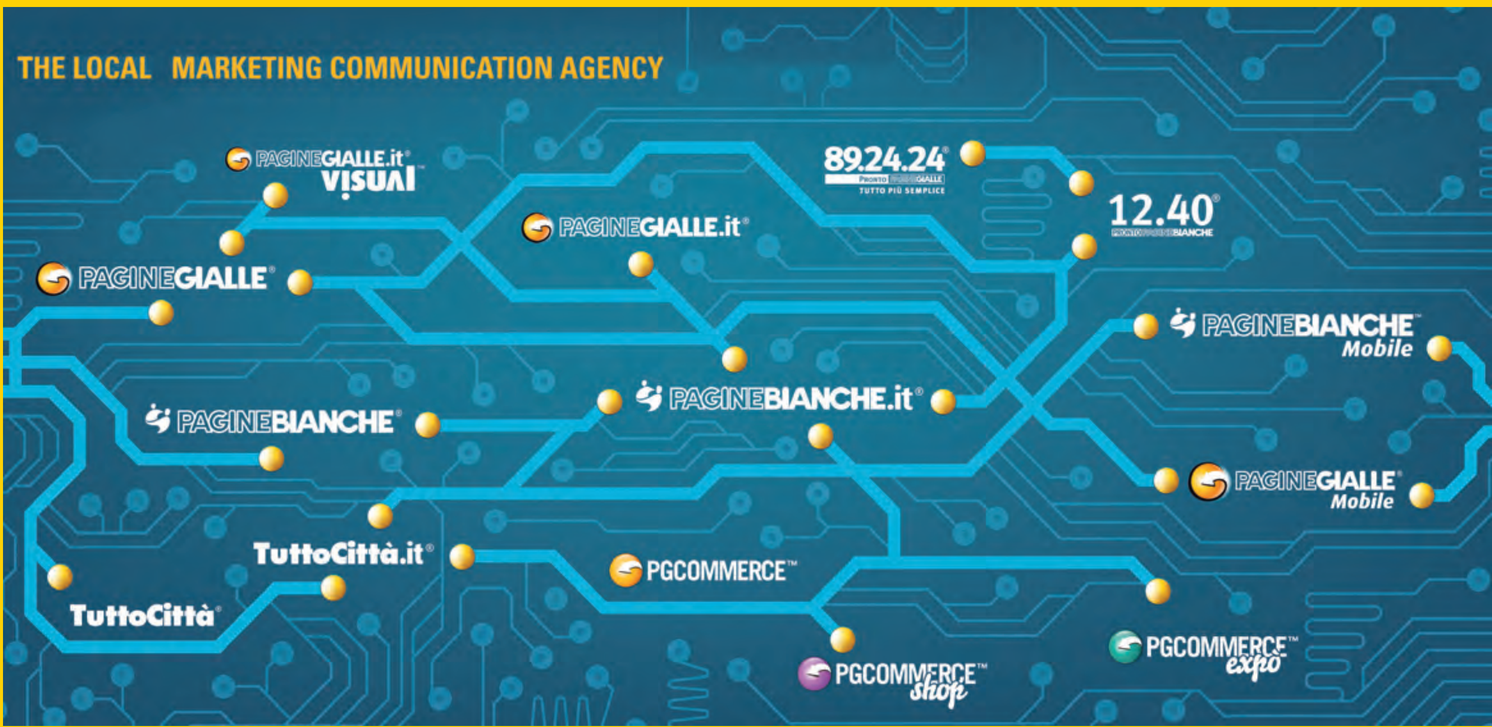


Interim report as at September 30, 2011

Interim report as at September 30, 2011

Registered office: Via Grosio, 10/4 - 20151 Milan (Italy)
Secondary office: Corso Mortara, 22 - 10149 Turin (Italy)
Fully paid-up share capital: € 450,265,793.58
Tax Code and VAT Code: 03970540963
Milan Register of Companies No. 03970540963

The SEAT Pagine Gialle Group is a major multimedia platform that provides detailed information and sophisticated search tools to tens of millions of users and offers its advertisers a wide range of multiplatform advertising methods (print-online&mobile-voice). The Group specializes in highly innovative online products, print directories and directory assistance services, as well as providing a large selection of complementary advertising services.

Highlights and general information

Company Boards

Information updated as at November 9, 2011)

Board of Directors	Chairman	Enrico Giliberti
	Chief Executive Officer and General Manager (*)	Alberto Cappellini
	Directors	Lino Benassi (I)
		Dario Cossutta
		Maurizio Dallocchio (I)
		Alberto Giussani (I)
		Luigi Lanari
		Pietro Masera
		Antonio Tazartes
		Marco Tugnolo
		Nicola Volpi
	Secretary to the Board of Directors	Marco Beatrice
Remuneration Committee	Chairman	Lino Benassi
		Dario Cossutta
		Luigi Lanari
Internal Audit Committee	Chairman	Alberto Giussani
		Maurizio Dallocchio
		Marco Tugnolo
Board of Statutory Auditors	Chairman	Enrico Cervellera
	Statutory Auditors	Vincenzo Ciruzzi
		Andrea Vasapolli
	Alternate Auditors	Guido Costa
		Guido Vasapolli
Common representative of savings shareholders		Stella D'Atri
Manager responsible for preparation of the financial statements		Massimo Cristofori
Independent Auditors		Reconta Ernst & Young S.p.A.

(*) The Board of Directors met on May 10, 2011 and appointed the Chief Executive Officer, Alberto Cappellini, as General Manager of the Company.

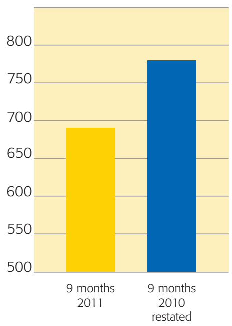
(I) Meets the requirements set forth in Article 148, paragraph 3 of Legislative Decree No. 58/98 and in the Self-Regulation Code for Listed Companies in order to qualify as independent.

Economic and financial highlights of the Group

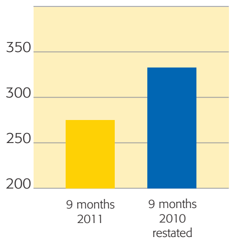
The economic and financial results of the SEAT Pagine Gialle Group for the first nine months of 2011, the first nine months of 2010 *restated*, and for the year 2010 restated, have been prepared in accordance with the international accounting standards issued by the International Accounting Standards Board and approved by the European Union (IFRS).
For more information about the methods for the restated accounts, refer to the Introduction of the Report on Operations.

- Consolidated REVENUES at € 695.6 million, a reduction of 10.5% compared to the first nine months of 2010 *restated*. On a same-publication basis and at constant euro/sterling exchange rates, revenue fell by € 78.8 million (-10.2%).
- Consolidated EBITDA at € 273.0 million (-17.7% compared with the first nine months of 2010 *restated*), with an operating margin of 39.2%.
- OPERATING FREE CASH FLOW at € 290.7 million, € 10.7 million less than that generated during the first nine months of 2010 *restated*, which were affected by increased capital expenditure as a result of the internet offering.
- NET FINANCIAL INDEBTEDNESS as at September 30, 2011 at € 2,703.0 million showed an improvement of € 28.0 million compared with December 31, 2010.

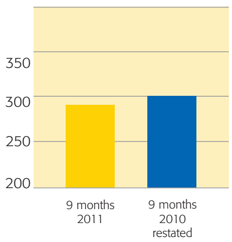
Revenues
(euro/millions)



EBITDA
(euro/millions)



Operating free cash flow
(euro/millions)



(euro/million)	9 months 2011	9 months 2010 restated	Year 2010
Economic and financial data			
Revenues from sales and services	695.6	777.0	1,034.4
GOP (*)	309.6	356.1	456.2
EBITDA (*)	273.0	331.7	416.5
EBIT (*)	181.1	270.0	(374.8)
Pre-tax profit (loss)	(10.7)	86.5	(628.8)
Profit (loss) on continuing operations	(33.2)	44.5	(716.7)
Profit (loss) pertaining th the Group	(33.9)	42.2	(718.1)
FCF (*)	290.7	301.4	414.6
Capital expenditure	31.9	23.4	40.3
Net invested capital (*)	2,863.2	3,662.2	2,912.2
of which goodwill and customer database	*2,630.6*	*3,334.5*	*2,651.3*
of which net operating working capital (*)	*94.9*	*204.8*	*158.3*
Equity of the Group	191.6	968.0	213.6
Net Financial Indebtedness (*)	2,703.0	2,721.1	2,731.0
Economic and financial ratios			
EBITDA/Revenues	39.2%	42.7%	40.3%
EBIT/Revenues	26.0%	34.7%	(36.2%)
EBIT/Net invested capital	6.3%	7.4%	(12.9%)
Profit (loss) for the period/Equity of the Group	(17.7%)	4.4%	n.s.
FCF/Revenues	41.8%	38.8%	40.1%
Operating working capital/Revenue	13.6%	26.4%	15.3%
Workforce			
Workforce at the end of the period (units)	4,580	4,985	4,810
Average workforce for the period	3,861	4,660	4,493
Revenues/Average workforce	180	167	230

(*) See "Non-GAAP measures" below for details of items.

Non-GAAP measures

In addition to the conventional IFRS indicators, this Interim Report of September 30, 2011 includes some non-GAAP measures with a view to providing a better assessment of the Group's economic and financial performance.

These indicators are not identified as accounting measures within the IFRS framework, and therefore must not be considered an alternative standard by which to assess the economic and financial performance of the Group or its capital or financial position. Since these measures are not governed by the benchmark accounting standards, the calculation methods used by the Group may not be consistent with those implemented by others, meaning that the measures may not be comparable. These indicators are as follows:

- **GOP** (*gross operating profit*) refers to EBITDA before other operating income and expenses, valuation adjustments and provisions to reserves for risks and charges.
- **EBITDA** (*operating income before amortization, depreciation, other non-recurring and restructuring costs, net*) refers to **EBIT** (*operating result*) before non-recurring and restructuring costs, net, and operating amortization, depreciation and write-downs (relating to intangible assets with a finite useful life and tangible assets) and non-operating amortization and write-downs (relating to goodwill and customer databases).
- **Operating working capital and non-operating working capital** are calculated respectively as operating current assets (relating to operating revenues) net of operating current liabilities (relating to operating costs) and as non-operating current assets net of non-operating current liabilities: neither item includes current financial assets or liabilities.
- **Net Invested Capital** is the sum of operating working capital, non-operating working capital, goodwill and customer databases, and other operating and non-operating non-current assets and liabilities.
- **Net Financial Indebtedness (Book Value)** is the sum of cash and cash equivalents and current and non-current financial assets and liabilities.
- **Net Financial Indebtedness** refers to net financial **indebtedness** (book value) gross of net adjustments relating to cash flow hedge instruments and transaction costs on loans and securitizations not yet amortized.
- **FCF** (*free cash flow*) is the EBITDA, adjusted to take into account the effect of capital expenditure and the change in operating working capital and operating non-current liabilities on the net financial position.

Information for Shareholders

Shares

		At 09.30.2011	At 09.30.2010 restated	At 12.31.2010 restated
Share capital	euro	450,265.793.58	450,265,793.58	450,265,79.58
Number of ordinay shares	No.	1,927,027,333	1,927,027,333	1,927,027,333
Number of savings shares	No.	680,373	680,373	680,373
Market capitalisation *(based on average market price)*	euro/mln	80	281	170
SEAT Pagine Gialle S.p.A. share weighting (SPG ordinary shares) - Ftse Italia All Share (ex Mibtel)		0.017%	0.049%	0.027%
Equity par share	euro	0.099	0.502	0.111
Profit (loss) par share	euro	(0.018)	0.022	(0.373)

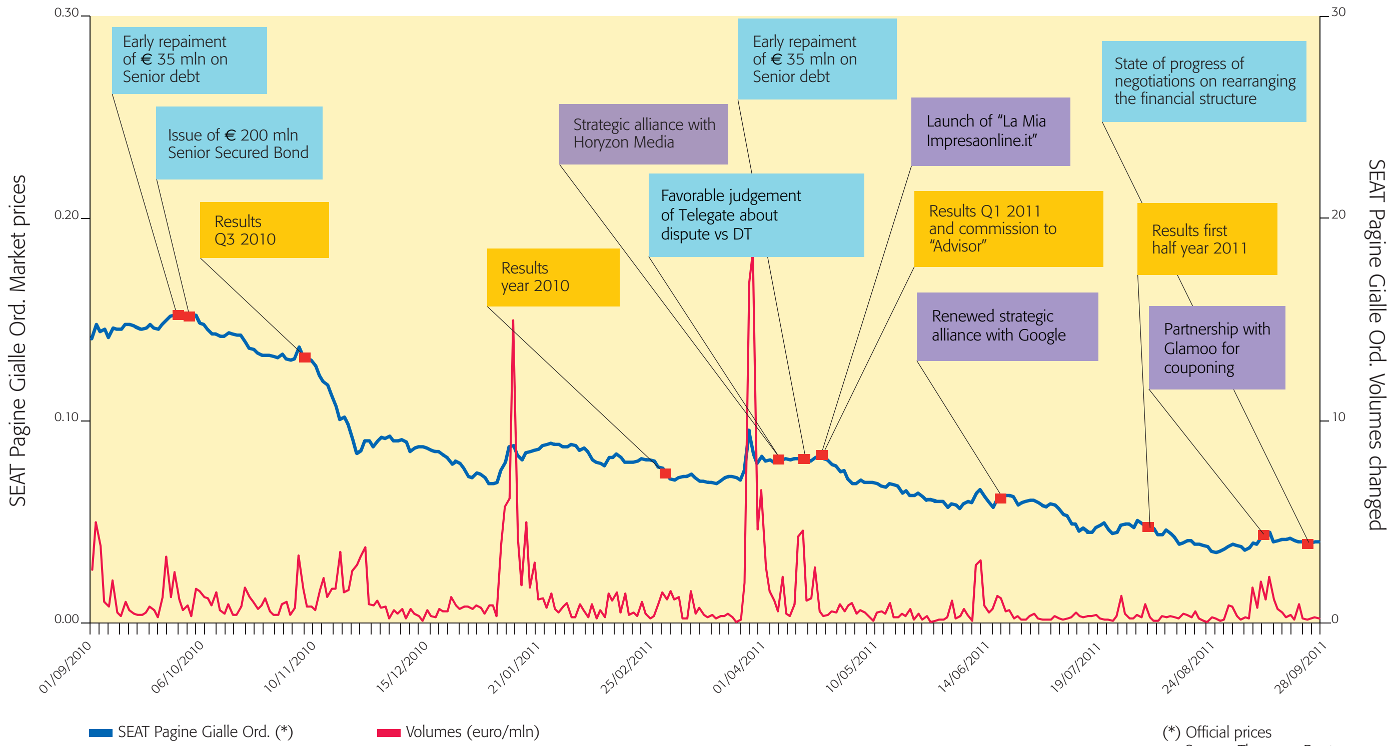
Ratings for SEAT Pagine Gialle S.p.A.

(Information updated as at November 9, 2011)

Rating agency	Corporate	Outlook
S&P's	SD	Negative
Moody's	Caa3	Negative

Market performance of ordinary shares over the last 12 months and volumes traded

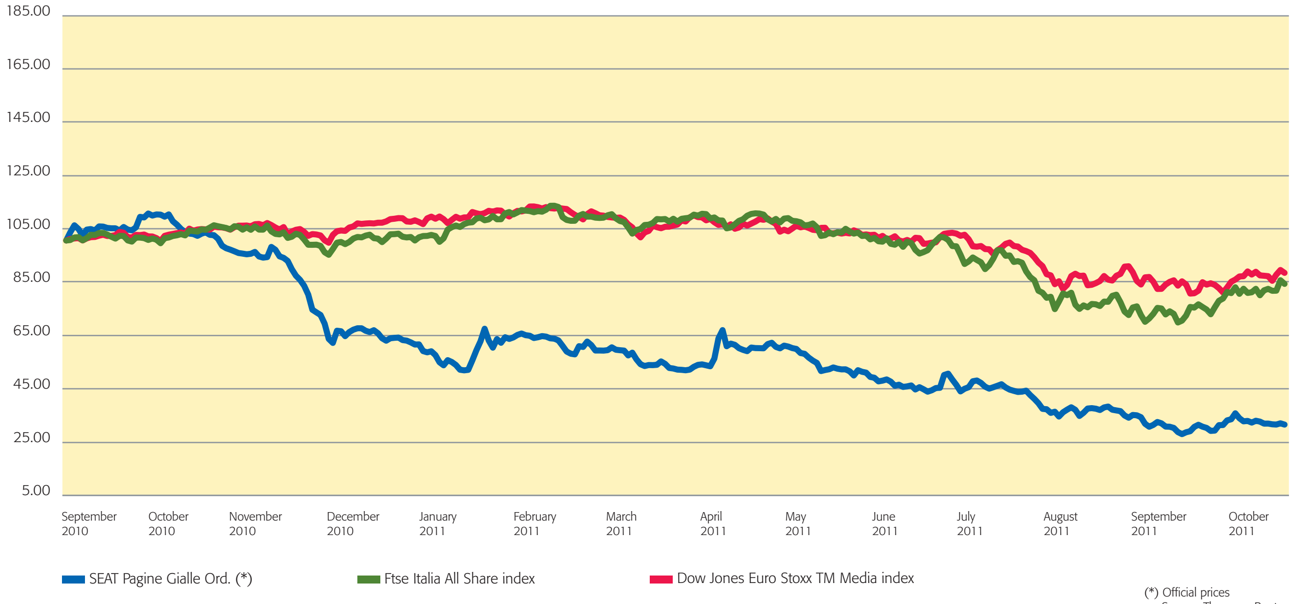
On September 30, 2011, shares in SEAT Pagine Gialle closed at € 0.04, down 52.8% compared with the price of € 0.08 recorded on December 31, 2010.
The negative performance of the shares was influenced by the structure of the Company's enterprise value, which consists predominantly of debt. Slight decreases in the enterprise value (with the debt calculated at the nominal value and not at the market value) of the Company were translated into increasingly significant reductions in its market value, represented by stock exchange listings. From the end of December 2010 to the end of September 2011, the enterprise value expressed by the value of SEAT Pagine Gialle fell by 4.7%.
The performance of other companies in the industry was also negative in terms of both enterprise value (Eniro -42.1%, Pages Jaunes -1.2%, Yellow Media -18.9%) and stock exchange value for the period (Yellow Media Canada -97.5%, Yell -71.9%, Pages Jaunes -56.4%).



