

PRESS RELEASE

RESULTS FOR FY 2006 APPROVED BY THE BOARD OF DIRECTORS

YEAR 2006 A TURNING POINT FOR SEAT PAGINE GIALLE STRONG GROWTH IN THE SECOND HALF THANKS TO PRODUCT INNOVATIONS INTRODUCED BETWEEN 2005 AND START OF 2006.

DIVIDEND OF EURO 58.4 MILLION (+39% OVER 2005) PROPOSED, WITH PAYOUT RATIO OF 70% (50% IN 2005).

- **CONSOLIDATED REVENUES** increased to Euro 1,460.2 million (+2.5%), reflecting the first positive effects of the initiatives undertaken to innovate our product portfolio and sales practices;
- **CONSOLIDATED EBITDA** amounted to Euro 611.4 million, in line with the guidance announced to the market, and down compared to 2005 (-2.4%) due to operating and advertising costs incurred in the first half of the year to launch new services in Italy and France. EBITDA recorded strong growth in the second half of the year (+10.5% compared to the second half of 2005), thanks to the above-mentioned investments and improvements made to the organisation and quality of sales in Italy;
- **CONSOLIDATED INCOME BEFORE TAXES** was Euro 155.9 million, slightly lower than Euro 163.9 million in 2005;
- **NET INCOME** of Seat S.p.A. amounted to Euro 83.4 million (Euro 84.7 million in 2005);
- **OPERATING CASH FLOW** was Euro 548.3 million, confirming the Company's high capacity for cash generation;
- **NET FINANCIAL DEBT** amounted to Euro 3,405.8 million, down Euro 228.8 million;
- **ALL-IN AVERAGE COST OF DEBT** decreased to 6% from 6.2% in 2005.

POSITIVE OUTLOOK FOR 2007:

- **EBITDA** is expected to grow significantly (+10÷12%) in 2007, a continuation of the positive trend seen in the second half of 2006;
- **FREE CASH FLOW** available for debt service and dividends is expected to exceed € 300 million;
- **THE NEW INDUSTRIAL PLAN 2008-2010** is underway and will be presented to the market this May.

Milan, 13 March 2007 – The Board of Directors of Seat Pagine Gialle, chaired by Enrico Giliberti, approved the draft annual report for the year 2006, upon motion by Chief Executive Officer Luca Majocchi.

CONSOLIDATED RESULTS AT 31 DECEMBER 2006

Performance of sales and service revenues

Consolidated revenues reached € 1,460.2 million, up 2.5% compared to € 1,424.6 million in 2005. The year began to show the positive influence of investment made in previous years to strengthen the sales structure and print directories and launch of new voice and online products and services.

At a level of individual Business Areas, the trend of consolidated revenues was as follows:

- *Directories Italia (Seat Pagine Gialle S.p.A.):* Revenues were € 1,077.5 million, up 1.5% compared to 2005. They benefited from the product innovations introduced and from the new sales organisation by customer segment. Online PAGINEGIALLE.it services made a positive contribution (+11.3%), thanks in part to the launch of PAGINEGIALLE VISUAL in the last quarter of 2006, as did voice services (+49.6%), in part due to the success of the new 12.40 Pronto PAGINEBIANCHE service. These services offset the decrease in print products (-3.9%), which performed poorly in the first half of the year before showing signs of improvement in the second half mainly due to the good results recorded by the new full colour edition of the PAGINEBIANCHE® directories (+2.5% in the second half of 2006);
- *Directories UK (Thomson Directories Group):* the company, which began a process of product innovation and sales structure reorganisation similar to that implemented by Seat S.p.A. in 2005-2006, recorded € 173.5 million in revenues (-1.5% in local currency terms). The healthy performance of the online component (+42.9% compared to 2005) offset the difficulties experienced by print directories resulting from the reorganisation of the commercial area. The average value per advertiser was up 2.9%, thanks to the positive effects of cross selling among print and online platforms;
- *Directory Assistance (Telegate Group and Prontoseat):* Revenues increased 18.4% to € 188.7 million, thanks to the good performance achieved by the Telegate group (+19.1%) thanks to the development of international activities (Italy, Spain) and the entry into the French market. Prontoseat achieved good results (+5.4%);
- *Other Operations (Europages, Consodata, and Cipi):* revenues amounted to € 77.0 million, up 13.7% compared to the previous year. The comparison with the previous year is also penalised by the different consolidation area.

