



PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES RESULTS AT 31 MARCH 2012

GROWTH OF ONLINE REVENUES IN ITALY (+12.8%), ACCOUNTING FOR ABOUT 69.0% OF TOTAL REVENUES.

- **Consolidated REVENUES** amounted to € 196.3 million, increasing by 8% (decreasing by 5.8% based on constant exchange rates and number of directories published), sustained by the performance of online revenues in Italy.
- **REVENUES** reached € 154.2 million in Italy, decreasing by 3.9% at constant number of directories published, sustained by core products and services.
- **Consolidated EBITDA** amounted to € 63.2 million, up 11.0% (down 10.8% based on a constant number of directories published); **EBITDA margin** was 32.2%, mainly due to the operating cost containment.
- **Operating FREE CASH FLOW** was € 65.5 million and **NET FINANCIAL DEBT** amounted to € 2,716.4 million.

Milan, 11 May 2012 – Today, the Board of Directors of Seat Pagine Gialle S.p.A., chaired by Enrico Giliberti, approved the interim report for the period ended 31 March 2012, prepared in accordance with Article 154-ter of Italy's Consolidated Law on Finance.

CONSOLIDATED RESULTS AT 31 MARCH 2012

Revenue Performance

In the first quarter of 2012, consolidated revenues amounted to € 196.3 million, increasing by 8% compared to the first quarter of 2011, restated (down 5.8% based on a constant number of directories published and constant euro-sterling exchange rates).

Before the elimination among business areas items, the breakdown of revenues was as follows:

- **Italian Directories (SEAT Pagine Gialle S.p.A.):** revenues amounted to € 154.2 million, decreasing by 3.9%, at constant number of directories published, compared to the first quarter of 2011, restated. Publication of the Turin and Milan 2012 directories was shifted from the second to the first quarter of the year. Core products (Print-Online&Mobile-Voice) ended the first quarter of 2012 with revenues decreasing by 1.9% at constant number of directories published, due to the decrease in print and voice products, partially offset by the growth of the online business (+12.8%), driven by ongoing product development and the launch of new services, as part of a multimedia offering, and with online revenues accounting for approximately 69% of total revenues for the first quarter of 2012. Like in the previous quarters, the decrease in the overall growth rate of revenues was attributable to the decline in revenues generated by the 12.40 Pronto PAGINEBIANCHE® service and other minor products, which were negatively impacted by the sales network's increased focus on the sale of core products.



- UK Directories (Thomson Directories Group): revenues amounted to € 9.9 million, down by 13.9% compared to the same period of the previous year, restated (with an 18.9% decrease based on constant exchange rates and number of directories published). The revenue performance for the first quarter of 2012 was influenced by a different phasing, regarding in particular online revenues, compared to the same period of the previous year, in view of a revision of the range of products and services and a website restyling scheduled for the coming months.
- Directory Assistance (Telegate Group, Pagine Gialle Phone Service and Prontoseat): revenues amounted to € 27.7 million, with a 8.9% decrease compared to the same period of the previous year, restated. This decline was mainly attributable to the Telegate Group, which reported revenues of € 25.2 million in the first quarter of 2012 (-10.6% compared to the first quarter of 2011, restated). In particular, in Germany revenues amounted to € 23.4 million, down by 9.7% compared to the first quarter of 2011, restated, due to structural market difficulties in the sector of directory assistance services due to a decrease in the volume of calls.
- Other Businesses (Europages S.A., Cipi S.p.A. and Consodata S.p.A.): revenues amounted to € 9.3 million, down by 5.1% compared to the first quarter of 2011, restated, mainly due to the decline in Cipi's revenues.

GOP Performance

In the first quarter of 2012, gross operating profit (GOP) amounted to € 73.7 million, with an increase of € 6.6 million compared to the same period of 2011, restated (a decline of € 7.2 million based on constant exchange rates and number of directories published). In the first quarter of 2012, GOP margin was 37.5% compared to 36.9% in the first quarter of 2011, restated.

Net Adjustments and Provisions for Risks and Charges

Net adjustments and provisions 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). Net adjustments (€ 7.9 million in the first quarter of 2012) refer for € 7.6 million to the bad debt provision, which allowed an appropriate percent coverage of overdue receivables. Furthermore, this item includes net provisions for operating risks and charges of € 1.9 million (€ 3.8 million in the first quarter of 2011), with a € 1.9 million decrease.

EBITDA Performance

Operating income before amortisation, depreciation, net non-recurring and restructuring charges (EBITDA) amounted to € 63.2 million in the first quarter of 2012, increasing by 11.0% compared to the same period of 2011, restated (a decline of 10.8% based on constant exchange rates and number of directories published); EBITDA margin was 32.2% (31.3% in the first quarter of 2011, restated), mainly due to operating cost containment.