(*) Official prices
Source: Thomson Reuters

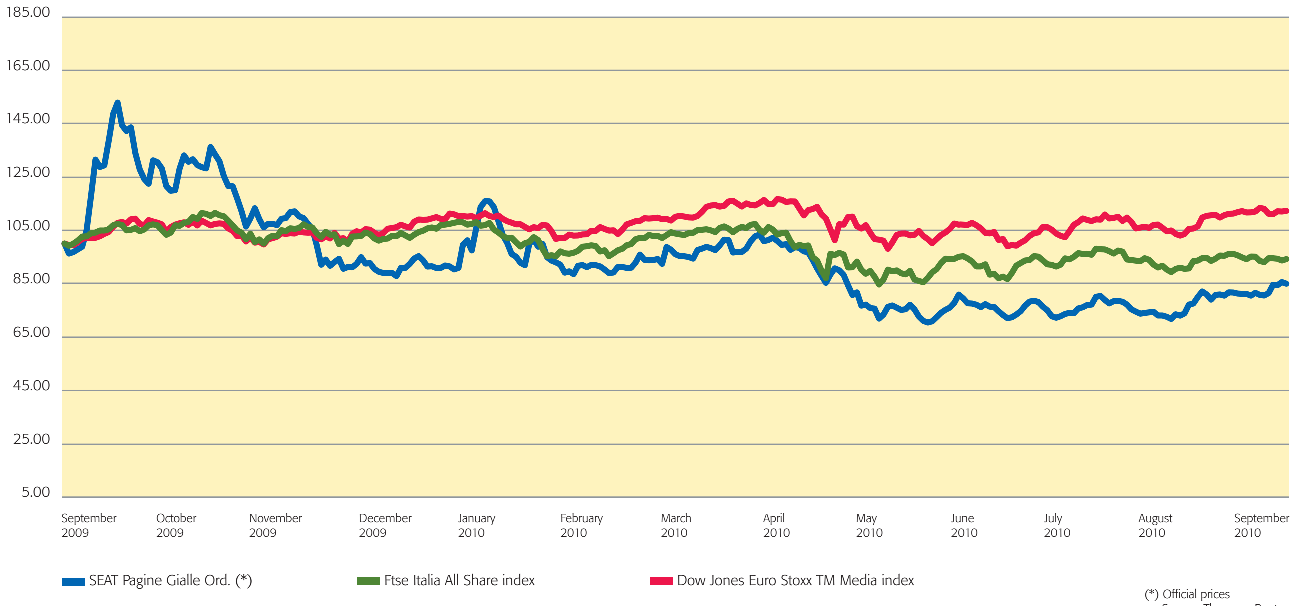
Performance of SEAT Pagine Gialle S.p.A. shares in the first nine months of 2011 vs. FTSE Italia All-Share Index and Dow Jones EURO STOXX TM Media

(Information updated as at November 9, 2011)



(*) Official prices
Source: Thomson Reuters

Performance of SEAT Pagine Gialle S.p.A. shares in the first nine months of 2010 vs. FTSE Italia All-Share Index and Dow Jones EURO STOXX TM Media



(*) Official prices
Source: Thomson Reuters

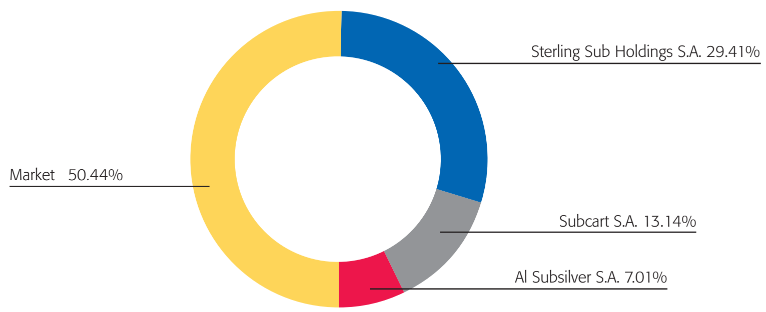
Shareholders

The table below lists the ordinary Shareholders of SEAT Pagine Gialle S.p.A., which hold more than 2% of the Company's share capital as at September 30, 2011.

Shareholders as at September 30, 2011	**Ordinary shares held**	**% ordinary share capital**
Sterling Sub Holdings S.A.	566,683,788 (*)	29.41
Subcart S.A.	253,219,895 (*)	13.14
AI Subsilver S.A.	135,113,995 (*)	7.01

(*) On October 8, 2010, the Company was party to the drawing up of a deed of pledge which the Shareholders listed in the table (the "Leading Shareholders") created over the shares held by each of them which were already the object of a pledge pursuant to the Deed of Pledge drawn up on April 22, 2004 (as subsequently confirmed and extended) and pursuant to the deed of pledge drawn up on January 28, 2010 (which covers all the obligations of the Company arising from the bond drawn up on the same date and named "€ 550,000,000 10 1/2 Senior Secured Notes Due 2017"). The pledge created on October 8, 2010, which is subordinate to the pledges created pursuant to the aforementioned deeds of pledge, guarantees that the Company will fulfil all its obligations in connection with the issue, on the same date, of the bond named "€ 200,000,000 10.5% Senior Secured Notes Due 2017".

SEAT Pagine Gialle S.p.A. shareholder structure as at September 30, 2011



Organizational structure of the Group

Italian Directories	Directories UK	Directory Assistance	Other Activities
SEAT Pagine Gialle S.p.A.	TDL Infomedia Ltd. 100%	Telegate AG a) 77.37%	Consodata S.p.A. 100%
	Thomson Directories Ltd. 100%	11811 Nueva Información Telefónica S.A.U. 100%	
		Telegate Media AG 100%	Cipi S.p.A. 100%
		Pagine Gialle Phone Service S.r.l. 100%	Europages S.A. 93.562%
		Prontoseat S.r.l. 100%	

Legenda
a) 16.24% directly owned and 61.13% owned through Telegate Holding GmbH.

Report on Operations

Economic and financial performance of the Group

Introduction

Changes in accounting policies

It should be noted that, starting with the Interim condensed financial statements as at June 30, 2011, the SEAT Group modified its accounting policies for determining the revenues and costs from the provision of online and voice services.
Taking into account the changes that have taken place in its commercial offering and the altered economic content of the service provided, the Company believes that, because they involve service components provided throughout the duration of the contract, all online and voice revenues (including those related to traditional products) should be recognized according to the length of the contract, in line with the provisions of IAS 18 which, in paragraph 13, provides that when several operations are closely connected the commercial result should be evaluated with reference to all of the various operations as a whole.
This change also applies to the recognition of costs incurred in the rendering of the aforementioned services (the main portion of which consists of commissions accrued by the sales force), which will be accounted for in the statement of operations in proportion to the respective revenues.
The new accounting policies will represent an improvement in accounting terms, compared with the application of the previous accounting policies, because they are more representative of the changed substantial economic value of the services provided and the continuity of the operational and service measures implemented during the course of the online and voice contracts as a result of the innovative services included in the more traditional online and voice directory component. This change is therefore considered as a change in accounting policies within the meaning of IAS 8.14 (b).
In line with the requirements of IAS 8.19 (b), the Company has completed the retrospective restatement, as it is in possession of the information that has become available following the recent changes made to the IT systems, which make it possible to estimate the economic and financial effects that the new accounting policies would have had, if they had been adopted during the financial years prior to 2011, with a reasonable degree of accuracy. The figures for the statement of operations, the statements of financial position, and the statement of cash flows for the periods ending September 2010 and December 2010 have therefore been restated, with the detailed economic and financial impacts and comments set out in the tables and notes in the Appendix.

Reclassified consolidated statement of operations for the first nine months

Revenues from sales and services in the first nine months of 2011 came to € 695.6 million, a fall of 10.5% compared with the first nine months of 2010 *restated* (€ 777.0 million). On a same-publication basis and at constant euro/sterling exchange rates, revenue fell by € 78.8 million (-10.2%).

Before eliminations between the Group's different Business Areas, revenue from sales and services comprises the following components:

- revenues from the *Italian Directories* Business Area (*SEAT Pagine Gialle S.p.A.*) reached € 546.2 million in the first nine months of 2011, down 9.7% compared with the first nine months of 2010 restated. Core products (print-online&mobile-voice) closed the first nine months of 2011 with revenues falling by 9.4% compared with the same period in the previous financial year with a continued decrease in print revenues (-48.0%) in contrast, however, to significant organic growth of 27.7% for revenues from the traditional online advertising offering and those coming from online marketing services. The growth in these two segments, together with the separate accounting of the online component of PAGINEBIANCHE® revenues, which was traditionally accounted for under the revenues from print products, has allowed the process of developing the revenue mix in favor of online products, which represented around 52.6% of total revenues as at the end of September, to be accelerated. As in the previous quarters, the drop in revenues from voice traffic generated by the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services and some minor products (particularly direct marketing and promotional items) continued, influenced by, among other things, the sales network's greater focus on core products, particularly online activities;

- revenues from the *Directories UK* Business Area (*TDL Infomedia Group*), which totaled € 41.7 million in the first nine months of 2011, down € 11.2 million compared to the first nine months of 2010 *restated*. The performance of revenues in the first nine months of 2011 was adversely affected by a different publication schedule, which saw the publication of 108 directories by September 2011, compared with 127 published in the first nine months of the previous year. On a same-publication basis and at constant euro/sterling exchange rates between the euro and sterling, revenues in the first nine months of 2011 fell by € 8.6 million compared to the same period of 2010 *restated*;

- revenues from the *Directory Assistance* Business Area (*Telegate Group, Pagine Gialle Phone Service, and Prontoseat*) were € 91.1 million in the first nine months of 2011, a decrease of around 15.4% compared with the first nine months of 2010 *restated* (€ 107.7 million). This fall is partly attributable to the reduction in revenues from Pagine Gialle Phone Service following the sale in May 2010 of business units designated to carry out call center activities for the Livorno and Turin offices to People Care S.r.l. and Voice Care S.r.l., which belong to the Contacta Group, with the resulting movement of the related workforce. The decline also can be attributed to the Telegate Group that, in the first nine months of 2011, posted revenues of € 83.6 million (down 9.9% compared with the first nine months of 2010 *restated*) due to a continued reduction in call volumes for traditional directory assistance services, including added-value services and outsourcing.

Online revenue rose to € 26.1 million. Revenues from Germany totaled € 76.7 million, a fall of 9.0% compared to the first nine months of 2010 restated, due to the structural difficulties of the directory assistance market, with a steady decline in call volumes, which was only partially offset by the growth in online revenue (+€ 4.5 million). Prontoseat S.r.l. recorded revenues of € 6.9 million in the first nine months of 2011, down 14.8% compared to the first nine months of 2010, due to a fall in inbound revenue (-46.2%), which was only partially offset by the growth in revenues from outbound traffic (43.3%);

- revenues from the *Other Activities* Business Area (*Europages, Consodata, and Cipi*) were € 31.0 million in the first nine months of 2011, a decrease of around 13.6% compared with the first nine months of 2010 restated (€ 35.9 million), mainly due to the decline on Consodata revenues.

Costs of materials and external services, net of costs debited to third parties, totaled € 253.7 million for the first nine months of 2011, down € 16.5 million compared to the first nine months of 2010 *restated* (€ 270.2 million). In more detail, materials and external services for the period were as follows:

- *industrial* costs: these totaled € 99.4 million, down by € 1.6 million compared to the first nine months of 2010 *restated*, mainly due to lower revenue volume. The fall in print revenue led to a drop in the number of pages printed and volumes distributed, mainly for SEAT Pagine Gialle S.p.A., reflected in a decline in paper consumption (down by € 4.5 million) and production and distribution costs (down by € 8.5 million), countering the trend for fees paid to publishers as part of the new online products intended to boost web traffic (+€ 3.3 million) and industrial telecom services involving online services (+€ 4.5 million);

- *commercial costs*: these totaled € 88.8 million in the first nine months of 2011 (€ 101.8 million in the first nine months of 2010 *restated*). The reduction is attributable to costs of *commissions and other sales costs*, down € 11.9 million compared to the first nine months of 2010 restated. The outbound call center costs were up € 2.5 million;

- *overhead*: these totaled € 66.8 million for the first nine months of 2011, down by € 1.9 million compared to € 68.7 million in the first nine months of 2010 *restated*, thanks to the cost-cutting measures implemented.

Salaries, wages and employee benefits, net of recovered costs, totaled € 132.3 million in the first nine months of 2011, down by € 18.4 million compared to € 150.7 million in the first nine months of 2010 *restated*. SEAT Pagine Gialle S.p.A, the Group's Parent Company, was largely responsible (€ 7.2 million) for this change due to the reduction in its average workforce from 1,165 employees in the first nine months of 2010 to 1,019 in the first nine months of 2011.
The Group's workforce, including directors, project workers and trainees, consisted of 4,580 employees as at September 30, 2011 (4,810 employees as at December 31, 2010). The average headcount in the first nine months of 2011 consisted of 3,861 employees (compared to 4,660 for the first nine months of 2010).

Gross operating profit (GOP) totaled € 309.6 million in the first nine months of 2011, decreasing by € 46.5 million compared with the first nine months of 2010 *restated* (€ 356.1 million). The operating margin for the first nine months of 2011 was 44.5% (45.8% in the first nine months of 2010 *restated*).

Valuation adjustments and provisions to reserves for risks and charges, net totaled € 35.0 million in the first nine months of 2011, including € 24.4 million relating to the allowances for doubtful trade receivables, enabling the coverage of overdue receivables to remain sufficient (about 42% for the Group's Parent Company). The item also includes provisions to reserves for operating risks and charges, net (at € 10.4 million in the first nine months of 2011 and at € 2.1 million in the first nine months of 2010), which, in the first nine months of 2010, benefited from the reversal of a provision of € 4.5 million due to the expiration of contractual risks with telephone operators in relation to mobile network call origination charges.

Other operating income and expenses, net, had a net negative balance of € 1.6 million in the first nine months of 2011 (a negative € 0.8 million in the first nine months of 2010 *restated*).

Operating result before amortization, depreciation, non-recurring and restructuring costs, net (EBITDA), which was € 273.0 million in the first nine months of 2011, fell by 17.7%, compared to the first nine months of 2010 restated (€ 331.7 million), with an operating margin of 39.2% (42.7% in the first nine months of 2010 *restated*).

Operating amortization, depreciation and write-down, at € 44.6 million in the first nine months of 2011, declined by € 3.7 million compared with the first nine months of 2010 (€ 48.3 million). Of this figure, € 35.7 million related to intangible assets with a finite useful life (€ 37.2 million in the first nine months of 2010), and € 8.9 million to property, plant, and equipment (€ 11.1 million in the first nine months of 2010).

Non-operating amortization, depreciation and write-down totaled € 19.6 million in the first nine months of 2011 (€ 2.3 million in the first nine months of 2010); the increase is attributable to the recording of write-downs on the goodwill of the TDL Group (€ 16.3 million) and Telegate Holding GmbH (€ 1.3 million) carried out on June 30, 2011 as a result of impairment tests.

Non-recurring and restructuring costs, net, totaled € 27.7 million in the first nine months of 2011 (€ 11.0 million in the first nine months of 2010). These include *i*) non-recurring costs, net, at € 15.1 million in the first nine months of 2011 (€ 7.6 million in the first nine months of 2010), of which € 14.6 million related mainly to the Parent Company for consultancy relating to activities carried out to identify and implement financial options for the long-term stabilization of its financial structure by renegotiating the existing debt; and *ii*) net costs of restructuring at € 12.6 million in the first nine months of 2011 (€ 3.4 million in the first nine months of 2010), mainly relating to the provision of € 9.9 million for the sales network restructuring reserve instituted by the Parent Company.

Operating result (EBIT) totaled € 181.1 million in the first nine months of 2011 (€ 270.0 million in the first nine months of 2010 restated), with a revenue margin of 26.0% (34.8% in the first nine months of 2010 *restated*).

Interest expense, net, totaled € 191.9 million in the first nine months of 2011 (€ 183.5 million in the first nine months of 2010). This figure represents the difference between interest expense, at € 204.9 million (€ 194.6 million in the first nine months of 2010), and interest income, at € 13.0 million (€ 11.1 million in the first nine months of 2010). The net balance rose by € 8.4 million (+4.6%) compared with the first nine months of 2010, mainly due to the effect of the higher interest paid on the Senior Secured Bond issued at the end of January 2010 and October 2010, which was only partly offset by the lower interest on the Senior debt.

Interest expense in the first nine months of 2011 included in particular:
- € 83.1 million in interest expense on the fixed rate subordinated loan with the related company Lighthouse International Company S.A., in line with the amount recorded in the first nine months of 2010. This amount includes € 4.9 million in relation to the amortization of transaction costs for the period;
- € 37.3 million of interest expense (€ 48.8 million in the first nine months of 2010) on the financing under the Senior Credit Agreement between SEAT Pagine Gialle S.p.A. and The Royal Bank of Scotland Plc Milan branch (hereinafter referred to as The Royal Bank of Scotland). This amount includes € 6.0 million relating to transaction and refinancing costs for the period and € 7.0 million relating to the negative impact of derivatives for hedging interest rate risk;
- € 63.2 million of interest expense (€ 41.0 million in the first nine months of 2010) on the Senior Secured Bond. This amount includes € 1.6 million relating to transaction costs for the period and € 2.5 million for the share of the issue discount;
- € 1.2 million of interest expense (€ 4.0 million in the first nine months of 2010) on limited-recourse asset-backed securities issued in June 2006 by the special purpose entity, Seat Servizi per le Aziende S.r.l. (formerly Meliadi Finance S.r.l.), as part of a securitization program, completed in June 2011;
- € 1.8 million of interest expense (€ 1.7 million in the first nine months of 2010) on debts due to Leasint S.p.A. in relation to seven financial leasing contracts raised for the purchase of the Turin property complex in Corso Mortara, where SEAT Pagine Gialle S.p.A. has its offices;
- € 7.6 million of other interest expense (€ 7.9 million in the first nine months of 2010), including € 3.5 million (€ 3.9 million in the first nine months of 2010) of interest expense from discounting non-current assets and liabilities;
- € 10.7 million of foreign-exchange losses (€ 8.6 million in the first nine months of 2010) recorded as a result of hedging transactions against euro/sterling exchange-rate risk, which were offset by the foreign-exchange gains of € 10.3 million recorded under interest income.