Performance of operating income before depreciation & amortisation, net non-recurring and restructuring charges (EBITDA)

Operating income before depreciation, amortisation, net non-recurring and restructuring charges (EBITDA) was € 611.4 million, down 2.4% compared to 2005, especially due to operating costs

and advertising expense, mainly incurred during the first half of the year, for the launch of the new DA services in Italy and France. A positive trend was recorded throughout the year, with EBITDA growing substantially to € 456.4 million in the second half (+10.5% compared to the same period of 2005), owing to the first positive effects of the investments made in 2005 and the first half of 2006.

Pre-tax income performance

Consolidated income before taxes was Euro 155.9 million, slightly lower than Euro 163.9 million in 2005. This result was influenced by the costs incurred to launch new directory assistance services and benefited from lower interest charges, which decreased from Euro 239.9 million to Euro 223.3 million thanks to effective debt management.

Net income Performance

Net income for the year was € 80.1 million, with a decrease from € 131.9 million in 2005, which however included the positive tax effect (€ 41 million) for the alignment of the accounting and tax values of the Customer Data Base.

Performance of net financial debt

Net debt amounted to € 3,405.8 million, decreasing by € 228.8 million as a result of operating cash flow and after the payout of a € 45.3 million dividend and € 19.5 million in one-off taxes for the alignment of the accounting and tax values of the Customer Data Base.

Variable rate debt is composed of € 2,088.7 million, consisting of a senior loan indexed to Euribor (of which 86% hedged for interest rate risk for the three-year period 2007-2009), and € 256 million in asset-backed notes issued as part of the securitisation of Seat S.p.A. trade receivables begun in June. The remaining portion of the debt is made up of a subordinate, fixed interest rate loan of € 1,300 million.

The result of the check carried out on 31 December 2006 on financing contracts covenants was positive.

The overall average cost of debt for 2006 decreased to 6%, improving compared to 6.2% in 2005, despite the general increase in interest rates in 2006, especially due to the renegotiation of the senior loan carried out in the first half of 2005.

In February 2007, Seat Pagine Gialle paid back in advance € 104.1 million in debt (€ 79 million contractually due in June 2007 and the rest in June 2013), made possible by the Company's solid generation of operating cash flow.

Performance of operating free cash flow

The Group keeps its ability to generate high levels of cash to service debt repayment and also for a potential dividend payout. Operating free cash flow amounted to € 548.34 million, a slight decrease from last year's figure (€ 601.5 million) due to the slight decrease in EBITDA caused by the launch of new services and the rise in working capital caused mainly by the trend shown by revenues in the last part of the year.

PERFORMANCE OF THE MAIN COMPANIES OF SEAT PAGINE GIALLE GROUP

SEAT PAGINE GIALLE S.p.A.

Against a macroeconomic background characterised by cautious household spending and limited consumption during the second half of 2005 and 2006, and a prudent approach by small and medium sized businesses in terms of advertising expenditure, the parent company continued its policy of investments designed to innovate the product and strengthen the sales network.

In detail, revenues amounted to € 1,077.5 million in 2006, a 1.5% increase over the 2005 figure, and an increase compared to the previous two years, mainly driven by new products introduced on the market in the second half of the year.

