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Interim report as at March 31, 2012

seat PG PAGINE GIALLE

'12

Interim report as at March 31, 2012

seatPG PAGINE GIALLE

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

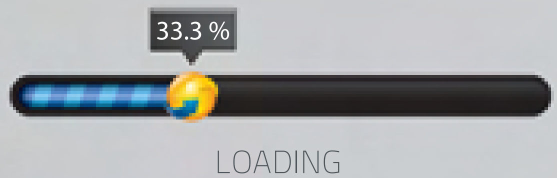
SEAT Pagine Gialle group

is a *local internet company* strongly rooted in Italy, which, alongside traditional services with print and voice visibility, offers businesses 360° support in promoting their business on the internet through a network of agencies (*WebPoint*). SEAT Pagine Gialle S.p.A.'s web marketing services range from the building and management of websites and mobile sites to the creation of multimedia content, from activities inherent to internet visibility to e-commerce and web marketing services, from managing social network presence to couponing.

Contents

'12

Highlights and general information



Company Boards

(Information correct as at May 11, 2012)

Board of Directors (*)

Chairman
Enrico Giliberti

Directors
Lino Benassi (I)
Dario Cossutta
Maurizio Dallocchio (I)
Alberto Giussani (I)
Pietro Masera
Antonio Tazartes
Marco Tugnolo
Nicola Volpi

Secretary to the Board of Directors
Marco Beatrice

Remuneration Committee

Chairman
Lino Benassi
Dario Cossutta

Internal Audit Committee

Chairman
Alberto Giussani
Maurizio Dallocchio
Marco Tugnolo

Board of Statutory Auditors

Chairman
Enrico Cervellera

Acting Auditors
Vincenzo Ciruzzi
Andrea Vasapolli

Alternate Auditors
Guido Costa
Guido Vasapolli

Common representative of savings shareholders

Stella D'Atri

General Manager (*)

Ezio Cristetti

Manager responsible for preparing the financial statements

Massimo Cristofori

Independent Auditors

Reconta Ernst & Young S.p.A.

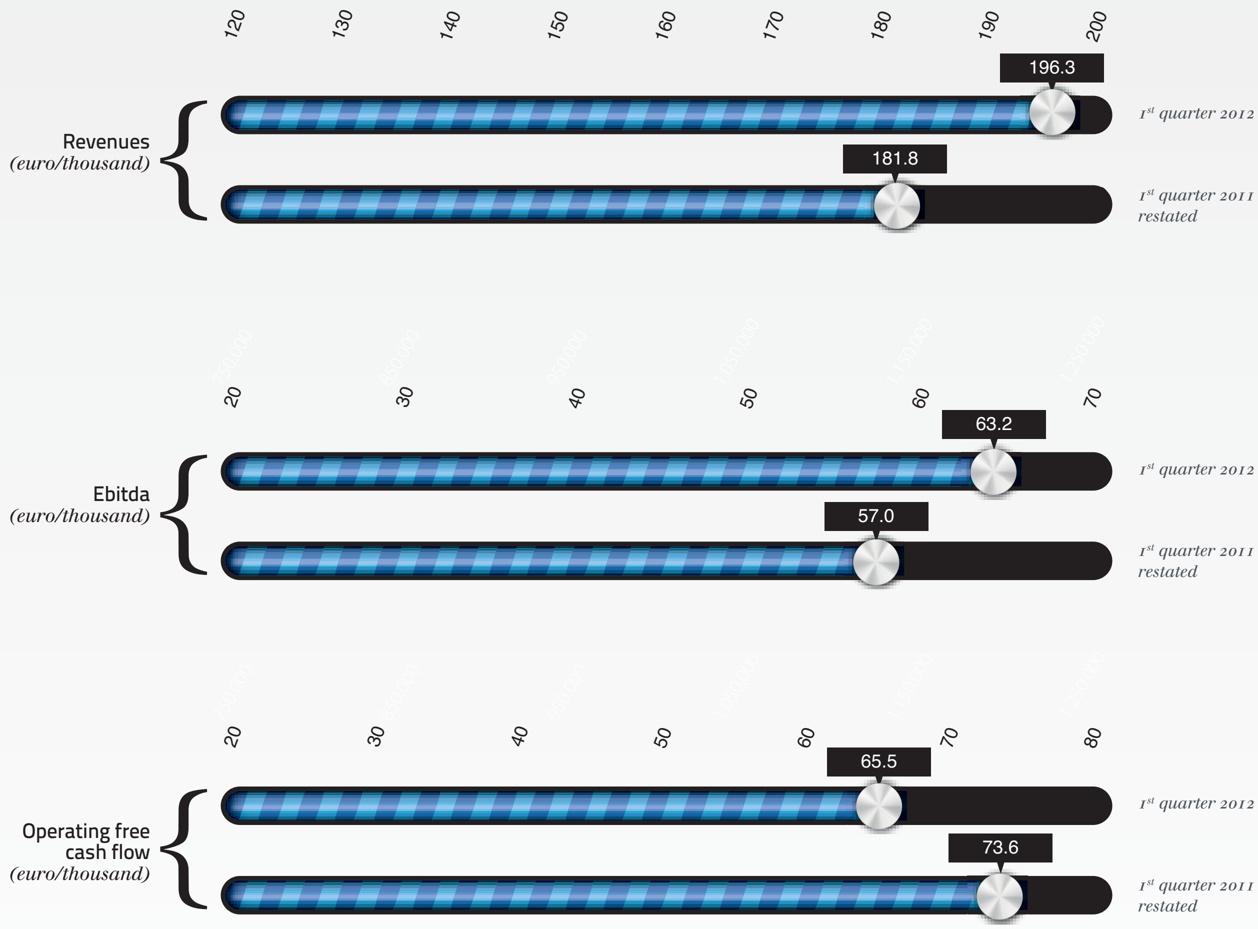
(*) The Board of Directors met on May 10, 2011 and appointed the Chief Executive Officer, Alberto Cappellini, as General Manager of the Company. Alberto Cappellini died on March 24, 2012. On April 4, 2012, the Company's Board of Directors resolved to maintain the General Management department within the business organization until the installation of the new Board of Directors that will be appointed on completion of the current financial restructuring process, unless decided otherwise by the Board of Directors, and in any event not beyond the term of office of the governing body (which will be appointed at the next Shareholders' Meeting). Ezio Cristetti was appointed as General Manager for this interim period.

(I) Meets the requirements set forth in Article 148, paragraph 3 of Legislative Decree 58/98 and in the Corporate Governance 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 quarter of 2012 and the first quarter of 2011, *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).

- Consolidated REVENUE of € 196.3 million, down by 5.8%, on a like-for-like basis in terms of directories published and exchange rates, but sustained by the performance of the online offer in Italy (+12.8%).
- Consolidated EBITDA of € 63.2 million, thanks to the containment of operating costs, which allowed the maintenance of a substantial operating margin of 32.2%.
- OPERATING FREE CASH FLOW of € 65.5 million and NET FINANCIAL DEBT of € 2,716.4 million, an improvement of € 17.8 million compared with December 31, 2011.



(euro/thousand)	1st quarter 2012	1st quarter 2011 restated	Year 2011
Economic and financial data			
Revenues from sales and services	196.3	181.8	956.7
GOP (*)	73.7	67.0	411.0
EBITDA (*)	63.2	57.0	370.6
EBIT (*)	36.6	39.8	(433.0)
Pre-tax profit (loss)	(1.5)	(24.8)	(701.8)
Profit (loss) on continuing operations	(7.7)	(10.2)	(789.0)
Profit (loss) pertaining to the Group	(7.8)	(10.5)	(789.8)
FCF (*)	65.5	73.6	366.3
Capital expenditure	7.5	10.2	48.1
Net invested capital (*)	2,128.2	2,905.0	2,147.5
of which goodwill and customer databases	*1,951.2*	*2,649.7*	*1,951.9*
of which net operating working capital (*)	*85.0*	*128.7*	*96.1*
Equity of the Group	(575.8)	208.4	(568.8)
Net Financial Indebtedness (*)	2,716.4	2,729.5	2,734.2
Economic and financial ratios			
EBITDA/Revenues	32.2%	31.4%	38.7%
EBIT/Revenues	18.6%	21.9%	(45.3%)
EBIT/Net invested capital	1.7%	1.4%	(20.2%)
Profit (loss) for the year/Equity of the Group	1.4%	(5.0%)	138.9%
FCF/Revenues	33.4%	40.5%	38.3%
Operating working capital/Revenues	43.3%	70.8%	10.0%
Workforce			
Workforce at the end of the period (units)	4,147	4,660	4,292
Average workforce for the year	3,573	3,962	3,836
Revenues/Average workforce	55	46	249

(*) See "Non-GAAP measures" below for details of items.
(**) See "Report on Operations, paragraph Introduction" for further details of first quarter of 2011 *restated*.

Other performance indicators

In addition to the conventional IFRS indicators, this interim report, March 31, 2012 includes some other financial performance indicators with a view to providing a better assessment of 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 adopted by other companies, therefore these indicators may not be comparable. These indicators are as follows

- **GOP** (*gross operating profit*) refers to EBITDA before other operating income and expenses and of adjusting net allocations to provisions for risks and charges.
- **EBITDA** (*operating income before amortization, depreciation, other net non-recurring and restructuring costs*) 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, depreciation and write-downs (relating to goodwill and customer databases).
- **Operating working capital and non-operating working capital** are respectively calculated as current operating assets (relating to operating revenues) net of current operating liabilities (relating to operating costs) and as current non-operating assets net of current non-operating liabilities. Neither item includes current financial assets or liabilities.
- **Net Invested Capital** is calculated as 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 Debt (Book Value)** is calculated as the sum of cash and cash equivalents and current and non-current financial assets and liabilities.
- **Net Financial Debt** refers to net financial debt (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 determined by the EBITDA, adjusted to take into account the effect of capital expenditure, the change in operating working capital and the change in non-current operating liabilities on the net financial position.

Information for Shareholders

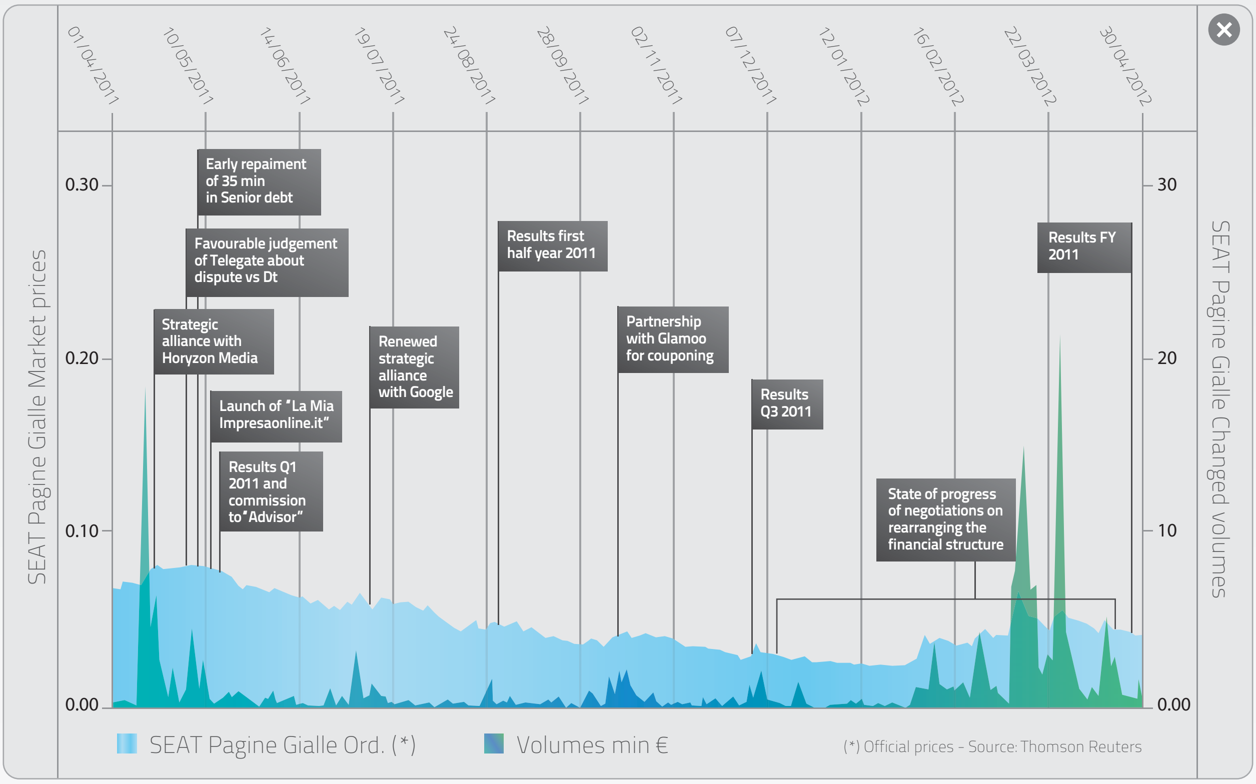
(euro/thousand)		At 03.31.2012	At 12.31.2011	At 03.31.2011 restated
Share capital	euro	450,265,793,58	450,265,793,58	450,265,793,58
Number of ordinary shares	No.	1,927,027,333	1,927,027,333	1,927,027,333
Number of savings shares	No.	680,373	680,373	680,373
Market capitalisation *(based on average market price)*	*euro/mln*	*56*	*56*	*148*
SEAT Pagine Gialle S.p.A. share weighting (SPG ordinary shares) - *Ftse Italia All Share (ex Mibtel)*		*0.028%*	*0.016%*	*0.021%*
Equity par share	euro	(0.299)	(0.295)	0.108
Profit (loss) par share	euro	(0.004)	(0.410)	(0.005)

SEAT Pagine Gialle S.p.A. ratings (Information correct as at May 10, 2012)