Interest income for the first nine months of 2011 mainly includes:

- € 1.7 million of interest income from non-current assets (€ 1.3 million in the first nine months of 2010), particularly in relation to assets used to finance the TDL Infomedia Group's pension fund;
- € 0.8 million of interest income (€ 0.9 million in the first nine months of 2010) from the investment of short-term liquidity in the banking system at market rates, mainly Euribor rates;
- € 10.3 million of foreign-exchange gains (€ 8.9 million in the first nine months of 2010) mainly recorded as a result of the hedging policy adopted against euro/sterling exchange-rate risk.

In the first nine months of 2011, the average total cost of the financial debt of SEAT Pagine Gialle S.p.A. was 8.45% (7.34% in the first nine months of 2010). This change was due to the difference in the structure of the debt following the issue of the new € 750 million 10.5% fixed-rate Senior Secured Bond for the repayment of the Senior bank loan at considerably lower rates.

Income taxes for the period had a negative balance of € 22.5 million for the first nine months of 2011 (a negative € 42.0 million in the first nine months of 2010 *restated*). In accordance with the provisions of IAS 34, income taxes for the period were calculated by applying the average rates expected for the 2011 financial year to the gross pre-tax profit.

Profit (loss) on continuing operations for the period showed a loss of € 33.2 million (profit of € 44.5 million in the first nine months of 2010 *restated*).

Profit (loss) of non-controlling interests for the period totaled a profit of € 0.7 million (a profit of € 2.2 million in the first nine months of 2010 *restated*), mainly related to non-controlling interests of the Telegate Group.

Profit (loss) for the period pertaining to the Group showed a loss of € 33.9 million (a profit of € 42.2 million in the first nine months of 2010 *restated*).

Reclassified consolidated statement of operations for the third quarter of 2011

Revenue from sales and services totaled € 262.3 million in the third quarter of 2011, decreasing by 16.6% compared to the same period last year *restated*. On a same-publication basis and at constant euro/sterling exchange rates, revenue decreased by 17.6%.

Before eliminations between the Group's different Business Areas, revenue from sales and services was as follows:

- revenues from the *Italian Directories* Business Area (*SEAT Pagine Gialle S.p.A.*) revenue totaled € 210.8 million in the third quarter of 2011, decreased by 19.2% compared to the same period last year *restated*. This result reflected the performance of core products (print-online&mobile-voice), which was down 19.4% due to the downturn in print products (-47.8%), mitigated by the growth in online activities (+58.2%). The market decline recorded in the revenues from paper products in the third quarter of the year was mainly due to the Company's decision to unbundle the online component of revenues from PAGINEBIANCHE®, rendering comparison with the third quarter of 2010 not entirely pertinent, in view of the publication of a series of medium-sized editions (such as Bergamo and Brescia) in which the percentage of PAGINEBIANCHE® revenues is greater than average. As in the previous quarters, the drop in revenue was partly caused by a fall (-16.6%) in revenue from voice traffic generated by the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services and some minor products (particularly BtoB and promotional items), which were more severely affected by the slow economic recovery and the sales force's increasing focus on core products, particularly online activities;

- revenues from the *UK Directories* Business Area (*Thomson Directories Group*) revenue totaled € 15.7 million in the third quarter of 2011, decreased by 14.6% compared to the third quarter of 2010 *restated*. In sterling, the fall in revenue was 23.2%, due primarily to difficult market conditions in the UK. Online revenue (€ 1.5 million) increased following the launch of the new range of multimedia products;

- revenues from the *Directory Assistance* Business Area (T*elegate Group, Pagine Gialle Phone Service and Prontoseat*) revenue totaled € 30.1 million in the third quarter of 2011, decreased by 12% compared to the same period last year restated, due to an overall fall in call volumes for traditional Directory Assistance services, including added-value services and outsourcing, which was only partially offset by the development of online products;

- revenues from the *Other Activities* Business Area (*Europages, Consodata and Cipi*) revenue totaled € 10.3 million in the third quarter of 2011, decreased by € 0.7 million compared to the third quarter of 2010 *restated*, due in particular to a drop in revenue from Cipi and Consodata.

EBITDA totaled € 122.8 million in the third quarter of 2011, down by € 45.3 million compared with the same period last year *restated* (€ 168.1 million), because the reduction in operating costs was insufficient to offset the drop in revenue.

Reclassified consolidated statement of financial position as at September 30, 2011

Introduction

For its loan agreement with The Royal Bank of Scotland, the indenture with Lighthouse International Company S.A. and the January and October 2010 bond issues, SEAT Pagine Gialle S.p.A. provided the usual security, the most significant being:

- pledge over its main trademarks;
- pledge over shares in its main subsidiaries;
- pledge of part of the Company's shares held by Sterling Sub Holdings S.A., Subcart S.A., and Al Subsilver S.A.

SEAT Pagine Gialle S.p.A. also created a special lien in favor of The Royal Bank of Scotland, in connection with the Senior loan agreement, on its fixed assets with a net book value greater than or equal to € 25,000.

Net invested capital

Net invested capital, at € 2,863.2 million as at September 30, 2011, fell by € 49.4 million compared to December 31, 2010 restated. In particular, this item is comprised of:

- **goodwill and customer databases**, which totaled € 2,630.6 million as at September 30, 2011 (€ 2,651.3 million as at December 31, 2010), of which € 2,618.5 million related to goodwill and € 12.1 million related to customer databases, recorded under Group's assets upon acquisitions. This item fell by € 20.6 million, mainly as a result of write-downs on the goodwill of the TDL Group (€ 16.3 million) and of Telegate Holding GmbH (€ 1.3 million) that were recorded as a result of impairment tests conducted as at June 30, 2011.

- **other non-current assets** totaled € 186.5 million as at September 30, 2011, down by € 55.5 million compared to December 31, 2010 restated (€ 242.0 million). These assets include:
  - *capital assets and equipment*, which totaled € 152.9 million as at September 30, 2011, down by € 12.9 million compared to December 31, 2010 (€ 165.8 million). This change reflects capital expenditure worth € 31.9 million, which was more than offset by operating amortization, depreciation, and write-downs totaling € 44.6 million.

    Capital expenditure covered the following business areas:
    - In SEAT Pagine Gialle S.p.A. (€ 23.2 million in the first nine months of 2011; € 17.5 million in the first nine months of 2010): *i*) software aimed at increasing product innovation in order to offer a service that responds better to customer requirements, with applications/products such as "Pagine Gialle e-book" and "Pagine Bianche e-book" and with new commercial products created and developed for the new communications and advertising technology platforms; *ii*) the launching and development of business initiatives with a strong technological component with partners such as Google, with the Lamiaimpresaonline.it site (a product for moving small and medium-sized businesses closer to the web with the goal of speeding up the process of digitalizing Italian businesses), or Glamoo, with the entry of SEAT Pagine Gialle into the couponing market;

and *iii*) a review of the information technology tools supporting administrative processes and management reporting using a single Corporate Performance Management application. In the infrastructure domain, during the first nine months of 2011 centralized storage and hardware was acquired as part of the technology renovation plan with a view to replacing outdated equipment in order to improve performance and reduce energy consumption. In addition, investment was begun in order to implement Disaster Recovery for the Turin data center, which is integrated with the Milan internet data center Disaster Recovery, guaranteeing the flows of the necessary data supply for both;

- € 3.2 million was spent in the first nine months of 2011 on the Telegate Group for the replacement and modernization of technological equipment at call centers;

- € 2.4 million was spent in the first nine months of 2011 on Consodata S.p.A. for the purchase and development of application-oriented software, the development of software platforms, the improvement of databases (including geo-referenced databases), and the purchase of databases;

- *equity investments valued at equity*, amounting to € 0.4 million as at September 30, 2011, relating to the associate Lighthouse International Company S.A., not presenting any change compared to December 31, 2010;

- *net deferred tax assets* totaled € 32.5 million as at September 30, 2011 (€ 74.9 million as at December 31, 2010 restated), of which € 19.8 million related to SEAT Pagine Gialle S.p.A., € 7.9 million to the Telegate Group, and € 4.2 million to the TDL Infomedia Group;

- **operating non-current liabilities** totaling € 46.9 million as at September 30, 2011 (€ 62.3 million as at December 31, 2010). More specifically, these include defined-benefit pension plans of € 10.7 million (€ 20.8 million as at December 31, 2010), accounted for net of assets used to finance these plans, totaling € 44.9 million as at September 30, 2011 (€ 35.9 million as at December 31, 2010), the reserve for severance indemnities, amounting to € 13.4 million (€ 16.0 million as at December 31, 2010), and the reserve for sales agents' termination indemnities, totaling € 21.2 million (€ 23.0 million as at December 31, 2010);

- **non-operating non-current liabilities** totaling € 19.3 million as at September 30, 2011 (€ 20.4 million as at December 31, 2010 restated), of which € 5.8 million related to deferred tax liabilities, mainly in relation to the Telegate Group (€ 5.3 million). The reduction compared to 2010 was due to the transfer of the current portion of the reserve for restructuring (€ 9.4 million) in connection with the Parent Company reorganization plan;

- **operating working capital**, positive in the amount of € 94.9 million as at September 30, 2011 (a positive € 158.3 million as at December 31, 2010 restated), a change of € 63.3 million mostly reflecting the following changes:
  - *trade receivables*, at € 526.5 million as at September 30, 2011, falling by € 86.6 million compared with December 31, 2010, mainly at SEAT Pagine Gialle S.p.A. (€ 83.6 million), mainly resulting from reduced revenues;

- *payables for services to be rendered and other current liabilities*, which totaled € 318.2 million as at September 30, 2011, increasing by € 27.0 million compared with December 31, 2010 restated, mainly in relation to purchase and invoice times for advertising services for paper products and resulting from the change in the accounting policies for online and voice products;
- *trade payables*, which totaled € 158.7 million as at September 30, 2011, falling by € 48.9 million compared with December 31, 2010 restated, essentially related to SEAT Pagine Gialle S.p.A. (€ 45.3 million), resulting from actions for containing operating costs;

- **non-operating working capital** was a positive € 7.7 million as at September 30, 2011 (a negative € 55.9 million as at December 31, 2010 *restated*), an increase of € 63.6 million compared to December 31, 2010 *restated*. This includes in particular:
  - *current tax assets*, in the amount of € 70.0 million as at September 30, 2011 (€ 3.8 million as at December 31, 2010), a change of € 66.2 million, attributable mainly to the Parent Company for the first tax advance payment (€ 28.9 million) and to the tax effect of the change in accounting policies (€ 38.1 million);
  - *income tax payables* of € 21.0 million as at September 30, 2011 (€ 32.3 million as at December 31, 2010), a decline of € 11.3 million compared to December 31, 2010.
  - *reserves for non-operating current risks and charges* were € 31.8 million as at September 30, 2011 (€ 21.8 million as at December 31, 2010) € 10.1 million of the current share of the staff restructuring reserve, in place at the start of the fiscal year, was used in the first nine months of 2011, of which € 9.6 million relates to SEAT Pagine Gialle S.p.A. for the ongoing reorganization plan.

Equity

Equity totaled € 205.2 million as at September 30, 2011 (€ 228.7 million as at December 31, 2010 *restated*), of which € 191.6 million pertained to the Parent Company (€ 213.6 million as at December 31, 2010 *restated*), and € 13.6 million to non-controlling interests (€ 15.1 million as at December 31, 2010 *restated*).
The reduction of € 22.0 million was attributable to the Parent Company and was the result of:
- a positive change of € 2.4 million (net of tax effect) in actuarial losses recorded with reference to defined benefit pension plans;
- a positive change of € 9.3 million compared to December 31, 2010 in the Reserve for cash flow hedge instruments (negative balance of € 3.3 million as at September 30, 2011; a negative of € 12.6 million as at December 31, 2010);
- the loss of € 33.9 million for the period.

Net financial indebtedness

Net financial debt totaled € 2,703.0 million as at September 30, 2011, a decrease of € 28.0 million compared with December 31, 2010; it differs from the net financial indebtedness "book value" in that it is recorded gross of costs incurred on *i)* entering and refinancing the medium- and long-term Senior debt with the Royal Bank of Scotland; *ii)* the Subordinated loan due to Lighthouse International Company S.A., and *iii)* the Senior Secured Bond Issue, totaling € 48.3 million net of the portions already amortized. Net financial indebtedness does not include the net value arising from the valuation at market values of the cash flow hedge instruments in place at the end of the period or, if closed early, cash flow hedge instruments that will become effective in subsequent periods. As at September 30, 2011, this value amounted in total to net liabilities of € 3.3 million, compared with € 13.8 million as at December 31, 2010.
As at September 30, 2011 the **net financial indebtedness** was structured as follows:

(euro/thousand)		As at 09.30.2011	As at 12.31.2010	Change	As at 09.30.2010
A	Cash	148,784	241,728	(92,944)	266,595
B	Cash equivalent	-	-	-	-
C	Trading securities	-	-	-	-
D=(A+B+C)	**Liquidity**	**148,784**	**241,728**	**(92,944)**	**266,595**
E.1	**Current Financial Receivable to third parties**	**5,430**	**1,498**	**3,932**	**3,983**
E.2	**Current Financial Receivable to related parties**	**-**	**-**	**-**	**-**
F	Current Bank debt	103,528	7,683	95,845	8,608
G	Current portion of non current debt	187,496	263,270	(75,774)	226,490
H.1	Other current financial debt to third parties	9,852	24,056	(14,204)	6,141
H.2	Otherb current financial debt to related parties	43,438	17,375	26,063	43,438
I=(F+G+H)	**Current Financial Debt**	**344,314**	**312,384**	**31,930**	**284,677**
J=(I-E-D)	**Net Current Financial Indebtedness**	**190,100**	**69,158**	**120,942**	**14,099**
K	Non current Bank loans	446,794	596,116	(149,322)	631,312
L	Bonds issued	721,120	718,587	2,533	727,642
M.1	Other non current loans to third parties	47,088	49,339	(2,251)	50,074
M.2	Other non current loans to related parties	1,300,000	1,300,000	-	1,300,000
N=(K+L+M)	**Non Current Financial Debt**	**2,515,002**	**2,664,042**	**(149,040)**	**2,709,028**
O	Non Current Financial Receivable to third parties	2,152	2,168	(16)	2,063
P=(N-O)	**Net non Current Financial Indebtedness**	**2,512,850**	**2,661,874**	**(149,024)**	**2,706,965**
Q=(J+P)	**Net Financial Indebtedness**	**2,702,950**	**2,731,032**	**(28,082)**	**2,721,064**
	Transaction costs on loans and securitization costs not yet amortized and Net market value of "cash flow hedge" instruments	(45,015)	(47,043)	2,028	(46,262)
	Net Financial Indebtedness - book value	**2,657,935**	**2,683,989**	**(26,054)**	**2,674,802**

The Net Financial Indebtedness according to the outline provided by ESMA Recommendation 81/2011 does not include Non Current Financial Receivable:

Q	**Net Financial Indebtedness**	**2,702,950**	**2,731,032**	**(28,082)**	**2,721,064**
O	Non Current Financial Receivable to third parties	2,152	2,168	(16)	2,063
R=(Q+O)	**Net Financial Indebtedness (ESMA Recommendation 81/2011)**	**2,705,102**	**2,733,200**	**(28,098)**	**2,723,127**

To be more specific:

- **Non-current financial debt** totaled € 2,515.0 million as at September 30, 2011 (€ 2,664.0 million as at December 31, 2010) and comprises the following items:

  - *Non current bank loans* relate to debt on the Senior loan with The Royal Bank of Scotland, as at September 30, 2011 amounting to € 446.8 million (€ 596.1 million as at December 31, 2010); including the current portion of €184.5 million and exposure of € 90.0 million on a revolving line of credit, with the debts to The Royal Bank of Scotland totaling € 721.3 million, structured as follows:
    a) tranche A (€ 184.5 million), repayable in two installments, the first of € 35.2 million and the second of € 149.3 million, due on December 28, 2011 and June 8, 2012, respectively, and bearing a floating interest rate equal to Euribor plus a spread of 3.41% p.a.;
    b) tranche B (€ 446.8 million), repayable in a single installment on June 8, 2013 and bearing a floating interest rate equal to Euribor plus a spread of 3.91% p.a.;
    c) a revolving credit line of € 90.0 million, designed to cover any working capital requirements of SEAT Pagine Gialle S.p.A. or its subsidiaries, available until June 8, 2012, with the application of a floating interest rate equal to that applicable to tranche A. This credit line has been used in full from April 21, 2011 to meet the working capital loan requirements resulting from the closure of the revolving trade receivables securitization program completed on June 15, 2011.

  - *Senior Secured Bonds issued*, in the amount of € 721.1 million, corresponding to the net value of the issue (€ 716.8 million) plus the issue discount accrued as at September 30, 2011 (€ 4.3 million). The two issues, equal to a total nominal value of € 750.0 million, both mature on January 31, 2017 with a nominal rate of 10.5% to be paid half-yearly at the end of January and the end of July each year. As a result of the issue discounts (the first tranche was issued on January 28, 2010 at a price equivalent to 97.5998% and the second on October 8, 2010 at a price equivalent to 90.0%), the yield at issue of the bonds was 11% p.a. for the first issue and 12.85% p.a. for the second issue.

  - *Other non current financial loans* totaling € 47.1 million as at September 30, 2011, relate to the seven financial leasing contracts (six contracts with effect from December 2008 and one with effect from the end of October 2009) in relation to the purchase of the Turin property complex of SEAT Pagine Gialle S.p.A. These contracts will be repaid through the payment of 49 remaining installments on the contracts with effect from December 2008 and 53 remaining installments on the contract with effect from October 2009. All installments are quarterly deferred installments subject to a variable interest rate equal to three-month Euribor plus a spread of around 65 basis points p.a. The residual value is fixed at around 1% of the value of the property complex.

