Annual Results 2007 and Outlook 2008

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Accounting Principles

SEAT Pagine Gialle Group and Seat Pagine Gialle S.p.A. adopted IAS/IFRS starting from January 1, 2005. These accounting standards are consistent with the IAS/IFRS used for preparing the annual and interim financial reports for the year 2005.

The Accounting data herewith set forth have been taken from Seat’s Annual Report for the period ended 31 December 2007, to be filed in compliance with the law. The Annual Report 2007 contains a statement by the Company CFO Maurizia Squinzi, in her capacity as Manager responsible for preparing the company’s financial reports, pursuant to paragraph 2, 154-bis of the Finance Consolidation Act (Italian Legislative Decree 58/1998), stating that accounts correspond to the Company’s evidence and accounting books and entries.

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Revenue growth in the Italian core business and Group Ebitda up 6.3%

SEAT GROUP

euro million	Revenues			Ebitda		
	FY'06	FY'07	Change	FY'06	FY'07	Change
Italian businesses	**1,134.9**	**1,149.7**	**1.3%**	**549.9**	**561.4**	**2.1%**
Seat S.p.A	1,077.5	1,090.2	1.2%	542.4	553.5	2.0%
Consodata	25.1	23.4	(6.8)%	4.3	4.5	4.7%
Prontoseat	9.8	12.6	28.6%	1.1	1.2	9.1%
Cipi	22.5	23.5	4.4%	2.1	2.2	4.8%
International businesses	**381.4**	**366.5**	**(3.9)%**	**61.7**	**88.9**	**44.1%**
TDL	173.5	158.9	(8.4)%	39.3	36.8	(6.4)%
Telegate	178.9	173.3	(3.1)%	16.7	48.9	n.m.
Europages	29.0	25.7	(11.4)%	5.7	1.3	(77.2)%
WLW(1)	0.0	8.6	n.m.	0.0	1.9	n.m.
Total	**1,460.2**	**1,453.6**	**(0.5)%**	**611.4**	**650.2**	**6.3%**

(1) Q4'07 figures

Free cash flow generation devoted to debt repayment and investments to strengthen the business

SEAT GROUP OPERATING FREE CASH FLOW

euro million	FY 2006	FY 2007	Change mln	Change %
Ebitda	**611.4**	**650.2**	**38.7**	**6.3%**
Change in Operating Working Capital	(11.9)	(19.1)	(7.1)	59.9%
Change in Not Current Operating Liabilities	(1.8)	(5.8)	(4.0)	n.m.
Investments	(48.3)	(66.1)	(17.8)	36.8%
Operating Free Cash Flow	**548.3**	**559.5**	**11.2**	**2.0%**
Cash Taxes	(39.7)	(27.5)	12.2	(30.7)%
Net interests	(223.3)	(222.1)	1.2	(0.5)%
Dividends	(45.3)	(62.2)	(16.9)	n.m.
Acquisitions	0.0	(123.4)	(123.4)	n.m.
Others	(11.2)	7.2	18.4	n.m.
Deleverage	**228.8**	**131.5**	**(97.3)**	**(42.5)%**

	FY2006	FY 2007	Change mln
Net Financial Debt	**3,405.8**	**3,274.3**	**(131.5)**

On a like for like [1] basis op. FCF up 14.2 €m

- Baseline of investments (mostly Internet product development) in line with 2006
- Incremental investments due to one-offs on SAP and IT infrastructure in Italy (+16.3 €m)

(1) Net of WLW consolidation in Q4'07 and exchange rate effect

Cost of debt taking advantage of best-in-class credit spreads

As of December31, 2007

Debt Facility (€m)	Amount	Repayment	Interest
GROSS DEBT	**3,436.4**		
• **Bank Senior Debt**	**1,880.4**		
Term Loan A (*)	1,415.9	Amort. Jun 08(*) to June 2012	Euribor+1.435% (3)
Term Loan B (*)	464.5	Bullett June 2013	Euribor+2.06% (3)
Revolving and other (1)	0	R.F. Available until June 2012	Euribor+1.435% (3)
• **Subord. Debt vs. Lighthouse (2)**	**1,300.0**	April 2014	Fixed 8%
• **Asset Backed Securities**	**256.0**	January 2014	Comm. paper rate+ 0.51% all in
Net Financial accruals and other	52.3		
CASH & Cash Equivalents and other	-214.4		
SEAT GROUP NET DEBT	**3,274.3**		

Best-in-class spreads

IAS adjustments:	
Transaction costs	**-82.8**
Derivatives (positive) Mark to Market	**-5.2**
GROUP NET DEBT - BOOK VALUE	**3,186.3**