Rating agency	Corporate	Outlook
S&P's	D	Negative
Moody's	Ca	Negative

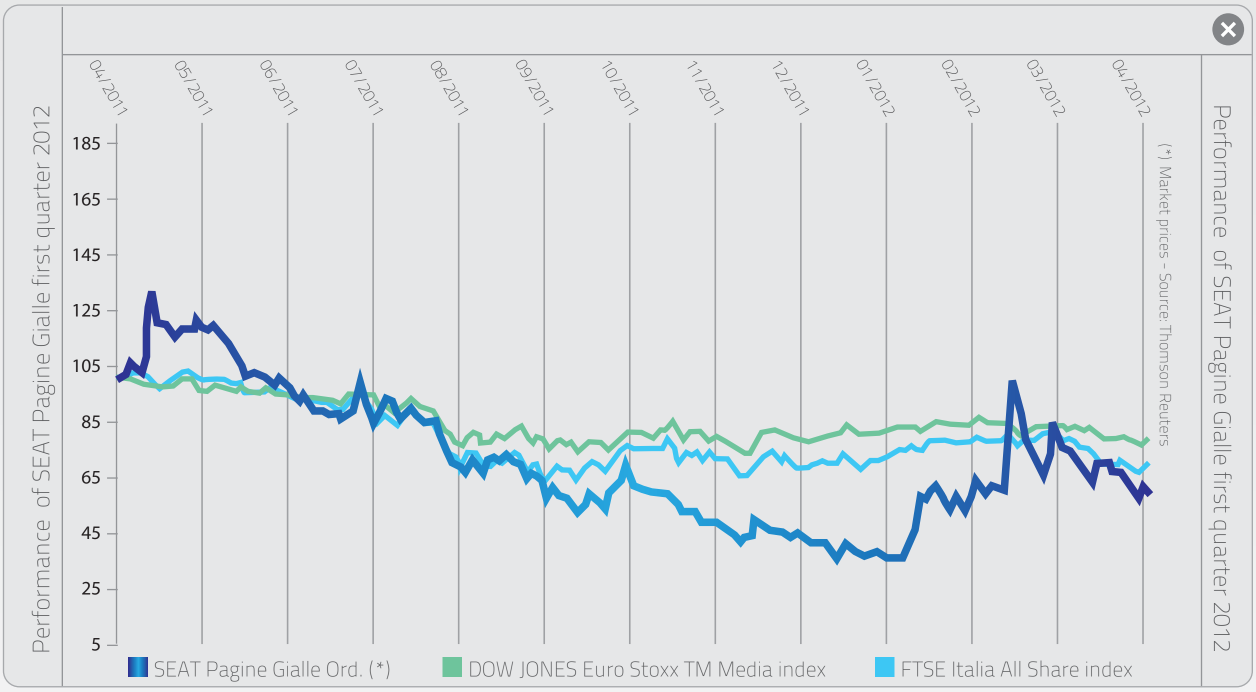
Market performance of ordinary shares over the last 12 months and traded volumes

The SEAT Pagine Gialle share price at March 31, 2012 stood at € 0.05, a sharp rise compared with the price of € 0.03 in December 31, 2011 following the news of the restructuring operation.
The positive performance of the SEAT Pagine Gialle share was influenced by the structure of the Company's enterprise value, which consists predominantly of debt. Slight increases in the Company's enterprise value (with the debt calculated at the nominal value and not at the market value) translated into increasingly significant rises in its market value, represented by stock exchange listings. From the end of December 2011 to the end of March 2012, the enterprise value as expressed by SEAT Pagine Gialle shares increased by 2.7%.
The performance of other companies in the industry was down in terms of both enterprise value (Yellow Media Canada -26.9%, Pages Jaunes -3.8%, Eniro -1.5%) and trading prices for the period (Yellow Media Canada -48.6%, Yell -29.3%, Pages Jaunes -12.9%).

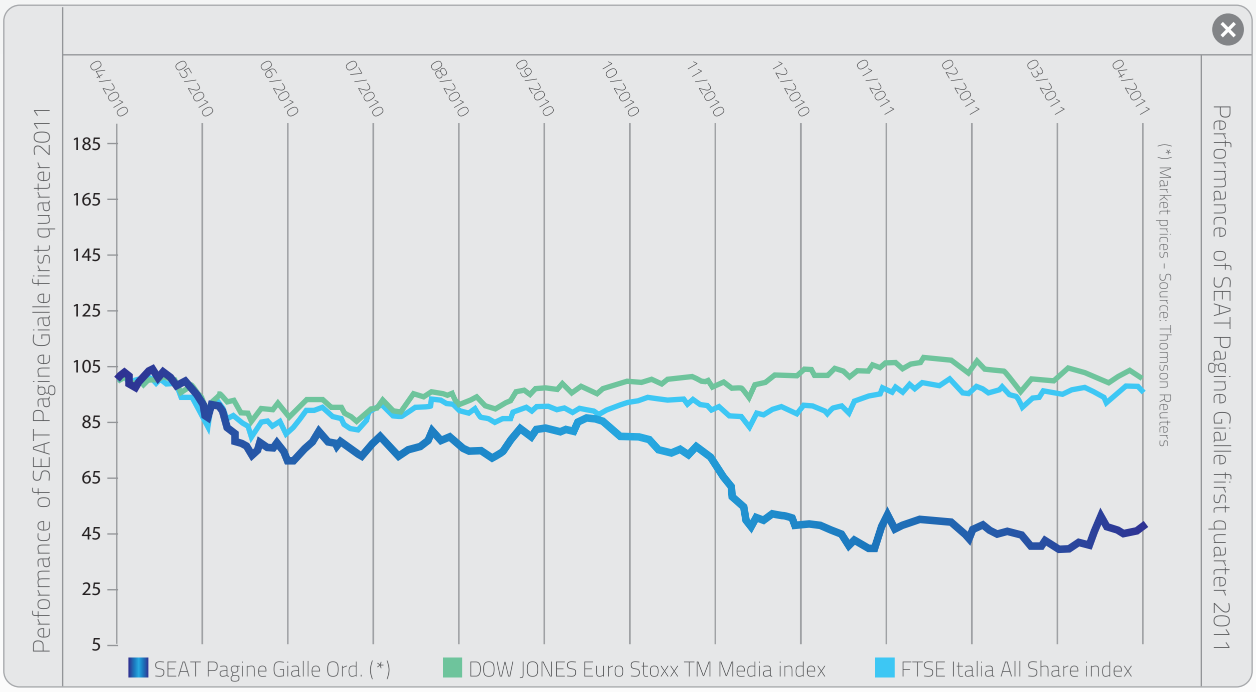


Performance of SEAT Pagine Gialle S.p.A. shares in the first quarter of 2012 vs. FTSE Italia All-Share Index and Dow Jones Euro Stoxx Media Index

(Information correct as at April 30, 2012)



Performance of SEAT Pagine Gialle S.p.A. shares in the first quarter of 2011 vs. FTSE Italia All-Share Index and Dow Jones Euro Stoxx Media Index



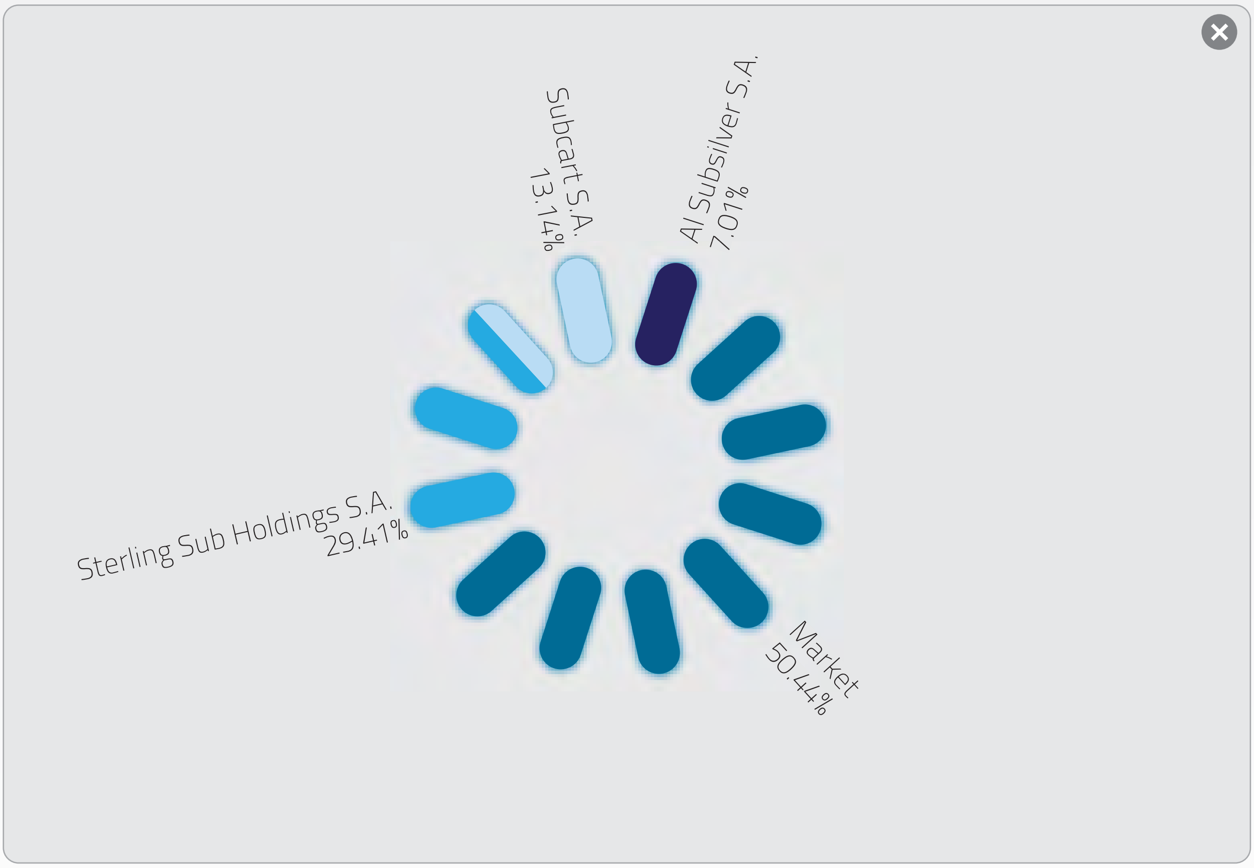
Shareholders

The table below lists the ordinary shareholders of SEAT Pagine Gialle S.p.A. holding more than 2% of the Company's share capital as at March 31,2012.

Shareholders as at March 31, 2012	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 April 22, 2004, the Deed of Pledge was drawn up (as subsequently extended and confirmed) having subject shares held by the Shareholders above-mentioned, guarantees by the fulfil of obligations,connected to the facilities agreement signed by the Company on May 25, 2005 with, by the others, the Royal Bank of Scotland Plc and the financial documents in annex, and its obligations in connection with the issue by Lighthouse International Limited SA of "Senior Notes Due 2014" named "€ 1,300,000,000 8%, (ii) an additional deed of pledge was drawn up on January 28, 2010 on above shares, guarantees by the fulfil of the Company obligations in connection with the issue of the bond named "€ 550,000,000 10.5% Senior Secured Notes Due 2017", and (iii) an additional deed of pledge was drawn up on October 8, 2010 on above shares, guarantees by the fulfil of the Company obligations in connection with the issue of the bond named "€ 200,000,000 10.5% Senior Secured Notes Due 2017".

SEAT Pagine Gialle S.p.A. shareholder structure as at March 31, 2012



Organizational structure of the Group

Directories Italy	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.

WebAGE

La svolta digitale

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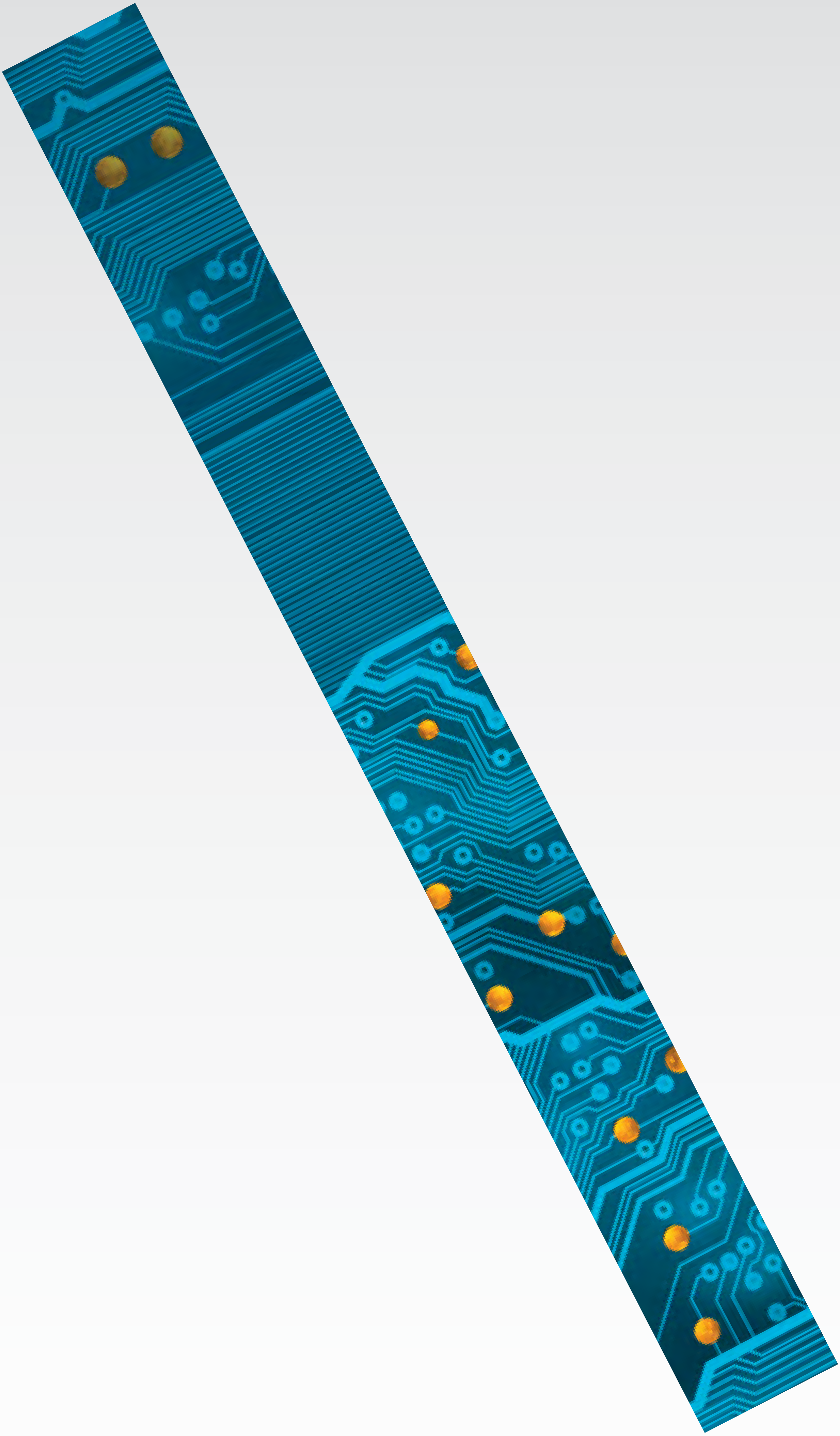
Report on Operations

66.6 %

LOADING



Economic and financial performance of the Group

Introduction

Financial restructuring of the Company

In the first quarter of 2012, the Company continued the actions undertaken during 2011 to arrive at a stabilization of its financial structure. In particular, on January 31, 2012 the Company formulated and approved a final proposal for consensual financial restructuring (the "**Final Proposal**"), setting the deadline for acceptance as February 28, 2012 (providing economic incentives in the form of consent fees in the event of earlier or punctual acceptance), subsequently extended to March 7, 2012.

On March 7, 2012, the Company ascertained full acceptance of the Final Proposal by all classes of financial creditors (i.e. Subordinated Bondholders, Senior Creditors and Senior Secured Bondholders) in a measure significantly greater than the necessary threshold. Leading shareholders also expressed an opinion in favour of said proposal.
For greater detail on the negotiations relating to financial debt, see the "Consolidated financial statements and separate financial statements as at December 31, 2011".

