

## PRESS RELEASE

Boulogne-Billancourt, 25 April 2017

### Q1 2017: +4% growth of Internet revenues, confirming Q4 2016 trend

#### Q1 2017 results :

- Internet revenues : €163 million, +4%<sup>1</sup>
- Total revenues : €189 million, -1%<sup>1</sup>

#### Outlook for 2017 confirmed :

- Internet revenues growth : +3% to +5%
- EBITDA<sup>2</sup>: €210 million to €225 million

**The financial restructuring plan, which enabled SoLocal Group to reduce its leverage at 1.46x, was successfully implemented in the first quarter of 2017 and enables the deployment of "Conquer 2020" strategic plan.**

**When releasing the 2017 Q1 results, Jean-Pierre Remy, Chief Executive Officer of SoLocal Group, stated:** *"The first quarter of 2017 reflects the encouraging momentum observed in the last quarter of 2016, notably the good growth of our Internet activities and allows to confirm our outlook. Nevertheless, as explained last December, the uncertainties that weighed on the Group's financial restructuring slowed down commercial performance in the last quarter of 2016, which will considerably impact our growth in mid-2017."*

<sup>1</sup> In Q4 2016 versus Q4 2015 (scope: continued activities)

<sup>2</sup> Total (Internet + Print & Voice) recurring EBITDA

## I. Revenues

SoLocal Group's revenue for the first quarter of 2017 is as follows:

In millions of euros	Q1 2016	Q1 2017	Change
<b>Internet revenues</b>	<b>157</b>	<b>163</b>	<b>+4%</b>
<b>Local Search</b>	<b>118</b>	<b>119</b>	<b>+2%</b>
<i>Number of visits (in million)</i>	595	634	+7%
<i>ARPA<sup>1</sup> (in €)</i>	232	250	+8%
<i>Number of clients (in thousand)</i>	506	477	-6%
<b>Digital Marketing</b>	<b>40</b>	<b>43</b>	<b>+10%</b>
<i>Penetration rate (in number of clients)</i>	23%	24%	+1pt
<b>Print &amp; Voice revenues</b>	<b>33</b>	<b>26</b>	<b>-21%</b>
<b>Revenues</b>	<b>190</b>	<b>189</b>	<b>-1%</b>

Note: Chart concerning the continued activities

The Group recorded revenues of € 189 million in Q1 2017, down -1% versus Q1 2016, growth in Internet activities almost offsetting more limited decline in Print & Voice activities.

**Internet revenues** of €163 million in Q1 2017 were **up +4% vs Q1 2016**, and continue the trend observed in Q4 2016 :

- **Audience growth** : Internet visits recorded a growth of +7% in Q1 2017 versus Q1 2016, of which +17% for mobile audience (representing 45% of total audience).
- **Local Search revenues**: +2% in Q1 2017 versus Q1 2016 :
  - **Local Search ARPA<sup>2</sup>** : +8% in Q1 2017 versus Q1 2016, above historical trend since Q2 2016, resulting from an upgrade in the Search offering.
  - **Client base** : -6% in Q1 2017 vs Q1 2016, benefit from reinforced acquisition capabilities will arise along the year, as well as improvement of 2 points on the sales order churn rate.
- **Digital Marketing revenues** : Revenues increased by +10% in Q1 2017 vs Q1 2016, thanks to the acceleration of the Group's innovative offerings : +15% growth for sites and content, +10% for programmatic and data, and +11% for transactional services and online reservation services (health and restaurants). This quarter, Digital Marketing revenues represented 23% of total revenues.

**Print & Voice revenues** of €26 million in Q1 2017 **decreased by -21%** versus Q1 2016. This business represented 14% of total revenues this quarter.

## II. Financial restructuring

During the first quarter, the Group implemented its financial restructuring, enabling it to strengthen its equity and decrease its net debt to €335 million and the level of leverage to 1.46x at 31 March 2017.

<sup>2</sup> Average Revenue Per Advertiser

### III. Outlook

The achievement of financial restructuring in Q1 2017 and the performance recorded in Q1 2017 enable SoLocal Group to confirm its outlook for 2017.

The expected outlook for 2017 is as follows :

	2017
<b>Internet revenues growth</b>	+3% to +5%
<b>Recurring EBITDA (in €m)</b>	210 - 225

### 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 490,000 clients of those services and over 2.4 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 the best local and customised content about professionals. With over 4,400 employees, including a new orders force 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 2016 revenues of 812 millions euros, of which 80% 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](http://www.solocalgroup.com).

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