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First Half Report
as at June 30, 2015



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**First Half Report
as at June 30, 2015**



Registered office: Corso Mortara, 22 - 10149 Torino (Italy)

Fully paid-up share capital: Euro 20,000,000

Tax code and VAT code: 03970540963

Turin Register of Companies No. 03970540963



SEAT is the only media agency to offer local marketing services throughout Italy. In addition to traditional print and voice advertising, it offers companies a complete range of support services to promote their business online via a network of SEAT media agencies. SEAT's web marketing services include website and mobile site construction and management, multimedia content creation, web visibility, e-commerce and online marketing, managing clients' presence on social networks, and couponing. It also offers advertising on third-party, digital, television, radio and cinema media in partnership with specialist operators.

Contents

Highlights and general information

- 6 Corporate Boards
- 7 Financial highlights of the Group
- 10 Information for shareholders
- 13 Organizational structure of the Group

Report on Operation

- 17 Contents
- 18 Economic and financial performance of the Group
- 30 Main events in the first half of 2015
- 34 Events after June 30, 2015
- 35 Management Outlook
- 36 Financial performance by Business Area
- 52 Other information

Condensed consolidated half-year financial statements

- 69 Consolidated statement of financial position as at June 30, 2015
- 71 Consolidated half-year income statement
- 73 Consolidated half-year comprehensive income statement
- 74 Consolidated half-year statement of cash flows
- 75 Consolidated statement of changes in net equity
- 76 Accounting standards and notes to the financial statements

Other information

- 115 Certification of the condensed consolidated half-year financial statements pursuant to article 154-*bis* of Legislative Decree 58/98
- 116 Independent Auditors' Report

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Pictured above extracted from the last spot of SEAT PG

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Highlights
and general
information



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Corporate Boards \

(information updated as of August 5, 2015)

Board of Directors ⁽¹⁾

Chairman

Vincenzo Santelia ⁽²⁾

Directors

Maria Elena Cappello ^{(1)(*)}

Michaela Castelli

Mauro Del Rio ⁽¹⁾

David Eckert ^(**)

Francesca Fiore ⁽¹⁾

Corrado Sciolla ⁽¹⁾

Remuneration and Appointments Committee ⁽³⁾

Chairman

Corrado Sciolla

Francesca Fiore

David Eckert

Control and Risk Committee ⁽³⁾

Chairman

Michaela Castelli

Maria Elena Cappello

Francesca Fiore

Board of Statutory Auditors ⁽⁴⁾

Chairman

Maurizio Michele Eugenio Gili

Standing Auditor

Guido Nori

Ada Alessandra Garzino Demo

Alternate Auditor

Massimo Parodi

Roberta Battistin

Common Representative of Savings Shareholders ⁽⁵⁾

Stella d'Atri

Manager in charge of preparing company's accounting documents

Andrea Servo

Independent Auditing Firm ⁽⁶⁾

PricewaterhouseCoopers S.p.A.

⁽¹⁾ The Board of Directors was appointed by the Shareholders' Meeting of April 23, 2015.

⁽²⁾ Appointed Chairman of the Board of Directors by resolution at the meeting of April 23, 2015 and CEO by board resolution of April 24, 2015.

⁽³⁾ The Committees were appointed by the Board of Directors on April 24, 2015.

⁽⁴⁾ The Board of Statutory Auditors was appointed by the Shareholders' Meeting of April 23, 2015.

⁽⁵⁾ Appointed by the Special Meeting of Savings Shareholders on May 2, 2013 for fiscal years 2013, 2014 and 2015.

⁽⁶⁾ Appointed by the Meeting of Shareholders of June 12, 2012.

⁽⁷⁾ Directors who meet the independence criteria set forth in articles 147-ter, paragraph 4 and 148, paragraph 3 of Legislative Decree 58/1998 and in the Code of Corporate Governance for Listed Companies.

^(*) Appointed as Lead Independent Director by the Board of Directors on July 20, 2015.

^(**) Resigned from the position of Lead Independent Director as reported on July 9, 2015, when the necessary requirements of independence for maintaining of the position were no longer met.

