

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES RESULTS AT 30 JUNE 2008

RESULTS FOR THE FIRST HALF OF 2008 IN LINE WITH EXPECTATIONS, DESPITE THE DIFFULT MARKET ENVIRONMENT

- **CONSOLIDATED REVENUES** substantially stable at € 576.5 million, with a rise in online sales in Italy in the second quarter.
- **CONSOLIDATED EBITDA**, amounting to € 197.7 million (-4.8%) in line with expectations, due to resources invested in product innovation, and the enhancement of the sales force in Italy.
- **Operating FREE CASH FLOW** rose to € 273.8 million (+2.8%), compared to the second half of 2007.
- **NET FINANCIAL DEBT** fell to € 3,152.1 million, after having repaid € 134 million out of € 164 million due in 2008.
- **COST OF DEBT** at 6.56% and financial charges essentially unchanged, thanks to debt reduction and the hedging policy adopted.

OUTLOOK 2008

- **Guidance on CONSOLIDATED EBITDA**, forecast at about € 610 million, and **Seat S.p.A.'s EBITDA**, forecast at about € 530 million, confirmed; **CASH FLOW** generation before debt repayment at about € 180 million, at consolidate level.
- **In Italy, REVENUES** from the core business (print, online and voice) are expected to remain stable; overall **REVENUES** to fall slightly (by about 1%), mainly because minor products are more penalized by the difficult market environment.
- **Forecasts point at consolidated profit for financial year 2008.**

Milan, 7 August 2008 – The Seat Pagine Gialle S.p.A. Board of Directors, chaired by Enrico Giliberti, today approved the First-half Report as of 30 June 2008,

prepared in compliance with article 154-ter of the Italian consolidated law on finance (TUF) and presented by Chief Executive Officer Luca Majocchi.

CONSOLIDATED RESULTS AT 30 JUNE 2008

Revenue Performance

In the first six months of 2008, sales and service revenues amounted to € 576.5 million in line with expectations and essentially unchanged compared to figures for the first half of the previous year. The consolidation area was extended to include the German group WLW as well as, as of 1 April 2008, the German subsidiary KlickTel. The positive effects of the latter were partially offset by the weakness of the pound sterling against the euro, as a result of which revenues of the Thomson group decreased by about 12% compared to the first half of 2007 (-7.3% in GBP).

Before inter-business area eliminations, the breakdown of revenues was as follows:

- *"Italian Directories" (SEAT PG):* revenues amounted to € 419.5 million, down by 2.1% compared to the same period of last year, showing that the performance of print-centred products and services (print, online and voice) remained essentially in line with H1 2007, when revenues had grown significantly compared to 2006. In detail, the downturn in print products (-3.2%) was partially offset by the positive online and voice results in Q2 2008. In line with new sales strategies, the sale of online and voice products has been shifted to the second half of the year, when new offerings are scheduled to be launched.
- *"UK Directories" (Thomson Directories Group):* revenues in the first six months of 2008 amounted to € 47.1 million, down by 19.5% compared to the first half of 2007, primarily as a result of the weakness of the pound sterling against the euro (-7.3% in GBP), reflecting sales difficulties experienced especially with financial institutions, which were hit hardest by the credit crisis, although this negative performance was offset, to some extent, by high growth of online products on the core market of SMEs.
- *"Directory Assistance" (Telegate group and Prontoseat S.r.l.):* revenues, amounting to € 92.1 million, were basically unchanged compared to the same period of the previous year, especially as a result of the inclusion of the German company KlickTel in the consolidation area as of 1 April 2008.

- *"Other activities"* (online business-to-business directories and other activities on the Italian market): revenues rose sharply from € 30.9 million in the first half of 2007 to € 45.6 million, also as a result of the inclusion of the German group WLW (with revenues of € 17.1 million) included in the consolidation area as of October 2007.

GOP Performance

Gross operating profit amounted to € 223.4 million in the first half of 2008, down by 5.3% compared to the same period of the previous year. This performance reflected the drop in revenues, which was only partially offset by cuts in operating costs.

EBITDA Performance

In the first half of 2008, the operating result before amortisation, depreciation, net non-recurring and restructuring charges (EBITDA) was € 197.7 million, down by 4.8% also due to resources dedicated to product innovation and the expansion of the sales force in Italy; it was however in line with expectations and guidance.