Changes in accounting policies

It should be noted that, starting with the Interim condensed financial statements as at June 30, 2011, the SEAT Group changed its policies for determining the revenues and costs deriving from the provision of on-line and on-voice services. In line with the requirements of IAS 8.19(b), the Company has carried out the retrospective restatement, as it is in possession of information, made available following the recent changes made to the IT systems, which makes it possible to estimate with a reasonable degree of reliability the economic and financial effects that would have been produced by the new accounting policies if they had been adopted during the financial years prior to 2011. The figures for the income statement, the statement of financial position and the cash flow statement for the period ending March 2011 have therefore been restated, with the economic and financial impacts detailed and commented upon in the tables and notes in the Appendix.

Circumstances provided for by Article 2447 of the Italian Civil Code, and related measures

On April 30, 2012, the Board of Directors of SEAT PG S.p.A. approved the consolidated financial statements and draft separate financial statements for the year ended December 31, 2011, which showed negative equity of € 568.8 million and € 557.1 million, respectively. This result produced for the Parent Company, which was already in a situation covered by Article 2446 of the Civil Code, the circumstance provided for by Article 2447 of the Civil Code.
In this regard, it is noted that:

(i) as soon as the loss was identified on April 30, 2012, the Board of Directors resolved to call a Shareholders' Meeting for June 12, 2012 in order, among other things, to propose (i) firstly, approval of the merger by incorporation of Lighthouse International Company S.A. into SEAT PG S.p.A., on completion of which, as illustrated in the explanatory report on the common merger proposal drawn up pursuant to Article 2501-*quinquies* of the Italian Civil Code and Article 8 del of Legislative Decree 108 of May 30, 2008 (q.v.), it is anticipated that there will be sufficient recapitalisation to remedy the identified situation of negative net equity and bring the post-merger equity of SEAT PG S.p.A. to a level not lower than the share capital; and (ii) secondly, verification by the Board of Directors, within the appropriate period that it identifies, and in any event not later than December 31, 2012, of the grounds for winding-up cited in point 4 of Article 2484 of the Italian Civil Code, if within that period the aforesaid merger is not made effective – and, in such an event, if liquidators are not appointed – pursuant to Article 2487 of the Italian Civil Code;

(ii) on May 3, 2012, the Board of Directors called the aforesaid Shareholders' Meeting for June 12;

(iii) in May 2012, the Board of Directors will approve the Parent Company's economic and capital position as at March 31, 2012, as an integral part of the directors' report pursuant to Articles 2446, paragraph 1, and 2447 of the Italian Civil Code and Article 74 of the Issuers' Regulation 11971/99, as amended, which will be subject to subsequent approval and made available to the public within the timescales required by the applicable legal provisions.

Reclassified consolidated statement of operations for the first quarter of 2012

Revenues from sales and services during the first quarter of 2012 amounted to € 196.3 million, down by 5.8% compared with the first quarter of 2011 *restated*, on a like-for-like basis in terms of directories published and exchange rates. In particular, it is pointed out that, in the "*Italian Directories*" Business Area, publication was brought forward to Q1 2012 for the Turin and Milan directories, which in 2011 generated € 25.9 million of revenues in the second quarter. Before eliminations between the Group's different Business Areas, revenues from sales and services were as follows:

- revenues from the "*Italian directories*" Business Area (*SEAT Pagine Gialle S.p.A.*) in the first quarter of 2012 totalled € 154.2 million, down by 3.9%, on a like-for-like basis in terms of editions published, compared with the first quarter of 2011 *restated*. The core products (print-online&mobile-voice) closed the first quarter of 2012 with revenues down by 1.9%, on a like-for-like basis in terms of editions published, due to the decline in paper and voice products, mitigated by the growth in online business (+12.8%) supported by constant product development and the launch of new services as part of a multimedia offer. Online revenues in the first quarter of 2012 accounted for around 69% of total revenues. As in previous quarters, the overall drop in revenue growth was caused by a fall in revenues from voice traffic generated by the 12.40 Pronto PAGINEBIANCHE® services and by some minor products affected by the sales network's greater focus on the core products, particularly online activities;
- revenues from the "*UK directories*" Business Area (*TDL Infomedia group*) totalled € 9.9 million in the first quarter of 2012, a decrease of 13.9% from the previous period *restated* (down by 18.9% on a like-for-like basis in terms of exchange rates and directories published). The revenue performance in the first quarter of 2012 reflects a reduced focus on online products pending the restructuring activities planned for the website and the product offer over the next few months. The opposite trend was seen in print products, which showed growth of € 0.3 million; this result benefited from a different publication timetable compared with the same period of the previous year;
- revenues from the "*Directory Assistance*" Business Area (*Telegate group, Pagine Gialle Phone Service and Prontoseat*) totalled € 27.7 million in the first quarter of 2012, down by 8.9% compared with the same period of 2011 *restated* (€ 30.4 million). The fall is mainly attributable to the Telegate Group, which in 2012 posted revenues of € 25.2 million (down by 10.6% compared with the first quarter of 2011 *restated*). In particular, revenues from Germany totalled € 23.4 million, a fall of 9.7% compared with the first quarter of 2011 restated (€ 25.9 million), due to the structural difficulties of the directory assistance services market, with decreasing call volumes. The revenues of Prontoseat amounted to € 2.3 million in the first quarter of 2012, broadly in line with the previous quarter (€ 2.2 million), due to the combined effect of the fall in inbound revenues (-41.1%), almost entirely offset by the growth in revenues from voice sales (+20.7% compared with the first quarter of 2011);
- revenues from the "*Other activities*" Business Area (*Europages, Consodata and Cipi*) totalled € 9.3 million in 2012, down by 5.1% compared with the previous year *restated* (€ 9.8 million), mainly due to the fall in Cipi revenues.

Costs for materials and external services, net of costs debited to third parties but included in the IFRS financial statements under the item "Other revenues and income", totalled € 78.3 million in the first quarter of 2012, up by € 8.4 million on 2011 *restated* (€ 69.8 million). This result mainly reflects the bringing forward to the first quarter of 2012 of the publication of the Turin and Milan directories, which in 2011 took place in the second quarter. Consequently, the overall increase of € 8.6 million in *industrial costs* (€ 30.0 million in the first quarter of 2012) is due partly to the bringing forward of the above-mentioned directories (in relation to paper consumption and production, distribution and storage costs) and partly to the effective increase of € 1.3 million in online processing costs connected with the creation of the online products (€ 5.2 million in the first quarter of 2012) and € 0.2 million in commissions to web publishers in relation to the management of the new online offers aimed at increasing web traffic (€ 5.6 million in the first quarter of 2012).
Similarly, the increase of € 0.8 million in *commercial costs* (€ 26.8 million in the first quarter of 2012) include, in relation to the item "expenditure on commissions and other sales costs", the effect produced by the early publication of the directories mentioned above. This effect was partially offset by lower advertising costs (down by € 1.9 million compared with the first quarter 2011). There was a slight increase of € 0.3 million in outbound call centre costs, associated with the increased contacts with new customers through this channel.
Overhead costs, at € 21.5 million in the first quarter of 2012, fell by around € 1 million compared with the same quarter 2011 *restated* (€ 22.5 million), thanks to the cost containment initiative.
For a more detailed consideration of the data on a like-for-like basis in terms of directories published in Italy, see the section "Economic and financial performance by Business Area" for *Italian directories*.

Salaries, wages and employee benefits, net of the respective cost recoveries, included in the IFRS financial statements under the item "Other revenues and income", totalled € 44.4 million in the first quarter of 2012, down by € 0.6 million compared with the first quarter of 2011 *restated* (€ 45.0 million). This change is partly attributable to the Telegate group (-€ 2.1 million), as a consequence of a smaller average workforce, which fell from 1,661 employees in the first quarter of 2011 to 1,284 in Q1 2012, partially offset by the 10.6% increase for the Parent Company with respect to the first quarter of 2011. This increase is mainly due to the renewal of the National Labour Collective Agreement.
The Group's workforce, including directors, project workers and trainees, consisted of 4,147 employees as at March 31, 2012 (compared with 4,292 as at December 31, 2011). The average workforce (FTE) in the first quarter of 2012 was 3,573 employees (3,962 in the first quarter of 2011).

Gross operating profit (GOP), at € 73.7 million in the first quarter of 2012, was up by € 6.6 million compared with the first quarter of 2011 *restated* (€ 67.0 million). The operating margin for the first quarter of 2012 was 37.5% compared with 36.9% in the first quarter of 2011, *restated*.

Net valuation adjustments and provisions to reserves for risks and charges amounted to € 9.8 million in the first quarter of 2012 (€ 9.3 million in the first quarter of 2011 *restated*). Of the net valuation adjustments (€ 7.9 million in the first quarter of 2012), € 7.6 million relates to the provision to the reserve for impaired trade receivables, which made it possible to maintain an adequate level of coverage of past-due accounts. This item also includes net provisions of € 1.9 million to reserves for operating risks and charges (€ 3.8 million in the first quarter of 2011), down by € 1.9 million.

Other operating income and expenses in the first quarter of 2012 was negative for € 0.7 million (negative for € 0.7 million in the first quarter of 2011 *restated*).

Operating income before amortization, depreciation, non-recurring and restructuring costs (EBITDA) totalled € 63.2 million in the first quarter of 2012, up by 11.0% on the first quarter of 2011 *restated* (€ 57.0 million), with an operating margin of 32.2% (31.3% in the first quarter of 2011 *restated*). On a like-for-like basis in terms of exchange rates and directories published, the EBITDA was down by 10.8%.

Non-recurring and restructuring costs totalled € 13.3 million in the first quarter of 2012 (€ 1.6 million in the first quarter of 2011). Non-recurring costs amounted to € 13.2 million (€ 1.2 million in the first quarter of 2011), of which € 12.2 million related to the Parent Company, mainly for costs associated with the restructuring of the financial debt. This item also includes € 0.8 million in costs for the Telegate group, partly relating to the rationalization of the call centres in Germany. Restructuring costs totalled € 0.1 million (€ 0.3 million in the first quarter of 2011).

The **operating result (EBIT)** for the first quarter of 2012 was € 36.6 million (€ 39.8 million in the previous quarter *restated*). The operating result reflects the performance already noted in terms of GOP and EBITDA, and the impact of non-recurring costs as described above.

Net interest expense in the first quarter of 2012 totalled € 38.1 million (€ 64.6 million in the first quarter of 2011). This figure represents the difference between interest expense of € 39.9 million (€ 68.4 million in the first quarter of 2011) and interest income of € 1.8 million (€ 3.8 million in the first quarter of 2011). Net interest expense fell by € 26.5 million compared with the first quarter of 2011, mainly due to the cessation, from January 1, 2012, of the recognition of interest on the Lighthouse bonds following the financial restructuring agreement reached on March 7, 2012.

In particular, interest expense in the first quarter of 2012 included:
- € 3.4 million of interest expense on the fixed-rate Subordinate debt with the associate company Lighthouse International Company S.A. (€ 27.4 million in the first quarter of 2011); this amount, in view of the considerations outlined above, relates only to the amortization of the origination costs for the period;
- € 12.4 million of interest expense (€ 12.0 million in the first quarter of 2011) on the Senior Credit Agreement between SEAT Pagine Gialle S.p.A. and The Royal Bank of Scotland Plc Milan branch (hereinafter "The Royal Bank of Scotland"). This amount includes € 2.0 million relating to origination and refinancing costs for the period, € 0.8 million relating to the net negative impact of cash flow hedge instruments against interest rate risk, and € 1.2 million relating to interest on the revolving line of credit;
- € 22.1 million of interest expense on the Senior Secured Bond (compared with € 21.0 million in the first quarter of 2011). This amount includes € 0.7 million relating to origination costs for the period and € 1.0 million for the share of the issue discount;
- € 0.4 million of interest expense (against € 0.4 million in the first quarter of 2011) 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;
- € 1.3 million of other interest expense (compared with € 2.0 million in the first quarter of 2011), including € 1.2 million of interest expense from discounting non-current assets and liabilities (compared with € 1.1 million in the first quarter of 2011);

- € 0.4 million of foreign exchange losses (against € 4.5 million in the first quarter of 2011) recorded as a result of hedging transactions against euro/sterling exchange rate risks, which were partly offset by the foreign exchange gains of € 0.4 million recorded under interest income.

The main items of *financial income* in the first quarter of 2012 were as follows:

- € 0.7 million of financial income (€ 0.6 million in the first quarter of 2011) from non-current assets, particularly assets used to finance the TDL Infomedia group's pension fund;
- € 0.7 million of interest income (€ 0.3 million in the first quarter of 2011) from the investment of short-term liquidity in the banking system at market rates, mainly above Euribor rates;
- € 0.4 million of foreign exchange gains (€ 2.9 million in the first quarter of 2011) mainly recorded as a result of the hedging policy adopted against euro/sterling exchange rate risks.

In the first quarter of 2012, the average total cost of the financial debt of SEAT Pagine Gialle S.p.A. was 7.7% (against 8% in the first quarter of 2011). This figure, which is lower than that for the whole of 2011 (8.5%), is the result of the current transitional debt restructuring situation, since from January 1, there is no further recognition of interest charges of around 8% on the proceed loan of € 1.3 billion to Lighthouse and the new conditions of the Senior bank debt have not yet come into force (these will begin to be applied once the restructuring process is completed).

Income taxes for the period were negative for € 6.2 million in the first quarter of 2012 (positive for € 14.6 million in the first quarter of 2011 *restated*). In accordance with the provisions of IAS 34, income taxes for the period were calculated by applying the average rates expected for the 2012 financial year to the gross pre-tax income.

Profit (loss) for the period pertaining to minority interests showed a profit of € 0.1 million (€ 0.3 million in the first quarter of 2011 *restated*) and related mainly to minority interests of the Telegate group.

Profit (loss) for the period pertaining to the Group showed a loss of € 7.8 million (compared with a loss of € 10.5 million in the first quarter of 2011 *restated*).

Reclassified consolidated statement of financial position as at March 31, 2012

Introduction

By effect of 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 securities for this type of transaction, the most significant being as follows:

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

SEAT Pagine Gialle S.p.A. also created a special lien in favour 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, totalling € 2,128.2 million as at March 31, 2012, fell by € 19.3 million compared with December 31, 2011. Net invested capital can be broken down as follows:

- **other non-current assets** of € 2,122.5 million as at March 31, 2012, down by € 4.6 million compared with December 31, 2011 (€ 2,127.1 million), consisting of goodwill and customer databases with a value of € 1,951.2 million as at March 31, 2012 (€ 1,951.9 million as at December 31, 2011), recognized under Group assets following acquisition operations.

Investments for the period totalled € 7.6 million (€ 10.3 million in the first quarter of 2011), broken down as follows

(euro/thousand)	1st quarter 2012	1st quarter 2011	Change	Year 2011
Capital expenditure	7,484	10,198	(2,714)	48,095
Other investments	101	112	(11)	116
Total investments	7,585	10,310	(2,725)	48,211

Capital expenditure of € 7.5 million in the first quarter of 2012 (€ 10.2 million in the first quarter of 2011) related mainly to SEAT PG S.p.A. (€ 4.9 million). For greater detail, see the section "Economic and financial performance by Business Area – *Italian directories*".