  - *Other non current financial loans to related parties* refer to debts to Lighthouse International Company S.A. and totaled € 1,300 million as at September 30, 2011. This loan, with a term of 10 years and a fixed interest rate at 8% p.a., matures in 2014.
    It should be noted that SEAT Pagine Gialle S.p.A. gave guarantees worth € 350 million in connection with any additional costs relating to the bond.

The loan agreement with The Royal Bank of Scotland requires that SEAT Pagine Gialle S.p.A. comply with specific covenants, which are monitored quarterly and relate to the maintaining of certain ratios between: *i*) net debt and EBITDA; *ii*) EBITDA and interest on debt; and *iii*) cash flow and debt service (including interest and capital payable in each reference period). The check on the covenants and compliance with all the obligations imposed by the facilities agreement as at September 30, 2011 (the date of this report) was positive.
The facilities agreements also set other aspects by establishing limits and operating conditions, about investments, possibility of recourse to additional debt, making acquisitions, distributing dividends, and carrying out capital transactions.

- **Current financial debt** totaled € 344.3 million as at September 30, 2011 (€ 312.4 million as at December 31, 2010) and mainly relates to:
  - € 103,5 million in current debts to banks, € 90.0 million of which relates to the exposure with The Royal Bank of Scotland on the revolving line of credit in that amount, € 8.2 million in debts for accrued interest not yet paid on the Senior debt to The Royal Bank of Scotland and € 5.2 million in current debts to banks relating to hedge derivatives with settlement deferred to the end of December 2011;
  - € 187,5 million as the current portion of non-current financial debt, including € 184.5 million relating to the Senior loan with The Royal Bank of Scotland due to mature in December 2011 and June 2012 and € 3.0 million to the short-term share of the facilities with Leasint S.p.A.;
  - € 43,4 million as debts for interest accrued but not yet paid to related parties on the facilities with Lighthouse International Company S.A..

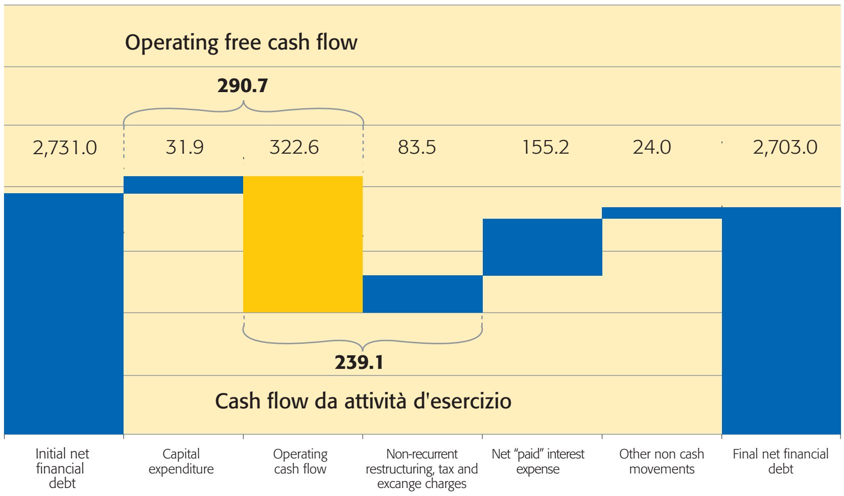
The Senior facilities with The Royal Bank of Scotland, and the debt to Leasint S.p.A., feature the application of floating interest rates linked to the Euribor rate. In order to limit its exposure to interest-rate risk, SEAT Pagine Gialle S.p.A. has taken out cash flow hedge instruments against interest-rate risk with leading international financial operators. All of the hedges with stipulated term expire in December 2011.
With reference to the last quarter of 2011, 75% of the total debt is protected from interest-rate risk by the fixed-rate debt. This hedging is considered to be sufficient in view of the performance of short-term rates.
With reference to the 2011-2013 period, the hedging in place as at September 30, 2011 provides average protection of around 81% of the debt expected to be in place in the period, comprised entirely of fixed-rate debt.
As regards the 2014-2015 period, around 96% of the total expected debt will be fixed-rate debt.

- **Current financial receivables and cash and cash equivalents** that totaled € 154.2 million as at September 30, 2011 (€ 243.2 million as at December 31, 2010) and included € 148.8 million in cash and cash equivalents (€ 241.7 million as at December 31, 2010);
- **Non current financial receivables** totaled € 2.2 million as at September 30, 2011 (€ 2.2 million as at December 31, 2010) and comprised loans to employees issued at market rates for transactions of this kind.

Consolidated financial flows for the first nine months of 2011

The following graph summarizes the main elements that affected the change in net financial debt in the first nine months of 2011

(euro/millions)



Operating free cash flow generated in the first nine months of 2011 (€ 290.7 million), down by € 10.7 million compared to the € 301.4 million generated in the first nine months of 2010 restated, reflects the fall of € 58.7 million in EBITDA compared to the first nine months of 2010 restated, offset by the change in working capital, up € 61.4 million, as well as the decline of € 6.8 million in flows deriving from the change in non-current operating liabilities resulting from renegotiation of the TDL Infomedia Group pension fund repayment plan. Operating free cash flow performance was adversely affected by the € 8.5 million increase in capital expenditures (€ 31.9 million in the first nine months of 2011, € 23.4 million in the first nine months of 2010).

→ Reclassified consolidated statement of operations

(euro/thousand)	9 months 2011	9 months 2010 restated	Change Absolute	Change %	3rd quarter 2011	3rd quarter 2010 restated	Change Assolute	Change %	Year 2010 restated
Revenue from sales and services	**695,577**	**776,999**	**(81,422)**	**(10.5)**	**262,332**	**314,604**	**(52,272)**	**(16.6)**	**1,034,354**
Materials and external services (*)	(253,676)	(270,160)	16,484	6.1	(86,122)	(95,028)	8,906	9.4	(379,194)
Salaries, wagen and employee benefits (*)	(132,344)	(150,704)	18,360	12.2	(41,676)	(44,626)	2,950	6.6	(198,929)
Gross operating profit (GOP)	**309,557**	**356,135**	**(46,578)**	**(13.1)**	**134,534**	**174,950**	**(40,416)**	**(23.1)**	**456,231**
% on revenue	*44.5%*	*45.8%*			*51.3%*	*55.6%*			*44.1%*
Other valuation adjustments and provisions to reserves for risks and charges	(34,976)	(23,691)	(11,285)	(47.6)	(12,184)	(6,535)	(5,649)	(86.4)	(38,388)
Other operating income (exoense)	(1,592)	(785)	(807)	n.s.	435	(364)	799	n.s.	(1,347)
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	**272,989**	**331,659**	**(58,670)**	**(17.7)**	**122,785**	**168,051**	**(45,266)**	**(26.9)**	**416,496**
% on revenue	*39.2%*	*42.7%*			*46.8%*	*53.4%*			*40.3%*
Operating amortisation, depreciation and write-down	(44,640)	(48,335)	3,695	7.6	(14,673)	(15,771)	1,098	7.0	(65,058)
Non-operating amortisation, depreciation and write-down	(19,563)	(2,347)	(17,216)	n.s.	(583)	(782)	199	25	(685,579)
Non-recurring and restructuring costs, net	(27,655)	(10,968)	(16,688)	n.s.	(19,292)	(1,879)	(17,413)	n.s.	(40,704)
Operating result (EBIT)	**181,130**	**270,009**	**(88,879)**	**(32.9)**	**88,237**	**149,619**	**(61,382)**	**(41.0)**	**(374,845)**
% on revenue	*26.0%*	*34.8%*			*33.6%*	*47.6%*			*(36.2%)*
Interest expense, net	(191,852)	(183,482)	(8,370)	(4.6)	(62,337)	(64,639)	2,302	3.6	(253,959)
Gain (loss) on investments valued at equity	-	-	-	n.s.	-	-	-	n.s.	35
Profit (loss) before income taxes	**(10,722)**	**86,527**	**(97,249)**	**n.s.**	**25,900**	**84,980**	**(59,080)**	**(69.5)**	**(628,769)**
Income taxes for the period	(22,486)	(41,994)	19,508	46,5	(28,986)	(33,798)	6,812	20.2	(87,938)
Profit (loss) on continuing operations	**(33,208)**	**44,533**	**(77,741)**	**n.s.**	**(1,086)**	**51,182**	**(52,268)**		**(716,707)**
Profit (loss) from non-current assets held for sale and discontinued operations	-	(155)	155	100.0	-	7	(7)	(100.0)	(240)
Profit (loss) for the period	**(33,208)**	**44,378**	**(77,586)**	**n.s.**	**(1,086)**	**51,189**	**(52,275)**	**n.s.**	**(716,947)**
- of which pertaining to the Group	(33,921)	42,171	(76,092)	n.s.	(1,337)	50,555	(51,892)	n.s.	(718,147)
- of which non-controlling interests	713	2,207	(1,494)	(67.7)	251	634	(383)	(60.4)	1,200

(*) Minus costs attributable to minorities and shown in the IFRS financial statements under “Other revenues and income”.

➔ Consolidated statement of comprehensive income

(euro/thousand)		9 months 2011	9 months 2010 restated	3rd quarter 2011	3rd quarter 2010 restated	Year 2010 restated
Profit (loss) for the period	(A)	(33,208)	44,378	(1,086)	51,189	(716,947)
Profit (loss) for "cash flow hedge"		9,307	3,984	1,912	5,108	9,606
Profit (loss) for foreign exchange adjustments		215	(494)	(741)	476	(434)
Actuarial gain (loss) recognised to equity		2,414	(1,544)	(8)	(12)	(1,247)
Total other comprehensive profit (loss) for the period, net of tax effect	(B)	**11,936**	1,946	**1,163**	5,572	7,925
Total comprehensive profit (loss) for the period	(A+B)	**(21,272)**	46,324	**77**	56,761	(709,022)
- of which pertaining to the Group		(21,985)	44,117	(174)	56,127	(710,222)
- of which non-controlling interests		713	2,207	251	634	1,200

→ Reclassified consolidated statement of financial position

(euro/thousand)		At 09.30.2011	At 12.31.2010 restated	Change	At 09.30.2010 restated
Goodwill and customer database		2,630,610	2,651,255	(20,645)	3,334,482
Other non-current assets (*)		186,476	242,018	(55,542)	229,640
Operating non-current liabilities		(46,875)	(62,346)	15,471	(63,616)
Non-operating non-current liabilities		(9,339)	(20,372)	11,033	(11,787)
Operating working capital		94,917	158,257	(63,340)	204,767
- Operating current assets		*605,506*	*699,285*	(93,779)	*662,227*
- Operating current liabilities		*(510,589)*	*(541,028)*	30,439	*(457,460)*
Non-operating working capital		7,668	(55,919)	63,587	(31,018)
- Non-operating current assets		*70,171*	*3,772*	66,399	*27,972*
- Non-operating current liabilities		*(62,503)*	*(59,691)*	(2,812)	*(58,990)*
Non-current assets held for sale and discontinued operations, net		(305)	(250)	(55)	(250)
Net invested capital		**2,863,152**	**2,912,643**	**(49,491)**	**3,662,218**
Equity of the Group		191,606	213,590	(21.984)	976,968
Non-controlling interests		13,611	15,064	(1,453)	19,448
Total equity	(A)	**205,217**	**228,654**	**(23,437)**	**987,416**
Current financial assets, cash and cash equivalent		(154,214)	(243,226)	89,012	(270,578)
Non-current financial assets		(2,152)	(2,168)	16	(2,063)
Current financial liabilities		344,314	312,384	31,930	284,677
Non-current financial liabilities		2,515,002	2,664,042	(149,040)	2,709,028
Net financial indebtedness		**2,702,950**	**2,731,032**	**(28,082)**	**2,721,064**
Transaction costs on loans and securization costs not yet amortized and net market value of "cash flow hedge" instruments		(45,015)	(47,043)	2,028	(46,262)
Net financial indebtedness - "book value"	(B)	**2,657,935**	**2,683,989**	**(26,054)**	**2,674,802**
Total	(A+B)	**2,863,152**	**2,912,643**	**(49,491)**	**3,662,218**

(*) Include financial assets available for sale.

➔ Consolidated statement of cash flows

(euro/thousand)		9 months 2011	9 months 2010 restated	Change	3rd quarter 2011	3rd quarter 2010 restated	Change	Year 2010 restated
Cash inflow (outflow) from operating activities								
Operating result (EBIT)		181,130	270,009	(88,879)	88,237	149,619	(61,382)	(374,845)
Amortisation, depreciation and write-downs		64,203	50,682	13,521	15,256	16,553	(1,297)	750,637
Cost for stock options		-	61	(61)	-	-	-	60
(Gains) losses on disposal of non-current assets		48	(759)	807	10	87	(77)	(845)
Change in working capital		67,557	(21,278)	88,835	3,426	(59,067)	62,493	42,112
Income taxes paid		(60,910)	(31,948)	(28,962)	(55,663)	(27,667)	(27,996)	(85,362)
Change in non-current liabilities		(13,784)	(7,277)	(6,507)	(1,700)	(3,294)	1,594	2,752
Foreign exchange adjustments and other movements		845	(924)	1,769	(423)	550	(973)	(542)
Cash inflow (outflow) from operating activies	**(A)**	**239,089**	**258,566**	**(19,477)**	**49,143**	**76,781**	**(27,638)**	**333,967**
Cash inflow (outflow) for investments								
Purchase of intangible assets with finite useful life		(25,983)	(19,267)	(6,716)	(9,295)	(6,464)	(2,831)	(34,131)
Purchase of property, plant and equipment		(5,908)	(4,117)	(1,791)	(2,067)	(963)	(1,094)	(6,213)
Other investments		(99)	(284)	185	40	(130)	170	(193)
Proceeds from disposal of non-current assets		304	1,354	(1,050)	174	42	132	1,425
Cash inflow (outflow) for investments	**(B)**	**(31,686)**	**(22,314)**	**(9,372)**	**(11,138)**	**(7,515)**	**(3,623)**	**(39,112)**
Cash inflow (outflow) for financing								
Non-current loans proceeds		-	536,799	(536,799)	-	-	-	716,799
Working capital facilities with the Royal Bank of Scotland		90,000		90,000	-	-	-	
Repayment of transaction financial costs		(227,767)	(629,951)	402,184	(864)	(85,971)	85,107	(819,245)
Payment of transaction financial costs		-	(22,198)	22,198	-	(9)	9	(26,557)
Paid interest expense, net		(155,199)	(126,906)	(28,293)	(42,364)	(41,091)	(1,273)	(196,436)
Change in financial assets and debts		(5,218)	(15,871)	10,653	24,374	(12,600)	36,974	(12,710)
Distribution of dividends		(2,163)	(3,365)	1,202	-	-	-	(3,365)
Share buy-back by Telegate AG		-	-	-	-	-	-	(3,364)
Cash inflow (outflow) for financing	**(C)**	**(300,347)**	**(261,492)**	**(38,855)**	**(18,854)**	**(139,671)**	**120,817**	**(344,878)**
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	**(D)**	**-**	**(156)**	**156**	**-**	**8**	**(8)**	**(240)**
Increase (decrease) in cash equivalents in the period	**(A+B+C+D)**	**(92,944)**	**(25,396)**	**(67,548)**	**19,151**	**(70,397)**	**89,548**	**(50,263)**
Cash and cash equivalents at beginning of the period		**241,728**	**291,991**	**(50,263)**	**129,633**	**336,992**	**(207,359)**	**291,991**
Cash and cash equivalents at end of the period		**148,784**	**266,595**	**(117,811)**	**148,784**	**266,595**	**(117,811)**	**241,728**

➔ Consolidated cash flows

(euro/thousand)	9 months 2011	9 months 2010 restated	Change	3rd quarter 2011	3rd quarter 2010 restated	Change	Year 2010 restated
Operating income before amortization, depreciation, non-recurring and restructuring costs, net (EBITDA)	272,989	331,659	(58,670)	122,785	168,051	(45,266)	416,496
Gains (losses) from discounting operating assets liabilities	(1,229)	(2,229)	1,000	(415)	(600)	185	(2,705)
Decrease (increase) in operating working capital	62,951	1,554	61,397	(7,636)	(54,900)	47,264	48,064
(Decrease) increase in operating non-current liabilities (*)	(12,207)	(5,402)	(6,805)	(1,116)	(3,356)	2,240	(6,065)
Capital expenditure	(31,891)	(23,384)	(8,507)	(11,352)	(7,427)	(3,925)	(40,344)
(Gains) losses on disposal of non-current operating assets	48	(759)	807	10	87	(77)	(845)
Operating free cash flow	**290,661**	**301,439**	**(10,778)**	**102,276**	**101,855**	**421**	**414,601**
Payment of interest expense, net	(155,199)	(126,906)	(28,293)	(42,364)	(41,091)	(1,273)	(196,436)
Payment of transaction financial costs	-	(22,198)	22,198	-	(9)	9	(26,557)
Payment of income taxes	(60,845)	(31,948)	(28,897)	(55,598)	(27,667)	(27,931)	(85,362)
Payment of non-recurring and restructuring expense	(23,463)	(33,385)	9,922	(8,464)	(5,384)	(3,080)	(35,074)
Distribution of dividends	(2,163)	(3,365)	1,202	-	-	-	(3,365)
Share buy-back by Telegate AG	-	-	-	-		-	(3,364)
Flows on "Non-current assets held for sale and discontinued operations"	-	(156)	156	-	8	(8)	(240)
Foreign exchange adjustments and other movements	(20,909)	(41,763)	20,854	(16,334)	(13,801)	(2,533)	(32,453)
Change in net financial debt	**28,082**	**41,718**	**(13,636)**	**(20,484)**	**13,911**	**(34,395)**	**31,750**

(*) The changes don't include the non monetary effects arising from profit and losses recognised to equity.