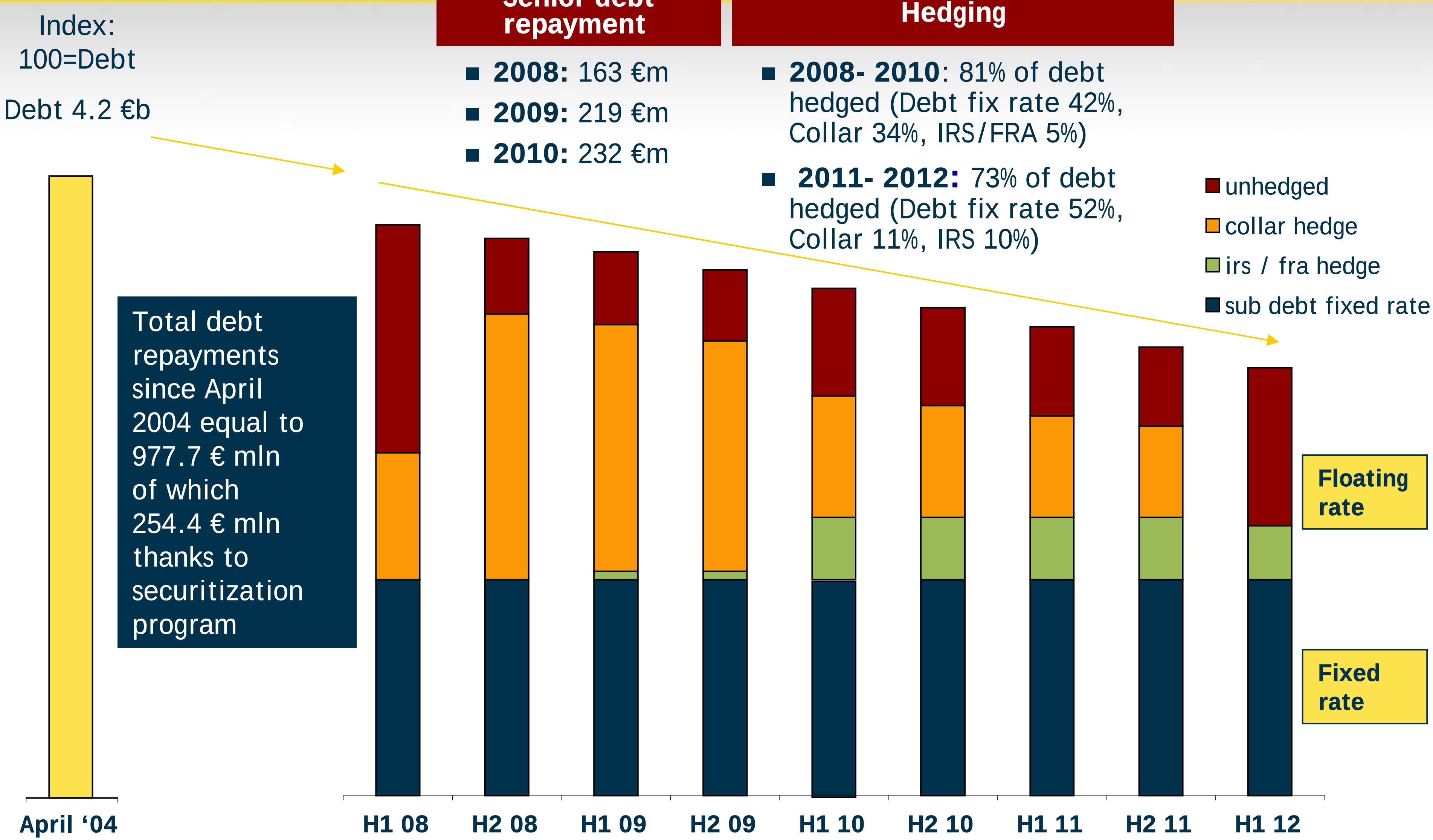
BoD approved to anticipate at end of March reimbursement of senior debt due on June 08, for the amount of 35 mln (out of 82 mln)

All-in cost of financing at 6.4% from 6% in 2006 after increase of Euribor of 100 bp (FY'06 avg 2.96% vs. FY'07 avg 3.96%)

(1) Callable up 90 €m
(2) Lighthouse funded the subordinated loan vs. SEAT through the issuance of the Lighthouse 8% Notes due April 2014
(3) Subject to decreasing margin ratchet linked to Total Net Debt /EBITDA ratio

Debt repayment well on track and sound hedging policy protecting Seat from market rates increase

Senior debt repayment	Hedging
■ **2008:** 163 €m ■ **2009:** 219 €m ■ **2010:** 232 €m	■ **2008- 2010**: 81% of debt hedged (Debt fix rate 42%, Collar 34%, IRS/FRA 5%) ■ **2011- 2012:** 73% of debt hedged (Debt fix rate 52%, Collar 11%, IRS 10%)



Total debt repayments since April 2004 equal to 977.7 € mln of which 254.4 € mln thanks to securitization program

Strategic focus returns to Italy where new market opportunities exist in the Internet

Key changes in the market scenario	Strategic implications

1 In Italy:

- −Acceleration of Internet penetration creates new opportunities to grow revenues and Ebitda
- −Print expected to remain resilient despite the worsening of the economy and much faster growth of the Internet

2 High level of Internet penetration in all markets where the Group is present, starting to affect traditional businesses (printed directories in the UK and voice DA in Germany)

- Strategic focus returns to the Italian core business, where Seat has its strongest assets and will devote resources to exploit the Internet opportunity, while effectively managing the existing print-centered business
- Investment phase to migrate International operations towards the online is over and company portfolio will be managed focusing on execution of business plans

In the new scenario of business and financial markets, priority is to repay debt and invest to catch the Internet opportunity

2008 OUTLOOK

Businesses	Investment focus returns to the Italian core business: • Italy: revenues '08 up in line with '07 (+1÷1.5%) and EBITDA stable after €10 mln of incremental expenses to support print, but before €15 mln of additional costs to strengthen Internet products and sales force and €10 mln of one offs (new HQ in Turin) • International: EBITDA expected down due to Telegate (transition year towards the Internet) and TDL
Group Ebitda	Consolidated EBITDA expected at about €610 mln, after one offs and investments to grow the online business in Italy and abroad; investments in '08 are expected to have positive effect on growth in '09
Cash Flow and debt	Cash available for deleverage expected above €180 mln, post €45 mln for acquisitions (Klicktel) and to finance Turkish JV; possible favorable outcome of data claims (€65 mln) not included in this figure
Use of cash	In the current credit market, financial policy is to devote available financial resources to debt repayment and Internet developments in Italy; according to that no dividends will be paid in 2008 and debt prepayments will be done when possible

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In 2007, revenues of the core print-centered business grew 1.3% with field sales force prepared for the new Internet strategy in Q4

