45.3 million compared to 31 December 2014, as a result of the cash generated by the Group's businesses.

The Group complied with all its bank covenants as of 31 December 2015.

Net cash flow from continued activities was **€67 million in 2015**, up +42.0% compared to 2014, thanks to working capital management and low tax disbursed.

Net cash flow from divested activities was -€8 million in 2015.

The Group's net cash flow was €58 million in 2015, up +53.9% compared to 2014.

As of 31 December 2015, the Group had a net cash position of €53 million⁵.

About SoLocal Group

SoLocal Group, the European market leader in local online communication, provides digital content, advertising solutions and transactional services that simply connect people with local businesses. The Group employs some 4,400 people (including nearly 1,900 local communication advisors) in France, Spain, Austria and the United Kingdom and supports the online development of SMB and major client accounts, mainly through its four flagship brands: PagesJaunes, Mappy, Ooreka and A Vendre A Louer. Over the years, SoLocal Group has earned the trust of some 530,000 Internet clients. In 2015, SoLocal Group generated revenues of 873 million euros, of which Internet business accounted for 73%, making it a European market leader in terms of online advertising revenues. SoLocal Group is listed on Euronext Paris (LOCAL). More information may be obtained at www.solocalgroup.com.

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All financial data and indicators are published in details within the report of Consolidated financial information as of 31 December 2015 which is available on the corporate website, www.solocalgroup.com (finance area).

This press release contains forward-looking statements. Although SoLocal Group feels that its estimates are based upon assumptions which we believe to be reasonable, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in said forward-looking statements. For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of SoLocal Group to differ from those contained in the forward-looking, please refer to the "Risk factors" section of the "Document de Référence" filed with the French financial markets authority (AMF) and available on the Internet sites of the AMF (www.amf-france.org) and of SoLocal Group (www.solocalgroup.com). Accounting data represented on an annual basis in audited consolidated form and on a quarterly basis in unaudited consolidated form.

⁴ Net debt is the gross financial debt plus or minus the fair net asset value of asset and/or liability derivative instruments used for cash flow hedging purposes, minus cash and cash equivalents

⁵ Net of bank overdrafts and including own bonds