- *Print directories:* revenues at € 801.5 million, a drop of 3.9% with negative performance particularly during the first half and a gradual recovery during the second half of the year. This result is due to the slightly positive performance of PAGINEBIANCHE, which grew during the second half (up by 2.5%) thanks to full colour printing, and the 7.4% contraction of PAGINEGIALLE, which nevertheless began to show signs of improvement during the second half, despite not yet having benefited from the restyling of the "Home" and "Business" editions (launched in April 2007). Local products were stable (In Zona and Idee in Vacanza);
- *Online:* a high growth in revenues (+11.3%) to € 129 million, thanks to the good performance of PAGINEGIALLE.it. The new product PAGINEGIALLE VISUAL had a positive impact on the use of the online platform which recorded a 14% increase in the number of hits, as well as revenues;
- *Voice:* revenues sharply increased (+49.6%) to € 103.2 million, due to the good performance of the DA service 89.24.24 Pronto PAGINEGIALLE (+12.9%) and the success of the launch on the market of the new service 12.40 Pronto PAGINEBIANCHE;
- *Other:* revenues from other products increased (+2.2% to € 43.9 million), boosted by the positive performance of Direct Marketing products, which benefited from the ongoing improvement of the offering.

EBITDA reached € 542.4 million, up 1.3% compared to 2005, with substantially stable profitability levels at 50.3%, (50.4% in 2005), despite the operating and advertising costs incurred to launch the 12.40 voice service.

NET INCOME was € 83.4 million, compared to € 84.7 million in 2005, which was influenced by tax effect of € 41 million recognised following alignment of the accounting and tax values of the Customer Data Base (Law 342/2000 Art. 14 – Financial Act 2006).

CAPEX which totalled € 35.1 million in 2006 have risen by € 7.5 million compared to the previous year. They were aimed at innovating print and online services, strengthening the sales network and developing the company's management systems, (CRM, SAP, credit management systems), to improve the efficiency of business processes.

THOMSON

For the Thomson Group, 2006 was marked by the launch of a programme to strengthen its offer, and introduce new features into the organisation and sales procedures, similar to the programme implemented by the parent company Seat S.p.A. in 2005 and 2006. In a highly competitive market with considerable prospects for growth (especially in the online sector), this programme is designed to reinforce the company's ability to service demand which remains high for both print and online services.

In 2006, the company recorded income of € 173.5 million, slightly down (-1.2%) compared to the previous year. The revenue performance reflects the positive performance of the online business (+43%), which offsets contraction of print directories (-6.5%). The latter have not yet been influenced by the positive effect of the restyling of Thomson Local directories, of participation in the coalition marketing program "Nectar" and the sales network retraining program. The average value per advertiser was up 2.3%, thanks to the positive effects of cross selling among platforms;

EBITDA amounted to € 39.3 million, down 6.4% due to lower revenues.

TELEGATE

The Group reported a 19.1% increase in revenues to € 178.9 million, mainly driven by the development of operations in France and the good performance of revenues in Spain and Italy.

EBITDA was € 16.7 million, down 54.9% due to high advertising investment to launch the 118000 number in France, whose costs impacted mostly H2 results. In the second half of 2006, EBITDA showed a turnaround of the trend reported in the first half, when EBITDA was a negative € 5.2 million.

DIVIDEND PAYOUT

Based on the results achieved by the Company, at the General Shareholders' Meeting scheduled for 18 April (first call) and 19 April (second call), the Board of Directors will propose the distribution of dividends for € 58.4 million, equal to € 0.007 per ordinary share and € 0.0076 per savings share. This amount is 39% higher than the dividend payout made in 2005. Payout ratio is approximately 70% (50% in 2005).

With prior Shareholder's approval, the dividend will be paid as of 24 May 2007, with ex-dividend date on 21 May 2007.

EVOLUTION OF OPERATIONS AND FORECASTS FOR 2007

2006 was an important year for SEAT Pagine Gialle S.p.A. in terms of the reorganisation and innovation process which began in 2004, designed to give fresh impulse to the company's growth. After a first half marked by the costs of launching new services, during the second half of the year

the company began to see the benefits of the changes introduced in the preceding months, in terms of offer and sales organisation in Italy.

2007 is the first year in which the SEAT PAGINE GIALLE Group will start to benefit from the work undertaken over the past two years.

