



## First quarter 2014 results

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### Accounting Principles

The accounting policies adopted in the preparation of this presentation and for the first quarter ended, March 31, 2014 have been applied on a basis consistent with those adopted for preparing the First Quarter Report as at March 31, 2013, to which reference can be made.

The accounting data herewith set forth have been taken from Seat's report for the first quarter 2014, to be filed in compliance with the law. Andrea Servo, Head of the Administration, Finance and Control Department of Seat Pagine Gialle S.p.A., appointed manager responsible for preparation of the financial reports, as resolved by the Company's Board of Directors on October 29, 2013 declares, pursuant to Article 154-bis, paragraph 2, Legislative Decree No. 58, February 24, 1998, that the accounting information contained in this press release corresponds to the accounting records, documents and books of the Company.

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## Q1'14 results

### 1 In the first part of 2014, the management action taken to support the re-launch of the Company's business is yielding initial positive signs of recovery

- Seat's customer orders taking, as of the end of April 2014, are slightly below those of the same period of 2013, but above Plan
- This performance is significant in the context of a market trend under pressure: according to Nielsen data about advertising spending in Italy, the month of February 2014 has closed at -5.2% vs. February 2013, interrupting the positive trend of approaching "zero" recorded in previous months
- The trend in Seat's customer orders taking is not reflected in Q1'14 revenue performance due to the accounting principles (that make visible the performance of commercial orders on average after six / eight months later than the date of the order acquisition)
- The Company has already fully identified and implemented all the actions to achieve the cost savings envisaged in the Plan for the current year

### 2 SEAT<sup>(1)</sup> results

- Decrease in revenues at 89.6 €m (-29.9 €m or -25.0%) with negative growth in all the business lines. This result is consistent with a full 2014 outcome in line with Plan
- Decrease in EBITDA at 5.9 €m (-23.3 €m or -79.7%) reflecting decline in revenues. Ebitda margin at 6.6% of revenues (-17.8pp). This result is consistent with a full 2014 outcome in line with Plan
- Strong growth in the usage on Seat's web and mobile sites (+9.6%) and in the downloads of mobile applications (+51.3%)

### 3 Group results<sup>(2)</sup>

- Decrease in revenues at 93.2 €m (-32.1 €m or -25.6%) and Ebitda at 7.0 €m (-20.7 €m or -74.7%)
- Op. FCF at -0.2 €m (-43.5 €m) mainly reflecting Ebitda decline and negative contribution from op. WC
- As at March 31, 2014 Net Fin. Debt at 1,502.2 €m, down by 42.2 €m compared to December 31, 2013