Performance of Operating Income (EBIT)

Operating Income (EBIT) amounted to € 68.5 million, down by 28.4% compared to the same period of the previous year, with a ratio to revenues of 11.9%.

Impairment of non-operating assets

The goodwill carried in respect of the subsidiaries Europages S.A. and Cipi S.p.A. was written down by € 13.0 million in light of the outcome of impairment tests carried out at the end of June 2008.

Results for the First Half of 2008

The result for the first half of the year shows a loss of € 45.6 million, down by € 14.6 million in the same period of the previous year. It should be recalled that the second half of the year has historically proven more profitable than the first, due to the business seasonal nature.

Operating Cash Flow Performance

Compared to the first half of 2007, operating free cash flow grew by € 7.6 million (+2.8%) to € 273.8 million in the first half of 2008, despite sizeable investments made to support business development policies, product innovation and the Group's technological infrastructure.

Working capital generally drops significantly in the first half of the year, since high turnover is concentrated in the last months of the year, with payments following in subsequent periods. Moreover, in the first half of 2008 working capital benefited in particular from the reduction in trade receivables. The ratio of operating free cash flow to EBITDA grew to 138.5% from 128.2% in the first half of 2007.

Net Financial Debt

Net financial debt amounted to € 3,152.1 million at 30 June 2008 (as against € 3,274.3 million at 31 December 2007), falling by € 122.2 million in the first half of 2008 (€ 89.6 million in the first half of 2007), thanks to high cash flow and despite the acquisition of KlickTel, which had an impact of € 31.1 million in the first half of 2008. At 6.56%, the cost of debt remained basically unchanged compared to the first half of 2007 (6.4%).

MAIN COMPANIES OF THE SEAT PAGINE GIALLE GROUP

SEAT PG S.p.A.

The Parent Company SEAT Pagine Gialle S.p.A.'s net revenues were € 419.5 million in the first half of 2008, down by 2.1% compared to the same period of the previous year. Print-centred products and services (print, online and voice) performed at more or less the same healthy level observed in the first half of 2007, thanks especially to growth in the online and voice segments in Q2 2008.

Despite the worse economic environment, orders for print-centred products have risen in all geographical areas, with the print and online business areas growing in line with the increasing penetration and spread of the various media on local markets. In the second quarter of 2008, the online business in fact outperformed the already excellent results achieved in the Q2 2007. New online offerings, cross-selling initiatives and new salespeople dedicated to online products, are expected to have an impact on revenues only as of Q3 2008.

- Revenues from print-centred products and services in the first half of 2008 decreased by 1.7% compared to the same period of the previous year, to € 363.2 million, broken down as follows:
 - *Print*: Revenues of 288.3 million as against € 297.7 million in the first half of 2007. Sales of print products suffered from the conservative behaviour of certain economic players who reacted to the increasingly slowing economic environment by postponing the renewal of their advertising contracts compared to their natural expiry, or by cutting spending on advertising and promotions.
 - *Online*: PAGINEGIALLE.it recorded revenues of € 53.3 million in the first half of 2008, up by 3.2% compared to the same period of the previous year. In detail, revenues rose by 11.1% in Q2 2008 compared to figures for Q2 2007 (which had increased by 33.3% compared to figures for Q2 2006).
 - *Voice*: advertising sales amounted to € 21.6 million, up by 8.0% compared to the first half of 2007, thanks especially to an impressive 35.2% increase in advertising sales generated through 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE.
- *Business to Business*: revenues amounted to € 5.9 million, down by € 1.0 million compared to the first half of 2007. In particular, B2B products were

penalised in 2008 both by the sales force's greater focus on new online offerings and by the revision of products and services currently underway, with a view to highlighting the increasing importance of the online component of the product.

- *Other products*: revenues fell slightly to € 49.0 million compared to the first half of 2007 (€ 51.9 million).

Gross operating profit amounted to € 197.8 million in the first six months of 2008, down by 3.9% compared to the first half of 2007, mainly as a result of the drop in revenues.