- **operating non-current liabilities** of € 47.6 million as at March 31, 2012 (€ 49.0 million as at December 31, 2011). In particular, this item includes *defined-benefit pension plans* of € 13.2 million as at March 31, 2012 (€ 13.0 million as at December 31, 2011), recognized net of the assets used to finance these plans, totalling € 49.1 million as at March 31, 2012 (€ 48.4 million as at December 31, 2011), the *reserve for severance indemnities*, amounting to € 12.8 million as at March 31, 2012 (€ 13.1 million as at December 31, 2011) and the *reserve for sale agents' termination indemnities*, totalling € 19.8 million as at March 31, 2012, down by € 0.7 million compared with December 31, 2011 (€ 20.6 million);
- **non-operating non-current liabilities** of € 6.0 million as at March 31, 2012 (€ 9.5 million as at December 31, 2011), of which € 5.4 million related to deferred tax liabilities, mainly in relation to the Telegate group (€ 4.7 million);
- **operating working capital** was positive for € 85.0 million as at March 31, 2012 (positive for € 96.1 million as at December 31, 2011).

Described below are the most significant changes occurring during the course of the year, with particular reference to:
  - *trade receivables*, which totalled € 510.4 million as at March 31, 2012, down by € 10.4 million compared with December 31, 2011 restated, relating mainly to SEAT Pagine Gialle S.p.A. (€ 6.1 million);
  - *payables for services to be rendered and other current liabilities*, which totalled € 300.8 million as at March 31, 2012, up by € 35.0 million compared with December 31, 2011, mainly due to purchasing and invoicing times for advertising services;
  - *trade payables*, which totalled € 166.9 million as at March 31, 2012, down by € 25.7 million compared with December 31, 2011, relating mainly to SEAT Pagine Gialle S.p.A.;
- **non-operating working capital**, negative for € 25.5 million as at March 31, 2012 (negative € 16.8 million as at December 31, 2011). The change of € 8.7 million compared with December 31, 2011 is attributable mainly to the Parent Company and relates to income tax liabilities of € 7.2 million as at December 31 and the increase of € 3.4 million in non-operating current liabilities for costs associated with the restructuring of the financial debt, partially offset by the use of € 5.4 million from the corporate restructuring reserve.

Net financial debt

As at March 31, 2012, **net financial debt** was € 2,716.4 million, up by € 17.8 million compared with December 31, 2011; it differs from the net financial debt at book value in that it is recognized "gross" of the expenses incurred *i)* for the origination and refinancing of the medium- and long-term Senior debt with The Royal Bank of Scotland; *ii)* for the Subordinate loan to Lighthouse International Company S.A.; and *iii)* for the issue of the Senior Secured Bond, totalling € 26.9 million net of the portions already amortized.

Net financial debt 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 March 31, 2012, this value amounted in total to net liabilities of € 0.8 million, compared with € 1.6 million as at December 31, 2011.

Net financial debt as at March 31, 2012 is broken down as follows

	(euro/thousand)	As at 03.31.2012	As at 12.31.2011	Change
A	Cash	222,341	172,732	49,609
B	Cash equivalent	-	-	-
C	Trading securities	-	-	-
D=(A+B+C)	Liquidity	222,341	172,732	49,609
E.1	Current Financial Receivable to third parties	2,689	3,486	(797)
E.2	Current Financial Receivable to related parties	-	-	-
F	Current Bank debt	749,904	740,250	9,654
G	Current portion of non current debt	3,050	3,017	33
H.1	Other current financial debt to third parties	52,594	31,376	21,218
H.2	Other current financial debt to related parties	1,369,500	1,369,500	-
I=(F+G+H)	Current Financial Debt	2,175,048	2,144,143	30,905
J=(I-E-D)	Net Current Financial Indebtedness	1,950,018	1,967,925	(17,907)
K	Non current Bank loans	-	-	-
L	Bonds Issued	723,258	722,242	1,016
M.1	Other non current loans to third parties	45,541	46,319	(778)
M.2	Other non current loans to related parties	-	-	-
N=(K+L+M)	Non Current Financial Debt	768,799	768,561	238
O	Non Current Financial Receivable to third parties	2,445	2,298	147
P=(N-O)	Net non Current Financial Indebtedness	766,354	766,263	91
Q=(J+P)	Net Financial Indebtedness	2,716,372	2,734,188	(17,816)
	Transaction costs on loans and securitization costs not yet amortized and Net market value of "cash flow hedge" instruments	(26,158)	(31,562)	5,404
	Net Financial Indebtedness - book value	2,690,214	2,702,626	(12,412)

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

Q	Net Financial Indebtedness	2,716,372	2,734,188	(17,816)
O	Non Current Financial Receivable to third parties	2,445	2,298	147
R=(Q+O)	Net Financial Indebtedness (ESMA Recommendation 81/2011)	2,718,817	2,736,486	(17,669)

With a view to achieving long-term financial stability, during the course of 2011 the Company conducted negotiations for the consensual restructuring of its financial debt, and on March 7, 2012 obtained the substantive agreement of the interested parties that will make it possible to move to the implementation phase of the operation. Against this background the Company, after consulting with its legal and financial advisers, decided from October 2011 not to repay the principal and interest due to its financial creditors. In particular, the agreement reached with the creditors provides that: *i)* the debts in respect of principal and interest owed to The Royal Bank of Scotland and to the Senior Secured bondholders will be repaid on conclusion of the financial restructuring process; *ii)* the debts in respect of interest owed up to December 2011 to Lighthouse International Company S.A. will be subject to the operation of equitization and subsequent merger by incorporation into SEAT; *iii)* from January 1, 2012, no further interest will accrue on the debt owed to Lighthouse International Company S.A..

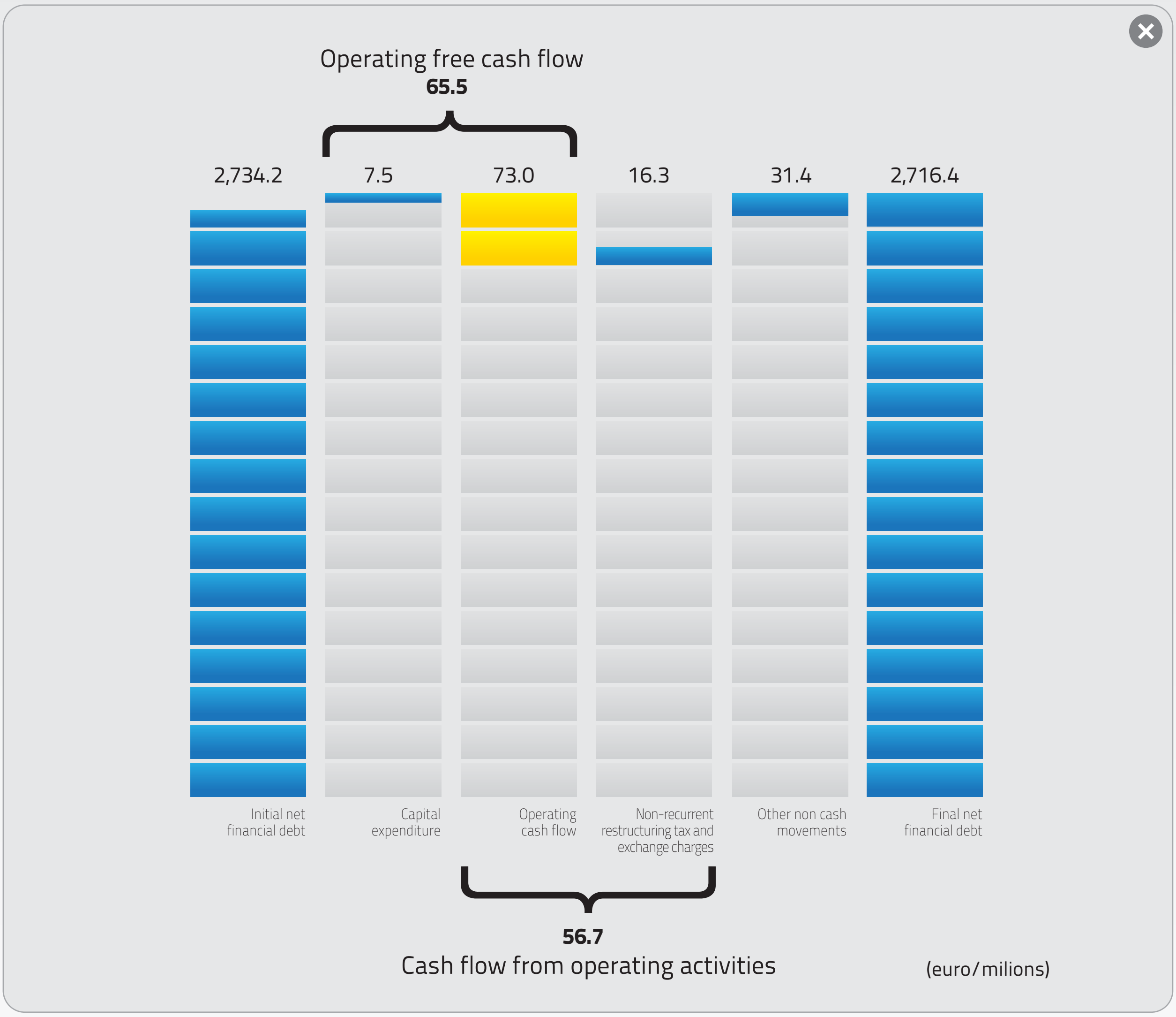
The following is a breakdown of the debt:

- **non-current financial debt** was € 768.8 million as at March 31, 2012 (€ 768.6 million as at December 31, 2011), and comprised the following items:
  - *Senior Secured Bonds issued* amounted to € 723.3 million, corresponding to the net value of the issue (€ 716.8 million) plus the total accrued discount as at March 31, 2012 (€ 6.5 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 on the placement of these bonds was 11% per annum for the first issue and 12.85% per annum for the second issue;
  - *other non-current financial debts*, totalling € 45.5 million as at March 31, 2012, relate to the seven financial leasing contracts (six contracts effective from December 2008 and one effective from the end of October 2009) connected with the purchase of the Turin property complex of SEAT Pagine Gialle S.p.A. These contracts will be repaid through the payment of 47 remaining instalments on the contracts effective from December 2008 and 51 remaining instalments on the contract effective from October 2009. All instalments are quarterly in arrears and subject to a floating interest rate equal to three-month Euribor plus a spread of around 65 basis points per annum. The residual value is fixed at around 1% of the value of the property complex;
- **current financial debt** was € 2,175.0 million as at March 31, 2012 (€ 2,144.1 million as at December 31, 2011), consisting mainly of:
  - *current financial debts to banks*: amounting to € 749.9 million as at March 31, 2012 (€ 740.3 million as at December 31, 2011) and relating mainly to debt on the Senior loan with The Royal Bank of Scotland, broken down as follows:
    a) € 184.5 million relating to tranche A, which includes the principal instalment of € 35.2 million due on December 28, 2011, not repaid for the reasons mentioned above, and the principal instalment of € 149.3 million due on June 8, 2012, with the application of a floating interest rate at Euribor plus a spread of 3.41% per annum;
    b) € 446.8 million relating to tranche B, repayable in a single instalment on June 8, 2013 and with the application of a floating interest rate equal to Euribor plus a spread of 3.91% per annum. As at December 31, 2011, this instalment was reclassified as short-term in accordance with IAS 1, paragraph 74;
    c) € 90.0 million relating to a revolving credit line 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 31, 2011 to meet the working capital financing requirements resulting from the closure of the revolving trade receivables securitization programme completed on June 15, 2011;
    d) € 25.6 million relating to the interest expense accrued and not yet paid on tranches A and B with The Royal Bank of Scotland; the amount of the interest repayments due as at December 2011 and falling due during the course of the first quarter of 2012 whose payment has been suspended stands at € 16.9 million;
    e) € 2.9 million for debts relating to non-payment of residual interest differentials on the hedging contracts accessory to the loan with The Royal Bank of Scotland.
  - *other financial debts to third parties* consist mainly of € 53.2 million relating to the interest expense accrued and not yet paid to the Senior Secured bondholders; the amount of the half-yearly coupon falling due in January 2012 and not paid stands at € 39.4 million. Non-payment of the coupon did not give rise to a payment default due to the agreement reached on March 7, 2012, which commits all the lenders not to "accelerate" the debt, and consequently the amount of the Senior Secured Bond issue, at € 723.3 million, has not been reclassified under current debt pursuant to IAS 1, paragraph 74, as was

done in December 2011 in relation to the debts owed to Lighthouse International Company S.A. and The Royal Bank of Scotland;
  - *other current financial debts to related parties* concern the debts to Lighthouse International Company S.A. and amount to € 1,369.5 million as at March 31, 2012. This amount includes a principal portion of € 1,300.0 million and interest of € 69.5 million accrued and not yet paid as at December 31, 2011, of which € 52.1 million was due on October 31, 2011 and not paid for the reasons described above. The loan, with a term of 10 years and a fixed interest rate of 8% per annum, matures in 2014. It is noted that SEAT Pagine Gialle S.p.A. provided security of € 350.0 million at the time of the granting of the loan to cover any ancillary expenses relating to the bond;
- **current financial receivables and cash and cash equivalents** totalled € 225.0 million as at March 31, 2012 (€ 176.2 million as at December 31, 2011) and included € 222.3 million in cash and cash equivalents (€ 172.7 million as at December 31, 2011). These liquid assets include debt non-servicing, as mentioned above, of € 146.5 million (of which *i)* € 52.1 million in interest accrued on the financing obtained from Lighthouse International Company S.A., due on October 31, 2011 and not paid – this amount is to be cancelled within the scope of the agreements reached in March 2012; *ii)* € 35.2 million for the repayment instalment of the Senior debt with The Royal Bank of Scotland, due in December 2011, and of the related interest of € 16.9 million, due in full on March 31, 2012 and not paid, and *iii)* € 2.9 million in interest on the hedging contracts accessory to the financing, due on December 28, 2011 and not paid; iv) € 39.4 million in interest accrued on the Senior Secured bonds issued, due on January 31, 2012 and not paid). As mentioned above, the amounts cited in points ii) et seq. will all be paid on the date of completion of the Restructuring operation.
- **non-current financial assets** totalled € 2.4 million as at March 31, 2012 (€ 2.3 million as at December 31, 2011) and comprised loans to employees issued at market rates for transactions of this kind.

Consolidated cash flows for the first quarter of 2012

The graph below summarises the main elements that affected the change in net financial debt in the first quarter of 2012



The operating free cash flow generated in the first quarter of 2012 (€ 65.5 million) was € 8.1 million lower than that generated in the first quarter of 2011 *restated* (€ 73.6 million); this reduction reflects the € 17.9 million fall in flows deriving from the change in operating working capital (which fell by € 11.6 million in the first quarter of 2012, compared with a fall of € 29.5 million in the first quarter of 2011 *restated*), partially offset by the € 6.3 million growth in EBITDA and the € 2.7 million fall in capital expenditure (€ 7.5 million in the first quarter of 2012, € 10.2 million in the first quarter of 2011).