In Italy, revenues are expected to rise thanks to completion of turnaround for print products, which are expected to remain largely stable after two years of contraction, and also due to a faster pace in the Internet sector which has been supported by the new service PAGINE GIALLE VISUAL. This growth in revenue will have a positive impact on EBITDA. Among the foreign subsidiaries, Telegate is expected to recover after the period of heavy investments which marked its entry into the French market during 2006.

In the first months of 2007, current trading was in line with expectations, confirming the positive trend of the second half of 2006. EBITDA for the year is expected to grow sharply (+10÷12%) thanks to the recovery from one-off costs incurred in 2006 to launch the new directory assistance services and to the organic growth in revenues.

Cash generation will remain high to service debt and dividends. Free Cash Flow is expected to exceed € 300 million.

CALL TO GENERAL SHAREHOLDERS' MEETING

The Board of Directors gave the Chairman a mandate to call the General Shareholders' Meeting for 18 April 2007 (first call), and 19 April 2007 (second call), to pass resolutions: in the Ordinary Session, on the appointment of two Directors (Antonio Belloni and Carmine Di Palo were co-opted by the Board of Directors on 10 October 2006 to replace Stefano Mazzotti and Stefano Quadrio Curzio, who resigned) and the approval of the draft financial statements for the year ended 31 December 2006), and the approval of the draft financial statements for the year ended 31 December 2006; in the Extraordinary Session, on the adoption of some amendments to the Bylaws, mostly aimed at complying with Italian Law on investors' protection (Italian Law No. 262 of 28 December 2005), including the introduction of a manager with responsibility for drafting company accounting statements and compliance with regulations on the appointment of company boards.

The Board likewise gave the Chairman a mandate to call a Special Shareholders' Meeting for savings shareholders, on 17 April 2007 (first call), 18 April (second call), and 19 April (third call), to pass a resolution on the appointment of a common Representative.

PRESENTATION OF THE 2008-2010 INDUSTRIAL PLAN

Now that the corporate reorganisation is complete and both the product range and sales force have been strengthened, the Company is currently drafting a NEW 2008-2010 INDUSTRIAL PLAN, which will be presented to the financial community in May.

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The results approved by the Board of Directors will be presented by Chief Executive Officer Luca Majocchi, during the conference call that will be held today, Tuesday 13 March, at 4:00 pm (CET).

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SEAT PAGINE GIALLE Group

Reclassified Statement of Operations

(euro/mln)	Year	Year	Change	
	2006	2005	Absolute	%
Revenues from sales and services	1,460.2	1,424.6	35.6	2.5
Materials and external services (*)	(568.9)	(515.0)	(53.9)	
Salaries, wages and employees benefits (*)	(231.8)	(218.9)	(12.9)	
Gross operating profit	659.5	690.7	(31.2)	(4.5)
<i>% on revenues</i>	<i>45.2%</i>	<i>48.5%</i>		
Other valuation adjustments and provisions to reserves for risks and charges, net	(47.2)	(60.6)	13.4	
Other income (expenses), net	(0.9)	(3.5)	2.6	
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	611.4	626.6	(15.2)	(2.4)
<i>% on revenues</i>	<i>41.9%</i>	<i>44.0%</i>		
Operating amortisation, depreciation and write-downs	(33.2)	(32.4)	(0.8)	
Non-operating amortisation and write-downs	(162.1)	(162.1)	-	
Non-recurring and restructuring costs, net	(14.0)	(11.9)	(2.1)	
Operating income (EBIT)	402.1	420.2	(18.1)	(4.3)
<i>% on revenues</i>	<i>27.5%</i>	<i>29.5%</i>		
Interest expenses, net	(246.2)	(260.6)	14.4	
Gains (losses) on investments accounted for at equity and disposal of equity investments	-	4.2	(4.2)	
Income taxes for the year	(74.1)	(25.4)	(48.7)	
Income from discontinued operations	-	0.2	(0.2)	
Loss (income) of Minority interests	(1.7)	(6.7)	5.0	
Result for the year	80.1	131.9	(51.8)	(39.2)

(*) Less repayments of costs.