EBITDA stood at € 169.8 million, down by 5.6% compared to the same period of the previous year. In detail, industrial costs fell in line with revenues, partially offsetting the rise in commercial costs incurred to sustain the growth of the sales force and advertising costs for print-centred products and services.

THOMSON

The group's revenues amounted to € 47.1 million (GBP 36.5 million) in the first half of 2008. The reduction compared to the first half of 2007 was severest in respect of a limited number of large accounts, mainly financial institutions which were most affected by the credit crisis. Core market products and services for SMEs remained stable thanks to growth in the online business, which partially offset the drop in demand for print products.

In the first half of 2008, the Thomson group's gross operating profit fell by GBP 2.3 million, primarily as a result of the higher advertising expenses sustained to promote online products and services.

EBITDA was negative by € 0.6 million, reflecting a drop of € 3.1 million compared to the same period of the previous year, in line with the reduction in gross operating profit.

TELEGATE

The Telegate group's revenues amounted to € 86.4 million in the first half of 2008, basically in line with figures for the same period of the previous year, thanks especially to the inclusion of KlickTel in the consolidation area as of 1 April 2008. KlickTel's results were in line with the acquisition plan.

In Germany, revenues for the first half of 2008 amounted to € 58.8 million (€ 56.6 million in the first half of 2007), thanks to online and KlickTel performances, which offset the downturn of the traditional Directory Assistance market.

Telegate virtually broke even in France, primarily as a result of new cost-cutting policies, whilst sales grew in Italy, thanks to the success of 12.40 Pronto Pagine Bianche.

Compared to the same period of the previous year, EBITDA rose by € 4.2 million in the first half of 2008, to € 26.7 million, including € 5.4 million payable by Deutsche Telekom to Telegate AG pursuant to a judgement handed down at the end of June 2008, in one of the cases pending between the two companies in respect of the recovery of overpayments made by Telegate to Deutsche Telekom for the supply of telephone subscribers' details.

EUROPAGES

Revenues amounted to € 7.6 million in the first half of 2008, down by € 4.9 million compared to the same period of the previous year. Revenues grew slightly in France. As a result of a new sales plan implemented following the migration of all sales to exclusively online products, no meaningful comparison may be drawn between figures for first half of 2008 and the same period of the previous year.

Gross operating profit was negative by € 2.7 million, decreasing compared to the first half of 2007, mainly as a result of lower revenues which were accompanied by a sharp drop in the cost of sales.

WER LIEFERT WAS? GROUP

Revenues amounted to € 17.1 million in the first half of 2008, in line with figures for the same period of the previous year, thanks to the good performances achieved in countries where the Company operates, which partially offset the slight drop in revenues in Germany. The sale of advertising space on the website Europages.com has just been launched in Germany, and the related impact on revenues is expected to emerge in coming months.

Gross operating profit amounted to € 2.1 million at 30 June 2008, with a decrease compared to the first half of 2007, mainly as a result of the costs sustained for the integration of WLW and Europages in Germany.

CONSODATA

In the first half of 2008, revenues amounted to € 13.0 million, up by 31.3% compared to 2007, thanks to growth in both target groups (SMEs and large accounts).

The growth in revenues impacted the gross operating profit which increased by € 1.0 million compared to the first half of 2007 (€ 2.5 million at 30 June 2008).

OUTLOOK

During the second half of 2008, SEAT Pagine Gialle intends to continue making investments in initiatives and new projects aimed at securing sustainable growth in coming years.

The Group's strategy will continue to be focussed on Italy, where its key assets are located and where online growth in 2007 has given rise to new business development opportunities. This focus will be maintained despite the difficult economic environment in Italy, as confirmed by the latest figures released by ISTAT, which show that in the first quarter of 2008, Italian GDP grew by 0.5% over figures for the last quarter of 2007, and by 0.3% over figures for the first quarter of 2007, while consumer spending fell by 2.3%.

In Italy, core business revenues are expected to remain stable although overall revenues are expected to fall slightly (by about 1%) as a result of the underperformance of minor products harder hit by the difficult market situation. The company's goal is to support EBITDA performance, expected at about € 530 million, through efficient operating cost management, while dedicating adequate resources for enhancing online products and services and developing the sales network.