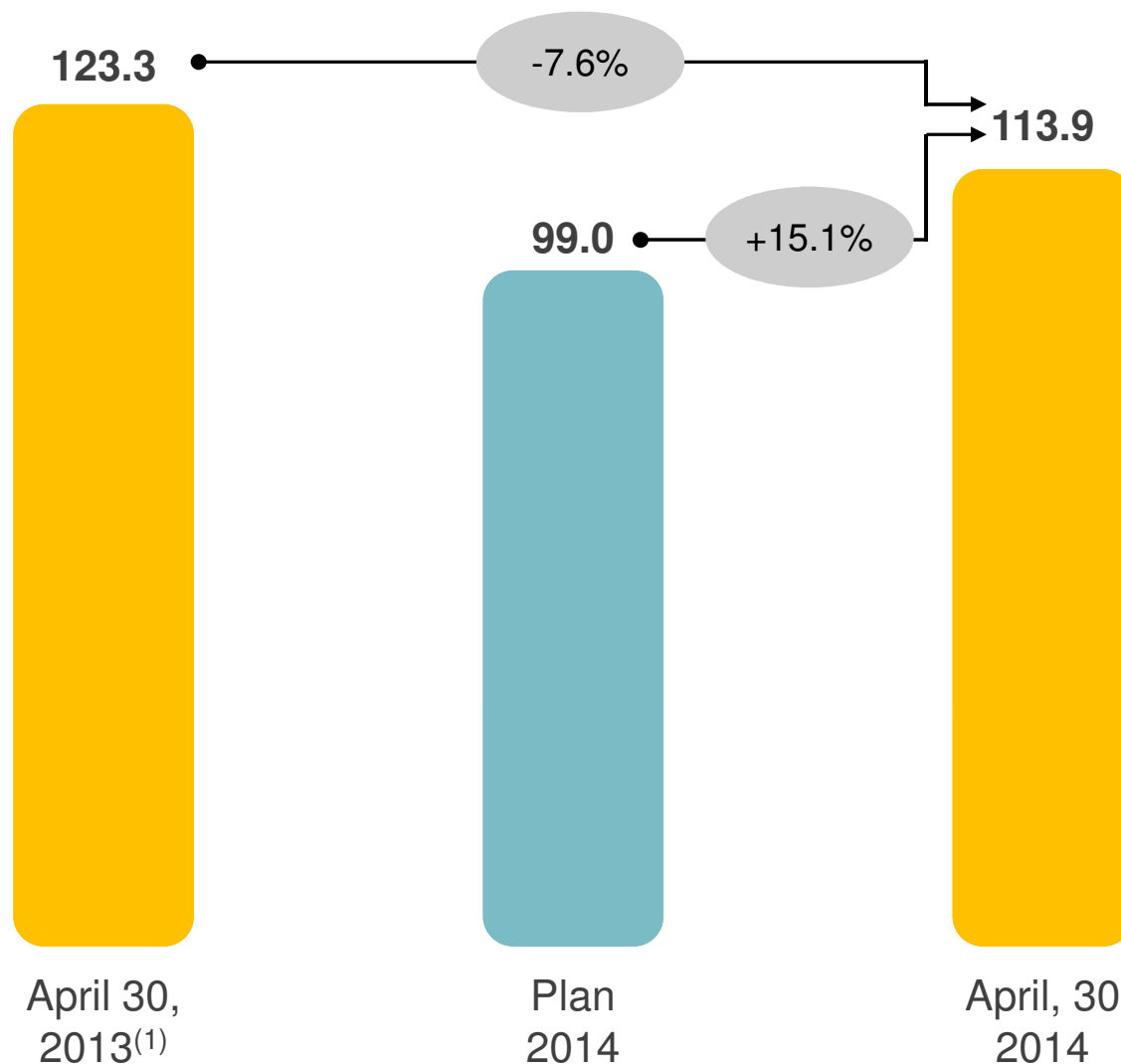
(1) Including Seat Pagine Gialle S.p.A., Seat Pagine Gialle Italia S.p.A. and Web.co S.r.l. (Digital Local Services companies)

(2) Including Consodata, Prontoseat, Europages and Cipi (Q1'13 only)

## Seat's customer orders taking, as of the end of April 2014, are slightly below those of the same period of 2013, but above Plan

### SEAT – SALES ORDERS AS AT APRIL 30, 2014

*Euro million*



(1) Assuming the same contractual expiries

The trend in Seat's current trading represents a positive result reached in a still difficult advertising market, even if it is not reflected in Q1'14 revenue performance

**1 Italian advertising market January – February 2014 (Nielsen Media Research)**

- The first two months of 2014 is marked by advertising spending in decrease if compared to the same period of the previous year, with a decline standing at -4.3% (-42.7 €m at 940.2 €m)
- The month of February has closed at -5.2% vs. February 2013, interrupting the positive trend of approaching "zero" that was recorded for six consecutive months since last August, when the gap of -10.9% was reduced to -2.8% in January 2014

**2 The trend in Seat's customer orders taking is not reflected in Q1'14 revenue performance**

- The accounting principles applied to revenues from print products (recognized at the time of publication of directories) and online products (generally recognized over a 12-month period), make visible the performance of commercial orders on average after six / eight months later than the date of the order acquisition
- As evidence of this, it should be noted that revenues for Q1'14 are broadly in line with the trend of customer orders acquired at the end of last summer
- Customer orders taking, as of the end of April 2014, have a different product mix compared to the same period of 2013, as they also includes the offer of visibility on third-party media, digital, TV, radio, cinema in partnership with specialized operators, with a different timing of revenue recognition than the other products of Seat's offer

**3 Q1'14 revenues are consistent with a full 2014 outcome in line with Plan**

Decrease in revenues at 89.6 €m (-29.9 €m or -25.0%) with negative growth in all the business lines. This result is consistent with a full 2014 outcome in line with Plan