Statement of changes in consolidated net equity from 12.31.2010 to 09.30.2011

(euro/thousand)	Share capital	Additional paid-in capital	Reserve for foreign exchange adjustments	Reserve for "cash flow hedge" instruments	Reserve for acturial gains and (losses)	Other reserves	Profit (loss) for the period	**Total**	Non-controlling interests	**Total**
At 12.31.2010	**450,266**	**466,843**	**(38,583)**	**(12,608)**	**(18,578)**	**177,866**	**(667,366)**	**357,840**	**16,867**	**374,707**
Restatement due to changes in accounting principles			(354)			(93,115)	(50,781)	(144,250)	(1,803)	(146,053)
At 12.31.2010 restated	**450,266**	**466,843**	**(38,937)**	**(12,608)**	**(18,578)**	**84,751**	**(718,147)**	**213,590**	**15,064**	**228,654**
Allocation of previous year profit (loss)						(718,147)	718,147			
Dividend distribution									(2,163)	(2,163)
Total other comprehensive profit (loss) for the period			(215)	9,307	2,414		(33,921)	(21,985)	713	(21,272)
Other movements		4				(3)		1	(3)	(2)
At 09.30.2011	**450,266**	**466,843**	**(38,722)**	**(3,301)**	**(16,164)**	**(633,399)**	**(33,921)**	**191,606**	**13,611**	**205,217**

Statement of changes in consolidated net equity from 01.01.2010 to 09.30.2010

(euro/thousand)	Share capital	Additional paid-in capital	Reserve for foreign exchange adjustments	Reserve for "cash flow hedge" instruments	Reserve for acturial gains and (losses)	Other reserves	Profit (loss) for the period	**Total**	Non-controlling interests	**Total**
At 01.01.2010	**450,266**	**466,843**	**(38,445)**	**(22,214)**	**(17,331)**	**178,233**		**1,017,352**	21,911	**1,039,263**
Restatement due to changes in accounting principles			(58)			(93,115)		(93,173)		**(93,173)**
At 01.01.2010 restated	**450,266**	**466,843**	**(38,503)**	**(22,214)**	**(17,331)**	**85,118**		**924,179**	20,252	**944,431**
Dividend distribution									(3,365)	**(3,365)**
Share-based payments						46		46	14	**60**
Total other comprehensive profit (loss) for the period restated			(494)	3,984	(1,544)		42,171	44,117	2,207	**46,324**
Other movements						(374)		(374)	340	**(34)**
At 09.30.2010 restated	**450,266**	**466,843**	**(38,997)**	**(18,230)**	**(18,875)**	**84,790**	**42,171**	**967,968**	**19,448**	**987,416**

Main events in the third quarter of 2011

Renewal of agreement with Google

On July 11, 2011 the Company announced the renewal of the agreement with Google which confirms it as the Authorized Retailer in Italy of AdWords, the advertising scheme that allows companies to promote their products and services through the most widely used search engine in the world. SEAT Pagine Gialle will continue, through PGclick, the keyword advertising service aimed at customers of PagineGialle.it, to offer Italian businesses the possibility of quickly and easily planning advertising campaigns on Google, expanding their online presence, and making it more effective.

Monthly report required by Consob

On September 7, 2011 Consob sent the Company a request, Protocol No. 11076499, pursuant to Article 114, paragraph 5, of Legislative Decree No. 58/1998 relating to the monthly publication of reports on the Company and on the Group. On September 30, 2011 the Company sent the first monthly report under Article 114, paragraph 5, of Legislative Decree No. 58/1998.

Main events after September 30, 2011

Extraordinary Shareholders' Meeting

At the Extraordinary Shareholders' Meeting held on October 6, 2011 a resolution was passed to approve the Company's capital situation as at June 30, 2011 (where there were total non covered net accumulated losses of € 923,212,083.69 and, as a result, net equity reduced to € 201,516,209.46 in relation to a capital stock of € 450,265,793.58) and, as proposed by the Board of Directors, to defer the adoption of suitable provisions for covering the losses resulting from the above capital situation, to a date no later than the approval of the financial statements as at December 31, 2012, pursuant to Article 2446, paragraph 2, of the Italian Civil Code.

State of progress of negotiations on rearranging the financial and capital structure

On October 27 the Company issued a press release providing an update of the negotiations on the rebalancing of its financial and capital structure.

Note that, as thoroughly explained, upon the approval of the First Half Report as at June 30, 2011, which took place this past August 29, the Company and its financial and legal advisors undertook from some time initiatives aimed at identifying a solution for the long-term stabilization of the financial and capital structure.

In this context, the Company is current pursuing a consensual process with several creditors and, in particular, the equitization (that is, conversion of debt into capital stock) of a significant portion of the subordinated debt of the Company arising from the loan agreement, referred to as the Proceeds Loan, amounting to € 1,300 million in principal, in place between the Company and Lighthouse International Company S.A. ("Lighthouse") and, at the same time, of the so-called high-yield bonds issued by Lighthouse ("Lighthouse Bonds") guaranteed by the Company.

The main counterparties currently involved in the process include the Coordination Committee, which includes the Company's senior creditor, that is, The Royal Bank of Scotland Plc – Milan Branch ("RBS"), as well as several other parties involved, along with the Bondholders Committee, comprised of a group of holders of Lighthouse Bonds and of the Company's leading shareholders.

The main developments that have occured since August 29, 2011 can be summarized as follows:

- on September 16, 2011 the Company submitted to the above-mentioned counterparties and/or their respective advisors the key terms of the proposal for consensually restructuring the Group's financial structure. Following presentation of the proposal, the Company received written responses and counterproposals from the advisors of several of the principal stakeholders;
- on October 3, 2011 the Company signed a Non-Disclosure Agreement (NDA) with several members of the Bondholders Committee;
- at the beginning of October the Company undertook a review – commissioned to an independent consultant (Independent Business Review – IBR) hired by it in view of the Company's 2011-2013 Strategic Guidelines and 2015 Projections (both documents are

described in the First Half Report as at June 30, 2011) – sent to (among others) RBS and the advisors of the Coordination Committee and of the Bondholders Committee, subject to the usual confidentiality provisions;

- during the week that began on October 10, 2011, the Company organized a negotiations session with the Counterparties and their respective advisors with the objective of approaching consensus on the main terms and conditions of the financial restructuring operation;
- on October 14, 2011 the Company, based on the outcome of the sessions mentioned above, suggested certain revisions to the previous proposal formulated on September 16, 2011.

As a result of such session and numerous subsequent occasions when the counterparties and their respective advisors met, substantial and appreciable convergence has been seen among the various parties involved with respect to certain main commercial terms and conditions for the financial restructuring, along with, against a background of effective support for the negotiations, a misalignment on other aspects of the negotiations also of significance.

As already notified on October 27, 2011, based on the negotiations in progress, applying prudence and considering the availability of sufficient financial resources, the Company decide to avail of the 30-day grace period contractually provided for to its benefit and not to proceed, for the time being, with the financing of the six-month coupon for October 31, 2011 in the amount of € 52 million due from Lighthouse International Company S.A.

Subsequently, the Company has not taken any further decisions about the financing of the coupon at the end of the grace period and reserves the right to make any decision on the subject based on the formal consensus of the stakeholders involved in the restructuring process on a shared consensual platform that offers the Company adequate guarantees of certainty in the sharing and implementation of the transaction.

Furthermore, on October 27, 2011 the Company received a written notice from the Bondholders Committee containing their final proposal following the negotiations that had taken place between the Company and the main stakeholders.

The proposal from the Bondholders Committee, in line with the cardinal elements on the proposal of the Company in the light of a consensual restructuring, may be accepted by the Company and by the other main stakeholders up to November 30, 2011; in the absence of acceptance it will become void, effective immediately. This proposal is subject to the condition that the coupon for October 31, 2011 relating to the Lighthouse Bonds be financed by the Company by November 30, 2011; if that condition is not fulfilled the proposal will become void, effective immediately.

As already broadly disclosed in the press release dated October 27, 2011 – and reiterated later in the communications of November 3, 2011 and November 4, 2011 – the Company is satisfied that the commercial terms of the proposal mentioned with a direct impact on the Company will ensure the financial stabilization of the Company, which is the main objective that has been pursued by the Board since the beginning of the restructuring process.

In any case, the Company – pointing out that the Board of Directors never expressed any opinion regarding the swap ratio between Bondholders and Shareholders and hoping for a rapid alignment of the parties involved on all negotiation aspects, including the definition of the debt conversion ratio into capital stock – reconfirms its intention expressed in the original proposal sent to all stakeholders on September 16, and reiterated in the proposal of October 14, to work to reach a definition of the transaction, with the consensus of all the necessary partners and, as a result, to launch the implementation stages of the restructuring, which could take some time, in the shortest time possible.

Downgrading by the Standard & Poor's ratings agency

On November 2 and 8, 2011 the ratings agency Standard & Poor's downgraded SEAT Pagine Gialle's corporate rating from CCC+ to CC and from CC to SD respectively, confirming a negative outlook.
The decline in the rating given to SEAT Pagine Gialle S.p.A. is to be viewed in the context of what is set forth in the preceding paragraph on the decision not to proceed, for the time being, with the financing of the six-month coupon of € 52 million due from Lighthouse International Company S.A., considering the state of progress of the negotiations on rearranging the capital and financial structure.

Notice served by the communications regulator (AGCOM)

In December 2010, SEAT Pagine Gialle S.p.A. received notice of a resolution in which AGCOM identified non-payment of the contribution due for the regulator's operating expenses for the 2006-2010 period and ordered SEAT Pagine Gialle S.p.A. to pay approximately € 8.3 million.
On December 16, 2010, SEAT Pagine Gialle S.p.A. used the option provided for by the resolution to ask AGCOM to annul the resolution, by way of self-protection, and, subordinately, to adjust the size of any contribution owed by virtue of eliminating certain revenues from the calculation of taxable income.
On January 29, 2011, SEAT Pagine Gialle S.p.A. challenged the resolution at the Lazio regional administrative court (TAR), citing unlawfulness due to the violation of applicable regulations on compulsory contributions to the operation of AGCOM and due to lack of grounds.
Following the amendment request, subsequently added upon the request of AGCOM on February 16, 2011, on February 28, 2011 the regulator passed a new resolution reducing the contribution due for the period 2006-2010 to approximately € 3.5 million.
In a letter dated April 11, 2011, SEAT Pagine Gialle S.p.A. asked the regulator to launch proceedings to re-examine the new resolution and, at the same time, on May 2, 2011 the Company filed additional reasons opposing the new resolution under the scope of the proceedings challenging the original resolution already pending at the Lazio regional administrative court (TAR).
By letter of October 20, 2011 AGCOM informed the Company of its denial of a reconsideration proceeding. Following subsequent meetings with the regulator, SEAT presented a settlement proposal involving the payment of a € 1.1 million contribution for AGCOM operations for 2006-2010. In consideration of this proposal, the Company has earmarked a reserve to cover such expense.

Outlook

In 2011, with regard to its domestic business, SEAT Pagine Gialle S.p.A. continues to focus on developing products aimed at small and medium-sized businesses in order to improve their web presence, and to leverage the potential of new technologies to increase efficiency and competitiveness in local, domestic and international markets.

Local, mobile and social represent the strategic guidelines for the development of new products and services for 2011, and include several innovations such as new modules for improving SEAT customer websites with new functions, presence on social networks, the possibility of using self-provisioning platforms and couponing. These innovations, which will be added to the existing products offered for SMEs, will include the creation of customized websites, the development of multimedia content, visibility on search engines, e-commerce and info-commerce services and presence on mobiles, and will allow SEAT to further consolidate its role as a local internet company.

A distinct improvement in the falling customer base trend is expected in the 2011 sales cycle (-7% in the 2010 sales cycle), which will allow the Company to sustain revenues in an economic context which is still uncertain.

Against a background of falling revenues, the results forecast for 2011 are confirmed, and specifically the Group's EBITDA and cash generation in 2011 will be supported by several specific initiatives aimed at containing costs and working capital.

↗ Going concern evaluation

The SEAT Pagine Gialle Group ended the first nine months of 2011 with a net loss of € 33.9 million and shareholders' equity of € 191.6 million.

After making the necessary controls and assessing the uncertainties discovered, the Board of Directors continues to harbor a reasonable expectation that it will be possible to reach a consensus for defining the operation for rebalancing the Group's financial structure, in line with the expected cash flows and suitable to support the operations set out in the Strategic Guidelines and Projections within time scales that are compatible with the expected trends of the Group's economic and financial activities. For those reasons, the assumptions on business continuity have continued to be adopted in the preparation of this report as at September 30, 2011.

Related-party transactions

With reference to the provisions of IAS 24 and pursuant to Article 2, letter h) of Consob Issuer Regulation No. 11971/1999 (as subsequently amended), the economic and financial effects of transactions with related parties on the Interim condensed financial statements of the SEAT Pagine Gialle Group as at September 30, 2011 are listed below.
The economic and financial effects of intra-group transactions between consolidated companies have been eliminated in the consolidated data.
Transactions carried out by group companies with related parties, including intra-group transactions, come under ordinary operating activities and are subject to market conditions or specific legislative provisions. There were no atypical and/or unusual transactions, nor were there any transactions giving rise to a possible conflict of interests.

Statement of operations

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parhes as at 09.30.2011
Cost of material and external services	-	-	(322)	(322)
Salaries, wagen and employee benefits	-	-	(5,834)	5,834
Non-recurring costs	-	-	(936)	(936)
Interest expense	(78,188)	-	-	(78,188)

(*) Directors, statutory auditors and executives with strategic responsability.

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parhes as at 09.30.2010
Cost of material and external services	-	-	(108)	(108)
Salaries, wagen and employee benefits	-	-	(4,518)	(4,518)
Non-recurring costs		-	(73)	(73)
Interest expense	(78,188)	(29)	-	(78,217)

(*) Directors, statutory auditors and executives with strategic responsability.

Statement of financial position

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties as at 09.30.2011
Non-current financial liabilities	(1,300.000)	-	-	(1,300,000)
Non-current reserves to employees	-	-	(363)	(363)
Current financial liabilities	(43,438)	-	-	(43,438)
Trade payables	(29)	-	(877)	(906)
Payables for services to be rendered and other current liabilities	-	-	(562)	(562)

(*) Directors, statutory auditors and executives with strategic responsibility.

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties as at 12.31.2010
Non-current financial liabilities	(1,300,000)	-	395	(1,299,605)
Non-current reserves to employees	-	-	(250)	(250)
Current financial liabilities	(17,375)	-		(17,375)
Trade payables	(29)	-	(647)	(676)

(*) Directors, statutory auditors and executives with strategic responsibility.

Statement of cash flows

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties 9 months 2011
Cash inflow (outflow) from operating activies		-	(6,187)	(6,87)
Cash inflow (outflow) for investments	-	-	-	-
Cash inflow (outflow) for financing	(52,125)	-	-	(52,125)
Cash flow for the year	**(52,125)**	**-**	**(6,187)**	**(58,312)**

(*) Directors, statutory auditors and executives with strategic responsibility.

(euro/thousand)	Associates	Società con significant influence	Other related parties (*)	Total related parties 9 months 2010
Cash inflow (outflow) from operating activies	-	-	(6,103)	(6,103)
Cash inflow (outflow) for investments	-	-	-	-
Cash inflow (outflow) for financing	(52,125)	(13,555)	(146)	(65,826)
Cash flow on non-current assets held for sale and discontinued operations	-	-	-	-
Cash flow for the year	**(52,125)**	**(13,555)**	**(6,249)**	**(71,929)**

(*) Directors, statutory auditors and executives with strategic responsibility.

Main economic and financial items relating to associates, jointly controlled companies and companies with significant influence over SEAT Pagine Gialle S.p.A.

Statement of operations

(euro/thousand)	9 months 2011	9 months 2010	Type of transaction
INTEREST EXPENSE of which:	(78,188)	(78,217)	
Lighthouse International Company S.A.	(78,188)	(78,188)	interest expense, changes and write-down of multi-year charges on long-term subordinated facilities
Leading shareholders	-	(29)	interes expense on dividends to leading shareholders

STATEMENT OF FINANCIAL POSITION

(euro/thousand)	As at 09.30.2011	As at 12.31.2010	Type of transaction
NON-CURRENT FINANCIAL DEBTS of which:	(1,300,000)	(1,299,605)	
Lighthouse International Company S.A.	(1,300,000)	(1,300,000)	subordinated financing
CURRENT FINANCIAL DEBTS of which:	(43,438)	(17,375)	
Lighthouse International Company S.A.	(43,438)	(17,375)	outstanding interest expense for the period
TRADE RECEIVABLES of which:	(29)	(29)	
Lighthouse International Company S.A.	(29)	(29)	recovery of costs an services provided

Remuneration paid to executives with strategic responsibility
Remuneration paid to directors and auditors

(euro/thousand)	As at 09.30.2011	As at 09.30.2011
General Manager	226	-
Manager with strategic responsibility	4,296	2,995
Remuneration to directors and statutory auditors (*)	2,618	1,719

(*) Included payments to Studio Legale Giliberti Triscornia and Associati for consultancy to SEAT Pagine Gialle S.p.A..