SEAT S.p.A.- REVENUE BREAK-DOWN

In Nov.'07, sales organization was changed to prepare it for the specialization of part of the sales force on Internet sales

euro million	FY 2006	FY 2007	Change	
Sales and Services Revenues			mln	%
Core Print-Centered	929.1	941.3	12.2	1.3%
-YP/WP & Local	765.5	755.3	(10.2)	(1.3)%
-Online Yellow Pages	123.5	137.1	13.6	11.0%
-Voice advertising(1)	40.1	48.9	8.8	21.9%
B2B(2)	43.7	38.4	(5.3)	(12.1)%
Others (3)	104.8	110.6	5.8	5.6%
Total	**1,077.5**	**1,090.2**	**12.7**	**1.2%**

YP&WP improvement (-1.2%) vs. '06 (-3.6%) with National and SME sales performing well

Local sales below expectation on print but better than forecasted on the online sales

Online YP continues to grow:

- 2007 orders booked growth 13.2%, higher than revenues, as part of orders acquired in Q4'07 published in Q1'08

Voice up above expectations

B2B products suffered as repositioning of offering to the online is underway

(1) Talking Yellow Pages and 12.40 advertising revenues (2) Annuario Seat, PG Professional and Kompass (print & online) (3) Giallo Promo, Giallo Dat@ and other revenues

EBITDA up 2% as running costs remain under control

SEAT S.p.A.- COST BREAK-DOWN

euro million	FY 2006	FY 2007	Change mln	Change %
Revenues	**1,077.5**	**1,090.2**	**12.7**	**1.2%**
Industrial costs	(172.8)	(176.1)	(3.3)	1.9%
% revenues	*16.0%*	*16.2%*		*0.1%*
Commercial costs	(128.3)	(132.5)	(4.2)	3.3%
% revenues	*11.9%*	*12.2%*		*0.2%*
Advertising costs	(34.6)	(20.1)	14.6	(42.1)%
% revenues	*3.2%*	*1.8%*		*(1.4)%*
General & Labour costs	(155.9)	(158.1)	(2.2)	1.4%
% revenues	*14.5%*	*14.5%*		*0.0%*
Total costs	(491.7)	(486.8)	4.9	(1.0)%
% revenues	*45.6%*	*44.7%*		*(1.0)%*
Gross Operating Profit	**585.8**	**603.4**	**17.6**	**3.0%**
% of revenues	*54.4%*	*55.3%*		*1.0%*
Bad Debt, Risk Prov. & Others	(43.4)	(49.9)	(6.5)	15.0%
EBITDA	**542.4**	**553.5**	**11.1**	**2.0%**
% of revenues	*50.3%*	*50.8%*		*0.4%*

Industrial costs well under control (growth is revenue-related):

- Increase due to handling of 12.40 and 89.24.24 calls and production of Internet videos
- Paper, print and distribution below inflation

Commercial costs up 3.3% as more sales reps achieved target (core adv. sales positive) and increase of telesales to contact all customers every year

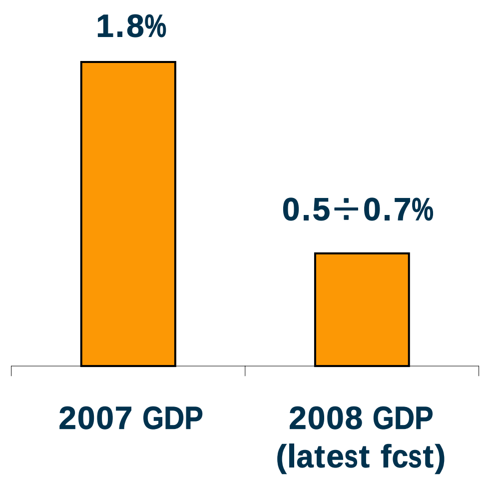
Growth of provisions mostly due to conservative assumptions on interconnections costs (not credit related)

In a worsening economic scenario, YP&WP show resilience as printed directory remain the preferred medium for SMEs

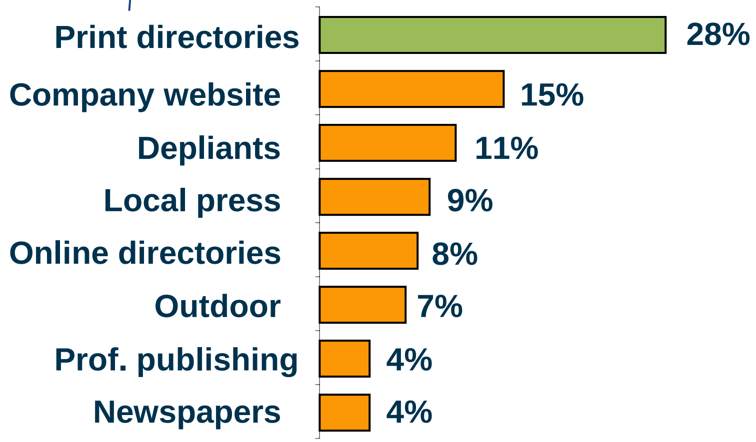
Even in a negative economic scenario directories remain the best media for SMEs

Share of orders processed to date

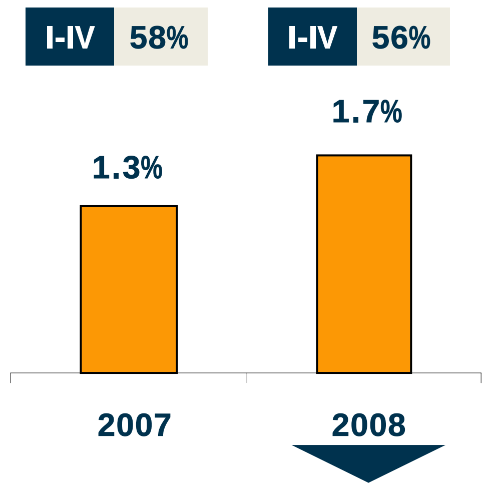
Real GDP growth (1)



Preferred media of SMEs (2)



YP&WP orders booked (3)