## SEAT<sup>(1)</sup> - REVENUE BREAKDOWN

<i>euro million</i>	Q1'13	Q1'14	Change	
Revenues			mln	%
Core Revenues	108.9	80.1	(28.8)	(26.4)%
Print advertising	24.3	12.0	(12.2)	(50.4)%
Online advertising & services	79.1	65.1	(14.0)	(17.7)%
-Online directories & marketing services	61.3	51.6	(9.7)	(15.8)%
-WP unbundled	17.8	13.5	(4.3)	(24.2)%
Voice advertising	5.5	3.0	(2.5)	(46.1)%
Others <sup>(2)</sup>	10.6	9.5	(1.1)	(10.6)%
Total	119.5	89.6	(29.9)	(25.0)%
Revenue mix (% core of revenues)	Q1'13	Q1'14	Change	
-Print advertising	22.3%	15.0%	(7.3)	pp
-Online advertising & services	72.7%	81.3%	+8.6	pp
-Voice advertising	5.1%	3.7%	(1.4)	pp

(1) Including Seat Pagine Gialle S.p.A., Seat Pagine Gialle Italia S.p.A. and Web.co S.r.l. (Digital Local Services companies)

(2) Including traffic revenues of voice products and other revenues

Decrease in EBITDA at 5.9 €m (-23.3 €m or -79.7%) reflecting decline in revenues, only partly balanced by cost reduction. Ebitda margin at 6.6% of revenues (-17.8pp). This result is consistent with a full 2014 outcome in line with Plan

## SEAT<sup>(1)</sup> - COST BREAKDOWN

euro million	Q1'13	Q1'14	Change	
			mln	%
Revenues	<b>119.5</b>	<b>89.6</b>	<b>(29.9)</b>	<b>(25.0)%</b>
Industrial costs	(24.2)	(23.5)	0.7	2.9%
% revenues	20.3%	26.2%		5.9pp
General & Labour costs	(32.4)	(31.5)	0.8	2.6%
% revenues	27.1%	35.2%		9.8pp
Commercial costs	(18.7)	(20.9)	(2.1)	(11.4)%
% revenues	15.7%	23.3%		7.6pp
Advertising costs	(4.3)	(0.7)	3.6	84.4%
% revenues	3.6%	0.7%		(2.9)pp
Total costs	(79.6)	(76.6)	3.0	3.8%
% revenues	66.6%	85.4%		18.8pp
Gross Operating Profit	<b>39.9</b>	<b>13.1</b>	<b>(26.8)</b>	<b>(67.3)%</b>
% of revenues	33.4%	14.6%		(18.8)pp
Bad Debt, Risk Prov. & others	(10.7)	(7.1)	3.6	33.4%
EBITDA	<b>29.2</b>	<b>5.9</b>	<b>(23.3)</b>	<b>(79.7)%</b>
% of revenues	24.4%	6.6%		(17.8)pp

Industrial costs down mainly due to lower print costs (raw material, printing and distribution costs), voice product costs (inbound call centre costs) balancing the increase of digital services costs & commissions to web publishers for reselling products

General costs down and substantially stable labor costs (with the increase effect related the New Commercial Model<sup>(2)</sup> offset by equal savings on the indirect personnel costs

Commercial costs up reflecting the effects of the introduction, from Jan. '14, of a new model of commission for the sales reps aimed at a stronger control and monitoring of their performance

Advertising costs down, due to a different YonY planning of the advertising campaigns

Decrease in risk provisions (thanks to claim reduction) and bad debt provisions (allowing a coverage of ~57% of overdue credits, in line with FY'13)

(1) Including Seat Pagine Gialle S.p.A., Seat Pagine Gialle Italia S.p.A. and Web.co S.r.l. (Digital Local Services companies)

(2) From July 2012 implementation of the "New Commercial Model" that provides for the establishment of new companies (Digital Local Services), located throughout the country, entrusted to employees who previously were agents (Zone Manager)