Performance of Operating Income (EBIT)

Operating income (EBIT) for the first quarter of 2012 amounted to € 36.6 million (€ 39.8 million in the first quarter of the previous year, restated).



Result for the year

The result for the year was a loss of € 7.8 million (a loss of € 10.5 million in the first quarter of 2011, restated).

Performance of Operating Cash Flow

Operating free cash flow generated during the first quarter of 2012 decreased by € 8.1 million compared to the first quarter of 2011, restated (€ 73.6 million). This performance reflects the decline of € 17.9 million of flows from the change in operating working capital, partially offset by the EBITDA trend, which grew by € 6.3 million, and the reduction in industrial investment of € 2.7 million.

Net Financial Debt

At 31 March 2012, net financial debt amounted to € 2,716.4 million, improving by € 17.8 million compared to 31 December 2011.



MAIN COMPANIES OF THE SEAT PAGINE GIALLE GROUP

SEAT PG S.p.A.

Revenues of the Parent Company SEAT Pagine Gialle S.p.A. for the first quarter of 2012 amounted to € 154.2 million, with a decrease of 3.9% compared to the first quarter of 2011, restated, based on a constant number of directories published.

The result reflected the performance of the core products and services (Print-Online&Mobile-Voice), which decreased by 1.9%, although performing better than other products, in particular owing to the growth of the online business (+12.8%), the ratio of which to total revenues increased to 69% compared to about 59% in the same period of the previous year.

- In the first quarter of 2012, core revenues amounted to € 140.7 million, down by 1.9% — at constant number of directories published — compared to the same period of the previous year, restated, and may be broken down as follows:
 - *Print*: revenues of print products amounted to € 25.9 million in the first quarter of 2012, down by 33.9% compared to the same period of the previous year, restated. The lower performance of print products was also determined by the decision of the Company to unbundle online PAGINEBIANCHE® revenues and the company's sales policy aimed at fostering the sale of multimedia packages (Print-Online&Mobile-Voice).
 - *Online&Mobile*: revenues of the online products amounted to € 106.4 million in the first quarter of 2012, with an increase of 12.8% compared to the same period of the previous year, including the unbundling of the online revenues of PAGINEBIANCHE®. Overall traffic, including hits on PAGINEGIALLE.it®, via both the Web and mobile devices, as well as hits on customers' online and mobile websites, totalled approximately 68.6 million hits in the first quarter of 2012, up 37.1% compared to the first quarter of 2011. The contribution of hits on PagineGialle mobile and online and mobile websites created for SEAT's costumers increased sharply with a ratio of about 37% to total traffic in the first quarter of 2012. With reference to the mobile business, it should be noted that in late March, SEAT's mobile applications reached the threshold of 2.2 million downloads from the application stores where they are available, thanks to PagineGialle Mobile, with almost 1.5 million downloads, and 89.24.24 Mobile and PagineBianche Mobile achieving nearly 0.8 thousand downloads;
 - *Voice*: advertising revenues of the services 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® amounted to € 8.5 million in the first quarter of 2012, with a marginal decline of € 1.5 million compared to the same period of the previous year, sustained by the growth of about € 1.0 million in advertising revenues generated by 89.24.24 Pronto PAGINEGIALLE®.
- Other revenues and minor products: revenues from other products amounted to € 13.5 million, decreasing by 20.8% compared to the same period of the previous year, restated.



GOP for the first quarter of 2012 reached € 73.0 million, down by € 3.4 million compared to the same period of the previous year, restated, based on a constant number of directories published, with a ratio of 47.4% to total revenues (47.6% in the previous year).

In the first quarter of 2012, EBITDA reached € 64.4 million, down by € 3.7 million compared to the same period of 2011, restated; EBITDA margin was 41.7% (42.5% in the same period of 2011).

THOMSON

In the first quarter of 2012, revenues amounted to € 9.9 million (£ 8.2 million), down by € 1.6 million compared to the same period of 2011, restated. The revenue performance for the first quarter of 2012 was influenced by a different phasing, regarding in particular online revenues, compared to the same period of the previous year, in view of a revision of the range of products and services and website restyling. Similarly, revenues of direct marketing services and other products grew by € 0.6 million compared to the first quarter of 2011, restated, mainly thanks to the agreement entered into with British Telecom for distributing print directories in the UK.

The performances of the various revenue lines reflect the positioning that, in light of the changed market scenario, Thomson has sought to achieve in the past two years, with the aim of turning the traditional directory into a “local medium” capable of meeting all the needs of small and medium-sized enterprises.

In the first quarter of 2012, GOP was negative at € 3.2 million compared to the first quarter of 2011, restated (negative at € 0.3 million for the first quarter of 2011, restated). This result reflects the performance of revenues and the increase in industrial production costs, particularly in distribution and stocking costs associated with the agreement with British Telecom for distributing directories.