SEAT PAGINE GIALLE Group

Reclassified Balance Sheet

(euro/mIn)	12.31.2006	12.31.2005	Change
GOODWILL AND CUSTOMER DATA BASE	3,997.7	4,155.0	(157.3)
OTHER NON-CURRENT ASSETS (*)	166.8	197.0	(30.2)
NON-CURRENT LIABILITIES	(78.6)	(77.6)	(1.0)
WORKING CAPITAL	292.0	260.6	31.4
NET INVESTED CAPITAL	4,377.9	4,535.0	(157.1)
<i>EQUITY OF THE GROUP</i>	1,057.2	980.1	77.1
<i>MINORITY INTERESTS</i>	18.2	19.6	(1.4)
TOTAL EQUITY	(A) 1,075.4	999.7	75.7
NET FINANCIAL DEBT	3,405.8	3,634.6	(228.8)
<i>TRANSACTION COSTS ON LOANS NOT YET AMORTISED</i>	(102.3)	(122.5)	20.2
<i>NET MARKET VALUE OF HEDGING INSTRUMENTS ON INTEREST RATE RISKS</i>	(1.0)	23.2	(24.2)
NET FINANCIAL DEBT - "BOOK VALUE"	(B) 3,302.5	3,535.3	(232.8)
TOTAL	(A+B) 4,377.9	4,535.0	(157.1)

(*) The item includes "financial assets available for sale".

SEAT PAGINE GIALLE Group

Operating Free Cash Flow

(euro/mIn)	Year 2006	Year 2005	Change
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	611.4	626.6	(15.2)
Actuarial gains (losses) on operating assets and liabilities	(1.0)	(0.8)	(0.2)
Decrease (increase) in operating working capital	(11.9)	19.9	(31.8)
(Decrease) increase in operating non-current liabilities	(1.8)	1.7	(3.5)
Capital expenditure	(48.3)	(46.0)	(2.3)
(Gains) losses on disposal of non-current assets	(0.1)	0.1	(0.2)
Operating free cash flow	548.3	601.5	(53.2)

SEAT PAGINE GIALLE Group

Information for Business Areas

		Italian Directories	UK Directories	Directory Assistance	Other Activities	Aggregate Total	Eliminations and other adjustments	Consolidated Total
(euro/mlin)								
Revenues from sales and services	Year 2006	1,077.5	173.5	188.7	77.0	1,516.7	(56.5)	1,460.2
	Year 2005	1,061.8	175.6	159.4	67.6	1,464.4	(39.8)	1,424.6
Gross operating profit	Year 2006	585.8	44.9	16.7	12.1	659.5	-	659.5
	Year 2005	587.5	48.0	42.7	12.5	690.7	-	690.7
Operating income before amortisation, depreciation, non-recurring and restructuring costs (EBITDA)	Year 2006	542.4	39.3	17.7	12.0	611.4	-	611.4
	Year 2005	535.2	42.0	37.7	11.7	626.6	-	626.6
Operating income (EBIT)	Year 2006	348.0	35.1	10.6	8.4	402.1	-	402.1
	Year 2005	343.8	35.9	31.1	9.4	420.2	-	420.2
Total assets	December 31, 2006	5,022.7	324.3	144.5	322.8	5,814.3	(586.8)	5,227.5
	December 31, 2005	5,217.5	309.9	158.4	57.6	5,743.4	(426.4)	5,317.0
Total liabilities	December 31, 2006	3,961.1	171.2	64.5	293.0	4,489.8	(337.7)	4,152.1
	December 31, 2005	4,238.3	165.4	71.8	29.3	4,504.8	(187.5)	4,317.3
Net invested capital	December 31, 2006	4,327.6	221.6	61.6	16.1	4,626.9	(249.0)	4,377.9
	December 31, 2005	4,493.4	231.8	35.5	13.2	4,773.9	(238.9)	4,535.0
Capital expenditure	December 31, 2006	35.1	2.8	6.0	4.4	48.3	-	48.3
	December 31, 2005	27.6	2.8	13.1	2.7	46.2	(0.2)	46.0
Sales agents (average number)	December 31, 2006	1,344.6	1,004.0	2,391.1	424.0	5,163.8	-	5,163.8
	December 31, 2005	1,288.4	1,025.0	2,019.4	427.1	4,759.9	-	4,759.9
Agenti di vendita (numero medio)	December 31, 2006	1,757	-	-	-	1,757	-	1,757
	December 31, 2005	1,899	-	-	-	1,899	-	1,899

SEAT PAGINE GIALLE S.p.A.