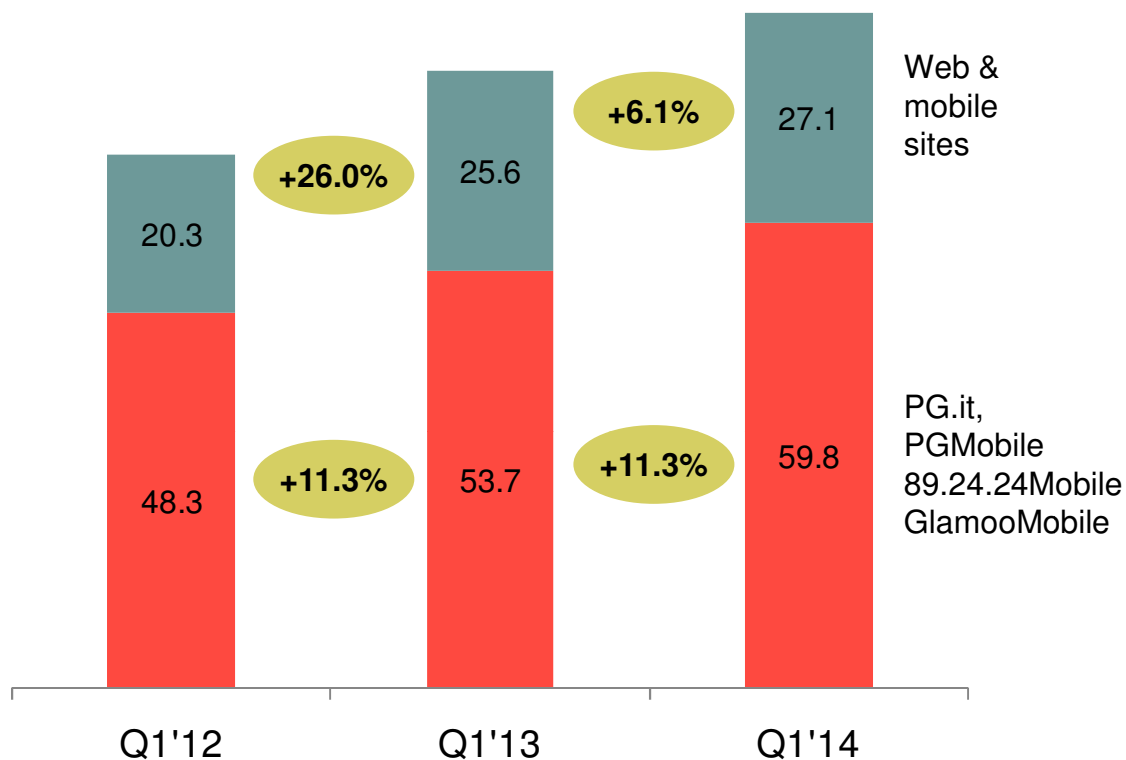


# In Q1'14 solid growth (up 9.6%) in YP online e mobile usage

SEAT - USAGE<sup>(1)</sup>: PG.it, PGMobile, CUSTOMER WEB SITES

## Trends in the number of YP visits<sup>(1)</sup>

millions



## Key initiatives and metrics

### Web sites

Leading position in the creation and management of sites in Italy: ~25k web sites activated in Q1'14

### PG.it, PGMobile

Positive impact from:

- continuous product update and SEO refinement
- increasing n# of user-generated-content reviews: 381k at the end of March 2014)
- increasing influence of social media on user behavior: 418k Facebook fans<sup>(3)</sup> at the end of March 2014