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

TELEGATE

In the first quarter of 2012, revenues amounted to € 25.2 million, down by 10.6% compared to the same period of the previous year, restated, due to the steady decrease in call volumes to traditional directory assistance services. Online advertising revenues continued to grow also in 2012, reaching € 8.9 million.

In Germany in particular, where the directory assistance market continues to undergo a structural decline, the Company reported a 10.0% drop in voice revenues compared to the first quarter of 2011, restated. During the first quarter of 2012, Telegate continued to pursue a process of transformation of its business model to focus on the Local Search market and position itself as an Internet Service Provider for small and medium-sized enterprises. In the first quarter of 2012, online advertising revenues amounted to € 8.8 million (accounting approximately for 38.0% of total revenues in Germany), increasing by 2.3% compared to the first quarter OF 2011, restated.



GOP was € 3.7 million, down by € 0.9 million compared to the first quarter of 2011, restated. This result reflects the decrease in revenues and is only partly offset by cost containment actions.

EBITDA amounted to € 2.7 million, showing a performance in line with GOP.

OUTLOOK

In 2012, within an economic scenario that will lead to a progressive stabilisation of the economic situation in Italy only beginning in the second half of the year, the Company will continue to focus on the evolution of products and services offered to SMEs, enhancing their presence on the Web and leveraging the potential of new technologies to step up their efficiency and increase their competitiveness on local, national and international markets. Like in 2011, the strategic guidelines for the development of new products and services are focused on the local, mobile and social aspects of the business, which will supplement the existing product line offered to SMEs, thus allowing SEAT Pagine Gialle S.p.A. to further consolidate its role as "The Local Internet Company".

In this context, at Group level, following on a 2012 in which revenues and EBITDA are expected to reach their lowest levels of the period covered by the 2011-2013 Guidelines, due primarily to the impact of the economic scenario and lower margins tied to the launch of new online products and services, it is expected that after completing its transformation into "The Local Internet Company" in 2013 the Company will essentially stabilise its revenues and EBITDA — which is forecast to stand at approximately € 330-350 million — and customer base.

Going Concern Assumption

The SEAT Pagine Gialle Group closed the first quarter of 2012 with a loss of € 7.8 million and negative equity at € 575.8 million.

On 30 April 2012, the Board of Directors of SEAT PG S.p.A. approved the consolidated financial statements and the draft financial statements of SEAT PG S.p.A. at 31 December 2011, reporting a negative equity at € 568.8 million and € 557.1 million, respectively. As the Company was already in a situation governed by Article 2446 of the Italian Civil Code, this result caused the Company to enter into the circumstances set forth in Article 2447 of the Italian Civil Code.

With respect to this aspect, the Board of Directors, supported by analyses of an economic, accounting and legal nature, believes that the merger of Lighthouse into SEAT, following the execution of the equitisation transaction, will have the effect of rectifying the situation governed by Article 2447 of the Italian Civil Code and will allow the Company, after the restructuring, to conduct its business on a going-concern basis.

After having conducted the required checks, and also in consideration of the commercial agreement on the main economic terms reached between the Company and its various stakeholders, the Board of Directors deems that it may be reasonably expected that the ongoing restructuring operation is likely to be completed within a reasonable timeframe appropriate to permitting the intended long-term financial stabilisation.



Therefore, the going concern assumption continued to be adopted in preparing the Interim Report at 31 March 2012.

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

Disclaimer

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

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SEAT Pagine Gialle Group

Reclassified Consolidated Statements of Operations

	1st quarter	1st quarter	Change		Year
	2012	2011 restated	Absolute	%	2011
(euro/mIn)					
Revenues from sales and services	196.3	181.8	14.5	8.0	956.7
Materials and external services	(78.2)	(69.8)	(8.4)		(364.7)
Salaries, wages and employee benefits	(44.4)	(45.0)	0.6		(181.0)
Gross operating profit (GOP)	73.7	67.0	6.7	10.0	411.0
<i>% on revenues</i>	37.5%	36.9%			43.0%
Other valuation adjustments and provisions to reserves for risks and charges	(9.8)	(9.3)	(0.5)		(38.5)
Other income (expenses)	(0.7)	(0.7)			(1.9)
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	63.2	57.0	6.2	11.0	370.6
<i>% on revenues</i>	32.2%	31.3%			38.7%
Operating amortisation, depreciation and write-down	(12.7)	(14.9)	2.2		(62.4)
Non-operating amortisation and write-down	(0.6)	(0.6)			(698.8)
Non-recurring and restructuring costs, net	(13.3)	(1.7)	(11.6)		(42.4)
Operating income (EBIT)	36.6	39.8	(3.2)	(8.2)	(433.0)
<i>% on revenues</i>	18.6%	21.9%			(45.3%)
Interest expense, net	(38.1)	(64.6)	26.5		(268.4)
Gains (losses) on evaluation of investments accounted for at equity	-	-			(0.4)
Profit (Loss) before income taxes	(1.5)	(24.8)	23.3	93.8	(701.8)
Income taxes	(6.2)	14.6	(20.8)		(87.2)
Profit (Loss) on continuing operations	(7.7)	(10.2)	2.5	24.0	(789.0)
Profit (Loss) from non-current assets held for sale and discontinued operations	-	-	-		-
Profit (loss) for the year	(7.7)	(10.2)	2.5	24.0	(789.0)
of which pertaining to the Group	(7.8)	(10.5)	2.7		(789.8)
of which non-controlling interests	0.1	0.3	(0.2)		0.8