Reclassified consolidated statement of operations

(euro/thousand)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	196,293	181,807	14,486	8,0	956,728
Cost of materials and external services (*)	(78,261)	(69,820)	(8,441)	(12,1)	(364,679)
Salaries, wages and employee benefits (*)	(44,372)	(44,975)	603	1,3	(181,071)
GOP	73,660	67,012	6,648	9,9	410,978
% on revenues	*37,5%*	*36,9%*			*43,0%*
Valuation adjustments and provisions, to reserves for risks and charges, net	(9,775)	(9,341)	(434)	(4,6)	(38,519)
Other operating income (expense)	(654)	(695)	41	5,9	(1,822)
EBITDA	63,231	56,976	6,255	11,0	370,637
% on revenues	*32,2%*	*31,3%*			*38,7%*
Operating amortization, depreciation and write-down	(12,732)	(14,947)	2,215	14,8	(62,395)
Non-operating amortization, depreciation and write-down	(643)	(643)			(698,858)
Non-recurring and restructuring costs, net	(13,302)	(1,587)	(11,715)	n.s.	(42,403)
EBIT	36,554	39,799	(3,245)	(8,2)	(433,019)
% on revenues	*18,6%*	*21,9%*			*(45,3%)*
Interest expense, net	(38,093)	(64,576)	26,483	41,0	(268,387)
Gain (loss) on investments accounted for at equity	-	-	-	n.s.	-
Profit (loss) before income taxes	(1,539)	(24,777)	23,238	93,8	(701,784)
Income taxes for the period	(6,198)	14,593	(20,791)	n.s.	(87,184)
Profit (loss) on continuing operations	(7,737)	(10,184)	2,447	24,0	(788,968)
Profit (loss) from non-current assets held for sale and discontinued operations	-	-	-	n.s.	-
Profit (loss) for the period	(7,737)	(10,184)	2,447	24,0	(788,968)
- of which pertaining to the Group	(7,799)	(10,506)	2,707	25,8	(789,750)
- of which non-controlling interests	62	322	(260)	(80,7)	782

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

Consolidated statement of comprehensive income

(euro/thousand)		1st quarter 2012	1st quarter 2011 restated	Year 2011
Profit (loss) for the period	(A)	(7,737)	(10,184)	(788,968)
Profit (loss) for "cash flow hedge" instruments		789	4,631	11,047
Profit (loss) for foreign exchange adjustments		(16)	714	(138)
Actuarial gain (loss) recognized to equity		-	-	(2,700)
Total other comprehensive profit (loss) for the period, net of tax effect	(B)	773	5,345	8,209
Total comprehensive profit (loss) for the period	(A+B)	(6,964)	(4,839)	(780,759)
- of which pertaining to the Group		(7,026)	(5,161)	(781,541)
- of which non-controlling interests		62	322	782

Reclassified consolidated statement of financial position

(euro/thousand)		As at 03.31.2012	As at 12.31.2011	Change	As at 03.31.2011 restated
Goodwill and customer database		1,951,236	1,951,857	(621)	2,649,718
Other non-current assets (*)		171,285	175,245	(3,960)	254,088
Operating non-current liabilities		(47,572)	(49,029)	1,457	(59,971)
Non-operating non-current liabilities		(5,960)	(9,501)	3,541	(16,884)
Operating working capital		84,970	96,051	(11,081)	128,733
- Operating current assets		*587,599*	*594,136*	*(6,537)*	*656,203*
- Operating current liabilities		*(502,629)*	*(498,085)*	*(4,544)*	*(527,470)*
Non-operating working capital		(25,484)	(16,770)	(8,714)	(50,390)
- Non-operating current assets		*25,933*	*26,387*	*(454)*	*3,841*
- Non-operating current liabilities		*(51,417)*	*(43,157)*	*(8,260)*	*(54,231)*
Non-current assets held for sale and discontinued operations, net		(250)	(305)	55	(250)
Net invested capital		2,128,225	2,147,548	(19,323)	2,905,044
Equity of the Group		(575,786)	(568,759)	(7,027)	208,421
Non-controlling interests		13,797	13,681	116	15,385
Total equity	(A)	(561,989)	(555,078)	(6,911)	223,806
Current financial assets, cash and cash equivalent		(225,030)	(176,218)	(48,812)	(222,786)
Non-current financial assets		(2,445)	(2,298)	(147)	(1,959)
Current financial debts		2,175,048	2,144,143	30,905	290,160
Non-current financial debts		768,799	768,561	238	2,664,103
Net financial indebteness		2,716,372	2,734,188	(17,816)	2,729,518
Transaction costs on loans and securization costs not yet amortized and net market value of "cash flow hedge" instruments		(26,158)	(31,562)	5,404	(48,280)
Net financial indebtedness - "book value"	(B)	2,690,214	2,702,626	(12,412)	2,681,238
Total	(A+B)	2,128,225	2,147,548	(19,323)	2,905,044

(*) Includes financial assets available for sale.

Consolidated cash flow statement

(euro/thousand)		1st quarter 2012	1st quarter 2011 restated	Change	Year 2011
Cash inflow (outflow) from operating activities					
EBIT		36,554	39,799	(3,245)	(433,019)
Amortization, depreciation and write-downs		13,375	15,590	(2,215)	761,253
(Gains) losses on disposal of non-current assets		10	34	(24)	60
Change in working capital		9,454	20,014	(10,560)	61,634
Income taxes paid		(760)	(2,291)	1,531	(94,035)
Change in non-current liabilities		(1,881)	(2,850)	969	(14,258)
Foreign exchange adjustments and other movements		(4)	325	(329)	4,312
Cash inflow (outflow) from operating activities	(A)	56,748	70,621	(13,873)	285,947
Cash inflow (outflow) for investments					
Purchase of intangible assets with finite useful life		(6,842)	(8,518)	1,676	(38,427)
Purchase of property, plant and equipment		(642)	(1,680)	1,038	(9,668)
Other investments		(101)	(112)	11	(116)
Proceeds from disposal of non-current assets		48	21	27	296
Cash inflow (outflow) for investments	(B)	(7,537)	(10,289)	2,752	(47,915)
Cash inflow (outflow) for financing					
Working capital facilities with the Royal Bnak of Scotland		-	-	-	90,000
Repayment of non-current loans		(879)	(35,851)	34,972	(228,633)
Payment of transaction financial costs		-	-	-	-
Paid interest expense, net		50	(44,626)	44,676	(162,943)
Change in financial assets and debts		1,227	(3,965)	5,192	(3,289)
Distribution of dividends		-	-	-	(2,163)
Cash inflow (outflow) for financing	(C)	398	(84,442)	84,840	(307,028)
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	(D)	-	-	-	-
Increase (decrease) in cash and cash equivalents in the period	(A+B+C+D)	49,609	(24,110)	73,719	(68,996)
Cash and cash equivalents at beginning of the period		172,732	241,728	(68,996)	241,728
Cash and cash equivalents at end of the period		222,341	217,618	4,723	172,732

Consolidated cash flows

(euro/thousand)	1st quarter 2012	1st quarter 2011 restated	Changes	Year 2011
EBITDA	63,231	56,976	6,255	370,637
Gains (losses) from discounting operating assets and liabilities	(394)	(394)	-	(2,039)
Decrease (increase) in operating working capital (*)	11,598	29,524	(17,926)	57,460
(Decrease) increase in operating non-current liabilities (*)	(1,457)	(2,375)	918	(11,690)
Capital expenditure	(7,484)	(10,198)	2,714	(48,095)
(Gains) losses on disposal of non-current operating assets	10	34	(24)	60
Operating free cash flow	65,504	73,567	(8,063)	366,333
Payment of interest expense, net	50	(44,626)	44,676	(162,943)
Payment of income taxes	(760)	(2,291)	1,531	(94,035)
Payment of non-recurring and restructuring expense	(15,476)	(11,178)	(4,298)	(34,909)
Payment of transaction financial costs	-	-	-	(2,163)
Foreign exchange adjustments and other movements	(31,502)	(13,958)	(17,544)	(75,439)
Change in net financial debt	17,816	1,514	16,302	(3,156)

(*) The changes don't include the non monetary effects arising from the reclassification to non-current assets held for sale and discontinued operations and profit and losses recognized to equity.

Statement of changes in consolidated net equity from 31 December 2011 to March 31, 2012

(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 12.31.2011	450,266	466,847	(39,075)	(1,561)	(21,278)	(634,208)	(789,750)	(568,759)	13,681	(555,078)
Allocation of previous year profit (loss)	-	-	-	-	-	(789,750)	789,750	-	-	-
Total other comprehensive profit (loss) for the period	-	-	(16)	789	-	-	(7,799)	(7,026)	62	(6,964)
Other movements	-	-	-	-	-	(1)	-	(1)	54	53
At 03.31.2012	450,266	466,847	(39,091)	(772)	(21,278)	(1,423,959)	(7,799)	(575,786)	13,797	(561,989)

Statement of changes in consolidated net equity from December 31, 2010 to March 31, 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 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	-	-	-
Total other comprehensive profit (loss) for the restated period	-	-	714	4,631	-	-	(10,506)	(5,161)	322	(4,839)
Other movements	-	-	-	-	-	(8)	-	(8)	(1)	(9)
At 03.12.2011 restated	450,266	466,843	(38,223)	(7,977)	(18,578)	(633,404)	(10,506)	208,421	15,385	223,806

Significant events in first quarter of 2012

Notice served by the Communications regulator (AGCOM)

Following the notice served on SEAT Pagine Gialle S.p.A. in December 2010, in which AGCOM pointed out the failure to pay the contribution due in respect of the regulator's operating expenses for the 2006-2010 period, demanding payment of around € 8.3 million, the Company appealed against this decision on January 29, 2011 before the Lazio regional administrative court (TAR), claiming illegality due to violation of the rules in force on compulsory contributions towards the operating expenses of AGCOM and due to lack of grounds.

Following the amendment request, supplemented at the request of AGCOM on February 16, 2011, the regulator passed a new resolution on February 28, 2011 reducing the contribution deemed 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 start a proceeding for review of the new resolution. In parallel, on May 2, 2011, the Company filed additional arguments against the new resolution, within the scope of the proceedings already pending before the TAR against the original resolution.

In a letter of October 20, 2011, AGCOM informed the Company of the rejection of the request for review and invited it to make a settlement proposal on the means of payment of the contribution allegedly due in respect of the years 2006-2010. Following meetings held with the regulator, SEAT proposed immediate payment of the contribution at the reduced amount of € 1.1 million and, on a purely subordinate basis, payment of the full amount of € 3,450,284 requested by the regulator in 72 monthly instalments, commencing from the verdict on the appeal pending before the Lazio TAR, in the event of a judgment against SEAT.

In view of the lack of a response from the regulator regarding the submitted settlement proposal, with additional grounds on December 21, 2011, SEAT Pagine Gialle S.p.A. appealed against the rejection of the request for review. On January 24, 2012, AGCOM rejected the settlement proposal.

The hearing on the merits of the appeal before the TAR has been fixed for May 9, 2012.

In consideration of the foregoing, the Company has allocated a provision to cover the entirety of the 2006-2010 contribution, currently calculated by the regulator at € 3,450,284.

Downgrading by Standard & Poor's rating agency

On January 6, 2012, Standard & Poor's rating agency decided to change the rating of SEAT's Senior Secured bank debt from CCC- to D.

On February 7, 2012, Standard & Poor's rating agency decided to change the Company's corporate rating from SD to D.

Following the publication of the agreement reached with the creditors with regard to the restructuring operation, Moody's issued a report declaring that it had placed the Company's rating under review for an upgrading after the completion of the restructuring operation.

Death of the CEO

On March 24, 2012, Mr Alberto Cappellini, Chief Executive Officer of the Company, passed away in an untimely manner.

Alberto Cappellini had taken office as Chief Executive Officer of SEAT Pagine Gialle on April 29, 2009.

Significant events occurring after March 31, 2012

Appointment of the General Manager

On April 4, 2012, following the death of Chief Executive Officer and General Manager Alberto Cappellini, the Company's Board of Directors decided to maintain the corporate office of General Manager until completion of the current financial restructuring process, as a result of which, in the coming months, the Company structure will see radical reorganization due to the operation to convert its subordinated debt into equity.
For this interim period, the person appointed to fill the role of General Manager is Mr Ezio Cristetti, current Resources and Organization Manager, who had been called upon in this capacity by Mr Cappellini to ensure the implementation of the corporate transformation programmes currently underway and the adequacy of the resources and systems necessary in keeping with the group's strategic vision.
Mr Cristetti will be responsible for leading and coordinating teamwork within the corporate departments, ensuring a single direction in the implementation and execution phases of the business plan outlined by Mr Cappellini.
The Administration, Finance and Control Department – whose manager, Mr Massimo Cristofori, will report through the Steering Committee to the Board of Directors – will be responsible for coordinating the process of investigating and implementing the financial restructuring operation currently underway.

Business outlook

In 2012, against an economic background in which Italy will see a progressive stabilisation of economic activity only from the second half of the year, the Company will continue to focus on the development of its offer to small and medium-sized enterprises in order to enhance their presence on the web, and to leverage the power offered by the new technologies, in order to increase their efficiency and competitiveness in local, national and international markets. *Local, mobile and social* will continue to represent, as in 2011, the strategic guidelines for the development of new products and services which, together with the existing product offer for small and medium-sized enterprises, will enable SEAT Pagine Gialle S.p.A. to further consolidate its role as "*The Local Internet Company*".
Against this background, at Group level, after a 2012 which is expected to see the lowest values for revenues and EBITDA over the period 2011-2013, mainly due to the impact of the economic situation and the lower margins associated with the launch of new online products and services, it is anticipated that the Company in 2013, having completed its transformation into "*The Local Internet Company*", will see a substantial stabilisation of revenues and EBITDA, which is expected to be around € 330-350 million, and of the customer base.

Going concern evaluation

The SEAT Pagine Gialle group closed the first quarter 2012 with a loss of € 7.8 million and negative net equity of € 575.8 million. On April 30, 2012, the Board of Directors of SEAT PG S.p.A. approved the consolidated financial statements and draft separate financial statements for the year ended December 31, 2011, which showed negative equity of € 568.8 million and € 557.1 million, respectively. This result produced for the Parent Company, which was already in a situation covered by Article 2446 of the Italian Civil Code, the circumstance provided for by Article 2447 of the Italian Civil Code.
With reference to this aspect, the Board of Directors, encouraged by economic, accounting and legal analyses, believes that the merger of Lighthouse into Seat, following the implementation of the "equitisation" operation, will have the effect of remedying the situation provided for by Article 2447 of the Italian Civil Code and will allow the Company, once restructured, to carry on its activities with proper business continuity.
In addition, having carried out the necessary checks, the Board of Directors, in view of the commercial agreement reached on the main economic terms between the Company and its various partners, has arrived at a reasonable expectation that the restructuring operation currently in progress can probably be completed in a reasonable timescale which will allow the desired long-term financial stability.
The assumption of going concern is therefore adopted once again in this interim report as at March 31, 2012.

Related-party transactions

With reference to the provisions of IAS 24 and pursuant to Article 2, letter h) of Consob Issuers' Regulation 11971/1999 (as subsequently amended), the economic and financial effects of transactions with related parties on the consolidated financial statements of the SEAT Pagine Gialle group for 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 or unusual transactions, nor were there any transactions giving rise to a possible conflict of interests.