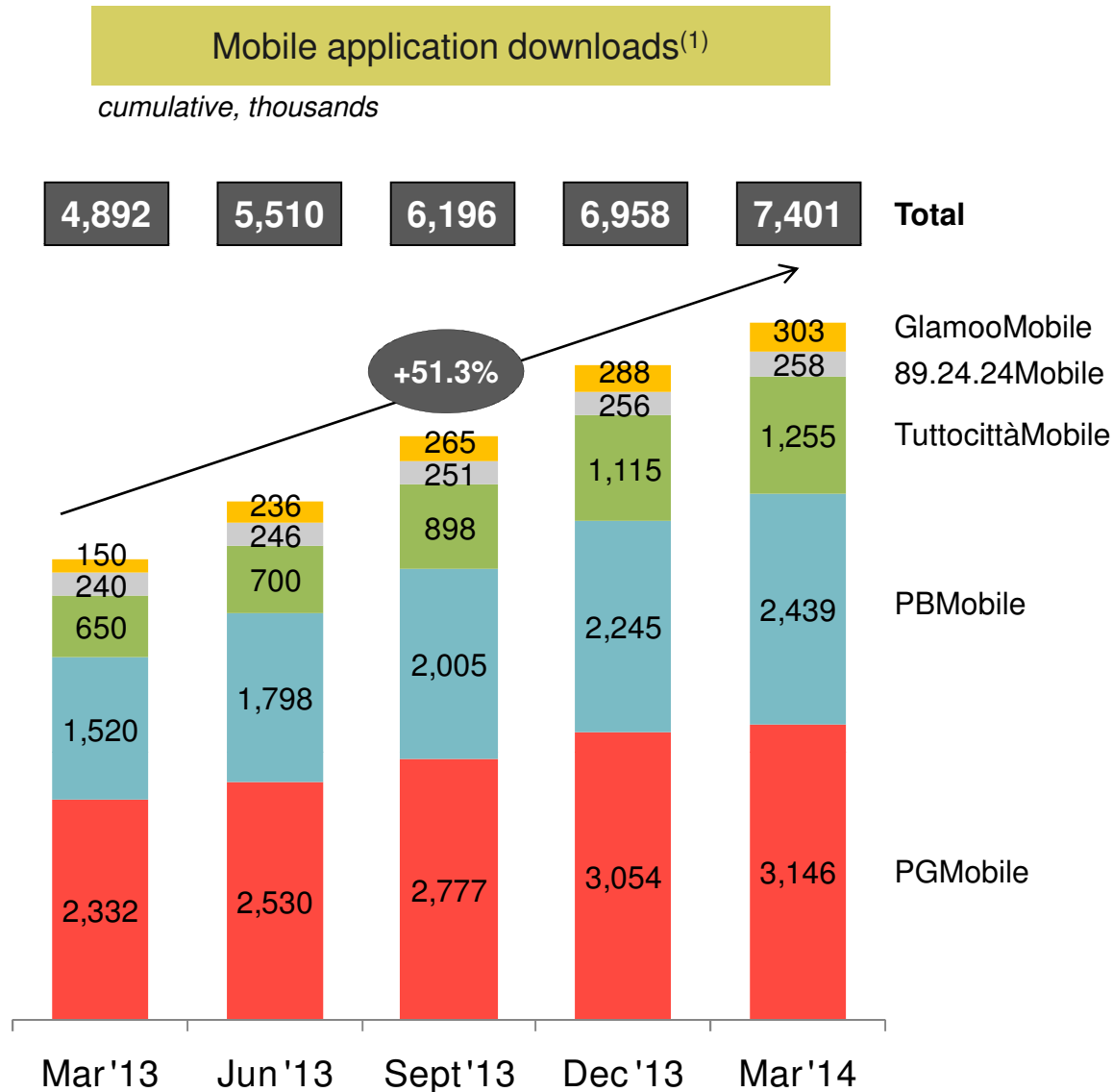
(1) Source: SiteCensus

(2) 140.8 millions in Q1'14, including all Seat's proprietary products (Yellow & White Pages, TuttoCittà)

(3) PG.it only

At the end of March '14, about 7.4 millions of mobile application downloads (including all Seat's proprietary products) from 4.9 millions at the end of March '13

## SEAT - MOBILE APPLICATION DOWNLOADS



### Key initiatives and metrics

#### All proprietary apps

- Growth in total downloads from 4.9m to 7.4m in 1-year

#### PGMobile<sup>(2)</sup>

- 3.1m downloads for the PGMobile application, of which 1.6m for iOS (iPhone and iPad)

#### PBMobile<sup>(2)</sup>

- 2.4m downloads for the PBMobile application, of which 1.1m for iOS (iPhone and iPad)

#### TuttocittàMobile<sup>(3)</sup>

- 1.3m downloads for the TuttocittàMobile application, of which 1.0m for iOS (iPhone)

#### 89.24.24Mobile

- 0.3m downloads for the 89.24.24Mobile application (iPhone)

#### GlamooMobile

- 0.3m downloads for the GlamooMobile application, of which 0.2m for iOS (iPhone)

(1) Including applications available on iOS (iPhone and iPad), Android (Smartphone and Tablet), Blackberry, Blackberry 10, Windows Phone, Windows 8, Nokia Symbian and Samsung Bada

(2) Including eBook app downloads

(3) Including TuttoCittà NAV app downloads

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Decrease in revenues at 93.2 €m (-32.1 €m or -25.6%) and Ebitda at 7.0 €m (-20.7 €m or -74.7%). Ebitda margin at 7.5% of revenues