Economic and financial performance by Business Area

(euro/million)		Italian Directories	UK Directories	Directory Assistance	Other Activities	Aggregate Total	Eliminations and adjustments	Consolidated Total
Revenues from sales and services	9 months 2011	546.2	41.7	91.1	31.0	710.0	(14.4)	695.6
	9 months 2010 restated	605.2	52.9	107.7	35.9	801.7	(24.7)	777.0
	Year 2010 restated	797.5	73.6	140.7	55.1	1,066.9	(32.5)	1,034.4
Gross operating profit (GOP)	9 months 2011	290.3	2.9	14.6	1.3	309.1	0.5	309.6
	9 months 2010 restated	326.4	8.5	20.7	0.1	355.7	0.4	356.1
	Year 2010 restated	411.9	13.6	25.9	4.4	455.8	0.4	458.2
Operating income before amortization, depreciation, non-recurring and restrycturing costs, net (EBITDA)	9 months 2011	259.1	1.4	11.6	0.9	273.0	-	273.0
	9 months 2010 restated	307.1	6.3	18.6	(0.2)	331.8	(0.1)	331.7
	Year 2010 restated	378.4	10.6	23.7	4.0	416.7	(0.2)	416.5
Operating result (EBIT)	9 mesi 2011	198.8	(17.0)	1.8	(2.5)	181.1	-	181.1
	9 mesi 2010 restated	263.5	3.1	8.1	(4.7)	270.0	-	270.0
	Year 2010 restated	(365.5)	(8.5)	(7.3)	(2.4)	(374.7)	(0.1)	(374.8)
Total assets	June 30, 2011	3,414.1	68.4	210.7	47.6	3,740.8	(91.1)	3,649.7
	June 30, 2010 restated	4,222.9	121.7	257.6	255.7	4,857.9	(330.9)	4,527.0
	31 dicembre 2010 restated	3,580.0	101.4	217.4	248.8	4,147.6	(305.9)	3,841.7
Total liabilities	June 30, 2011	3,348.5	87.3	76.4	39.6	3,551.8	(107.3)	3,444.5
	June 30, 2010 restated	3,397.4	134.1	85.2	247.1	3,863.8	(324.3)	3,539.5
	December 31, 2010 restated	3,469.0	127.6	81.0	238.5	3,916.1	(303.0)	3,613.1
Net invested capital	June 30, 2011	2,761.3	11.9	82.9	13.8	2,869.9	(6.7)	2,863.2
	June 30, 2010 restated	3,513.9	36.7	104.0	14.3	3,668.9	(6.7)	3,662.2
	December 31, 2010 restated	2,794.8	24.2	85.5	14.9	2,919.4	(6.8)	2,912.6
Capital expenditure	9 months 2011	23.2	2.2	3.4	3.0	31.8	0.1	31.9
	9 months 2010	17.5	1.0	2.2	2.7	23.4	-	23.4
	Year 2010	31.3	2.1	2.7	4.4	40.5	(0.2)	40.3
Average worforce	9 months 2011	1,019	615	1,890	337	3,861	-	3,861
	9 months 2010	1,165	679	2,450	366	4,660	-	4,660
	Year 2010	1,129	676	2,327	361	4,493	-	4,493
Sales agents (average number)	9 months 2011	1,83	-	2	44	1,429	-	1,429
	9 months 2010	1,580	-	2	41	1,623	-	1,623
	Year 2010	1,565	-	2	41	1,608	-	1,608

Key performance indicators of the Group

	9 months 2011	9 months 2010	Year 2010
Number of published directories			
PAGINEBIANCHE®	69	69	103
PAGINEGIALLE®	134	134	202
ThomsonLocal	108	127	173
Number of distributed directories (values in million)			
PAGINEBIANCHE®	15.3	16.0	24.9
PAGINEGIALLE®	10.6	12.0	17.7
ThomsonLocal	13.0	15.3	23.1
Number of visits (values in millions)			
uninterrupted site access for 30 minutes			
PAGINEBIANCHE.it® (*)	118.2	122.8	164.2
PAGINEGIALLE.it® (*)	149.9	123.5	171.0
TuttoCittà.it®	21.3	22.1	29.4
Europages.com	41.4	30.5	41.4

(*) The total traffic included the web and mobile visits and online and mobile websites of customers.

➔ Italian directories

Market scenario

The SEAT Pagine Gialle Group is a Local Internet Company with strong Italian roots, which operates through a network of around 100 multimedia agencies (Web Points) and a specialist sales channel for high-end customers and customers who need national coverage.
Alongside its traditional visibility services – which use a major multimedia platform to provide detailed information and sophisticated search tools to tens of millions of users, offering advertisers a wide range of multiplatform advertising methods (print-online&mobile-voice) – since the second half of 2009, the Company has gradually introduced innovative online marketing services, including website construction, multimedia content creation, online visibility, information and e-commerce services and a wide range of complementary advertising tools.
In Italy in particular, in the first nine months of 2011 SEAT Pagine Gialle S.p.A. continued with its strategy aimed at accelerating and promoting the online presence of small and medium-sized businesses, with the sale of approximately 62 thousand new multimedia packages.
This strategy in particular has led to sustained growth in online revenues, supported by the launching of new products and services and the increase in the number of new customers acquired.
With regard to this, it should be noted that the establishment of websites for companies, with the support of web masters and web consultants with the necessary skills for the 360° management of customer relations, represents a strategically high value activity, leading small and medium-sized businesses to operate online and gradually enter the world of online marketing services and/or planning online advertising campaigns thanks to a product from SEAT Pagine Gialle, which offers better quality than what is available from the average web agency and/or media center on the market. In October, SEAT Pagine Gialle also carried out its own entry into the couponing market, signing a partnership with Glamoo, a young Italian company active in the couponing market with particular focus on mobile commerce and geolocalized mobile services.
The innovative type of service performed by SEAT Pagine Gialle and Glamoo provides significant advantages to Italian companies operating in all product sectors, in addition to the possibility of acquiring new customers and promoting products and services under favorable terms.
At the same time, SEAT Pagine Gialle S.p.A. has attempted to protect its operating margins through reducing structural operating costs by keeping current costs down and reorganizing its main operating processes.

Economic and financial performance

The results for the first nine months of 2011 have been achieved in a still uncertain economic context (although there have been signs of a modest recovery) with a GDP (Gross Domestic Product) which, according to the most recent data published by Istat, grew by 0.8% in the second quarter of the year compared with the same period in 2010, but only by a modest 0.3% compared with the first quarter of 2011.
In this respect, the EU Commission recently decided on a further cut in the estimated Italian GDP for 2011, displaying elements of concern for Italy, which continues to grow less than other countries in the Eurozone. In fact, the estimates, after they were revised downward in May with expected GDP growth reduced from +1.1% to +1% for 2011 and from +1.4% to +1.3% for 2012, were reduced again in September from +1% to +0.7% for 2011 and from +1.3% to +0.2% for 2012.

The table below contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Absolute	Change %	Year 2010 restated
Revenues from sales and services	546.2	605.2	(59.0)	(9.7)	797.5
GOP	290.3	326.4	(36.1)	(11.1)	411.9
EBITDA	259.1	307.1	(48.0)	(15.6)	378.4
EBIT	198.8	263.5	(64.7)	(24.6)	(356.5)
Net invested capital	2,761.3	3,513.9	(752.6)	(21.4)	2,794.8
Capital expenditure	23.2	17.5	5.7	32.6	31.3
Average workforce	1,019	1,165	(146)	(12.5)	1,129

SEAT Pagine Gialle S.p.A. generated **revenues from sales and services** of € 546.2 million in the first nine months of 2011, down 9.7% compared to the first nine months of 2010 restated. This result reflected the performance of core products (print-online&mobile-voice), which was down 9.4% due to the downturn in print and voice products, mitigated by the strong growth in online activities (+70.7%). The marked decline recorded in the revenues in the third quarter of the year (-19.2%) was mainly due to the Company's decision to unbundle the online component of revenues from PAGINEBIANCHE®, rendering comparison with the third quarter of 2010 not entirely pertinent, in view of the publication of a series of medium-sized editions (such as Bergamo and Brescia) in which the percentage of PAGINEBIANCHE® revenues is greater than average.

In more detail:

a) **Core revenues**: totaled € 498.5 million in the first nine months of 2011, a fall of 9.4% compared with the same period in the previous year *restated*. They are comprised of the following:

   - *print*: revenue from print products totaled € 182.9 million in the first nine months of 2011, down 48.0% compared with the first nine months of 2010, with a decrease in revenues from both PAGINEBIANCHE® and PAGINEGIALLE®. The Company's recent decision to unbundle the online component of revenues from PAGINEBIANCHE®, equal to € 81.2 million in the first nine months of 2011, and the commercial strategy adopted by the Company to continue to accelerate the sale of multimedia packages (print-online&mobile-voice) did, however, contribute to this worse performance from print products. Among the initiatives to support print products announced at the beginning of the year, special mention should be made of the conclusion of the sales test launched in Bologna for *PagineGialle Promotion* (based on the collection of promotional offers for commercial operators and distributed via a dedicated magazine available in both a printed and an online version), with around 90 thousand copies distributed;

   - *online&mobile*: online products generated revenues of € 287.1 million in the first nine months of 2011, an increase of 70.7% compared with the same period of 2010 restated, including the unbundling of the online component of PAGINEBIANCHE® revenues, equal in the first nine months to € 81.2 million, net, of which overall growth in revenues for traditional advertising products and online marketing services was 27.7%, thanks in part to good performance in the third quarter (+17.8%). Product innovations being defined to further strengthen the leadership position of SEAT Pagine Gialle in the local segment include couponing, launched in October, which will allow Italian businesses to promote their activities on the web through discounts and advantageous promotions for a limited period of time, with consumers being able to make purchases directly online through websites and mobile devices. In addition to taking advantage of the extensive presence of its sales force in the area, in order to offer ad hoc opportunities for local customers, SEAT intends to capitalize on partnership agreements currently being defined. Lastly, it should be noted that new project *LaMiaImpresaOnline.it* was launched in May, which began with a partnership with Google and gives small and medium-size businesses the opportunity to create self-provisioning websites free of charge for the first year, an initiative that has already created more than 27 thousand websites in the first six months since its launch, with an approximate majority created by non-SEAT customers. Total traffic, including visits to PAGINEGIALLE.it® via the web and mobile devices and customers' websites and mobile channels, reached around 150 million visits in the first nine months of 2011, an increase of 21.4% compared with the first nine months of 2010. This result reflects a slight increase both in proprietary brand consulting, supported by growth in SEO (Search Engine Optimization) and SEM (Search Engine Marketing) activities, and, to a lesser extent, in partnership agreements. There was a strong increase in the contribution from visits to PagineGiallemobile on mobile devices and to web and mobile sites made by SEAT customers, with these two components accounting for around 31% of total traffic in the period. Traffic for PAGINEBIANCHE.it®, on the other hand, reached around 118.2 million visits in the first nine months of 2011, a marginal decline (-3.7%) from the first nine months of 2011. With regard to this, it should be pointed out that at the end of September, downloads of SEAT mobile applications from the various app stores they are available on reached the threshold of 1,380 thousand thanks to PagineGialle Mobile, which reached more than a million downloads, and to 892424 Mobile and PagineBianche Mobile, which together reached the goal of more than 300 thousand downloads;

- *voice*: advertising revenue from the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services totaled € 28.4 million, down 5.6% compared to the first nine months of 2010 restated. This result reflected a performance in the third quarter of 2011 (+1.2%) which was better than the performance in the first six months, in spite of the commercial strategies described above, which focused in particular on the sale of online marketing services and products.

b) Other revenues and minor products: revenues from other products totaled € 47.7 million in the first nine months of 2011, down 13.1% compared to the first nine months of 2010. They refer in particular to revenues from voice traffic (€ 35.3 million) generated by the 89.24.24 Pronto PAGINEGIALLE and 12.40 Pronto PAGINEBIANCHE services, down 13.6% compared with the first nine months of 2010. This item also includes, among other things, € 4.6 million in revenues for Direct Marketing products, merchandising activities, and Sky products.

GOP totaled € 290.3 million in the first nine months of 2011, down 11.1% (€ 36.1 million) compared to the first nine months of 2010 restated, with a revenue margin of 53.2% (53.9% in the first nine months of 2010 restated), basically due to the contraction in revenues, only partially offset by the containment of operating costs.
Costs of materials and external services, net of costs debited to third parties, totaled € 207.3 million in the first nine months of 2011 and decreased by € 15.8 million compared to the first nine months of 2010 restated. In particular, production costs totaled € 85.5 million, a decrease of € 4.9 million as a direct result of the fall in print revenues, which, from the point of view of costs, resulted in a decrease in both directory printing and volumes distributed, which is reflected in the lower paper purchases and processing and distribution costs. The drop in the volume of calls to the 12.40 Pronto PAGINEBIANCHE® and 89.24.24 Pronto PAGINEGIALLE® services caused a reduction in inbound call center service costs (€ 1.8 million), in contrast to the costs of fees paid to publishers within the context of the operation of the nine online products aimed at increasing web traffic (+€ 3.3 million) and the industrial telecom services related to the creation of online services (€ 4.4 million). Commercial costs in the amount of € 82.7 million declined € 9.0 million compared to the first nine months of 2010 restated, mainly due to the reduction in costs of commissions, by € 11.7 million, partially offset by the increased costs for outbound call centers (+€ 3.2 million).
Compared to the first nine months of 2010, closer attention to costs has enabled a € 1.9 million reduction in general costs, which reached € 39.1 million in the first nine months of 2011.
Salaries, wages, and employee benefits, net of recovered costs for personnel seconded to other Group Companies, totaled € 48.6 million in the first nine months of 2011, a decrease of 12.9% compared to the first nine months of 2010.
This decrease was due to a reduction in the average workforce from 1,165 employees in the first nine months of 2010 to 1,019 in the first nine months of 2011.
The workforce, including directors, project workers and trainees, consisted of 1,228 employees as at September 30, 2011 (1,233 employees as at December 31, 2010).

EBITDA totaled € 259.1 million in the first nine months of 2011, down by € 48.1 million compared to the first nine months of 2010 restated, with a margin on revenue of 47.4% (against 50.8% in the first nine months of 2010 restated), reflecting the performance of the GOP and increases in valuation adjustments and in provisions to reserves for risks and charges at € 6.6 million. Furthermore, it is noted that, in the first nine months of 2010, reserves for risks and charges benefited from reversals of € 4.5 million from the decline in contractual risks on telephone operators in relation to mobile network call charges.

EBIT totaled € 198.8 million in the first nine months of 2011 (€ 263.5 million in the first nine months of 2010 restated), down € 64.7 million partially due to increased non-recurring costs in the amount of € 17.9 million related mainly to consultancy fees for activities carried out to identify and implement financial options for the long-term stabilization of the financial structure by renegotiating the existing debt (€ 12.0 million) and for the sales force restructuring project (€ 9.9 million).

Net invested capital was € 2,761.3 million as at September 30, 2011, net of the book value of shareholdings in subsidiaries and decreased by € 33.5 million compared to December 31, 2010 restated, mainly due to the reduction in operating working capital (€ 61.7 million).

Capital expenditure was € 23.2 million in the first half of 2011, relating mainly to *i*) software aimed at increasing product innovation in order to offer a service that responds better to customer requirements, with applications/products such as "Pagine Gialle e-book" and "Pagine Bianche e-book" and with new commercial products created and developed for the new communications and advertising technology platforms; *ii*) the launching and development of business initiatives with a strong technological component with partners such as Google, with the Lamiaimpresaonline.it site (a product for moving small and medium-sized businesses closer to the web with the goal of speeding up the process of digitalizing Italian businesses), or Glamoo, with the entry of SEAT Pagine Gialle into the couponing market; and *iii*) a review of the information technology tools supporting administrative processes and management reporting using a single Corporate Performance Management application.
In the infrastructure domain, during the first nine months of 2011 centralized storage and hardware was acquired as part of the technology renovation plan with a view to replacing outdated equipment in order to improve performance and reduce energy consumption. In addition, investment was begun in order to implement Disaster Recovery for the Turin data center, which is integrated with the Milan internet data center Disaster Recovery, guaranteeing the flows of the necessary data supply for both.

The **average workforce** (1,019 employees in the first nine months of 2011) fell by 146 employees compared with the first nine months of 2010, as a result of corporate programs to reduce the workforce and the resulting use of the wages guarantee fund (CIGS).

UK Directories

Structure of the Business Area

The UK Directories Business Area is organized as follows:

MAIN COMPANIES

↓

TDL Infomedia Ltd.

↓

Thomson Directories Ltd.

↓

Thomson Directories Pension Company

Main company events

No significant events took place during the third quarter of 2011.

Economic and financial performance

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

	9 months	9 months	Change		Year 2010
(euro/million)	2011	2010	Absolute	%	restated
Revenues from sales and services	41.7	52.9	(11.2)	(21.2)	73.6
GOP	2.9	8.5	(5.6)	(65.9)	13.6
EBITDA	1.4	6.3	(4.9)	(77.8)	10.6
EBIT	(17.0)	3.1	(20.1)	n.s.	(8.5)
Net invested capital	11.9	36.7	(24.8)	(67.6)	24.2
Capital expenditure	2.2	1.0	1.2	n.s.	2.1
Average workforce	615	679	(64)	(9.4)	676

Revenues from sales and services totaled € 41.7 million in the first nine months of 2011 (£ 36.4 million), a decrease of € 11.2 million (£ 8.9 million). The performance of revenues in the first nine months of 2011 was adversely affected by a different publication schedule, which saw the publication of 108 directories by September, compared with 127 published in the first nine months of the previous year. On a same publication basis and at constant euro/sterling exchange rates, revenues in the first nine months of 2011 fell by € 8.6 million compared with the same period of 2010. In addition, in order to take into account the minimum circulation clauses in contracts relating to advertising in print directories, revenues in 2010 for the company reflect the effect (equal to € 2.2 million) from the recording of revenues at the time the minimum distribution level for the directories involved is reached.

As a result of the effects listed above, and suffering from difficult economic and market conditions, print products suffered the biggest drop in sales. Direct marketing revenues were also down (-13.2% compared to the first nine months of 2010).
Online revenues increased, totaling € 17.6 million in the first nine months of 2011 (€ 14.5 million in the same period of 2010 restated), as a result of the greater penetration of the sales of multimedia packages in telephone sales channels and in the local area.

GOP totaled € 2.9 million in the first nine months of 2011 (€ 8.5 million in the first nine months of 2010 *restated*) and decreased by € 5.6 million (£ 4.8 million) compared to the same period last year; on a same-publication basis, the decline in margin compared to the same period last year, restated, reduced to € 4.3 million (£ 3.7 million). Lower salaries, wages and employee benefits, and particularly a sharp fall in service costs due to a cost-cutting policy implemented by the Company, in particular for general costs, only partially offset the fall in revenue.
The fall in salaries, wages and employee benefits is linked to the reduction in staff numbers (with the average workforce falling by 64 compared to the first nine months of 2010). This reduction reflects the impact of the internal restructuring plan launched in 2009 and still under way in the first nine months of 2011, involving all business areas, and lower Pension Fund management costs following the transfer of employees to defined-contribution pension funds outside of the Group.

EBITDA totaled € 1.4 million (£ 1.2 million) in the first nine months of 2011 and decreased by € 4.9 million compared to the same period of 2010 *restated*, performing in line with GOP.

EBIT in the first nine months of 2011 was negative for € 17.0 million (positive for € 3.1 million in the first nine months of 2010 *restated*). This reduction reflects the goodwill write-down of € 16.3 million resulting from performance of the impairment test as at June 30, 2011.