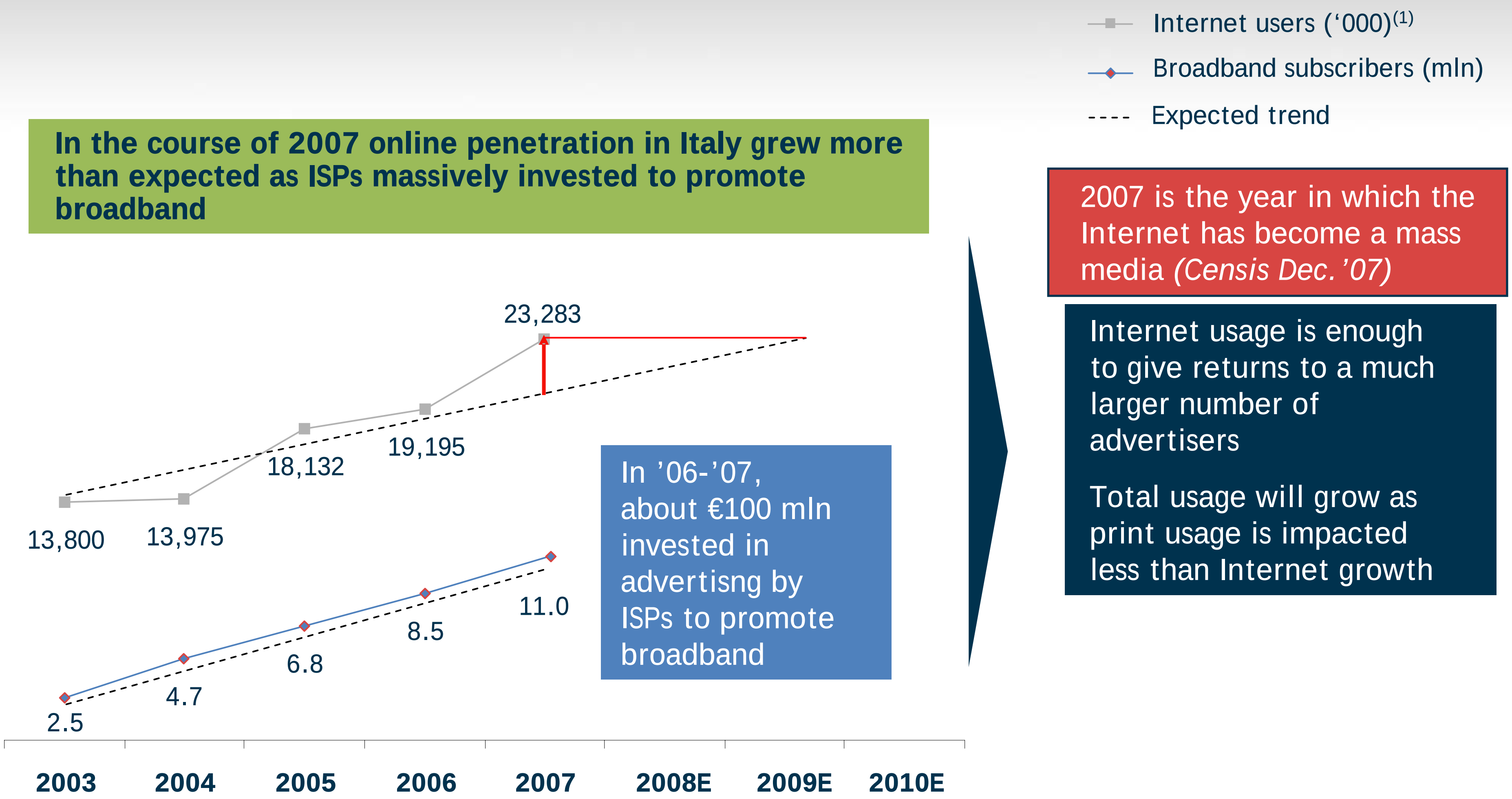
Considering all core products (print, Internet and voice) SME sales are positive and Large accounts are broadly stable

(1) Source: EU Committee
(2) Customer survey 2007 – first most effective media amongst the ones used
(3) SME sales only representing 78% of total order as of March 7, 2008

In the course of 2007, the scenario in Italy has changed, as Internet penetration reached the level previously forecasted for 2010

ONLINE PENETRATION IN ITALY

In the course of 2007 online penetration in Italy grew more than expected as ISPs massively invested to promote broadband



In '06-'07, about €100 mln invested in advertisng by ISPs to promote broadband

2007 is the year in which the Internet has become a mass media *(Censis Dec. '07)*