Income statement

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties 1st quarter 2012
Cost of material and external services	-	-	(109)	(109)
Salaries, wages and employee benefits	-	-	(1,228)	(1,228)
Non-recurring costs	(950)	-	(520)	(1,470)
Interest expense	-	-	-	-

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

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties 1st quarter 2011 restated
Cost of material and external services	-	-	(105)	(105)
Salaries, wages and employee benefits	-	-	(2,111)	(2,111)
Non-recurring costs	-	-	-	-
Interest expense	(26,063)	-	-	(26,063)

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

Statement of financial position

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties at 03.31.2012
Non-current financial liabilities	-	-	-	-
Non-current reserves to employees	-	-	(438)	(438)
Current financial liabilities	(1,369,500)	-	-	(1,369,500)
Trade payables	(131)	-	(1,062)	(1,193)
Payables for services to be rendered and other current liabilities	(113)	-	(629)	(742)
Other current assets	153	-	-	153

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

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Total related parties at 12.31.2011
Non-current financial liabilities	-	-	-	-
Non-current reserves to employees	-	-	(400)	(400)
Current financial liabilities	(1,369,500)	-	-	(1,369,500)
Trade payables	(131)	-	(768)	(899)
Payables for services to be rendered and other current liabilities	(243)	-	-	(243)

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

Cash flow statement

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Related parties 1st quarter 2012
Cash inflow (outflow) from operating activities	(1,233)	–	(1,270)	(2,503)
Cash inflow (outflow) for investments	–	–	–	–
Cash inflow (outflow) for financing	–	–	–	–
Cash flow for the period	(1,233)	–	(1,270)	(2,503)

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

(euro/thousand)	Associates	Companies with significant influence	Other related parties (*)	Related parties 1st quarter 2011
Cash inflow (outflow) from operating activities	–	–	(1,950)	(1,950)
Cash inflow (outflow) for investments	–	–	–	–
Cash inflow (outflow) for financing	–	–	–	–
Cash flow for the period	–	–	(1,950)	(1,950)

(*) 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.

Income statement

(euro/thousand)	1st quarter 2012	1st quarter 2011	Type of transaction
NON RECURRING COSTS, NET			
of which:	(950)	-	
Lighthouse International Company S.A.	(950)	-	costs related to Funding Request agreement
INTEREST EXPENSE			
of which:	-	(26,063)	
Lighthouse International Company S.A.	-	(26,063)	interest expense on long-term Subordinated financing

Statement of financial position

(euro/thousand)	03.31.2012	12.31.2011	Type of transaction
NON-CURRENT FINANCIAL DEBTS			
of which:	153	-	
Lighthouse International Company S.A.	153	-	subordinated financing
CURRENT FINANCIAL DEBTS			
of which:	(1,369,500)	(1,369,500)	
Lighthouse International Company S.A.	(1,369,500)	(1,369,500)	subordinated financing and outstanding interest expense for the period
TRADE PAYABLES			
of which:	(131)	(131)	
Lighthouse International Company S.A.	(131)	(131)	consulting costs
PAYABLES FOR SERVICES TO BE RENDERED AND OTHER CURRENT LIABILITIES			
of which:	(113)	(243)	
Lighthouse International Company S.A.	(113)	(243)	debts related to Funding Request agreement

Economic and financial performance by Business Area

(euro/million)		Italian Directories	UK Directories	Directory Assistance	Other Activities	Aggregate Total	Eliminations and other adjustments	Consolidated Total
Revenues from sales and services	1st quarter 2012	154.2	9.9	27.7	9.3	201.1	(4.8)	196.3
	1st quarter 2011 restated	134.5	11.5	30.4	9.8	186.2	(4.4)	181.8
	Year 2011	748.5	60.9	119.9	49.2	978.5	(21.8)	956.7
GOP	1st quarter 2012	73.0	(3.2)	3.8	(0.3)	73.3	0.4	73.7
	1st quarter 2011 restated	62.7	(0.3)	4.4	(0.2)	66.6	0.4	67.0
	Year 2011	379.8	7.0	17.7	5.7	410.2	0.8	411.0
EBITDA	1st quarter 2012	64.4	(3.5)	2.9	(0.5)	63.3	(0.1)	63.2
	1st quarter 2011 restated	54.4	(0.7)	3.3	(0.2)	56.8	0.2	57.0
	Year 2011	345.9	4.6	14.9	5.2	370.6	-	370.6
EBIT	1st quarter 2012	42.3	(4.2)	0.2	(1.7)	36.6	-	36.6
	1st quarter 2011 restated	41.3	(1.4)	1.1	(1.4)	39.6	0.2	39.8
	Year 2011	(402.9)	(21.4)	(9.3)	0.5	(433.1)	0.1	(433.0)
Total assets	March 31, 2012	2,747.7	57.1	182.2	42.7	3,029.7	(66.2)	2,963.5
	March 31, 2011 restated	3,497.7	98.6	214.5	202.7	4,013.5	(224.9)	3,788.6
	December 31, 2011	2,700.5	57.4	187.2	48.0	2,993.1	(66.4)	2,926.7
Total liabilities	March 31, 2012	3,426.9	70.8	65.2	33.6	3,596.5	(71.0)	3,525.5
	March 31, 2011 restated	3.391,2	125.1	77.1	193.6	3.787,0	(222.2)	3,564.8
	December 31, 2011	3.378,5	66.7	70.4	37.4	3.553,0	(71.2)	3,481.8
Net invested capital	March 31, 2012	2.040,7	4.7	76.2	13.5	2.135,1	(6.9)	2,128.2
	March 31, 2011 restated	2.785,6	24.0	88.2	13.8	2.911,6	(6.6)	2,905.0
	December 31, 2011	2.060,6	4.7	74.4	14.7	2.154,4	(6.9)	2,147.5
Capital expenditure	1st quarter 2012	4.9	1.2	0.4	1.1	7,6	(0.1)	7,5
	1st quarter 2011	6.9	1.0	1.4	0.9	10,2	-	10,2
	Year 2011	37.0	3.3	3.3	4.6	48,2	(0.1)	48,1
Average workforce	1st quarter 2012	1,080	640	1,519	334	3,573	-	3,573
	1st quarter 2011	1,049	644	1,936	333	3,962	-	3,962
	Year 2011	1,029	620	1,848	339	3,836	-	3,836
Sales agents (average number)	1st quarter 2012	1,205	-	-	46	1,251	-	1,251
	1st quarter 2011	1,475	-	2	42	1,519	-	1,519
	Year 2011	1,350	-	1	46	1,397	-	1,397

Key performance indicators of the Group	1st quarter 2012	1st quarter 2011
Number of published directories		
PAGINEBIANCHE®	11	8
PAGINEGIALLE®	22	16
ThomsonLocal	15	11
Number of distributed directories (values in million)		
PAGINEBIANCHE®	3.8	1.9
PAGINEGIALLE®	2.9	1.4
ThomsonLocal	2.0	0.8
Number of visits (values in millions)		
uninterrupted site access for 30 minutes		
PAGINEBIANCHE.it	38.6	40.4
PAGINEGIALLE.it	68.6	50.0
TUTTOCITTA'.it	6.6	7.2
Europages.com	15.0	14.1

Italian directories

Economic and financial performance

The operating results for the first three months of 2012 were achieved against a difficult economic background, with a Gross Domestic Product (GDP) which, according to the most recent economic forecasts of the European Commission, after the modest recovery seen in 2010-2011, is expected to contract by 1.3% in 2012.
In this regard, the European Commission considers that the first half of the year will be particularly negative for Italy, with GDP expected to contract by 0.7% in the first quarter and by 0.2% in the second, and with a stabilisation of economic activity only from the second half of the year.
In particular, the European Commission has pointed out that the tensions seen on the Italian and other eurozone sovereign debt markets in the last months of 2011, with the consequent tightening of credit terms that has hit the private sector, have produced a net deterioration of confidence indicators and a fall in demand, which has however not resulted in a fall in inflation, which is expected to show high levels in 2012.

The table below shows the key figures for the first quarter 2012 compared with those for the same period in the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	154.2	134.5	19.7	14.6	748.5
GOP	73.0	62.7	10.3	16.4	379.8
EBITDA	64.4	54.4	10.0	18.4	345.9
EBIT	42.3	41.3	1.0	2.4	(402.9)
Net invested capital	2,040.7	2,785.6	(744.9)	(26.7)	2,060.6
Capital expenditure	4,9	6.9	(2.0)	(29.0)	37.0
Average workforce	1,080	1,049	31	3.0	1,029

Notes follow on the figures for the first quarter 2012 compared with those for the first quarter 2011, *restated*, on a like-for-like basis in terms of directories published. It is pointed out that publication was brought forward to the first quarter 2012 for the Turin and Milan directories, which in 2011 generated revenues of € 25.9 million in the second quarter.

Revenues from sales and services for SEAT Pagine Gialle S.p.A. amounted to € 154.2 million in the first quarter 2012, down by 3.9% compared with the first quarter 2011, *restated*, on a like-for-like basis in terms of directories published.
The results achieved reflected a performance for the core offer (print-online and mobile-voice) down by 1.9% compared with the first three months of 2011, *restated*, with a better trend for the other products, thanks in particular to the growth in internet business (+12.8%), whose contribution to total revenues increased to 69% compared with around 59% for the same period in the previous year.

This result fits in with SEAT Pagine Gialle S.p.A.'s broad and structured strategy dedicated to SMEs, retail businesses and members of the professions, aimed at enhancing their presence on the web and increasing their efficiency and competitiveness by leveraging the power offered by new technologies.

More specifically:

a) **Core revenues:** these amounted to € 140.7 million in the first quarter 2012, down by 1.9% – on a like-for-like basis in terms of directories published – compared with the same period of the previous year, *restated*. This figure breaks down as follows:
   - *print*: revenues from print products, including revenues generated by the two e-book applications Pagine Gialle and Pagine Bianche for iPad, launched at the end of April 2011, totalled € 25.9 million in the first quarter

2012, down by 33.9% compared with the same period of the previous year, with a fall in revenues for both PAGINEBIANCHE® and PAGINEGIALLE®.

- *online&mobile*: online products, including the traditional advertising and online marketing offer and the hiving-off of the online component of PAGINEBIANCHE® revenues, accounted for revenues of € 106.4 million in the first quarter 2012, up by 12.8% compared with the same period of the previous year. In April, the Company completed the restyling of its brands, presenting the new *Tuttocittà*, the website and the iPhone apps with enhanced functionalities and innovative services (offer of three different routes for reaching the chosen destination, calculation of the cost of the selected journey based on the choice of fuel and the type of vehicle used, weather forecasts, events section). The restyling, which follows on from that of PAGINEBIANCHE.it® in October and that of PAGINEGIALLE.it® in November, forms part of a strategy aimed at improving the searchability of advertisers and satisfying the needs of users more efficiently and quickly. Overall traffic performance, including visits to PAGINEGIALLE.it®, deriving both from the web and from mobile applications, and to customers' mobile and web sites, stood at around 68.6 million visits in the first quarter 2012, up by 37.1% compared with the first quarter 2011. The contribution made by visits to PagineGialle Mobile and to web and mobile sites created for SEAT customers was up sharply, with the two components accounting for around 37% of total traffic in the first quarter 2012. Total online&mobile traffic for PAGINEBIANCHE.it®, on the other hand, totalled around 38.6 million visits in the first quarter 2012, slightly down (-4.3%) compared with the same period of the previous year. With regard to mobile, at the end of March SEAT's mobile applications reached the threshold of 2.2 million downloads from the various application stores where they are available, thanks to PagineGialle Mobile, which reached nearly 1.5 million downloads, and 89.24.24 Mobile and PagineBianche Mobile, which reached the milestone of nearly 0.8 million downloads;
- *voice*: advertising revenues from 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® reached € 8.5 million in the first quarter 2012, a slight fall of € 1.5 million compared with the same period of the previous year, supported by a rise of around € 1.0 million in advertising revenues from 89.24.24 Pronto PAGINEBIANCHE®. In April, within the scope of its strategy of launching added-value services to support the traditional Directory Assistance services, the Company gave an increasingly "social" dimension to the 89.24.24 Pronto PAGINEGIALLE® service, making it possible to publish directly on Facebook profiles the information found with the help of the telephone operator.

b) **Other revenues and non-core products**: revenues from other products amounted to € 13.5 million in the first quarter 2012, down by 20.8% compared with the same period of the previous year, *restated*. This figure relates mainly to voice traffic (€ 8.9 million) generated by the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services, down by 23.2% compared with the first quarter 2011. The item also includes, among other things, revenues of € 1.4 million from Direct Marketing products, merchandising activities and the Sky offer.

GOP amounted to € 73.0 million in the first quarter 2012, down by € 3.4 million compared with the same period of the previous year, *restated*, on a like-for-like basis in terms of directories published, accounting for 47.4% of revenues (47.6% in the previous year). The 3.9% fall in revenues was only partially offset by the reduction in operating costs. Materials and external services, net of costs debited to third parties and included in the IFRS financial statements under the item "Other revenues and income", totalled € 63.5 million in the first quarter 2012, falling by € 4.5 million compared with the first quarter 2011, *restated*. In particular, *industrial costs*, totalling € 26.2 million in the first quarter 2012, were broadly in line with the same period of the previous year, on a like-for-like basis in terms of directories published (€ 26.5 million), due to smaller print runs and containment of processing costs. The fall in the number of calls to the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services, as well as the reduction in tariffs following the outsourcing of the call centres, caused a reduction in costs for inbound call centre services (down by € 1.0 million to € 3.2 million), while there continued to be an increase in data transmission costs related to the widening of the offer of online services (up by € 1.3 million to € 5.2 million). *Commercial* costs fell by € 2.8 million to € 24.6 million in the first quarter 2012, mainly due to lower advertising expenses (-€ 2.0 million) and lower commissions and sales costs.

Overhead costs amounted to € 12.6 million in the first quarter 2012, down by € 1.5 million compared with the same period of 2011, thanks to the cost containment initiatives implemented.

Salaries, wages and employee benefits, net of recovered costs for personnel seconded to other Group companies, totalled € 17.7 million in the first quarter 2012, up by 10.6% compared with the same period of the previous year (€ 16.0 million). This increase is mainly due to the renewal of the National Labour Collective Agreement.

EBITDA was € 64.4 million in the first quarter 2012, down by € 3.7 million compared with the first quarter 2011 *restated*, on a like-for-like basis in terms of directories published, accounting for 41.7% of revenues (42.5% in the same period of 2011 *restated*). The margin mainly reflects the negative performance of GOP.

The operating result (EBIT) was € 42.3 million in the first quarter 2012, down by € 12.7 million compared with the same period of 2011 *restated* (€ 55.0 million). This fall reflects the performance of the EBITDA and the increase in non-recurring costs (+€ 11.0 million) incurred for the restructuring of the financial debt.

Net invested capital, totalled € 2,040.7 million as at March 31, 2012, net of the carrying value of interests in subsidiaries, down by € 19.9 million compared with December 31, 2011 (€ 2,060.6 million).

Capital expenditure amounted to € 4.9 million in the first quarter 2012. In more detail, the expenditure concerned the following areas of activity:

- upgrades to the Web and Mobile delivery systems (€ 2.1 million); in particular, the Web area was involved in activities of content enrichment (acquisition of free listing companies and individuals for self-provisioning activities, CMS for database management and acquisition of new content), crossing linking between customer services (*What, Where, WEB*), and infrastructure strengthening related to the internet disaster recovery data centre;
- upgrades to Web products in the commercial offer (€ 0.9 million) in relation to the partnership with Glamoo;
- upgrades and purchases for infrastructure systems and for commercial and administrative applications (€ 1.7 million).