SEAT Pagine Gialle Group

Consolidated Statements of comprehensive income

		1st quarter 2012	1st quarter 2011 restated	Year 2011
(euro/mIn)				
Profit (loss) for the year	(A)	(7.7)	(10.2)	(789.0)
Profit (loss) for "cash flow hedge" instruments		0.8	4.6	11.0
Profit (loss) for foreign exchange adjustments		0.0	0.7	(0.1)
Actuarial gain (loss) recognised to equity		0.0	0.0	(2.7)
Total other comprehensive income (loss), net of tax effect	(B)	0.8	5.3	8.2
Total comprehensive income (loss) for the year	(A + B)	(6.9)	(4.9)	(780.8)
- of which pertaining to the Group		(7.0)	(5.2)	(781.6)
- of which non-controlling interests		0.1	0.3	0.8



SEAT Pagine Gialle Group

Reclassified Consolidated Statements of Financial Position

	At 03.31.2012	At 12.31.2011	Change	At 03.31.2011 restated
(euro/mIn)				
Goodwill and customer database	1,951.2	1,951.9	(0.7)	2,649.7
Other non-current assets (*)	171.3	175.2	(3.9)	254.1
Non-current liabilities	(53.5)	(58.5)	5.0	(76.8)
Working capital	59.5	79.2	(19.7)	78.3
Non-current assets held for sale, net	(0.3)	(0.3)	-	0.3
Net invested capital	2,128.2	2,147.5	(19.3)	2,905.0
Equity of the Group	(575.8)	(568.8)	(7.0)	208.4
Non-controlling interests	13.8	13.7	0.1	15.4
Total equity (A)	(562.0)	(555.1)	(6.9)	223.8
Net financial debt	2,716.4	2,734.2	(17.8)	2,729.5
Transaction costs on loans and securitisation program not yet amortised and net market value of "cash flow hedge" instruments	(26.2)	(31.6)	5.4	(48.3)
Net financial debt - "book value" (B)	2,690.2	2,702.6	(12.4)	2,681.2
Total (A+B)	2,128.2	2,147.5	(19.3)	2,905.0

(*) Includes financial assets available for sale.



SEAT Pagine Gialle Group

Consolidated cash statement of cash flows

	1st quarter 2012	1st quarter 2011 restated	Change	Year 2011
(euro/mIn)				
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (EBITDA)	63.2	57.0	6.2	370.6
Gains (losses) from discounting operating assets and liabilities	(0.4)	(0.3)	(0.1)	(2.0)
Decrease (increase) in operating working capital	11.6	29.5	(17.9)	57.5
(Decrease) increase in operating non-current liabilities (*)	(1.4)	(2.4)	1.0	(11.7)
Capital expenditure	(7.5)	(10.2)	2.7	(48.1)
(Gains) losses on disposal of non-current assets	-	-	-	-
Operating free cash flow	65.5	73.6	(8.1)	366.3
Payment of interest expense, net	0.1	(44.6)	44.7	(162.9)
Payment of income taxes	(0.8)	(2.3)	1.5	(94.0)
Payment of non-recurring and restructuring expense	(15.5)	(11.2)	(4.3)	(34.9)
Distribution of dividends	-	-	-	(2.2)
Foreign exchange adjustments and other movements	(31.5)	(14.0)	(17.5)	(75.4)
Change in net financial debt	17.8	1.5	16.3	(3.1)

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

SEAT Pagine Gialle Group

Information for Business Areas

(euro/mIn)		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
Gross operating profit (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
Operating income before amortisation, depreciation, non-recurring and restructuring costs, net (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
Operating income (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 restated	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	-	3,573.0
	1st quarter 2011 restated	1,049	644	1,936	333	3,962	-	3,962.0
	Year 2011	1,029	620	1,848	339	3,836	-	3,836.0
Sales agents (average number)	1st quarter 2012	1,205	-	-	46	1,251	-	1,251
	1st quarter 2011 restated	1,475	-	2	42	1,519	-	1,519
	Year 2011	1,350	-	1	46	1,397	-	1,397