## SEAT GROUP P&L

<i>euro million</i>	Revenues			Ebitda		
	Q1'13	Q1'14	Change	Q1'13	Q1'14	Change
Italian Directories <sup>(1)</sup>	119.5	89.7	(24.9)%	29.0	5.8	(80.0)%
Consodata	2.7	2.7	0.0%	(0.5)	(0.5)	0.0%
Cipi	1.7	0.0	n.s.	(0.6)	0.0	n.s.
Europages	2.9	2.1	(27.6)%	(0.2)	(0.4)	100%
Intercompanies elim. & others <sup>(2)</sup>	(1.5)	(1.3)	n.s.	0.0	2.1	n.s.
<b>Total</b>	<b>125.3</b>	<b>93.2</b>	<b>(25.6)%</b>	<b>27.7</b>	<b>7.0</b>	<b>(74.7)%</b>
<i>Ebitda margin</i>				<i>22.1%</i>	<i>7.5%</i>	<i>(14.6)pp</i>

(1) Including Seat Pagine Gialle S.p.A., Seat Pagine Gialle Italia S.p.A., Web.co S.r.l. (Digital Local Services companies) and Prontoseat

(2) Including the effects of deconsolidation of Cipi S.p.A. (in Q1'14, as the Company was disposed on March 13, 2014)

Op. free cash flow at -0.2 €m (-43.5 €m) reflecting Ebitda decline, negative contribution (-22.8 €m) from op. working capital and a slight increase (+1.1 €m) in capital expenditure

## SEAT GROUP OPERATING FREE CASH FLOW AND DELEVERAGE

euro million	Q1'13	Q1'14	Change	
			mln	%
Ebitda	<b>27.7</b>	<b>7.0</b>	<b>(20.7)</b>	<b>(74.7)%</b>
Change of operating working capital	23.8	0.9	(22.8)	(96.1)%
Change of operating non-current liabilities & others	(2.3)	(1.1)	1.2	51.5%
Capital expenditure	(5.9)	(7.0)	(1.1)	(18.3)%
Operating free cash flow	<b>43.3</b>	<b>(0.2)</b>	<b>(43.5)</b>	<b>n.s.</b>
Payment of interest expense, net	(0.9)	0.4	1.3	n.s.
Payment of income taxes	(7.2)	(0.1)	7.1	98.3%
Payment of non-recurring and restructuring expense	(9.5)	(8.0)	1.5	15.9%
Foreign exchange adj. & others	(34.7)	(34.4)	0.3	0.8%
Change of Net Financial Debt	<b>(9.0)</b>	<b>(42.2)</b>	<b>(33.3)</b>	<b>n.s.</b>
	FY'13	Q1'14	Change	
			mln	
Net Financial Debt	<b>(1,459.9)</b>	<b>(1,502.2)</b>	<b>(42.2)</b>	

Capital expenditure primarily aimed at improvements of online and mobile products

Change of Net Financial Debt mainly attributable to the accounting of interest (~31 €m) accrued on the financial debt (SSB notes and RBS bank debt)

As at March 31, 2014 Net Financial Debt at 1,502.2 €m, down by 42.2 €m if compared to December 31, 2013

## SEAT GROUP NET DEBT

Debt Facility	Amount (€m)
<b>GROSS DEBT</b>	<b>1.495,6</b>
<b>Bank Senior Debt</b>	<b>661,1</b>
New Term Facility	571,1
Revolving Facility	90,0
<b>Senior Secured Bond &amp; Stub Bond<sup>(1)</sup></b>	<b>795,8</b>
<b>Financial Lease<sup>(2)</sup></b>	<b>38,7</b>
<b>Accruals &amp; Unpaid Interest Net of Other Financial Assets</b>	<b>188,9</b>
<b>CASH</b>	<b>(182,3)</b>
<b>NET FINANCIAL DEBT</b>	<b>1.502,2</b>

Interest	
<b>New TF &amp; RCF:</b>	Euribor +5.4%
<b>SSB &amp; Stub Bond:</b>	Fixed +10.5%
<b>Leasing:</b>	3M Euribor +0.65%

Contractual Repayment Schedule (€m)					
	2015	2016	2017	2017	Total
<b>Term Facility<sup>(3)</sup></b>	150	95	326.1		<b>571.1</b>
<b>RCF</b>		90			<b>90</b>
<b>SSB &amp; Stub Bond</b>				815	<b>815</b>

CASH RETAINED FOR UNPAID INTEREST: 171.1 €m:

- SSB interest: 127.8 €m due till 31<sup>st</sup> January 2014
- RBS interest: 43.3 €m due till January 10<sup>th</sup>, 2014