The **average workforce** was 1,080 employees in the first quarter 2012, compared with 1,049 in the first quarter 2011. The increase of 31 reflects the taking on of 71 trainees and the reduction of the workforce by 40 employees as a result of the staff resizing actions arising from the implementation of the 2011-2013 restructuring plan.

UK directories

Structure of the Business Area

The UK directories Business Area is organised as follows:

MAIN COMPANIES

↓

TDL Infomedia Ltd.

↓

Thomson Directories Ltd.

↓

Thomson Directories Pension Company Ltd.

Economic and financial performance

The table below shows the key figures for the first quarter 2012 compared with those for the same period in the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	9.9	11.5	(1.6)	(13.9)	60.9
GOP	(3.2)	(0.3)	(2.9)	n.s.	7.0
EBITDA	(3.5)	(0.7)	(2.8)	n.s.	4.6
EBIT	(4.2)	(1.4)	(2.8)	n.s.	(21.4)
Net invested capital	4.7	24.0	(19.3)	(80.4)	4.7
Capital expenditure	1.2	1.0	0.2	20.0	3.3
Average workforce	640	644	(4)	(0.6)	620

Revenues from sales and services totalled € 9.9 million in the first quarter 2012 (£ 8.2 million), down by € 1.6 million compared with the first quarter 2011 *restated*.
The revenue performance in the first quarter 2012 reflects a reduced focus on online products pending the restructuring activities planned for the website and the product offer over the next few months.
The opposite trend was seen in print products, which showed growth of € 0.3 million; this result benefited from a different publication timetable compared with the same period of the previous year. More specifically, 15 directories were published in the first quarter 2012 compared with 11 in the first quarter 2011. On a like-for-like basis in terms of directories published and euro/sterling exchange rates, revenues for the first quarter 2012 were actually down by 18.9% compared with the same period of the previous year restated.
Revenues from direct marketing and other sales also rose by € 0.6 million compared with the first quarter 2011 *restated*, due in particular to the contract with British Telecom for the distribution of print directories in the UK.
The performance of the various revenue lines reflects the positioning that, in view of the changed market scenario, Thomson has sought to adopt in the last two years with the

aim of transforming the traditional directory into a local media that is capable of meeting all the needs of small and medium-sized businesses.

GOP was negative by € 3.2 million in the first quarter 2012 (negative by € 0.3 million in the first quarter 2011 *restated*); on a like-for-like basis in terms of exchange rates and directories published, the margin was even lower with respect to the same period of the previous year, with an overall reduction of € 3.1 million.
This result reflects the revenue performance and the increase in industrial production costs, particularly the higher distribution and warehousing costs associated with the British Telecom contract for the distribution of directories.

EBITDA was negative by € 3.5 million (£ 2.9 million), down by around € 2.8 million compared with the first quarter 2011 *restated*, showing a performance in line with GOP.

EBIT was negative by € 4.2 million (negative by € 1.4 million in the same period of 2011 *restated*), reflecting the business performance already seen in terms of GOP and EBITDA.

The **net invested capital** of the TDL Infomedia group totalled € 4.7 million as at March 31, 2012 (€ 4.7 million as at December 31, 2011).

Capital expenditure amounted to € 1.2 million in the first quarter 2012, slightly higher than for the same period of the previous year, and related mainly to expenditure for the complete overhaul of order processing and billing systems, as well as to SEO activities for the restructuring of the website.

The **average workforce** was 640 employees in the first quarter 2012, a decrease of four employees compared with the same period of the previous year.

Directory Assistance

Structure of the Business Area

The Directory Assistance Business Area provides telephone information services via the Group headed by the German subsidiary Telegate AG and via the direct subsidiaries of SEAT Pagine Gialle S.p.A.: Prontoseat S.r.l. and Pagine Gialle Phone Service S.r.l.

MAIN COMPANIES

- **Telegate AG**
  - **Spain**
    - 11811 Nueva Información Telefónica S.a.u.
  - **Germany**
    - WerWieWas GmbH
    - Telegate Media AG
- **Pagine Gialle Phone Service S.r.l.**
- **Prontoseat S.r.l.**

Economic and financial performance

The table below shows the key figures for the first quarter 2012 compared with those for the same period of the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	27.7	30.4	(2.7)	(8.9)	119.9
GOP	3.8	4.4	(0.6)	(13.6)	17.7
EBITDA	2.9	3.3	(0.4)	(12.1)	14.9
EBIT	0.2	1.1	(0.9)	(81.8)	(9.3)
Net invested capital	76.2	88.2	(12.0)	(13.6)	74.4
Capital expenditure	0.4	1.4	(1.0)	(71.4)	3.3
Average workforce	1,519	1,936	(417)	(21.5)	1,848

In 2011, **revenues from sales and services** for the Directory Assistance Business Area totalled € 27.7 million, down by € 2.7 million compared with the same period of the previous year, *restated* (€ 30.4 million). **EBITDA** fell by € 0.4 million compared with the first quarter 2011 *restated*, to € 2.9 million.
For more details on these figures, see the following analysis by company and geographical area.

Telegate Group

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

The table below shows the key figures for the first quarter 2012 compared with those for the same period of the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	%	Year 2011
Revenues from sales and services	25.2	28.2	(3.0)	(10.6)	110.0
GOP	3.7	4.6	(0.9)	(19.6)	17.3
EBITDA	2.7	3.5	(0.8)	(22.9)	14.7
EBIT	0.1	1.4	(1.3)	(92.9)	(9.0)
Net invested capital	57.6	67.8	(10.2)	(15.0)	55.7
Capital expenditure	0.4	1.3	(0.9)	(69.2)	3.0
Average workforce	1,284	1,661	(377)	(22.7)	1,581

Revenues from sales and services totalled € 25.2 million in the first quarter 2012, down by € 10.6 million compared with the same period of the previous year *restated*, as a result of the continuing decline in call volumes for traditional directory assistance services, including added-value and outsourced services. Revenues from online advertising also continue to grow in 2012, totalling € 8.9 million in the first quarter.

The breakdown of revenues by geographical area is as follows:

- in **Germany**, where the structural decline of the telephone assistance services market continues, voice revenues fell to € 14.6 million, representing a fall of 16.1% compared with the same period of the previous year; in terms of turnover, the fall in call volumes was partly offset by a higher revenue per call, produced by an increase in average call duration. During the first quarter 2012, Telegate also continued the process of transforming its business model, focusing its activities on the local search market and presenting itself as an internet service provider for small and medium-sized businesses. From this perspective, it strengthened its online product offer on its 11880.com and www.klicktel.de portals, adding innovative services including, among other things, website construction and mobile presence.

Online advertising revenues amounted to € 8.8 million in the first quarter 2012 (approximately 38.0% of total revenues on the German market), up by 2.3% compared with the first quarter 2011 restated, thanks in part to the positive contribution of revenues from the sale of Google Adwords™ (approximately € 2.7 million), an advertising programme that enables businesses to promote products and services on the American search engine, and from the sale of website construction services.
Traffic indicators on the portals show a significant increase in visits: in the first quarter 2012, the two portals received a total of 38 million visits, up by around 70% compared with the same period of the previous year (22 million visits).

In terms of EBITDA, the fall with respect to the first quarter 2011 *restated*; was around € 1 million the reduction in revenues was partially offset by lower operating costs, thanks to cost rationalisation initiatives;

- in **Spain**, revenues for the first quarter 2012 amounted to € 1.8 million, down by 21.7% compared with the same period of the previous year as a result of the fall in call volumes for the 11811 service and for outsourcing services (Jazztel, Comunitel, Antena 3, QDQ 11875). This fall in revenues was completely absorbed at EBITDA level, thanks to the reduction in operator costs following the closure of the Madrid call centre and the outsourcing of the associated services.

GOP for the Telegate group in the first quarter 2012 was € 3.7 million, down by € 0.9 million compared with the first quarter 2011 *restated*. The fall in revenues was only partially absorbed by the reduction in advertising costs, inbound call centre service costs (as a result of reduced call volumes) and structural costs. Salaries, wages and employee benefits were down by € 2.1 million as a result of the streamlining policy implemented by the company.

EBITDA in the first quarter 2012 was € 2.7 million, down by € 0.8 million, with performance in line with GOP.

EBIT was € 0.1 million in the first quarter 2012 (€ 1.4 million in the first quarter 2011, *restated*), reflecting the business performance already seen in terms of GOP and EBITDA. This figure includes non-recurring costs of € 0.8 million relating to the streamlining of the call centres in Germany.

The **net invested capital** of the Telegate group totalled € 57.6 million as at March 31, 2012 (including € 51.2 million relating to goodwill and customer databases), an increase of € 1.9 million compared with December 31, 2011.

Capital expenditure in the first quarter 2012 amounted to € 0.4 million, down by € 0.9 million compared with the same period of 2011 (€ 1.3 million), and related to the modernisation of technological facilities in the call centres, as well as of infrastructures in the CRM and administration sectors.

The **average workforce** of the Telegate group in the first quarter 2012 was 1,284 employees (1,661 employees in the same period of 2011), primarily due to the lower number of telephone operators following the reorganization and closure of several call centres.

Pagine Gialle Phone Service S.r.l.

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

The table below shows the main results for the first quarter 2012 compared with those for the same period of the previous year.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	0.2	-	0.2	n.s.	0.8
GOP	(0.1)	(0.3)	0.2	66.7	(0.2)
EBITDA	(0.1)	(0.3)	0.2	66.7	(0.2)
EBIT	(0.1)	(0.4)	0.3	75.0	(0.7)
Net invested capital	(0.5)	1.4	(1.9)	n.s.	(0.3)
Average workforce	-	4	(4)	(100.0)	2

Revenues from sales and services amounted to € 0.2 million in the first quarter 2012, slightly down compared with the same period of the previous year.

GOP and **EBITDA** were negative by € 0.1 million; the slight increase in revenues is reflected in the slight increase in margins compared with the first quarter 2011.

Prontoseat S.r.l.

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

The table below shows the main results for the first quarter 2012 compared with those for the same period of the previous year.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	2.3	2.2	0.1	4.5	9.0
GOP	0.2	0.2	-	-	0.6
EBITDA	0.2	0.2	-	-	0.5
EBIT	0.2	0.1	0.1	100.0	0.4
Net invested capital	0.4	(0.4)	0.8	n.s.	0.2
Capital expenditure	-	-	-	n.s.	0.3
Average workforce	235	271	(36)	(13.3)	264

Revenues from sales and services in the first quarter 2012 amounted to € 2.3 million, broadly in line with the same period of the previous year (€ 2.2 million). The reduction in turnover, attributable to the fall in inbound revenues (-41.1% compared with the first quarter 2011), was partially offset by growth in telephone sales revenues (+20.7%). 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 centre activities to the Contacta group, and partly to the structural decline in the directory assistance market.
The growth in outbound revenues (+€ 0.2 compared with the first quarter 2011) was linked to the good performance of telephone sales for the renewal of advertising entries in the print products.

With revenues stable, **GOP** was positive at € 0.2 million in the first quarter 2012, in line with the same period of the previous year.

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

The **average workforce** was 235 employees in the first quarter 2012, 36 fewer than in the same period of the previous year.

Other Activities

Structure of the Business Area

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

MAIN COMPANIES

Europages

Consodata S.p.A.

Cipi S.p.A.

Economic and financial performance

The table below shows the key figures for the first quarter 2012 compared with those for the same period in the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	9.3	9.8	(0.5)	(5.1)	49.2
GOP	(0.3)	(0.2)	(0.1)	(50.0)	5.7
EBITDA	(0.5)	(0.2)	(0.3)	n.s.	5.2
EBIT	(1.7)	(1.4)	(0.3)	(21.4)	0.5
Net invested capital	13.5	13.8	(0.3)	(2.2)	14.7
Capital expenditure	1.1	0.9	0.2	22.2	4.6
Average workforce	334	333	1	0.3	339

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

Europages

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

The table below shows the key figures for the first quarter 2012 compared with those for the same period of the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	%	Year 2011
Revenues from sales and services	4.1	4.2	(0.1)	(2.4)	16.7
GOP	0.6	0.6	-	-	2.1
EBITDA	0.5	0.5	-	-	1.9
EBIT	0.4	0.3	0.1	33.3	1.3
Net invested capital	0.6	(2.5)	3.1	n.s.	(1.9)
Capital expenditure	-	0.1	(0.1)	(100.0)	0.6
Average workforce	82	78	4	5.1	82

Revenues from sales and services in the first quarter 2012 amounted to € 4.1 million, broadly in line with the same period of the previous year *restated* (€ 4.2 million); the slight fall in turnover in Italy was offset by revenue growth in other countries.
Traffic indicators on the portal in the first quarter 2012 showed a 6% increase in visits and a 25% increase in page views compared with the same period of the previous year. There was also good performance for the ROI indicators for customers, with a 25% increase in the number of clicks generated compared with the first quarter 2011.

GOP was positive at € 0.6 million, in line with the same period of the previous year *restated*, thanks to the stability of revenues.

EBITDA and **EBIT** were positive by € 0.5 million and € 0.4 million respectively, performing in line with GOP.

Net invested capital was positive at € 0.6 million as at March 31, 2012, up by € 2.5 million compared with December 31, 2011.

There was no **capital expenditure** in the first quarter 2012.

The **average workforce** in the first quarter 2012 was 82 employees (78 in the first quarter 2011).

Consodata S.p.A.

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

The table below shows the key figures for the first quarter 2012 compared with those for the same period of the previous financial year. The values have been recalculated following the changes in recognition criteria and in the related costs arising from the delivery of web and voice services.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	3.1	3.1	-	-	20.5
GOP	(0.2)	(0.2)	-	-	4.1
EBITDA	(0.3)	(0.2)	(0.1)	(50.0)	4.0
EBIT	(1.3)	(1.0)	(0.3)	(30.0)	0.5
Net invested capital	6.8	7.4	(0.6)	(8.1)	8.9
Capital expenditure	1.0	0.8	0.2	25.0	3.7
Average workforce	103	104	(1)	(1.0)	109

Revenues from sales and services amounted to € 3.1 million in the first quarter 2012, in line with the first quarter 2011 *restated*. The fall in revenues, linked to a major Geomarketing project implemented in the first quarter 2011, was offset by the good performance in the first quarter 2012 of sales made through the network of SEAT Pagine Gialle S.p.A., sales of direct marketing products associated with the European football championships, and sales made by the network of Consodata agents in relation to customer management support products. In terms of products marketed by the Large Customers sales channel, there was good performance for marketing campaign management products and for sales of lists of business data.

The stability of revenues is reflected in a **GOP** in line with the first quarter 2011 *restated*, which was negative by € 0.2 million.

EBITDA and EBIT were negative by € 0.3 million and € 1.3 million respectively, performing in line with GOP.
Net invested capital amounted to € 6.8 million as at March 31, 2012 (€ 8.9 million as at December 31, 2011).
Capital expenditure in the first quarter 2012 totalled € 1.0 million, up by € 0.2 million compared with the same period of the previous year, and related to the development of software platforms, enhancement of databases (including geo-referenced databases), purchases of databases, and a project to overhaul the business resources accounting and planning management system, which will be completed in the second half of the year.
The average workforce in the first quarter 2012 was 103 employees (104 in the first quarter 2011).