Since investments for reinforcing the SEAT group's penetration of the foreign online markets, have now been completed, the Company will focus mainly on implementing the business plans of the various investee companies.

With regard to Katalog, the joint-venture with Dogan Media Group, the first Turkish directories are scheduled to be published by the end of 2008.

Against this background, expected Group EBITDA for 2008 is confirmed at about € 610 million and cash available for debt repayment is forecast at about € 180 million. Net result for financial year 2008 is expected to show a profit at consolidated level.

The manager responsible for preparing the Company's financial reports the Chief Financial Officer Massimo Cristofori declares, pursuant to paragraph 2 of Article 154-bis of Italy's Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

Disclaimer

This press release contains forward-looking statements, especially in the "Outlook", referring to: investment plans, future management performances, growth objectives in terms of revenues and results, both globally and by business areas, net financial position and other aspects of the Group's activities. Forward-looking statements contain a risk and uncertainty factor, as they depend on possible future events and developments. Actual results may differ significantly from those announced due to different factors.

The Group's results for the first six months of 2008 will be presented by Chief Executive Officer Luca Majocchi during the conference call that will be held today, Thursday, 7 August, at 4:00 p.m. (CET)

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This press release is a translation, the Italian version will prevail.

SEAT Pagine Gialle Group

Reclassified Statement of Operations

(euro/mln)	1st half-year	1st half-year	Change		Year 2007
	2008	2007	Absolute	%	
Revenues from sales and services	576.5	582.3	(5.8)	(1.0)	1,453.6
Materials and external services (*)	(226.1)	(224.6)	(1.5)		(504.2)
Salaries, wages and employee benefits (*)	(127.0)	(121.7)	(5.3)		(246.4)
Gross operating profit	223.4	236.0	(12.6)	(5.3)	703.0
<i>% on revenues</i>	<i>38.7%</i>	<i>40.5%</i>			<i>48.4%</i>
Other valuation adjustments and provisions to reserves for risks and charges, net	(30.2)	(26.3)	(3.9)		(50.0)
Other income (expenses), net	4.5	(2.1)	6.6		(2.8)
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	197.7	207.6	(9.9)	(4.8)	650.2
<i>% on revenues</i>	<i>34.3%</i>	<i>35.6%</i>			<i>44.7%</i>
Operating amortisation, depreciation and write-downs	(23.4)	(20.4)	(2.9)		(42.1)
Non-operating amortisation and write-downs	(94.8)	(81.0)	(13.8)		(162.1)
Non-recurring and restructuring costs, net	(11.0)	(10.5)	(0.5)		(16.9)
Operating income (EBIT)	68.5	95.7	(27.2)	(28.4)	429.1
<i>% on revenues</i>	<i>11.9%</i>	<i>16.4%</i>			<i>29.5%</i>
Interest expense, net	(119.8)	(120.0)	0.2		(239.3)
Gains (losses) on valuation/disposal of investments	(0.9)	(3.4)	2.5		(3.3)
Income taxes for the period	9.5	(0.6)	10.1		(80.2)
Loss (income) of Minority interests	(2.9)	(2.8)	(0.1)		(7.8)
Result for the period	(45.6)	(31.1)	(14.5)	(46.9)	98.4

(*) Less repayments of costs.

SEAT Pagine Gialle Group

Reclassified Balance Sheet

(euro/mln)	At 06.30.2008	At 12.31.2007	Change	At 06.30.2007
Goodwill and customer database	3,873.9	3,943.7	(69.8)	3,915.8
Other non-current assets (*)	193.9	168.0	25.9	175.2
Non-current liabilities	(102.7)	(75.0)	(27.7)	(71.0)
Working capital	162.2	273.4	(111.2)	195.4
Net invested capital	4,127.3	4,310.1	(182.8)	4,215.4
Equity Shareholders of the Group	1,044.2	1,100.0	(55.8)	989.2
Minority interests	24.2	23.8	0.4	17.4
Total equity	(A) 1,068.4	1,123.8	(55.4)	1,006.6
Net financial debt	3,152.1	3,274.3	(122.2)	3,316.2
Transaction costs on loans and securitisation program not yet amortised	(73.4)	(82.8)	9.4	(92.3)
Net market value of cash flow hedge instruments	(19.8)	(5.2)	(14.6)	(15.1)
Net financial debt - "book value"	(B) 3,058.9	3,186.3	(127.4)	3,208.8
Total	(A+B) 4,127.3	4,310.1	(182.8)	4,215.4

(*) Including financial assets available for sale.