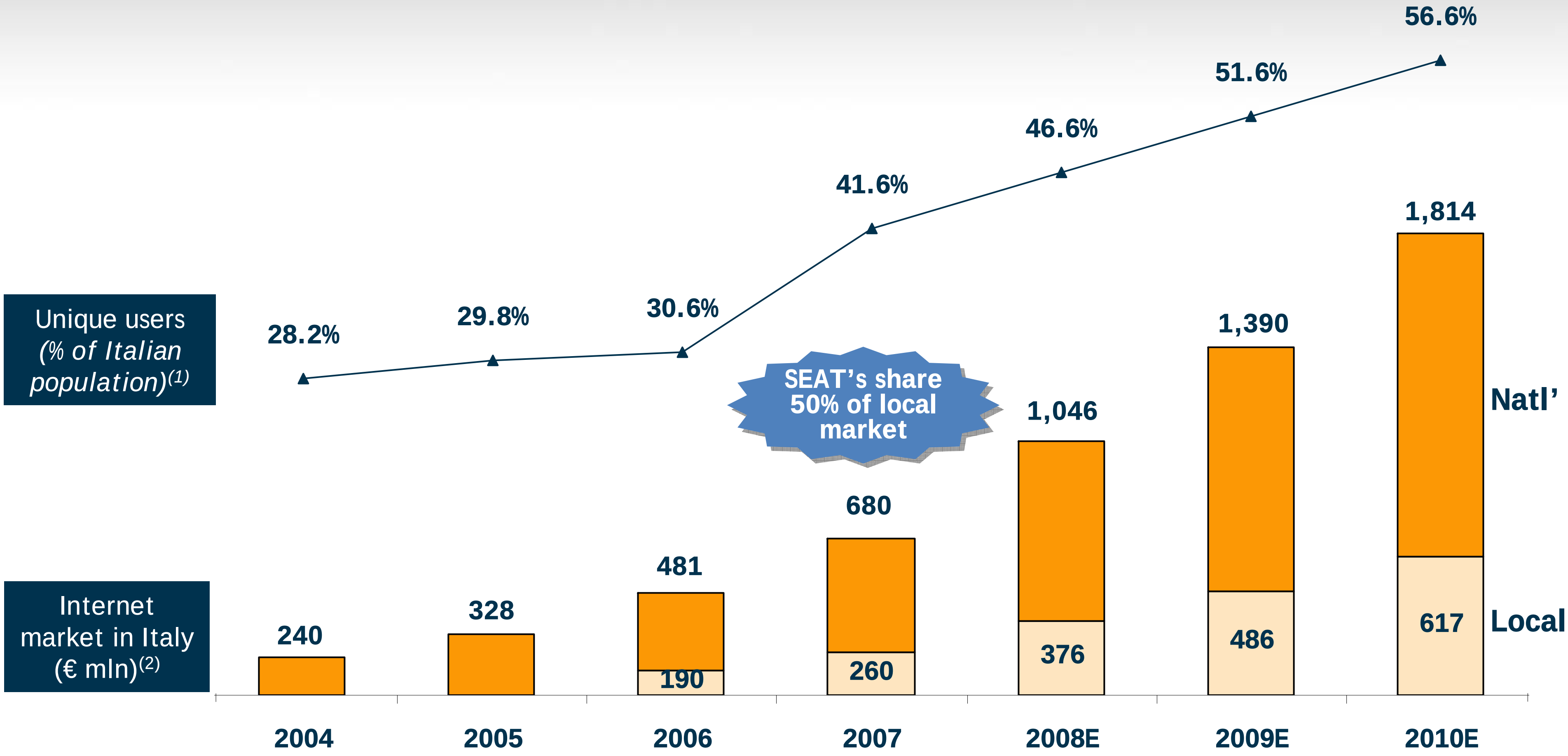
Internet usage is enough to give returns to a much larger number of advertisers

Total usage will grow as print usage is impacted less than Internet growth

Sources: Censis, 2007 (Internet users); Euromonitor, 2007 (xDSL Connections)
(1) Persons that used Internet almost one time in the week before the survey

The high expected growth of the Internet market is an opportunity for Seat that already has 50% share of local advertising online

ITALIAN ONLINE MARKET, USERS AND ADV SPENDING

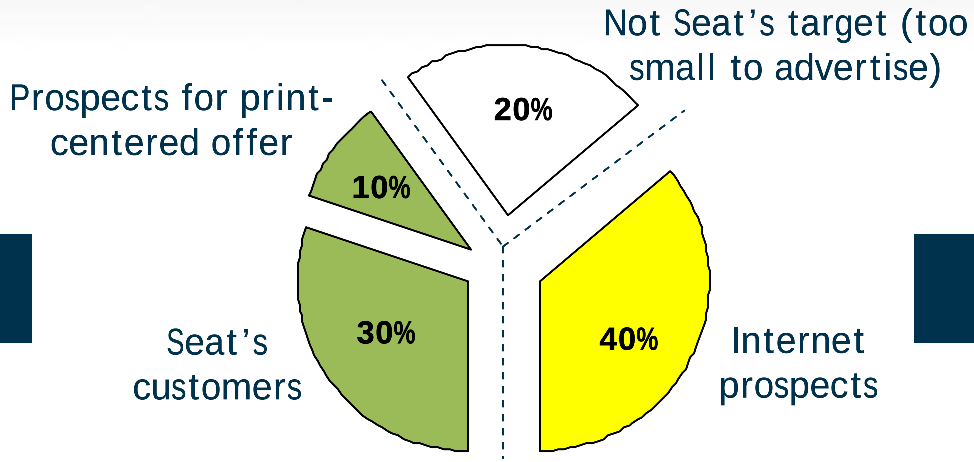


(1) Source: Nielsen (measured November of each year)
(2) Source: IAB Italy – Breakdown Natl' and Local: Seat internal estimates based on IAB figures

The Internet opportunity opens to Seat a new potential market to be added to the historical print-centered one

ITALIAN SME MARKET

100% = ~1,900K SMEs



Seat's current business

New Internet opportunity

Print-centered offer has a solid but low single digit growth potential

- Print as core product, Internet and voice as add on
- Historically "the main focus" of sales force
- High market share of Seat ("the incumbent")

+

Internet-centered offer represents a new market opportunity with very high potential

- Internet as core product
- Low market share of Seat and high potential for growth
- Expected to be a highly competitive market but Seat has strong assets to leverage

Key to exploit the Internet opportunity is the availability of high quality services and of a large sales force to advise SMEs

SME's ONLINE ADVERTISING BEHAVIOUR BY CUSTOMER SEGMENT

	Seat's customers		
	PG Online	Not on PGOL	Internet prospects
N# of Advertisers ('000)	~150	~400	~1.300
Total communication budget (€bil)	~2.0	~1.4	~1.9
% Internet own site on total budget	9%	7%	13%
% Internet advertising on total budget	9%	1%	4%
% Internet advertising on total Internet communication	50%	13%	20%

Use of Internet advertising is limited as advise of a professional sales rep is needed

Seat already has 14k online-only customers, whose revenues have grown 25% confirming the high quality of PGOL offer

PG Visual is a strong platform for growth

Seat has strong assets and will invest to grow sales force, quality of content and services and usage

Organization & business culture	• Internet Software Factory and dedicated R&D team already set up • Incumbent culture over as the company has one third of its employees recruited over the last four years (87% with a degree)
Sales force	• New organization of SME field sales in place since Q4'07 • ~300 reps and telesales will be dedicated to Internet-centered customers in the course of 2008 (~100 repositioned from local sales) • Overall size of the sales force expected to grow from 2,000 to 2,200
Product	• Strength of Seat's multimedia offering (print, online & voice) for print-centered customers • PG Visual best in class local search offer for new Internet prospects • New low cost entry offer to speed up cross selling • Printed local directories will be migrated online
Usage	• Unique Seat's local content and quality of search functionalities key to attract and satisfy users • Increasing importance of SEO/SEM techniques to catch traffic from search engines (while agreements with portals become less strategic as they loose traffic vis a vis Google and other search engines)

In 2008, Seat will invest to exploit the Internet business, while protecting its core print-centered business

GUIDANCE ON SEAT S.p.A.