(1) Nominal amount of 815 €m;

(2) Net of IAS adjustment due to fair value evaluation (actually outstanding capital of 46.5 €m)

(3) 70 €m of the capital amount expired, respectively 35 €mio on June 28, and 35 €mio on December 28, 2013 and not yet paid accordingly to the Concordato Procedure

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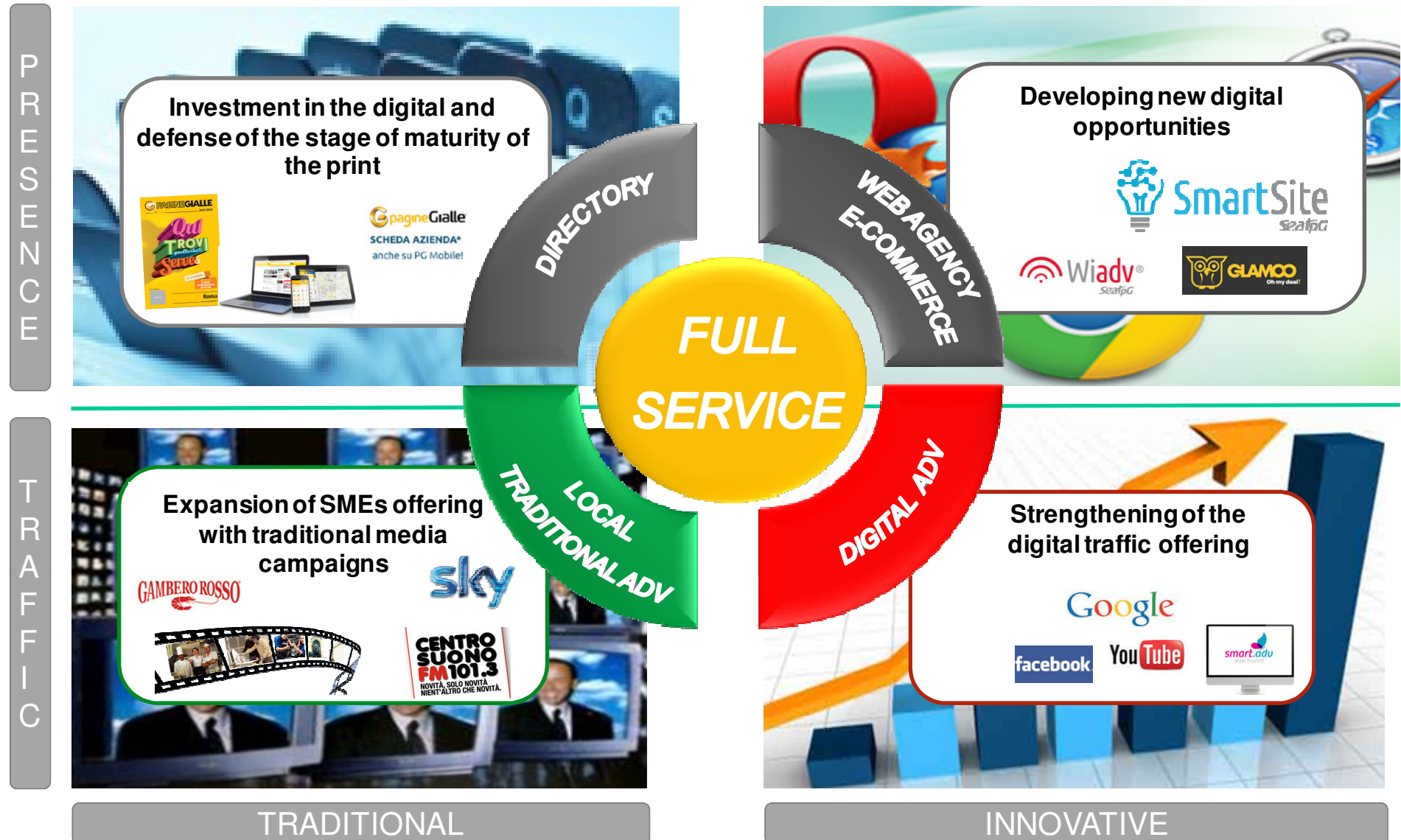
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Seat is confirming its goal is to become the only national organization for SMEs' local communication needs, offering full service solutions (directory, web agency/e-commerce, digital & local traditional adv.)

