PRESS RELEASE

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SoLocal Group announces an agreement on a draft revised financial restructuring plan

Agreement between all stakeholders on the financing plan of "Conquer 2018"

Maintained structure of the financial restructuring plan, changes aiming at improving the terms for the Company and the shareholders

The draft revised plan was unanimously approved by the Board of Directors of SoLocal Group, RegroupementPPLocal association and a group of creditors representing approximately 37% of the outstanding financial debt :

- Granting to the existing shareholders of 3 free shares for 2 existing shares (compared to the granting of one free share for every existing share in the project approved by creditors and rejected by shareholders ("Initial Plan"))
- Substantial reduction in the number of warrants subscribed by the creditors ("creditors warrants") : 45 million creditors warrants in the absence of any new capital raised, no creditors warrants beyond € 250M of new capital raised (as compared to 45 to 155 million creditors warrants in the Initial Plan)
- Reinstated debt of € 400M: the Company shall have the opportunity at any time to redeem the newly issued bonds at 100% of their nominal value (compared to 101% in the Initial Plan)
- Continued search for investors to participate in strengthening the capital of the Company and support the implementation of the rights issue with preferential subscription rights of shareholders (the "Rights Issue")
- Governance : All stakeholders parties to this agreement support "Conquer 2018" plan and its implementation with the current CEO ; In addition, if the restructuring plan is approved by creditors and shareholders, the Board of Directors will co-opt a director without delay and appoint one non-voting member representating the creditors parties to the agreement with the Company. Depending on the level of new capital raised (in particular in the Rights Issue), the Board of Directors will propose at a General Meeting which will take place after the financial restructuring the appointment of directors representing creditors parties to the agreement with the Company (who intend to declare themselves in concert) in proportion to their share in the capital of the Company post financial restructuring.

Following the General Meeting of Shareholders held on 19 October 2016 which rejected the proposed financial restructuring plan, the Company, with the involvement of its financial subcommittee, extended to new directors elected at the request of individual shareholders, and creditors have resumed discussions under the aegis of Maître Bourbouloux to improve the terms of such plan with respect to shareholders and the Company.

SoLocal Group announces today that it has reached an agreement on a draft revised plan, with three of its creditors (funds managed or advised by Paulson & Co., Inc., Monarch Alternative Capital (Europe) Ltd and Amber Capital UK Holdings Ltd) who together account for about 37% of the syndicated loan of SoLocal Group.

This revised plan makes substantial improvements which are likely to promote both subscription by Shareholders to the Rights Issue with preferential subscription rights, and the interest of new investors.

Free shares for existing shareholders

The revised plan provides for the distribution to the existing shareholders of the Company of 3 free shares for 2 existing shares, representing approximately 58.5 million free shares.

Creditors warrants

Creditors would still receive warrants at a strike price of € 2 per share with a maturity of 5 years, but the number of creditors warrants would be substantially reduced :

- 45 million warrants if the amount of cash raised as part of the Rights Issue and the reserved issue for new investors (see below) is nil,
- no warrant if this amount exceeds € 250M,
- the number of warrants reduces, within the limits mentioned above, linearly when the amount of cash raised is between 0 and € 250M.

Reinstated debt

The conditions of the new debt would be improved in favor of the Company: The Company will now have the ability to redeem its new debt (at any time) without any penalty (a penalty of 1% of the repaid amount was included in the Initial Plan).

Active search for investors

The terms of the € 400M-Rights issue at a subscription price of € 1, would remain unchanged. But the Company is actively looking for new investors identified, who are likely to participate in the strengthening of the equity of the Company. In this regard, the revised plan provides that for a maximum of € 35M (share issue premium included), such investors could participate in a capital increase which would be reserved for them at a subscription price of € 1 per share. The amount of the Rights Issue would be reduced accordingly. Such capital increase reserved for such investors would be carried out before the Rights Issue, so that they would participate in the Rights Issue with preferential subscription rights attached to the shares that they would have subscribed to (and to which such investors would commit). This would increase the cash subscription rate of the Rights Issue, and thus facilitate its implementation.

Governance

The governance arrangements would be revised as follows :

- If the plan is approved by creditors and shareholders, the Board of Directors will immediately co-opt a director and appoint a non-voting member (provided that the General Meeting which shall have approved the revised plan which shall amend the by-laws of the Company to allow for the appointment of non-voting members) representing the three creditors who reached an agreement with the Company today.
- Then within three months following the completion of the financial restructuring, the Ordinary General Meeting would meet, in particular to decide on possible changes in the composition of the Board as a result of the financial restructuring; on this occasion, the Board of Directors would propose the appointment of directors so that the representation on the Board of Directors of the three creditors parties to the agreement with the Company is proportional to their participation in the post financial restructuring capital with a minimum of two members.
- The three creditors parties to the agreement with the Company intend to declare themselves in concert vis-à-vis the Company. They will seek a derogation from the Autorité des Marchés Financiers (AMF) of the

obligation to launch a public offer on the shares of the Company, in the event that they would collectively cross the 30%-threshold of capital or voting rights; obtaining this waiver is a suspensive condition of the revised plan.