Current business *(print-centered)*	• Revenue growth same trend as 2007 thanks to the resilience of the business and high quality of multi-media offering • ~10 mln euro incremental costs in advertising and distribution (recurrent) to sustain print business over time • Ebitda of current business expected to be in line with 2007
New Internet opportunity *(expansion of customer base)*	~15 mln euro allocated to advertising and hiring of new sales force (mix of recurring and one-offs) with material contribution on revenues expected from 2009
One-offs	~10 mln euro of one offs related to SAP project and to moving to the new HQ in Turin

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Telegate is building a voice & web business model and, after the acquisition of KlickTel, focus is on speed up online sales

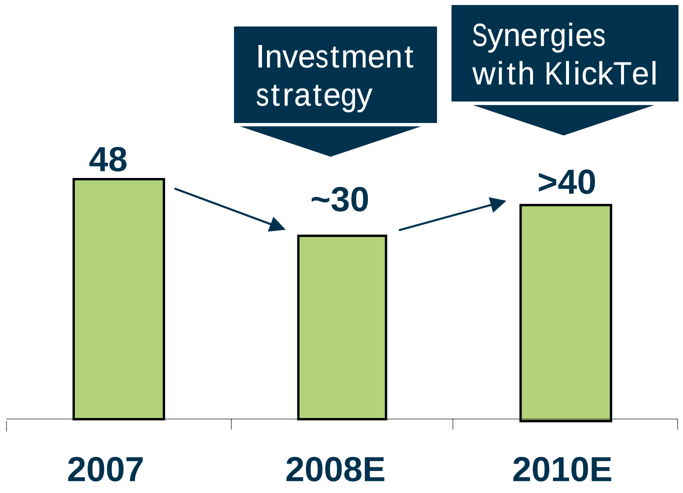
TELEGATE STRATEGY

Strategy and recent development

- The voice DA market in Germany is on a long term trend of decline and in 2007 this trend has accelerated as consumers are migrating to the online
- Telegate started to invest on the online in 2006 and to speed up the development of this new business has acquired KlickTel, whose online business model is well advanced
- 2008 will be devoted to integration of the two companies

2007 figures	Telegate (Launched late '05)	Klicktel (Launched 2002)
Advertising revenues (€m)	2.8	12.9
# advertising customers	~20k	~20k
Arpa (€)	~140	~645
# sales reps	~200	~200
Traffic (m searches)	~100	~115

Telegate Ebitda guidance



Europages and WLW will focus on synergies to catch the high growth potential of the B2B online directory in continental Europe

Strategy and recent development

Opportunity exists to build a B2B online specialist with strong presence in core European countries (Italy, France, Germany)

Europages effort to develop direct sales forces in Germany and France has proven more difficult than expected (also due to the low quality of the customer portfolio inherited from PJ). In 2007, WLW, leading player in German speaking countries was acquired and Europages' activity in Germany has already been transferred to WLW

2007 figures	Europages	WLW
Advertising revenues €m	25.7	34.5
# advertising customers (k)	20.7	33.5
Arpa (€)	1,242	1,029
# sales reps	73	98
Unique monthly users (mln)	1.6	1.6

2008 key strategic guidelines

Germany
- WLW already integrated Europages' operations
- Revenues expected to grow on both products

France
- France sales expected to grow (orders booked showing positive trend)
- Break-even expected in 2008

Italy
- Revenue growth compared to 2007

Thomson will focus on core field sales, the key asset to achieve graceful migration to the Internet

THOMSON STRATEGY

Strategy and recent development

- **Market with strong competition (three directory players and large online market)**
- **FY'07 suffering revenue slow down due to operational issues affecting field sales and first signs of problems with large accounts**
- **Print product solid as share of usage recovered in 2007 (after BT entry in 2005) and agreement with Google renewed in September**
- **Revenue growth potential lies in developing SEO/web agency services for small businesses**

	% of total revenues	'08 Current trend[1]	
Large accounts	15%	↓ ↓ ↓	**Revenue decline due to a small number of Financial institutions**
SMEs field	81%	↑	**Performing better than 2007 as operational issues are being solved**
Telesales	4%	↓ ↓	**Rightsizing of telesales operations ongoing**
Total	**100%**	↓	

[1] *As of March. '08*

In summary ...