## SEAT – BUSINESS STRATEGY





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# Seat Group P&L

## SEAT GROUP P&L

<i>euro million</i>	Q1'13	Q1'14	Change	
			mln	%
Revenues form sales and services	<b>125.3</b>	<b>93.2</b>	<b>(32.1)</b>	<b>(25.6)%</b>
Operating & Labour costs	(86.6)	(78.9)	7.7	8.9%
Gross Operating Profit	<b>38.7</b>	<b>14.3</b>	<b>(24.4)</b>	<b>(63.1)%</b>
<i>% of revenues</i>	<i>30.9%</i>	<i>15.3%</i>		<i>(15.6)pp</i>
Bad Debt, Risk Provisions & others	(11.0)	(7.3)	3.7	33.7%
EBITDA	<b>27.7</b>	<b>7.0</b>	<b>(20.7)</b>	<b>(74.7)%</b>
<i>% of revenues</i>	<i>22.1%</i>	<i>7.5%</i>		<i>(14.6)pp</i>

# Seat Group P&L – below Ebitda

## SEAT GROUP P&L BELOW EBITDA

<i>euro million</i>	Q1'13	Q1'14	Change	
			mln	%
<b>EBITDA</b>	<b>27.7</b>	<b>7.0</b>	<b>(20.7)</b>	<b>(74.7)%</b>
<i>% of revenues</i>	<i>22.1%</i>	<i>7.5%</i>		<i>(14.6)pp</i>
Operating amortization, depreciation and write-down	(11.4)	(10.4)	1.0	8.8%
Non-operating amortization, depreciation and write-down	(5.4)	(1.7)	3.7	68.4%
Non-Recurring & Net Restruct. costs, net	(1.4)	(3.1)	(1.7)	n.s.
<b>EBIT</b>	<b>9.6</b>	<b>(8.2)</b>	<b>(17.8)</b>	<b>n.s.</b>
<i>% of revenues</i>	<i>7.6%</i>	<i>(8.8)%</i>		<i>n.s.</i>
Interest expense, net	(32.6)	(32.0)	0.6	1.8%
Gain (loss) from investment disposal	0.0	(2.9)	(2.9)	n.s.
<b>Profit (loss) before income taxes</b>	<b>(23.0)</b>	<b>(43.2)</b>	<b>(20.1)</b>	<b>(87.3)%</b>
Income taxes	(1.0)	(0.6)	0.4	39.5%
<b>Profit (loss) on continuing operations</b>	<b>(24.1)</b>	<b>(43.8)</b>	<b>(19.7)</b>	<b>(81.8)%</b>
Profit (loss) from non current assets held for sale and D.O.	(5.6)	0.0	5.7	n.s.
<b>Profit (loss) for the period</b>	<b>(29.7)</b>	<b>(43.8)</b>	<b>(14.0)</b>	<b>(47.3)%</b>
- of which pertaining to the Group	(29.5)	(43.8)	(14.2)	(48.1)%
- of which non-controlling interests	(0.2)	(0.0)	0.2	97.1%

# Balance Sheet

## SEAT GROUP

<i>euro million</i>	Dec. 31, '13	March 31, '14	Change
Goodwill and "marketing related" intangible assets	29.1	28.3	(0.8)
Other non-current assets	148.9	145.7	(3.2)
Operating non-current liabilities	(40.3)	(39.4)	1.0
Non-operating non-current liabilities	(15.4)	(16.0)	(0.5)
Operating working capital	(56.5)	(57.3)	(0.8)
Non-operating working capital	(47.8)	(44.5)	3.4
Non-current assets held for sale and D.O., net	118.7	118.0	(0.6)
<b>Net invested capital</b>	<b>136.5</b>	<b>134.9</b>	<b>(1.6)</b>
Equity of the Group	(1,342.9)	(1,386.8)	(43.9)
Non-controlling interest	19.5	19.4	(0.0)
<b>Total equity</b>	<b>(1,323.4)</b>	<b>(1,367.3)</b>	<b>(43.9)</b>
Current financial assets, cash and cash equivalent	(198.5)	(188.2)	10.3
Current financial debts	1,623.2	1,655.9	32.7
Non-current financial debts	35.2	34.5	(0.8)
<b>Net financial debt</b>	<b>1,459.9</b>	<b>1,502.2</b>	<b>42.2</b>
<b>Total</b>	<b>136.5</b>	<b>134.9</b>	<b>(1.7)</b>