A draft revised plan approved by the Board of Directors of SoLocal Group, RegroupementPPLocal Association and creditors representing approximately 37% of the outstanding financial debt

The draft revised plan has been agreed unanimously in principle by the Board of SoLocal Group.

The RegroupementPPLocal Association has indicated its support to the new plan.

In addition, all stakeholders involved in this agreement support “Conquer 2018” plan and its implementation with the current CEO.

Given this agreement reached today between the Company and three of its main creditors regarding this draft revised plan, the Commercial Court of Nanterre has been requested, at its hearing yesterday (2 November 2016), to convey a new hearing before the end of the year to rule the new modification of the 2014 accelerated financial safeguard plan after the vote of the creditors in a creditors committee and the shareholders in a General Meeting.

Timetable for adoption of revised plan

According to the indicative timetable, the revised plan would be submitted to the creditors at a creditors committee that would be convened on Wednesday 30 November 2016 and to the shareholders at an Extraordinary General Meeting of Shareholders that would be held on Thursday 15 December 2016. If all the conditions for the adoption of the revised plan (see below) are met, the capital increase operations would be carried out during the first quarter of 2017.

The revised plan is subject to various suspensive conditions, including:

- the agreement of creditors of the Company to amend the accelerated financial safeguard plan (which requires a favorable vote of at least two thirds of the creditors committee of SoLocal Group);
- the approval by the Extraordinary General Meeting of Shareholders of SoLocal Group of all resolutions related to the transaction ;
- the amendment of the accelerated financial safeguard plan and its approval by the Commercial Court of Nanterre ;
- the obtention of an exemption from the AMF for the creditors parties to the agreement with the Company acting in concert from having to make a public offer pursuant to Article 234-9 2° of the AMF General Regulation.

Breach of leverage covenant

As previously announced, the Company has not complied with the leverage covenant as of 30 June 2016 and may not comply with this covenant as of 30 September 2016. This provides creditors (excluding Tranche C1) with the right to accelerate at any time (subject to the mandatory provisions of the Commercial Code) the payment of the entire amount SoLocal Group’s financial debt, i.e. € 1.164 bn (as of 30 June 2016, excluding financial debt held by SoLocal Group and its subsidiaries).

The three creditors parties to the agreement with the Company agreed, provided that the revised financial restructuring plan is adopted, to abstain from requesting the acceleration of SoLocal Group’s debt, as a result of the breach of covenant leverage as of 30 June 2016 and, if applicable, as of 30 September 2016.

The adoption of the revised financial restructuring plan would nullify the effect of such breach of covenant.

About SoLocal Group

SoLocal Group, European leader in local online communication, reveals local know-how, and boosts local revenues of businesses. The Internet activities of the Group are structured around two business lines: Local Search and Digital Marketing. With Local Search, the Group offers digital services and solutions to clients which enable them to enhance their visibility and develop their local contacts. Thanks to its expertise, SoLocal Group earned the trust of some 530,000 clients of those services and over 2.2 billions of visits via its 4 flagship brands (PagesJaunes, Mappy, Ooreka and A Vendre A Louer) but also through its partnerships. With Digital Marketing, SoLocal Group creates and provides Internet users with the best local and customised content about professionals. With over 4,400 employees, including a salesforce of 1,900 local communication advisors specialised in five verticals (Home, Services, Retail, Health & Public, BtoB) and Internationally (France, Spain, Austria, United Kingdom), the Group generated in 2015 revenues of 873 millions euros, of which 73% on Internet and ranks amongst the first European players in terms of Internet advertising revenues. SoLocal Group is listed on Euronext Paris (LOCAL). More information may be obtained at www.solocalgroup.com.