Net invested capital of the Thomson Group totaled € 11.9 million (£ 10.3 million) as at September 30, 2011, down by € 12.3 million compared to December 31, 2010 *restated* (£ 10.5 million), and includes goodwill at € 17.8 million and a defined-benefits pension plan posted as at September 30, 2011 at a net value of € 10.7 million the decrease of € 16.3 million in net invested capital is due to the write-down in goodwill mentioned above.

Capital expenditure totaled € 2.2 million (£ 1.9 million), an increase compared with the same period in the previous year, and refers essentially to the launch of the sales force automation program through the distribution of laptops to most of the sales force.

The **average workforce** was 615 employees in the first nine months of 2011 and decreased by 64 employees compared with the same period last year due to the aforementioned company restructuring plan.

→ Directory Assistance

Structure of the Business Area

The Directory Assistance Business Area is organized as follows:

MAIN COMPANIES

Telegate AG

Pagine Gialle Phone Service S.r.l.

Prontoseat S.r.l.

Spagna
11811 Nueva Información
Telefónica S.a.u.

Germania
- WerWieWas GmbH
- Telegate Media AG

Main company events

On September 8, 2011, Telegate Akademie GmbH, in liquidation (subsidiary of Telegate AG with a 100% stake in capital stock), was eliminated from the companies register.

Economic and financial performance

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Assolute	%	Year 2010 restated
Revenues from sales and services	91.1	107.7	(16.6)	(15.4)	140.7
GOP	14.6	20.7	(6.1)	(29.5)	25.9
EBITDA	11.6	18.6	(7.0)	(37.6)	23.7
EBIT	1.8	8.1	(6.3)	(77.8)	(7.3)
Net invested capital	82.9	104.0	(21.1)	(20.3)	85.5
Capital expenditure	3.4	2.2	1.2	54.5	2.7
Average workforce	1,890	2,450	(560)	(22.9)	2,327

Revenues from sales and services for the Directory Assistance Business Area totaled € 91.1 million in the first nine months of 2011, down 15.4% compared with the same period of 2010 *restated* (€ 107.7 million).

EBITDA decreased by € 7.0 million compared with the first nine months of 2010 *restated*, reaching € 11.6 million.
For more details on these figures, see the following analysis by company and geographical area.

Gruppo Telegate

SEAT Pagine Gialle S.p.A. holds 16.24% and Telegate Holding GmbH holds 61.13%

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Absolute	%	Year 2010 restated
Revenues from sales and services	83.6	92.8	(9.2)	(9.9)	123.1
GOP	14.2	19.7	(5.5)	(27.9)	24.8
EBITDA	11.2	16.8	(5.6)	(33.3)	22.2
EBIT	1.7	9.5	(7.8)	(82.1)	(5.3)
Net invested capital	64.1	84.2	(20.1)	(23.9)	65.4
Capital expenditure	3.2	2.0	1.2	60.0	2.5
Average workforce	1,621	1,669	(48)	(29)	1,627

Revenue from sales and services totaled € 83.6 million in the first nine months of 2011, down 9.9% compared to the same period last year, restated, due to a continued reduction in call volumes for traditional directory assistance services, including added-value services and outsourcing. Online revenue rose to € 26.1 million.

Analysis of revenues by geographic area:

- in **Germany**, where the telephone assistance services market continues its structural decline, voice revenues fell to € 50.7 million, down 19.3% compared to the same period of the previous year. In terms of sales, the fall in call volumes was only partially offset by an increase in rate charges.
  During 2011 Telegate has also continued to pursue its transformation process, focusing its activities on the Local Search market via an increasingly varied product range and positioning itself as a marketing partner for small and medium-sized businesses.
  Online advertising revenues in the first nine months of 2011 totaled € 26.0 million, equal to around 34% of total revenues in Germany (around 25.5% in the same period of 2010 *restated*). The increase was equal to € 4.5 million compared with the first nine months of 2010 *restated* thanks to advertising revenues and the positive contribution made by revenues from the sale of Google Adwords™, an advertising program which allows companies to promote products and services on the American company's search engine.
  In terms of EBITDA, the decline compared with the first nine months of 2010 restated was equal to € 3.8 million, with the decline in revenues being partially offset by the lower operating costs achieved by cost rationalization.

- In **Spain**, in the first nine months of 2011 revenue decreased by 18.8% compared to the same period of 2010 *restated*, due to a fall in call volumes for the 11811 service and outsourcing services (Jazztel, Comunitel, Antena 3, and QDQ 11875). The decline in revenues is reflected in a € 1.8 million reduction in EBITDA.

GOP for the Telegate Group was € 14.2 million, down by around € 5.5 million compared to the first nine months of 2010 *restated*. This result was mainly due to the structural decline in the market for telephone assistance services, which is reflected in the decrease in revenues, which in turn was only partly offset by lower advertising costs and savings on inbound call center costs.

EBITDA totaled € 11.2 million, a decrease of € 5.6 million compared with the same period in the previous year, restated, performing in line with GOP.

EBIT, at € 1.7 million, decreased by € 7.8 million compared with the same period in the previous year, restated, and includes a write-down in goodwill following impairment tests (equal to € 1.3 million) as at June 30, 2011.

Net invested capital of the Telegate Group totaled € 64.1 million as at September 30, 2011 (including € 63.3 million relating to goodwill and customer databases), down by € 1.3 million compared to December 31, 2010.

Capital expenditure for the first nine months of 2011 totaled € 3.2 million, an increase of € 1.2 million compared with the same period of 2010 (€ 2 million) and refers to the replacement and modernization of technological equipment at call centers.

The **average workforce** totaled 1,621 employees in the first nine months of 2011 (1,669 employees in the corresponding period of 2010).

Pagine Gialle Phone Service S.r.l.

SEAT Pagine Gialle S.p.A. holds 100%

The table shows the main results for the first nine months of 2011 compared to the same period of last year

(euro/million)	9 months 2011	9 months 2010	Change Absolute	%	Year 2010
Revenues from sales and services	0.5	6.8	(6.3)	(92.6)	7.0
GOP	(0.1)	(0.1)	-	-	(0.3)
EBITDA	(0.1)	0.6	(0.7)	n.s.	0.3
EBIT	(0.3)	(2.0)	1.7	85.0	(2.4)
Net invested capital	0.8	(0.4)	1.2	n.s.	0,9
Average workforce	3	460	(457)	(99.3)	345

Revenues from sales and services declined € 6.3 million compared to the first nine months of 2010. The decline compared to the same period last year is attributable to the sale of lines of business devoted to Livorno and Turin office call center operations in May 2010 to People Care S.r.l. and Voice Care S.r.l., which belong to the Contacta Group, together with the transfer of the call centers' workforce.

The **GOP** and **EBITDA** recorded reflect the abovementioned sale.

Prontoseat S.r.l.

SEAT Pagine Gialle S.p.A. holds 100%

The table shows the main results for the first nine months of 2011 compared to the same period last year.

(euro/million)	9 months 2011	9 months 2010	Change Absolute	%	Year 2010
Revenues from sales and services	6.9	8.1	(1.2)	(14.8)	10.7
GOP	0.6	1.1	(0.5)	(45.5)	1.3
EBITDA	0.6	1.0	(0.4)	(40.0)	1.1
EBIT	0.4	0.5	(0.1)	(20.0)	0.3
Net invested capital	(0.7)	0.6	(1.3)	n.s.	(0.3)
Capital expenditure	0.2	0.2	-	-	0.2
Average workforce	266	321	(55)	(17.1)	310

Revenue from sales and services of Prontoseat S.r.l. in the first nine months of 2010 totaled € 6.9 million, down by € 1.2 million compared to the same period last year. The reduction in sales is basically attributable to the decline in the volume of calls and, as a result, in inbound revenues.
The fall in inbound revenues was attributable partly to the lower number of calls managed by the 89.24.24 Pronto PAGINEGIALLE® service following the sale of some call center activities to the Contacta Group, and partly to the structural decline in the directory assistance market.
The reduction in inbound sales was partly offset by the increase in telephone sales revenues (outbound revenues). The considerable growth in outbound revenues (+€ 1.1 million compared to the first nine months of 2010) was connected with the strong performance of telephone sales for the acquisition of new customers and for the renewal of advertising contracts for the 12.40 Pronto PAGINEBIANCHE® service.

As a result of a € 1.2 decline in revenues, **GOP** was € 0.5 million lower than in the same period last year, due to a reduction in salaries, wages and employee benefits, resulting from a decrease in the number of telephone operators and a general costs savings policy.

EBITDA and **EBIT** performed in line with GOP.

The **average workforce** was 266 employees in the first nine months of 2011, 55 fewer than in the same period last year.

Other Activities

Structure of the Business Area

This is a residual Business Area, covering all activities that do not fall within the scope of the aforementioned areas. It is organized as follows:

MAIN COMPANIES

Europages | Consodata S.p.A. | Cipi S.p.A.

Main company events

No significant events took place during the third quarter of 2011.

Economic and financial performance

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Absolute	Change %	Year 2010 restated
Revenues from sales and services	31.0	35.9	(4.9)	(13.6)	55.1
GOP	1.3	0.1	1.2	n.s.	4.4
EBITDA	0.9	(0.2)	1.1	n.s.	4.0
EBIT	(2.5)	(4.7)	2.2	46.8	(2.4)
Net invested capital	13.8	14.3	(0.5)	(3.5)	14.9
Capital expenditure	3.0	2.7	0.3	11.1	4.4
Average workforce	337	366	(29)	(7.9)	361

Below is an analysis of the economic and financial figures broken down into the various companies that make up the Business Area.

Europages

SEAT Pagine Gialle S.p.A. holds 93.562%

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following the change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Absolute	Change %	Year 2010 restated
Revenues from sales and services	12.4	13.2	(0.8)	(6.1)	17.0
GOP	1.9	1.1	0.8	72.7	1.4
EBITDA	1.6	0.8	0.8	100.0	1.0
EBIT	1.2	(0.9)	2,1	n.s.	(1.4)
Net invested capital	(1.1)	(1.4)	0.3	21.4	(1.7)
Capital expenditure	0.4	0.3	0.1	33.3	0.5
Average workforce	81	101	(20)	(19.8)	95

Revenue from sales and services totaled € 12.4 million in the first nine months of 2011, a decrease of € 0.8 million compared to the same period of 2010 restated, due primarily to the impact of the change in accounting for revenues realized in Italy resulting from the change in the policies for recognizing online revenues. Revenue in other countries remained substantially stable.
Portal traffic indicators in the first nine months of 2011 have shown a sharp increase in visits (35.6%) compared with the same period in the previous year. Visits have now stabilized in 2011, at an average of around 4.6 million per month, supported by better indexing on search engines.

The significant fall in revenues has been more than absorbed in terms of **GOP**, which, in the first nine months of 2011, was € 1.9 million, up € 0.8 million compared to the same period of 2010 *restated*, assisted by the pursuit of a thorough cost-cutting policy, which has led, specifically, to a reduction in labor costs, together with lower costs for services, linked to lower royalties paid due to the fall in revenues.

EBITDA, at € 1.6 million, performed in line with GOP.

EBIT, at € 1.2 million, is up € 2.1 million compared to the same period of 2010 *restated*; last year reorganization costs of € 0.5 million were included in connection with the corporate restructuring.

Net invested capital was negative for € 1.1 million as at September 30, 2011, an increase of € 0.6 million compared to December 31, 2010.

Capital expenditure incurred in the first nine months of 2011 was € 0.4, substantially in line with the same period last year.

The **average workforce** totaled 81 employees in the first nine months of 2011 and decreased by 20 employees compared with the same period last year (101 employees), due to the restructuring measures implemented during 2010.

Consodata S.p.A.

SEAT Pagine Gialle S.p.A. holds 100%

The table contains the key figures for the first nine months of 2011 compared with those for the same period in the previous financial year; the figures have been restated following change in accounting policies for determining revenues and related costs from the provision of online and voice services.

(euro/million)	9 months 2011	9 months 2010 restated	Change Absolute	Change %	Year 2010 restated
Revenues from sales and services	11.7	14.9	(3.2)	(21.5)	24.5
GOP	0.9	1.1	(0.2)	(18.2)	4.2
EBITDA	0.8	1.1	(0.3)	(27.3)	4.3
EBIT	(1.7)	(1.2)	(0.5)	(41.7)	0.9
Net invested capital	8.0	6.4	1.6	25.0	6.6
Capital expenditure	2.4	2.3	0.1	4.3	3.8
Average workforce	108	108	-		108

Revenue from sales and services totaled € 11.7 million in the first nine months of 2011, a decline of € 3.2 million compared with the same period of 2010 restated. The decline is mainly attributable to the line of products sold through the SEAT Pagine Gialle S.p.A. network, down 58% from the same period last year, suffering from the difficult economic and regulatory environment, given the limitations still imposed by Garante della Privacy (the Italian data protection authority).

With respect to the other product lines, the revenues from the Large Clients network declined slightly, by 5% compared to the same period last year, due to the reduction in several direct marketing campaigns resulting from the increase in postal rates, partially offset by the good performance of products and services connected with geomarketing. Products marketed by the Kompass-LineAffari line fell 20% compared with the first nine months of 2010 due to the different publication schedule for the Alberghi d'Italia (Hotels of Italy) printed directory.

The fall in revenues was partly absorbed in terms of **GOP**, which was a positive € 0.9 million in the first nine months of 2011, although it fell by € 0.2 million compared with the same period of 2010 restated.

This trend was also reflected in **EBITDA**, which was € 0.8 million (€ 1.1 million in the same period of 2010 restated).

EBIT in the first nine months of 2011 was negative for € 1.7 million (negative for € 1.2 million in the first nine months of 2010 restated), including € 2.2 million in operating amortization and depreciation.

Net invested capital was € 8.0 million as at September 30, 2011 (€ 6.6 million as at December 31, 2010 restated).

Capital expenditure in the first nine months of 2011 totaled € 2.4 million, substantially in line with the same period last year, and particularly attributable to the development of software platforms, expansion of databases (including geo-referenced databases), and acquisition of databases.

The **average workforce** was 108 employees, in line with the same period of 2010.

Cipi S.p.A.

SEAT Pagine Gialle S.p.A. holds 100%

The table shows the main results for the first nine months of 2011 compared to the same period last year.

(euro/million)	9 months 2011	9 months 2010	Change Absolute	Change %	Year 2010
Revenues from sales and services	6.9	7.8	(0.9)	(11.5)	13.7
GOP	(1.5)	(2.1)	0.6	28.6	(1.2)
EBITDA	(1.5)	(2.2)	0.7	31.8	(1.3)
EBIT	(2.0)	(2.6)	0.6	23.1	(1.9)
Net invested capital	6.8	9.3	(2.5)	(26.9)	9.9
Capital expenditure	0.2	-	0.2	n.s.	-
Average workforce	148	156	(8)	(5.1)	157

Revenues from sales and services totaled € 6.9 million and decreased by € 0.9 million compared to the same period last year due to a considerable decline in revenue from direct sales through the SEAT Pagine Gialle S.p.A. agents' network (€ 0.6 million) and the decline in revenues from the "Special" line, directly imported "custom items" sold to Large Clients (€ 0.5 million). There was a slight increase (€ 0.2 million) in catalogue sales of promotional items through its own network of agents and through the telephone sales channel.

GOP, a negative € 1.5 million, increased by € 0.6 million compared with the half-year in the same period of 2010, due to lower salaries, wages, and employee benefits and the significant reduction in the cost of raw materials, which was closely linked to the lower sales volumes.

EBITDA and **EBIT** respectively totaled a negative € 1.5 million and a negative € 2.0 million, performing in line with GOP.

Net invested capital totaled € 6.8 million as at September 30, 2011, down by € 3.1 million compared to December 31, 2010.

The **average workforce** totaled 148 employees, down by 8 employees compared to the first nine months of 2010.

↗Appendix

Comments on the main differences resulting from the change in accounting policies

The change in accounting policies involves the recording of the breakdown of revenues for the reference contractual period, starting from the time the services are activated. Where there is no change, these revenues will have been recorded in full at the time of activation.
Taking into account the fact that the change is applied retrospectively to the previous periods, as if the new criterion had always been adopted, the economic impact of the change in criterion with reference to a given accounting period is equal to the sum of the following individual effects:

(i) decrease in revenues for services activated in that period, equal to the amount which will be recognized in the statement of operations subsequent to the period;
(ii) increase in revenues equal to the shares to be recognized in the statement of operations for the period relating to services activated in previous periods.

The net effect of these operations in the individual period depends on various factors, including, in particular, the trend of activations of services and the related seasonal effect.
Similar considerations are valid with reference to costs directly related to revenues, which are also the subject of a change in the policies for recognition in the statement of operations. Since these costs only represent part of the operating costs (as, for example, the cost of salaries, wages and employee benefits is not included, unlike provisions, depreciation and amortization, and indirect costs), the impact on margins is, in general, very high in relation to that on revenues.
The effects of the change in accounting on direct costs and revenues has been calculated taking into account the related tax effect, quantified according to the tax regulations and rates in force in the various tax jurisdictions in which the Group companies which have implemented the change in accounting policies operate.
The economic effects connected to the change in policies occur as a counter-entry to working capital items. More specifically, revenues deferred to subsequent periods are recorded under the item "Payables for services to be rendered and other current liabilities."
Equity includes the net effects of the change in policies. The retroactive application of the new accounting policy involved the restating of previous financial statements which are presented for comparative purposes.

Below are detailed notes referring to the tables below, which set out the effects of the change in the accounting policies.

(a) ***Net deferred tax assets and deferred tax provision***: the items have been adjusted to reflect the net tax effects of the change in the accounting policies for recognizing revenues and related costs. All the Group companies affected by the change in accounting policies have used the item "Deferred tax assets" for this purpose. The exception is the Telegate Group, which for tax purposes had already adopted the criterion of recognizing on-line revenues and related costs based on the length of the contract, and therefore set aside a deferred tax provision for the purposes of the Group's consolidated financial statements. This was released to the statement of operations following the realignment of financial statement and tax figures caused by the change in accounting policies;
(b) ***Other current assets***: this item has been adjusted to include the deferment of direct production costs with the same frequency with which the corresponding revenues are recorded in the statement of operations;
(c) ***Trade payables***: this item has been adjusted to reflect the changed sum of total commissions that have been accrued by sales force agents, according to the frequency with which the corresponding revenues are recorded in the statement of operations;
(d) ***Payables for services to be rendered and other current liabilities***: this item has increased to reflect the deferment of revenues from the provision of online and voice services on a straight-line basis throughout the online and voice contracts; the change in accounting policies for revenues does not have any impact on the terms of billing and collecting from customers, and the change therefore does not have an effect on operating cash flows or on the item "Trade receivables";

(e) ***Revenues from sales and services***: this item has been adjusted to include the deferment of revenues from the provision of online and voice services on a straight-line basis, beginning from the start of the provision of the services and throughout the online and voice contract period;

(f) ***Operating costs***: this item has been adjusted to mainly include the deferment of direct production costs and the cost of the total commissions accrued by agents with the same frequency with which the corresponding revenues are recorded in the statement of operations;

(g) ***Income taxes***: the items have been adjusted to reflect the net tax effects of the change in the accounting policies for recognizing revenues and related costs.