SEAT Pagine Gialle Group

Operating Free Cash Flow

(euro/mln)	1st half-year 2008	1st half-year 2007	Change	Year 2007
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	197.7	207.6	(9.9)	650.2
Gains (losses) from discounting operating assets and liabilities	0.3	0.3	-	0.2
Decrease (increase) in operating working capital	102.5	86.3	16.2	(19.1)
(Decrease) increase in operating non-current liabilities	(3.0)	(1.8)	(1.2)	(5.8)
Capital expenditure	(23.7)	(26.2)	2.5	(66.1)
(Gains) losses on disposal of non-current assets	-	-	-	0.1
Operating free cash flow	273.8	266.2	7.6	559.5

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/mIn)								
Revenues from sales and services	1st half-year 2008	419.5	47.1	92.1	45.6	604.3	(27.8)	576.5
	1st half-year 2007	428.4	58.5	92.9	30.9	610.7	(28.4)	582.3
	Year 2007	1,090.2	158.9	185.8	80.2	1,515.1	(61.5)	1,453.6
Gross operating profit	1st half-year 2008	197.8	0.9	23.2	1.3	223.2	0.2	223.4
	1st half-year 2007	205.8	4.4	24.6	2.5	237.3	(1.3)	236.0
	Year 2007	603.4	42.0	53.5	9.8	708.7	(5.7)	703.0
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	1st half-year 2008	169.8	(0.6)	27.3	1.3	197.8	(0.1)	197.7
	1st half-year 2007	179.9	2.5	22.9	2.3	207.6	-	207.6
	Year 2007	553.5	36.8	50.0	9.9	650.2	-	650.2
Operating income (EBIT)	1st half-year 2008	64.7	(2.1)	20.8	(14.9)	68.5	-	68.5
	1st half-year 2007	76.6	1.0	18.4	(0.3)	95.7	-	95.7
	Year 2007	351.6	33.3	40.7	3.5	429.1	-	429.1
Total assets	June 30, 2008	4,296.8	345.3	261.6	480.8	5,384.5	(376.9)	5,007.6
	June 30, 2007	4,492.9	388.6	203.6	343.5	5,428.6	(350.0)	5,078.6
	December 31, 2007	4,427.3	361.1	226.4	513.8	5,528.6	(422.9)	5,105.7
Total liabilities	June 30, 2008	3,737.1	163.2	91.5	317.5	4,309.3	(370.1)	3,939.2
	June 30, 2007	3,902.5	164.5	58.6	290.5	4,416.1	(344.1)	4,072.0
	December 31, 2007	3,872.0	150.3	67.8	308.5	4,398.6	(416.8)	3,981.8
Net invested capital	June 30, 2008	3,617.9	235.0	122.6	158.6	4,134.1	(6.8)	4,127.3
	June 30, 2007	3,777.0	283.5	109.9	50.9	4,221.3	(5.9)	4,215.4
	December 31, 2007	3,774.0	273.7	91.9	177.6	4,317.2	(7.1)	4,310.1
Capital expenditure	1st half-year 2008	18.0	1.0	1.9	3.1	24.0	(0.3)	23.7
	1st half-year 2007	18.9	0.8	3.5	3.1	26.3	(0.1)	26.2
	Year 2007	51.4	1.8	5.8	7.4	66.4	(0.3)	66.1
Average workforce (*)	1st half-year 2008	1,389	916	2,477	663	5,445	-	5,445
	1st half-year 2007	1,382	1,012	2,523	409	5,326	-	5,326
	Year 2007	1,379	999	2,476	511	5,365	-	5,365
Sales agents (average number)	1st half-year 2008	1,635	-	131	49	1,815	-	1,815
	1st half-year 2007	1,608	-	-	-	1,608	-	1,608
	Year 2007	1,607	-	-	16	1,623	-	1,623

(*) FTE - Full Time Equivalent - for non-Italian companies; average workforce for Italian companies.