- Strategic focus will be on Italy, where new growth opportunities exist in the Internet, while the portfolio of International businesses will be managed according to the specific situation of each company
- 2008 Consolidated Ebitda will be impacted by one offs and investments for growth, that are expected to have positive effect starting from 2009
- Management will give quarterly updates on the executions of new action plans and the first operational results are expected to be visible in the second half of the year (presentation of Q3 results on the 11th of November)
- Guidance on medium-long term developments will be given as soon as results will allow solid forecasts

Q & A

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Seat Group P&L

SEAT GROUP P&L

euro million	FY 2006	FY 2007	Change
Sales and Services Revenues	**1,460.2**	**1,453.6**	**(0.5)%**
Operating & Labour Costs	(800.7)	(750.5)	(6.3)%
Gross Operating Profit	**659.5**	**703.0**	**6.6%**
% of revenues	*45.2%*	*48.4%*	*3.2%*
Bad Debt, Risk Provisions & Others	(48.1)	(52.9)	**10.0%**
EBITDA	**611.4**	**650.2**	**6.3%**

Interest expenses well under control thanks to deleverage and sound management of outstanding debt

SEAT GROUP

euro million	FY 2006	FY 2007	Change
EBITDA	**611.4**	**650.2**	**6.3%**
% of revenues	*41.9%*	*44.7%*	*2.9%*
Depreciation and Amortization	(33.3)	(42.2)	26.7%
EBITA	**578.2**	**608.0**	**5.2%**
% of revenues	*39.6%*	*41.8%*	*2.2%*
Extra-Operating Amortization	(162.1)	(162.1)	n.m.
Not Current & Net Restruct. Expenses	(14.0)	(16.9)	20.8%
EBIT	**402.1**	**429.1**	**6.7%**
% of revenues	*27.5%*	*29.5%*	*2.0%*
Net Financial Income (Expenses)	(246.2)	(239.3)	(2.8)%
Value Adjustments to Investments &Gain/(Losses) on Invest. Disposals	(0.01)	(3.31)	n.m.
Income Before Taxes	**155.9**	**186.4**	**19.6%**
Income Taxes	(74.1)	(80.2)	8.2%
Minority Interest	(1.7)	(7.8)	n.m.
Net Income	**80.1**	**98.4**	**22.8%**

Interest expenses lower than FY'06 thanks to deleverage and sound management of floating rate debt:

- Debt repayment of 208.3 €m in FY'07
- All-in cost of financing at 6.4% on FY'07 vs. 6% on FY'06 despite increase of Euribor by 1 p.p.

N# of customers down as inflow of new (small) advertisers was constrained by sales force effort to serve existing (large) customers

SEAT S.p.A.- CUSTOMERS AND ARPA BREAK-DOWN

	Unique Customers ('000)			Arpa (euro)		
	FY2006	FY2007	Chg.	FY2006	FY2007	Chg.
Yellow and White Pages (1)	556	511	(8.0)%	1,363	1,464	7.4%
Online Yellow Pages	142	146	2.8%	872	942	8.0%
Talking Yellow Pages and 12.40(2)	116	137	17.7%	345	357	3.6%
Total(3)	585	549	(6.2)%	1,842	1,986	7.8%

(1) Including Online White Pages that is in bundle with print product
(2) ARPA and number of customers are referred only to advertising revenues
(3) ARPA and number of customers are referred to advertising and other revenues

YP&WP

Arpa driven by sell-up and change in customer mix (about 50% due to mix effect for the exit of small, marginal customers)

Decrease of customer base mainly affected by lower number of sales reps

Online and voice Arpa healthy growing thanks to up-selling and product innovation

Decrease of **total** customer base mainly affected by lower number of field sales reps and focus on existing customers