(h) ***Profit (loss) for the period pertaining to minority interests***: this item has been adjusted to reflect the effects of the change in the accounting policies applied by associated companies that are not wholly owned;

(i) ***Other reserves***: this item has been adjusted to include the net effects of the retrospective application of the change in accounting policies.

Effects of the change in accounting policies on the reclassified consolidated statement of financial position as at September 30, 2010

(euro/thousand)	At 09.30.2010	Note	Adjustments	At 09.30.2010 restated
Goodwill and customer database	3,334,482			3,334,482
Other non-current assets (*)	206,793	(a)	22,847	229,640
Operating non-current liabitities	(63,616)			(63,616)
Non-operating non-current liabilities	(14,511)	(a)	2,724	(11,787)
Operating working capital	323,161		(118,393)	204,768
- Operating current assets	*651,298*	(b)	*10,930*	*662,228*
- Operating current liabilities	*(328,137)*	(c) (d)	*(129,323)*	*(457,460)*
Non-operating working capital	(31,019)			(31,019)
- Non-operating current assets	*27,971*			*27,971*
- Non-operating current liabilities	*(58,990)*			*(58,990)*
Non-current assets held for sale and discontinued operations, net	(250)			(250)
Net invested capital	**3,755,040**		**(92,822)**	**3,662,218**
Equity of the Group	1,059,131	(i)	(91,163)	967,968
Non-controlling interests	21,107		(1,659)	19,448
Total equity	**1,080,238**		**(92,822)**	**987,416**
Current financial assets, cash and cash equivalent	(270,578)			(270,578)
Non-current financial assets	(2,063)			(2,063)
Current financial debts	284,677			284,677
Non-current financial debts	2,709,028			2,709,028
Net financial debt	**2,721,064**			**2,721,064**
Transaction costs on loans and securitization program not yet amortised and net market value of “cash flow hedge” instruments	(46,262)			(46,262)
Net financial debts - “book value”	**2,674,802**			**2,674,802**
Total	**3,755,040**		**(92,822)**	**3,662,218**

(*) Include financial assets avalilable for sale.

Effects of the change in accounting policies on the reclassified consolidated statement of operations for the first nine months of 2010

(euro/thousand)	9 months 2010	Note	Adjustments	9 months 2010 restated
Revenues from sales and services	**777,228**	(e)	**(229)**	**776,999**
Costs of materials and external services (*)	(272,001)	(f)	1,841	(270,160)
Salaries, wages and employee benefits (*)	(151,117)	(f)	413	(150,704)
Gross operating profit (GOP)	**354,110**		**2,025**	**356,135**
% on revenues	*45.6%*			*45.8%*
Valuation adjustments and provisions to reserves for risks and charges, net	(23,485)	(f)	(206)	(23,691)
Other operating income (expense)	(780)	(f)	(5)	(785)
Operating income before amoprtization, depreciation, non-recurring and restructuring costs, net (EBITDA)	**329,845**		**1,814**	**331,659**
% on revenues	*42.4%*			*42.7%*
Operating amortization, depreciation and write-down	(48,335)			(48,335)
Non-operating amortization, depreciation and writhe-down	(2,347)			(2,347)
Non-recurring and restructuring costs, net	(10,968)			(10,968)
Operating result (EBIT)	**268,195**		**1,814**	**270,009**
% on revenues	*34.5%*			*34.8%*
Interest expense, net	(183,482)			(183,482)
Gain (loss) on investments accounted for at equity	-			-
Profit (loss) before income taxes	**84,713**		**1,814**	**86,527**
Income taxes for the period	(42,496)	(g)	502	(41,994)
Profit (loss) on continuing operations	**42,217**		**2,316**	**44,533**
Profit (loss) from non-current assets held for sale and discontinued operations	(155)			(155)
Profit (loss) for the period	**42,062**		**2,316**	**44,378**
- of which pertaining to the Group	39,854		2,317	42,171
- of which non-controlling interests	2,208	(h)	(1)	2,207

(*) Minus costs attributable to minorities and shown in the IFRS financial statements under "Other revenues and income".

Effects of the change in accounting policies on the consolidated comprehensive statement of operations for the first nine months of 2010

(euro/thousand)		9 months 2010	Adjustments	9 months 2010 restated
Profit (loss) for the period	(A)	**42,062**	**2,316**	**44,378**
Profit (loss) for "cash flow hedge" instruments		3,984	-	3,984
Profit (loss) for foreign exchange adjustments		(188)	(306)	(494)
Actuarial gain (loss) recognised to equity		(1,544)	-	(1,544)
Total other comprehensive profit (loss) for the period, net of tax effect	(B)	**2,252**	**(306)**	**1,946**
Total xomprehensive profit (loss) for the period	(A+B)	**44,314**	**2,010**	**46,324**
- of which pertaining to the Group		42,106	2,011	44,117
- of which non-controlling interests		2,208	(1)	2,207

Effects of the change in accounting policies on the consolidated statement of cash flows for the first nine months of 2010

(euro/thousand)		9 months 2010	Adjustments	9 months 2010 restated
Cash inflow (outflow) from operating activities				
Operating result		268,195	1,814	270,009
Amortization, depreciation and write-down		50,682		50,682
Cost for stock options		61		61
(Gains) losses on disposal of non-current assets		(759)		(759)
Change in non-current liabilities		(19,770)	(1,508)	(21,278)
Income taxes paid		(31,948)		(31,948)
Change in non-current liabilities		(7,277)		(7,277)
Foreign exchange adjustments and other movements		(618)	(306)	(924)
Cash inflow (outflow) from operating activities	**(A)**	**258,566**		**258,566**
Cash inflow (outflow) for investments				
Purchase of intangible assets with finite useful life		(19,267)		(19,267)
Purchase of property, plant and equipment		(4,117)		(4,117)
Other investments		(284)		(284)
Proceeds from disposal of non-current assets		1,354		1,354
Cash inflow (outflow) for investments	**(B)**	**(22,314)**		**(22,314)**
Cash inflow (outflow) for financing				
Non-current loans proceeds		536,799		536,799
Repayment of non-current loans		(629,951)		(629,951)
Payment of transaction financial costs		(22,198)		(22,198)
Paid interest expense, net		(126,906)		(126,906)
Change in financial assets and debts		(15,871)		(15,871)
Distribution of dividends		(3,365)		(3,365)
Cash inflow (outflow) for financing	**(C)**	**(261,492)**		**(261,492)**
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	**(D)**	**(156)**		**(156)**
Increase (decrease) in cash and cash equivalents in the period	**(A+B+C+D)**	**(25,396)**		**(25,396)**
Cash and cash equivalents at beginning of the period		**291,991**		**291,991**
Cash and cash equivalents at end of the period		**266,595**		**266,595**

Effects of the change in accounting policies on the statement of changes in equity between 1.1.2010 and 09.30.2010

(euro/thousand)	Share capital	Additional paid-in capital	Reserve for foreign exchange adjustments	Reserve for "cash flow hedge" instruments	Reserve for actuarial gains and (losses)	Other reserves	Profit (loss) for the period	Total	Non-controlling interests	Total restated
As at 01.01.2010 (*)	450,266	466,843	(38,445)	(22,214)	(17,331)	178,233		1,017,352	21,911	1,039,263
Restatement due to changes in accounting principles			(58)			(93,115)		(93,173)	(1,659)	(94,832)
As at 01.01.2010 restated	450,266	466,843	(38,503)	(22,214)	(17,331)	85,118		924,179	20,252	944,431
Distribution of dividends									(3,365)	(3,365)
Share-based payments						46		46	14	60
Total comprehensive profit (loss) for the period restated			(494)	3,984	(1,544)		42,171	44,117	2,207	46,324
Other movements						(374)		(374)	340	(34)
As at 09.30.2010 restated	450,266	466,843	(38,97)	(18,230)	(18,875)	84,790	42,171	967,968	19,448	967,416

(*) The figures have been restated for the adjustments (€ 5,185) relating to transaction costs on the with Lighthouse International Company as described on the "introduction" of the 2010 Annual Report.

Effects of the change in accounting policies on the reclassified consolidated statement of financial position as at December 31, 2010

(euro/thousand)	At 09.30.2011	Note	Adjustments	At 09.30.2010 restated
Goodwill e customer database	2,651,255			2,651,255
Other non-current assets (*)	203,750	(a)	38,268	242,018
Operating non-current liabilities	(62,346)			(62,346)
Non-operating non-current liabilities	(23,242)	(a)	2,870	(20,372)
Operating working capital	345,448		(187,191)	158,257
- Operating current assets	*686,416*	*(b)*	*12,869*	*699,285*
- Operating current liabilities	*(340,968)*	*(c) (d)*	*(200,060)*	*(541,028)*
Non-operating working capital	(55,919)			(55,919)
- Non-operating current assets	*3,772*			*3,772*
- Non-operating current liabilities	*(59,691)*			*(59,691)*
Non-current assets held for sale and discontinued operations, net	(250)			(250)
Net invested capital	**3,058,696**		**(146,053)**	**2,912,643**
Equity of the Group	357,840	(i)	(144,250)	213,590
Non-controlling interests	16,867		(1,803)	15,064
Total equity	**374,707**		**(146,053)**	**228,654**
Current financial assets, cash and cash equivalent	(243,226)			(243,226)
Non-current financial assets	(2,168)			(2,168)
Current financial debts	312,384			312,384
Non-current financial debts	2,664,042			2,664,042
Net financial debt	**2,731,032**			**2,731,032**
Transaction costs on loans and securitization program not yet amortised and net market value of "cash flow hedge" instruments	(47,043)			(47,043)
Net financial debt - "book value"	**2,683,989**			**2,683,989**
Total	**3,058,696**		**(146,053)**	**2,912,643**

(*) Includes financial assets available for sale.

Effects of the change in accounting policies on the reclassified consolidated statement of operations for 2010

(euro/thousand)	Year 2010	Note	Adjustments	Year 2010 restated
Revenues from sales and services	**1,110,649**	(e)	**(76,295)**	**1,034,354**
Costs of materials and external services (*)	(388,026)	(f)	8,832	(379,194)
Salaries, wages and employee benefits (*)	(199,518)	(f)	589	(198,929)
Gross operating profit (GOP)	**523,105**		**(66,874)**	**456,231**
% on revenues	*47.1%*			*44.1%*
Valuation adjustments and provisions to reserves for risks and charges, net	(38,271)	(f)	(117)	(38,388)
Other operating income (expense)	(1,344)	(f)	(3)	(1,347)
Operating income before amortization, depreciation, non-recurring and restructuring costs, net (EBITDA)	**483,490**		**(66,994)**	**416,496**
% on revenues	*43.5%*			*40.3%*
Operating amortization, depreciation and write-down	(65,058)			(65,058)
Non-operating amortization, depreciation and write-down	(685,579)			(685,579)
Non-recurring and restructuring costs, net	(40,704)			(40,704)
Operating result (EBIT)	**(307,851)**		**(66,994)**	**(374,845)**
% on revenues	*(27.7%)*			*(36.2%)*
Interest expense, net	(253,959)			(253,959)
Gain (loss) on investments accounted for at equity	35			35
Profit (loss) before income taxes	**(561,775)**		**(66,994)**	**(628,769)**
Income taxes for the year	(104,007)	(g)	16,069	(87,938)
Profit (loss) before income taxes	**(665,782)**		**(50,925)**	**(716,707)**
Profit (loss) from non-current assets held for sale and discontinued operations	(240)			(240)
Profit (loss) for the year	**(666,022)**		**(50,925)**	**(716,947)**
- of which pertaining to the Group	(667,366)		(50,781)	(718,147)
- of which non-controlling interests	1,344	(h)	(144)	1,200

(*) Minus costs attributable to minorities and shown in the IFRS financial statements under "Other revenues and income".

Effects of the change in accounting policies on the consolidated comprehensive statement of operations for 2010

(euro/thousand)		Year 2010	Adjustments	Year 2010 restated
Profit (loss) for the year	(A)	**(666,022)**	**(50,925)**	**(716,947)**
Profit (loss) for "cash flow hedge" instruments		9,606		9,606
Profit (loss) for foreign exchange adjustments		(138)	(296)	(434)
Actuarial gain (loss) recognised to equity		(1,247)		(1,247)
Total othe comprehensive profit (loss) for the year, net of tax effect	(B)	**8,221**	**(296)**	**7,925**
Total comprehensive profit (loss) for the year	(A+B)	**(657,801)**	**(51,221)**	**(709,022)**
- of which pertaining to the Group		(659,145)	(51,077)	(710,222)
- of which non-controlling interests		1,344	(144)	1,200

Effects of the change in accounting policies on the consolidated statement of cash flows for 2010

(euro/thousand)		Year 2010	Adjustments	Year 2010 restated
Cash inflow (outflow) from operating activities				
Operating result		(307,851)	(66,994)	(374,845)
Amortization, depreciation and write-down		750,637		750,637
Cost for stock options		60		60
(Gains) losses on disposal of non-current assets		(845)		(845)
Change in working capital		(25,178)	67,290	42,112
Income taxes paid		(85,362)		(85,362)
Change in non-current liabilities		2,752		2,752
Foreign exchange adjustments and other movements		(246)	(296)	(542)
Cash inflow (outflow) from operating activities	**(A)**	**333,967**		**333,967**
Cash inflow (outflow) for investments				
Purchase of intangible assets with finite useful life		(34,131)		(34,131)
Purchase of properly, plant and equipment		(6,213)		(6,213)
Other investments		(193)		(193)
Proceeds from disposal of non-current assets		1,425		1,425
Cash inflow (outflow) for investments	**(B)**	**(39,112)**		**(39,112)**
Cash inflow (outflow) for financing				
Non-current loans proceeds		716,799		716,799
Repayment of non-current loans		(819,245)		(819,245)
Payment of transaction financial costs		(26,557)		(26,557)
Paid interest expense, net		(196,436)		(196,436)
Change in financial assets and debts		(12,710)		(12,710)
Distribution of dividends		(3,365)		(3,365)
Share buy back by Telegate AG		(3,364)		(3,364)
Cash inflow (outflow) for financing	**(C)**	**(344,878)**		**(344,878)**
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	**(D)**	**(240)**		**(240)**
Increase (decrease) in cash and cash equivalents in the year	**(A+B+C+D)**	**(50,263)**		**(50,263)**
Cash and cash equivalents at beginning of the year		**291,991**		**291,991**
Cash and cash equivalents at end of the year		**241,728**		**241,728**

Effects of the change in accounting policies on the statement of changes in equity between 1.1.2010 and 12.31.2010

(euro/thousand)	Share capital	Additional paid-in capital	Reserve for foreign exchange adjustments	Reserve for "cash flow hedge" instruments	Reserve for actuarial gains and (losses)	Other reserve	Profit loss for the period	Total	Non-controlling interests	Total restated
As at 01.01.2010 (*)	**450,266**	**466,843**	**(38,445)**	**(22,214)**	**(17,331)**	**178,233**		**1,017,352**	21,911	**1,039,263**
Restatement due to changes in accounting principles			(58)			(93,115)		(93,173)	(1,659)	(94,832)
As at 01.01.2010 restated	**450,266**	**466,843**	**(38,503)**	**(22,214)**	**(17,331)**	**85,118**		**924,179**	20,252	**944,431**
Distribution of dividends								-	(3,365)	(3,365)
Share-based payments						46		46	14	60
Total comprehensive profit (loss) for the period restated			(434)	9,606	(1,247)		(718,147)	(710,222)	1,200	(709,022)
Share buy back by Telegate AG									(3,364)	(3,364)
Other movements						(413)		(413)	327	(86)
As at 12.31.2010 restated	**450,266**	**466,843**	**(38,937)**	**(12,608)**	**(18,578)**	**84,51**	**(718,147)**	**213,590**	**15,064**	**228,654**

(*) The figures have been restated for the adjustments (€ 5,185) relating to transaction costs on the with Lighthouse International Company as described on the "introduction" of the 2010 Annual Report.

Other information

Declaration pursuant to Article 154-bis, paragraph 2, of Legislative Decree No. 58 (February 24, 1998)

The undersigned, Massimo Cristofori, Head of the Administration, Finance, and Control Department of SEAT Pagine Gialle S.p.A. and Manager responsible for preparation of the financial statements.

declares

pursuant to Article 154-bis, paragraph 2 of Legislative Decree No. 58 of February 24, 1998, on the basis of his knowledge in light of the position held, by virtue of the resolution of April 9, 2009 of the Board of Directors of the Company, as Manager responsible for preparation of the financial statements, that the Interim report on operations as at September 30, 2011 reflects the results in the accounting records, documents and books.
The Interim report on operations as at September 30, 2011, which has not been subjected to an audit, has been prepared pursuant to the instructions provided by the Consob in Issuer Regulation No. 11971/1999 and is in conformity with the valuation and measurement criteria established by the IAS/IFRS international accounting standards issued by the International Accounting Standards Board and approved by the European Union.

In Milan, on November 9, 2011

Massimo Cristofori
Manager responsible for preparation of the financial statements

To contact SEAT Pagine Gialle S.p.A

Investor Relations
Corso Mortara, 22
10149 Torino
Fax: +39.011.435.2722
E-mail: investor.relations@seat.it

A copy of official documents available on the website

www.seat.it

Official documents may be requested to

SEAT Pagine Gialle S.p.A.
Corporate Affairs Office
Corso Mortara, 22
10149 Torino (Italy)
Fax: +39.011.435.4252
E-mail: ufficio.societario@seat.it

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