Contacts

Press

Delphine Penalva
+33 (0)1 46 23 35 31
dpenalva@solocal.com

Edwige Druon
+33 (0)1 46 23 37 56
edruon@solocal.com

Alexandra Kunysz
+33 (0)1 46 23 47 45
akunysz@solocal.com

Investors

Elsa Cardarelli
+33 (0)1 46 23 40 92
ecardarelli@*solocal.com*

Sébastien Nony
+33 (0) 1 46 23 49 03
snony@*solocal.com*

Appendices

Summary of key terms of the draft revised financial restructuring plan

Rights issue		Conversion debt to equity		Reserved capital increase to creditors		Reinstated debt and MCBs (M€)		Shareholders free shares	Creditors warrants	
Cash raised (€ M)	Issue price	Amount (€ M)	Issue price	Amount (€ M)	Issue price	Reinstated debt	MCBs	Number of shares (m)	Number of warrants (m)	Issue price
400	1.00 €	0	1.00 €	384	4.73 €	400	0	58	0	2.00 €
300	1.00 €	100	1.00 €	384	4.73 €	400	0	58	0	2.00 €
250	1.00 €	150	1.00 €	351	4.36 €	400	33	58	0	2.00 €
200	1.00 €	200	1.00 €	318	3.98 €	400	67	58	9	2.00 €
100	1.00 €	300	1.00 €	251	3.20 €	400	133	58	27	2.00 €
0	1.00 €	400	1.00 €	164	2.14 €	400	200	58	45	2.00 €

Summary of the number of shares issued in the context of the draft revised financial restructuring plan

Cash raised (€ M)	Number of existing shares (m)	Number of created shares (m) through :					Number of shares (m) after conversion of MCBs et before dilution of warrants	Number of created shares (m) through the exercice of creditors	Number of shares (m) ater dilution of MCBs and creditors warrants
		Free shares	Augmentation de Capital en espèces	Debt conversion	MCBs conversion	Reserved capital increase			
	Shareholders	Shareholders	Shareholders	Creditors	Creditors	Creditors		Creditors	
400	**39**	58	400	0	0	81	**578**	0	**578**
300	**39**	58	300	100	0	81	**578**	0	**578**
250	**39**	58	250	150	17	81	**594**	0	**594**
200	**39**	58	200	200	33	80	**610**	9	**619**
100	**39**	58	100	300	67	79	**642**	27	**669**
0	**39**	58	0	400	100	77	**674**	45	**719**

Summary of the percentage ownership post financial restructuring for shareholders and creditors, without considering investors who may participate in the capital increase of the Company

Cash raised (M€)	% capital ownership after conversion of MCBs and before exercice of creditors warrants		% capital ownership after conversion of MCBs and after exercice of creditors warrants	
	Shareholders	Creditors	Shareholders	Creditors
400	86.0%	14.0%	86.0%	14.0%
300	68.7%	31.3%	68.7%	31.3%
250	58.4%	41.6%	58.4%	41.6%
200	48.7%	51.3%	48.0%	52.0%
100	30.7%	69.3%	29.5%	70.5%
0	14.4%	85.6%	13.5%	86.5%

Summary of the percentage ownership post financial restructuring for shareholders and creditors, considering investors who may participate in the capital increase of the Company for €200M

Cash raised (M€)	% capital ownership after conversion of MCBs and before exercice of creditors warrants			% capital ownership after conversion of MCBs and after exercice of creditors warrants		
	Shareholders	Investor	Creditors	Shareholders	Investor	Creditors
400	51.4%	34.6%	14.0%	51.4%	34.6%	14.0%
300	34.1%	34.6%	31.3%	34.1%	34.6%	31.3%
250	24.8%	33.7%	41.6%	24.8%	33.7%	41.6%
200	15.9%	32.8%	51.3%	15.7%	32.3%	52.0%

Summary of average subscription price for shareholders and creditors, without considering investors who may participate in the capital increase of the Company

Cash raised (€ M)	Subscription price of shareholders after considering free shares	Average subscription price of creditors after conversion of MCBs, before exercice of warrants	Average subscription price of creditors after conversion of MCBs, after exercice of warrants
400	0.87 €	4.73 €	4.73 €
300	0.84 €	2.68 €	2.68 €
250	0.81 €	2.16 €	2.16 €
200	0.77 €	1.87 €	1.87 €
100	0.63 €	1.54 €	1.56 €
0	0.00 €	1.32 €	1.37 €

Summary of average subscription price for shareholders and creditors, considering investors who may participate in the capital increase of the Company for €200M

Cash raised (€ M)	Subscription price of shareholders after considering free shares	Subscription price of a new investor	Average subscription price of creditors after conversion of MCBs, before exercice of warrants	Average subscription price of creditors after conversion of MCBs, after exercice of warrants
400	0.77 €	1.00 €	4.73 €	4.73 €
300	0.63 €	1.00 €	2.68 €	2.68 €
250	0.46 €	1.00 €	2.16 €	2.16 €
200	0.00 €	1.00 €	1.87 €	1.87 €