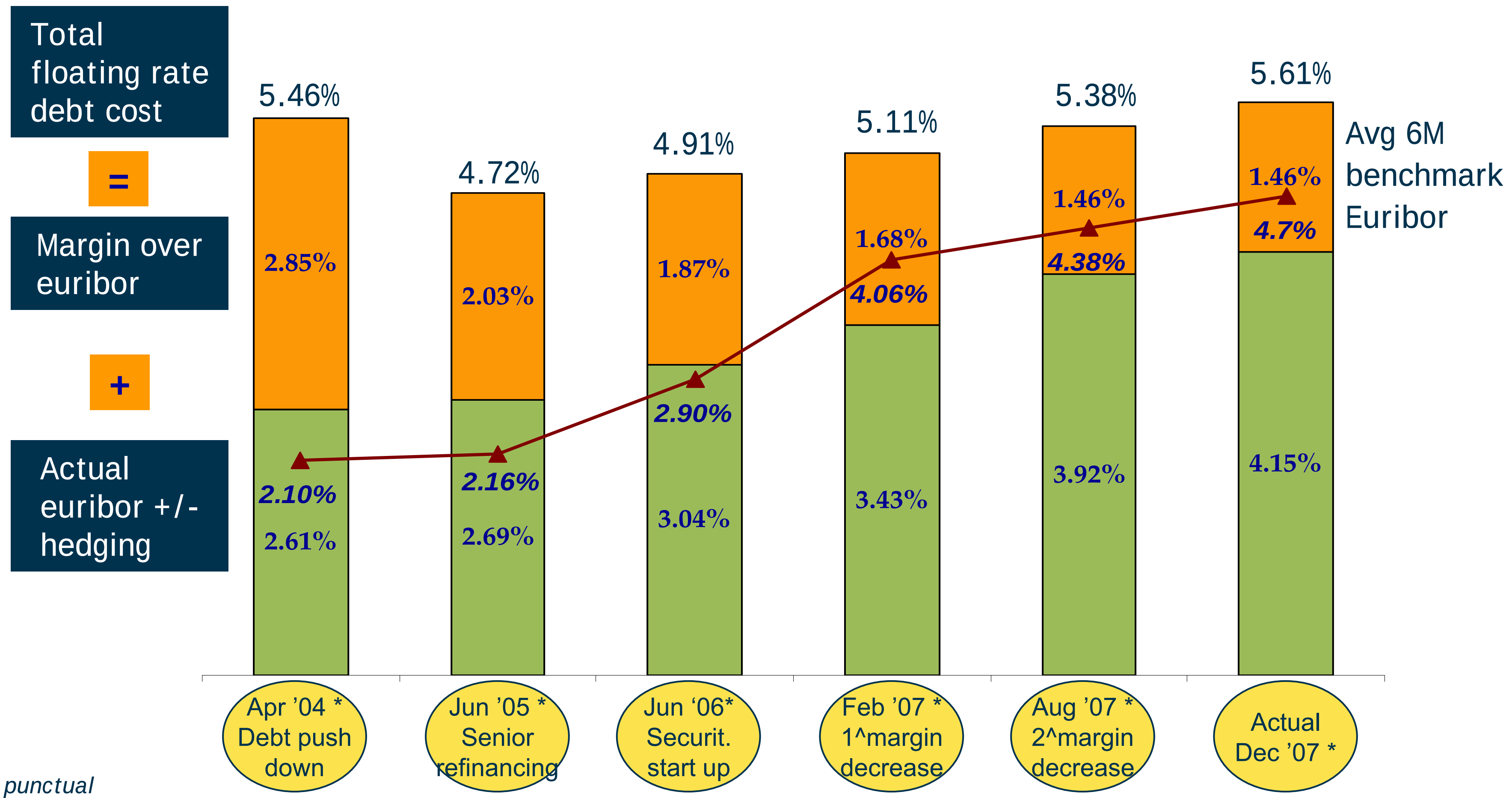
Balance sheet

SEAT GROUP

euro million	Dec. 31, '06	Dec. 31, '07	Change
Goodwill and Customer Data Base	**3,997.7**	**3,943.7**	**(54.0)**
Other Not Current Assets	166.8	168.0	1.2
Not Current Liabilities	(78.6)	(75.0)	3.6
Working Capital	292.0	273.4	(18.6)
Net Invested Capital	**4,377.9**	**4,310.1**	**(67.8)**
Total Stockholders' Equity	1,075.4	1,123.8	48.4
Net Financial Debt - Book Value	3,302.5	3,186.3	(116.2)
Total	**4,377.9**	**4,310.1**	**(67.8)**
Net Financial Debt	**3,405.8**	**3,274.3**	**(131.5)**
IAS Adjustments	(103.3)	(88.1)	15.3
Net Financial Debt - Book Value	**3,302.5**	**3,186.3**	**(116.2)**

Cost of debt - historical trend

- Cost of total debt: exp 6.5% for FY'08 vs. 6.4% FY'07 due to higher impact of sub. debt; total outflow for fin. expenses lower in 2008 than in 2007
- Cost of floating rate debt (senior + securitization debt) under control despite Euribor growth thanks to effective debt management and deleverage



* punctual

In Telegate, Ebitda recovered as Germany improved margins and France reached break-even on Q4

TELEGATE P&L

Positive progress of claims on data cost

euro million	FY 2006	FY 2007	Change	
			mln	%
Sales and Services Revenues	**178.9**	**173.3**	**(5.6)**	**(3.1)%**
Operating & Labour Costs	(109.2)	(95.9)	13.3	(12.2)%
Advertising costs	(53.3)	(25.4)	27.9	(52.3)%
% of revenues	*29.8%*	*14.7%*		*(15.1)%*
Gross Operating Profit	**16.4**	**51.9**	**35.5**	**n.m.**
% of revenues	*9.2%*	*29.9%*		*20.8%*
Bad Debt, Risk Provisions & Others	0.2	(2.9)	(3.1)	n.m.
EBITDA	**16.7**	**48.9**	**32.2**	**n.m.**
% of revenues	*9.3%*	*28.2%*		*18.9%*

(1) Adjusting FY'06 by the outsourcing sales (9.6 €m at no margin) made in France prior to the liberalization with SFR and Bouygues Telecom DA services

Revenues up 2.4% like for like[1] thanks to international expansion

- Germany: down 2.6 €m as Internet-DA advertising sales is not compensating structural DA market decline (market share up to 38%)
- Italy: continues to grow thanks to success of 12.40
- France: revenues up like for like

Ebitda up thanks to:

- Germany: margins at 40% with lower advertising but including a one –off effect related to data cost
- France: improvement vs. FY'06; break-even reached on Q4

In Thomson, results impacted by ongoing sales force reorganization needed to strengthen multi-product sales

THOMSON P&L

GBP million	FY 2006	FY 2007	Change	
			mln	%
Sales and Services Revenues	**118.3**	**108.8**	**(9.5)**	**(8.0)%**
Operating & Labour Costs	(87.7)	(80.0)	7.7	(8.8)%
Gross Operating Profit	**30.6**	**28.8**	**(1.8)**	**(5.9)%**
% of revenues	*25.9%*	*26.5%*		*0.6%*
Bad Debt, Risk Prov. & Others	(3.9)	(3.5)	0.4	(10.3)%
EBITDA	**26.8**	**25.2**	**(1.6)**	**(6.0)%**
% of revenues	*22.7%*	*23.2%*		*0.5%*

Revenues down 9.5 Gbp mln due to impact of sales restructuring and pressure on National advertisers and Financial institutions:

- print down despite very positive results of new Nectar offer
- online down despite strong offer (web agency service and Google agreement)

Decrease of customer base only partially compensated by ARPA growth (despite RPI-6%)

Margins up thanks to cost efficiencies

Europages impacted by migration from print to online and results in France below expectations

EUROPAGES P&L

euro million	FY 2006	FY 2007	Change	
			mln	%
Sales and Services Revenues	**29.0**	**25.7**	**(3.3)**	**(11.4)%**
Operating & Labour Costs	(23.3)	(24.6)	(1.3)	**5.6%**
Gross Operating Profit	**5.7**	**1.1**	**(4.6)**	**(80.7)%**
% of revenues	*19.7%*	*4.3%*		*(15.4)%*
Bad Debt, Risk Provisions & Others	0.0	0.1	n.m.	n.m.
EBITDA	**5.7**	**1.3**	**(4.4)**	**(77.2)%**
% of revenues	*19.7%*	*5.1%*		*(14.6)%*

Revenues affected by:

- different sales strategy in 2007 (as the company migrates from print to online)
- Lower than expected revenues in France, where a direct sales force is being built

Costs to set up direct sales force in Germany and France and to improve offer partially offset by initial savings on printed directories (fully dismissed from 2008)

Margins affected by mix of lower revenue contribution and short term cost impact of new business model to exploit growth potential in France and Germany