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## **PRESS RELEASE**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006 APPROVED**

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

- **CONSOLIDATED REVENUES** increased to € 1,460.2 million (+2.5%);
- **CONSOLIDATED EBITDA** amounted to € 611.4 million, down 2.4% compared to 2005, due to higher operating costs and advertising expense incurred to launch new services in the first half of 2006; EBITDA recorded strong growth in the second half of the year (+10.5% compared to the second half of 2005), thanks to the positive influence of the above-mentioned investments;
- **CONSOLIDATED INCOME BEFORE TAXES** was € 155.9 million, slightly lower than € 163.9 million in 2005, thanks to the reduction in interest charges;
- **NET INCOME** amounted to € 80.1 million compared to € 131.9 million in 2005 that included € 41 million in one-off tax revenues;
- **NET FINANCIAL DEBT** amounted to € 3,405.8 million, down € 228.8 million;

**THE SHAREHOLDERS' MEETING APPROVED A DIVIDEND DISTRIBUTION** of about € 58.5 million (up 39% over 2005), equal to € 0.0070 per ordinary share and € 0.0076 per savings share.

**EARLY REPAYMENT** of senior loan for a further € 25 million by the end of April: in 2007, to date early repayment of about € 129 million were made; around € 900 million were repaid from April 2004, including € 254 million thanks to the securitization program.

**The NEW 2008-2010 STRATEGIC PLAN** and results for the First Quarter 2007 will be presented on 11 May 2007.

**The amendments to the Bylaws to comply with Italian Law No. 262/2005 (Law on investors' protection)** were approved.

Turin, 19 April 2007 – The Shareholders' Meeting of Seat Pagine Gialle, chaired by Enrico Giliberti, approved the Annual Report for the year 2006.

The Seat Pagine Gialle Group's consolidated revenues reached € 1,460.2 million, up 2.5% compared to € 1,424.6 million in 2005, thus showing the positive influence of investments made in previous years to strengthen the sales structure, for the launch of new products and services in the print, voice and online products and services sectors.

Operating income before depreciation, amortisation, and net non-recurring and restructuring charges (EBITDA) was € 611.4, down 2.4% million compared to 2005, due to higher operating costs and advertising expense, mainly incurred during the first half of the year for the launch of the DA services in Italy and France. EBITDA grew a sharp 10.5% in the second half of 2006 compared to 2H05, reaching € 456.4 million. Growth was boosted by the first effects of the investments made in 2005 and 1H06.

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

Therefore, compared to 2005, net income for 2006 showed a better performance than EBITDA, also due to the significant reduction of net interest charges compared to 2005, resulting from the effective debt management policy.

Net debt amounted to € 3,405.8 million, decreasing by € 228.8 million as a result of cash flow and after the payout of a € 45.3 million dividend and € 19.4 million in substitute tax. 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.

The Group keeps its ability to generate high levels of cash to support debt repayment and also for the dividend payout. Operating free cash flow amounted to € 548.34 million, a slight decrease from last year's figure (€ 601.5 million), due to lower EBITDA and to the rise in operating working capital.

As further proof of this ability, Seat made a first early repayment of € 104.15 million (of which € 79.15 as early repayment of the instalment of tranche A of the senior loan and € 25 million for the instalment of tranche B) and the Board of Directors, which met after the end of the General Shareholders' Meeting, decided to make a further early repayment of € 25 million for tranche B by the end of April.

The Shareholders' Meeting approved a distribution of dividends of € 0.0070 per ordinary share and € 0.0076 per savings share, for a total payout of € 58.5 million. This amount is 39% higher than that made in 2005, with a payout ratio of approximately 70%. The dividend will be paid as of 24 May 2007, with ex-dividend date on 21 May 2007.

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The Shareholders' Meeting also appointed Antonio Belloni and Carmine Di Palo as Directors. Both had already been co-opted during 2006 to replace Stefano Mazzotti and Stefano Quadrio Curzio, after their resignation. Antonio Belloni was also confirmed as Member of the Company's Compensation Committee during the Board Meeting held after the Shareholders' Meeting.

In the Extraordinary Session, the Shareholders' Meeting approved the amendments to the Bylaws mostly aimed at complying with the Italian Law on investors' protection (Law No. 262 of 28

December 2005) as amended by Legislative Decree 303 of 29 December 2006. Specifically, the amendments regarded the statutory provisions on list-based voting for the appointment of Directors and Members of the Board of Auditors. The minimum stake necessary to present a list shall be equal to that envisaged for the Company by the new regulation, or, in any case, shall be no more than 2% of the share capital with voting rights in ordinary shareholders' meetings. Moreover, the procedures for the appointment and the professional skills required of the manager with responsibility for drafting company accounting statements were defined.

In compliance with applicable law, the Board of Directors will have the right to further amend the Bylaws, as per Art. 19 of the By-laws, to comply with CONSOB regulations currently being issued.

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The Special Meeting of savings shareholders has convened today on third call and has appointed Edoardo Guffanti as common Representative of this group of shareholders for the years 2007, 2008, and 2009.

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On 11 May 2007 the NEW 2008-2010 STRATEGIC PLAN, resulting from the completion of the corporate reorganisation process, will be announced to the financial community and the media. The same presentation will be held in London on Monday 14 May 2007.

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