Reclassified Statement of Operations

(euro/mln)	Year	Year	Change	
	2006	2005	Absolute	%
Revenues from sales and services	1,077.5	1,061.8	15.7	1.5
Materials and external services (*)	(410.5)	(389.2)	(21.3)	
Salaries, wages and employees benefits (*)	(81.2)	(85.1)	3.9	
Gross operating profit	585.8	587.5	(1.7)	(0.3)
<i>% on revenues</i>	<i>54.4%</i>	<i>55.3%</i>	-	
Other valuation adjustments and provisions to reserves for risks and charges, net	(40.8)	(50.0)	9.2	
Other income (expenses), net	(2.6)	(2.3)	(0.3)	
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	542.4	535.2	7.2	1.3
<i>% on revenues</i>	<i>50.3%</i>	<i>50.4%</i>	-	
Operating amortisation, depreciation and write-downs	(19.6)	(19.3)	(0.3)	
Non-operating amortisation and write-downs	(162.1)	(162.1)	-	
Non-recurring and restructuring costs, net	(12.7)	(10.0)	(2.7)	
Operating income (EBIT)	348.0	343.8	4.2	1.2
<i>% on revenues</i>	<i>32.3%</i>	<i>32.4%</i>	-	
Interest expenses, net	(206.0)	(248.0)	42.0	
Income taxes for the year	(58.6)	(11.1)	(47.5)	
Result for the year	83.4	84.7	(1.3)	(1.6)

(*) Less repayments of costs

SEAT PAGINE GIALLE S.p.A.

Reclassified Balance Sheet

(euro/mln)	At 12.31.2006	At 12.31.2005	Change	
GOODWILL AND CUSTOMER DATA BASE	3,605.8	3,767.9	(162.1)	
OTHER NON-CURRENT ASSETS (*)	486.5	514.4	(27.9)	
NON-CURRENT LIABILITIES	(47.3)	(49.3)	2.0	
WORKING CAPITAL	282.6	260.4	22.2	
NET INVESTED CAPITAL	4,327.6	4,493.4	(165.8)	
EQUITY	(A)	1,061.6	979.2	82.4
NET FINANCIAL DEBT	3,369.3	3,613.5	(244.2)	
<i>TRANSACTION COSTS ON LOANS AND SECURITISATION COSTS NOT YET AMORTISED</i>	(102.3)	(122.5)	20.2	
<i>NET MARKET VALUE OF HEDGING INSTRUMENTS ON INTEREST RATE RISKS</i>	(1.0)	23.2	(24.2)	
NET FINANCIAL DEBT - "BOOK VALUE"	(B)	3,266.0	3,514.2	(248.2)
TOTAL	(A+B)	4,327.6	4,493.4	(165.8)

(*) The item includes "financial assets available for sale".

SEAT PAGINE GIALLE S.p.A.

Operating Free Cash Flow

(euro/mln)	Year 2006	Year 2006	Change
Operating income before amortization, depreciation, non-recurring and restructuring costs, net (EBITDA)	542.4	535.2	7.2
Actuarial gains (losses) on operating assets and liabilities	(1.4)	(1.0)	(0.4)
Decrease (increase) in operating working capital	(1.7)	20.4	(22.1)
(Decrease) increase in operating non-current liabilities	1.1	2.2	(1.1)
Capital expenditure	(35.1)	(27.6)	(7.5)
(Gains) losses on disposals of non-current assets	(0.1)	-	(0.1)
Operating free cash flow	505.2	529.2	(24.0)