Cipi S.p.A.

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

The table below shows the main results for the first quarter 2012 compared with those for the same period of the previous year.

(euro/million)	1st quarter 2012	1st quarter 2011 restated	Change Absolute	Change %	Year 2011
Revenues from sales and services	2.1	2.5	(0.4)	(16.0)	12.1
GOP	(0.6)	(0.6)	-	-	(0.6)
EBITDA	(0.6)	(0.6)	-	-	(0.7)
EBIT	(0.9)	(0.7)	(0.2)	(28.6)	(1.3)
Net invested capital	6.2	8.8	(2.6)	(29.5)	7.8
Average workforce	148	151	(3)	(2.0)	149

Revenues from sales and services amounted to € 2.1 million in the first quarter 2012, down by € 0.4 million compared with the same period of 2011 due to the fall in revenues from sales to SMEs, served both directly via the offer of the CIPI Professional catalogue (-€ 0.1 million) and through the network of SEAT Pagine Gialle S.p.A. agents (-€ 0.1 million), and the lower contribution of revenues from the "custom items" offer, i.e. low-margin items imported directly for major customers (-€ 0.2 million).

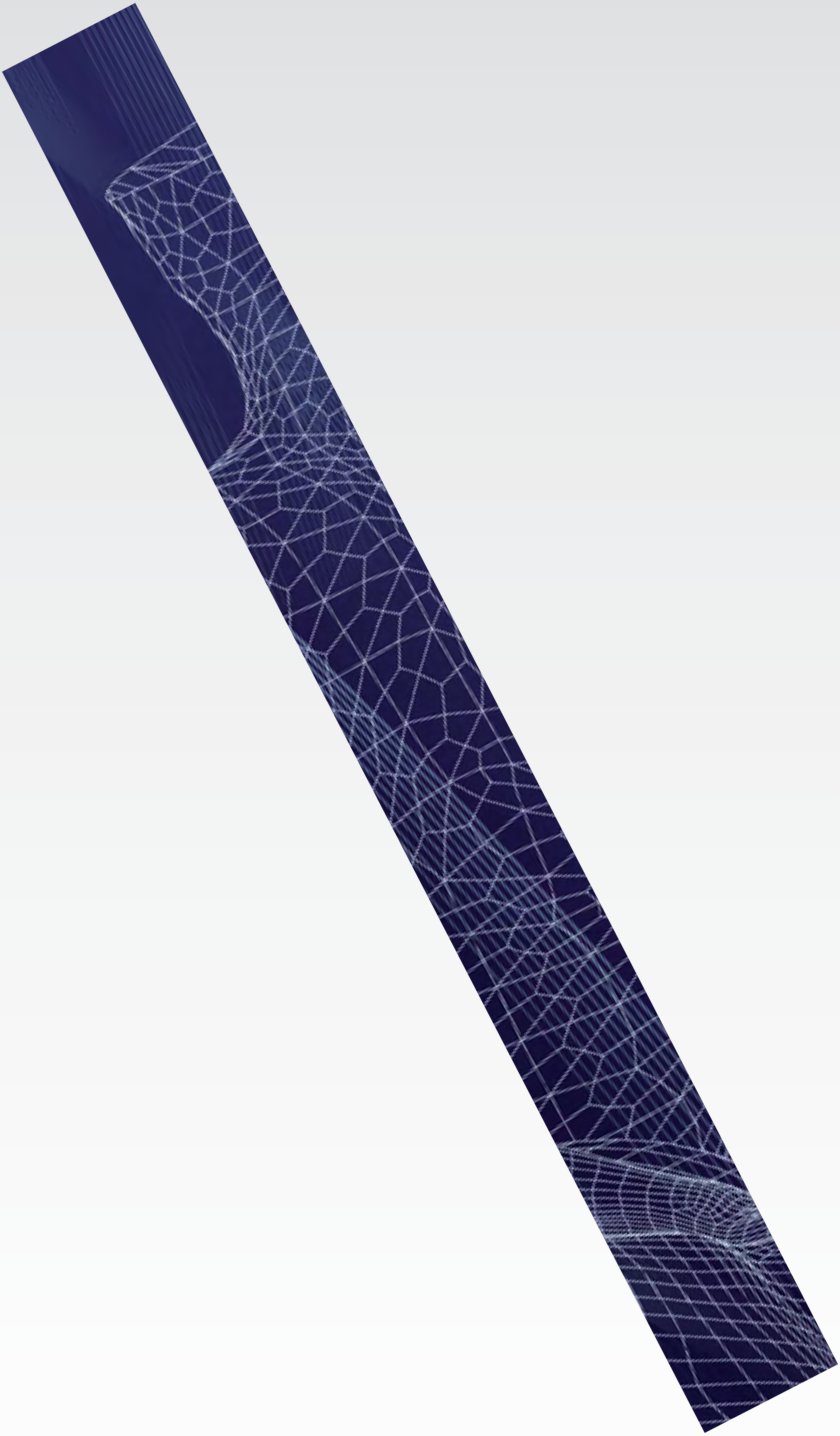
GOP was negative by € 0.6 million, in line with the same period of the previous year. The fall in revenues was completely absorbed by the lower costs associated with the reduction in purchasing volumes and by the containment of personnel costs as a result of retirements, use of the C.I.G.S. (*Cassa Integrazione Guadagni Straordinaria redundancy fund*) and greater rationalisation of holidays.

EBITDA, negative by € 0.6 million, shows performance in line with GOP.

EBIT for the first quarter 2012 was negative by € 0.9 million, representing a fall of € 0.2 million compared with the first quarter 2011, due to the costs incurred in relation to the corporate restructuring operation.

Net invested capital totalled € 6.2 million as at March 31, 2012, down by € 1.6 million compared with December 31, 2011.

The **average workforce** in the first quarter 2012 was 148 employees (151 in the first quarter 2011).



Appendix

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

Introduction

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 recognised in the income statement subsequently to the period;

(ii) increase in revenues equal to the shares to be recognised in the income statement for the period relating to services activated in previous periods.

The net effect of these operations in the individual period is dependent 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 relating to revenues, which are also the subject of a change in the policies for recognition in the income statement. 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 respective 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 provided and other current liabilities".
Equity includes the net effects of the change in policies. The retroactive application of the new accounting policy has involved restatement of the previous financial statements presented for comparison purposes.
Below are detailed notes on the tables that follow, which set out the effects of the change in the accounting policies.

(a) *Net deferred tax assets and liabilities*: (a) the items have been adjusted to reflect the net tax effects of the change in the accounting policies for recognising 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 already adopted the criterion of recognising 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, which was released to the income statement 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 income statement;

(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 income statement;

(d) *Payables for services to be provided and other current liabilities*: this item has increased to reflect the deferment of revenues from the provision of on-line and on-voice services on a straight-line basis throughout the on-line and on-voice contracts; the change in accounting policies for revenues does not have any impact on the terms of invoicing and collecting from customers, and the change therefore does not have an effect on operating cash flows or on the item "Trade receivables";

(*) Includes financial assets available for sale.

(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 on-line and on-voice contract period;

(f) *Operating costs*: this item has been adjusted mainly to 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 income statement;

(g) *ncome taxes*: the items have been adjusted to reflect the net tax effects of the change in the accounting policies for recognising 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 which are not wholly owned;

(i) *Other provisions*: 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 March 31, 2011

Data not subject to audit

(euro/thousand)	Notes	At 03.31.2011	Adjustments	At 03.31.2011 restated
Goodwill and customer database		2,649,718		2,649,718
Other non-current assets (*)	(a)	219,613	34,475	254,088
Operating non-current liabilities		(59,971)		(59,971)
Non-operating non-current liabilities	(a)	(19,812)	2,928	(16,884)
Operating working capital		295,886	(167,153)	128,733
- Operating current assets	(b)	*643,660*	*12,543*	*656,203*
- Operating current liabilities	(c) (d)	*(347,774)*	*(179,696)*	*(527,470)*
Non-operating working capital		(50,390)		(50,390)
- Non-operating current assets		*3,841*		*3,841*
- Non-operating current liabilities		*(54,231)*		*(54,231)*
Non-current assets held for sale and discontinued operations, net		(250)		(250)
Net invested capital		3,034,794	(129,750)	2,905,044
Equity of the Group	(i)	336,434	(128,013)	208,421
Non-controlling interests		17,122	(1,737)	15,385
Total equity		353,556	(129,750)	223,806
Current financial assets, cash and cash equivalent		(222,786)		(222,786)
Non-current financial assets		(1,959)		(1,959)
Current financial debts		290,160		290,160
Non-current financial debts		2,664,103		2,664,103
Net financial debt		2,729,518		2,729,518
Transaction costs on loans and securization costs not yet amortized and net market value of "cash flow hedge" instrumentsinstruments		(48,280)		(48,280)
Net financial indebtedness - "book value"		2,681,238		2,681,238
Total		3,034,794	(129,750)	2,905,044

Effects of the change in accounting policies on the reclassified consolidated income statement for the first quarter 2011

Data not subject to audit

(euro/thousand)	Notes	1st quarter 2011	Adjustments	1st quarter 2011 restated
Revenues from sales and services	(e)	160,678	21,129	181,807
Cost of materials and external services (*)	(f)	(68,678)	(1,142)	(69,820)
Salaries, wages and employee benefits (*)	(f)	(45,004)	29	(44,975)
Gross operating profit (GOP)		46,996	20,016	67,012
% on revenues		29.2%		36.9%
Valuation adjustments and provisions to reserves for risks and charges, net	(f)	(9,258)	(83)	(9,341)
Other operating income (expense)	(f)	(696)	1	(695)
Operating income before amortization, depreciation, non-recurring and restructuring costs, net (EBITDA)		37,042	19,934	56,976
% on revenues		23.1%		31.3%
Operating amortization, depreciation and write-down		(14,947)		(14,947)
Non-operating amortization, depreciation and write-down		(643)		(643)
Non-recurring and restructuring costs, net		(1,587)		(1,587)
Operating result (EBIT)		19,865	19,934	39,799
% on revenues		12.4%		21.9%
Interest expense, net		(64,576)		(64,576)
Gain (loss) on investments accounted for at equity		-		-
Profit (loss) before income taxes		(44,711)	19,934	(24,777)
Income taxes for the year	(g)	18,328	(3,735)	14,593
Profit (loss) on continuing operations		(26,383)	16,199	(10,184)
Profit (loss) from non-current assets held for sale and discontinued operations		-		-
Profit (loss) for the year		(26,383)	16,199	(10,184)
- of which pertaining to the Group		(26,639)	16,133	(10,506)
- of which non-controlling interests	(h)	256	66	322

(*) Minus costs attributables to minorities and shown in the IFRS Financial Statements under "other revenue and income"

		As at 03.31.2011	As at 03.31.2011 restated
Number of SEAT Pagine Gialle S.p.A. shares	€	1,927,707,706	1,927,707,706
- ordinary shares	No.	1,927,027,333	1,927,027,333
- savings shares	No.	680,373	680,373
Profit (loss) for the year	€/thousand	(26,639)	(10,506)
Profit (loss) per share	€	(0.014)	(0.005)

Effects of the change in accounting policies on the comprehensive consolidated income statement for the first quarter 2011

Data not subject to audit

(euro/thousand)	1st quarter 2011	Adjustments	1st quarter 2011 restated
Profit (loss) for the period	(26,383)	16,199	(10,184)
Profit (loss) for "cash flow hedge" instruments	4,631		4,631
Profit (loss) for foreign exchange adjustments	610	104	714
Actuarial gain (loss) recognised to equity			
Total other comprehensive profit (loss) for the year, net of tax effect	5,241	104	5,345
Total comprehensive profit (loss) for the year	(21,142)	16,303	(4,839)
- of which pertaining to the Group	(21,398)	16,237	(5,161)
- of which non-controlling interests	256	66	322

Effects of the change in accounting policies on the consolidated cash flow statement for the first quarter 2011

Data not subject to audit

(euro/thousand)	1st quarter 2011	Adjustments	1st quarter 2011 restated
Cash inflow (outflow) from operating activities			
Operating result	19,865	19,934	39,799
Amortization, depreciation and write-downs	15,590		15,590
(Gains) losses on disposal of non-current assets	34		34
Change in working capital	43,141	(20,038)	23,103
Income taxes paid	(2,291)		(2,291)
Change in non-current liabilities	(5,939)		(5,939)
Foreign exchange adjustments and other movements	221	104	325
Cash inflow (outflow) from operating activities	70,621	-	70,621
Cash inflow (outflow) for investments			
Purchase of intangible assets with finite useful life	(8,518)		(8,518)
Purchase of property, plant and equipment	(1,680)		(1,680)
Other investments	(112)		(112)
Proceeds from disposal of non-current assets	21		21
Cash inflow (outflow) for investments	(10,289)		(10,289)
Cash inflow (outflow) for financing			
Proceeds from non-current loans	(35,851)		(35,851)
Paid interest expense, net	(44,626)		(44,626)
Change in financial assets and liabilities	(3,965)		(3,965)
Cash inflow (outflow) for financing	(84,442)		(84,442)
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	-		-
Increase (decrease) in cash and cash equivalents in the year	(24,110)		(24,110)
Cash and cash equivalents at beginning of the year	241,728		241,728
Cash and cash equivalents at end of the year	217,618		217,618

Effects of the change in accounting policies on the statement of changes in equity between January 1, 2010 and March 31, 2011

Data not subject to audit

(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 year	Total	Non-controlling interests	Total
As 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 errors			(354)			(93,115)	(50,781)	(144,250)	(1,803)	(146,053)
As 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						(718,147)	(718,147)			
Other comprehensive profit (loss) for the year			714	4,631			(10,506)	(5,161)	322	(4,839)
Other movements						(8)		(8)	(1)	(9)
As at 03.31.2011 restated	450,266	466,843	(38,223)	(7,977)	(18,578)	(633,404)	(10,506)	208,421	15,385	223,806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12 Other Information

Declaration within the meaning of Article 154-bis, paragraph 2 of Legislative Decree no. 58 of February 24, 1998

The undersigned Massimo Cristofori, Chief Financial Officer of SEAT Pagine Gialle S.p.A. and Manager responsible for preparing the Company's financial reports,

hereby declares

pursuant to par. 2 of Article 154-bis of Legislative Decree 58 of February 24, 1998, based on information available to him through his role within the Company, as resolved by the Company's Board of Directores on April 9, 2009, in his capacity as Manager responsible for preparing the Company's financial reports, that the interim report at March 31, 2012 corresponds to the Company's documented results, books and accounting records.

The interim report at March 31, 2012 has not been audited contabile, but has been prepared as required by Consob's Issues Regulation n. 11971/1999 and in accordance with the valuation and measurement criteria set out in the IAS/IFRS of the International Accounting Standards Board recognized as applicable by the European Union.

Milan, May 11, 2012

Massimo Cristofori
Manager responsible for preparation
of the financial statements

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A copy of official documents available on the website

www.seat.it

Official documents may be requested to

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