Financial highlights of the Group

The economic and financial results of the Seat Pagine Gialle Group for the first half of 2015 and for the first half of 2014 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 € 183.3 million in the first half of 2015, down by 9.3% compared with the first half of 2014 with the same number of directories.
- Consolidated EBITDA of € 14.5 million, down by 39.0% compared with the first half of 2014 with the same number of directories published.
- OPERATING FREE CASH FLOW totaled € 7.6 million, while NET FINANCIAL DEBT had a positive balance of € 116.5 million, an improvement of € 45.1 million more than at December 31, 2014.



	1 st half year 2015	1 st half year 2014
<i>(euro/million)</i>		
Economical and financial data		
Revenues from sales and services	183.3	209.3
GOP (*)	21.9	40.4
EBITDA (*)	14.5	27.0
EBIT (*)	(13.1)	2.8
Pre-tax profit (loss)	(10.2)	(65.7)
Profit (loss) on continuing operations	(10.4)	(68.2)
Profit (loss) pertaining to the Group	(10.1)	(68.4)
OFCF (*)	7.6	2.3
Capital expenditure	14.6	13.6
Net invested capital (*)	46.3	102.9
<i>of which goodwill and marketing related intangibles</i>	23.4	25.3
<i>of which net operating working capital (*)</i>	(28.8)	(12.2)
Equity of the Group	163.0	174.4
Net financial indebtedness (*)	(116.5)	(71.4)
Economic and financial ratio		
EBITDA/Revenues	7.9%	12.9%
EBIT/Revenues	(7.1%)	1.3%
Profit (loss) for the period /Equity of the Group	4.1%	1.1%
Workforce		
Workforce at the end of the period (units)	1,909	1,932
Average workforce for the period on continuing operations	1,715	1,804
Revenues/Average workforce	107	116

(*) See "Non-GAAP measures" below for details on how the items are calculated.

(**) The 2014 figure is at 31 December.

Non-GAAP measures \

This section reports on several non-GAAP measures used in the condensed consolidated half-year financial statements at June 30, 2015, in order to provide tools for analyzing the financial performance of the Group in addition to those based on the financial statements.

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 results 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 Company may not be consistent with those applied by others, meaning that the measures may not be comparable. These indicators are as follows:

- **GOP** or *Gross operating profit* refers to EBITDA before other operating income and expense, net valuation adjustments and provisions to reserves for risks and charges.
- **EBITDA** (*operating result before amortization, depreciation and other net non-recurring and restructuring costs*) refers to **EBIT** (*operating result*) before net non-recurring and restructuring costs and operating and non-operating amortization, depreciation and write-downs.
- **Operating working capital and non-operating working capital are calculated**, respectively, as operating current assets (relating to operating revenue) net of operating current liabilities (relating to operating costs) and as non-operating current assets net of non-operating current liabilities. Neither item includes current financial assets or liabilities.
- **Net invested capital** is the sum of operating working capital, non-operating working capital, goodwill and other marketing-related intangible assets, as well as other operating and non-operating non-current assets and liabilities.
- **Net financial debt** is a measure of the ability to meet financial obligations comprising current and non-current financial payables net of cash and cash equivalents and Current Financial Receivables.
- **OFCF** (operating free cash flow or free operating cash flow) is EBITDA adjusted to take into account the effect of capital expenditure and the change in operating working capital and operating non-current liabilities on the net financial position.

Information for shareholders \

Shares \

		As at 06.30.2015 (*)	As at 06.30.2014
Share capital	euro	20,000,000	450,265,793.58
Number of ordinary shares	n.	64,267,615,339	16,066,212,958
Number of saving shares	n.	6,803	680,373
Market capitalization - based on average market price	euro/mln	252	28
Equity par share	euro	0.0025	(0.088)
Profit (loss) par share on continuing operations to the Group	euro	(0.0002)	(0.004)
Profit (loss) par share from non-current assets held for sale and discontinued operations pertaining to the Group	euro	0.00000	(0.00001)

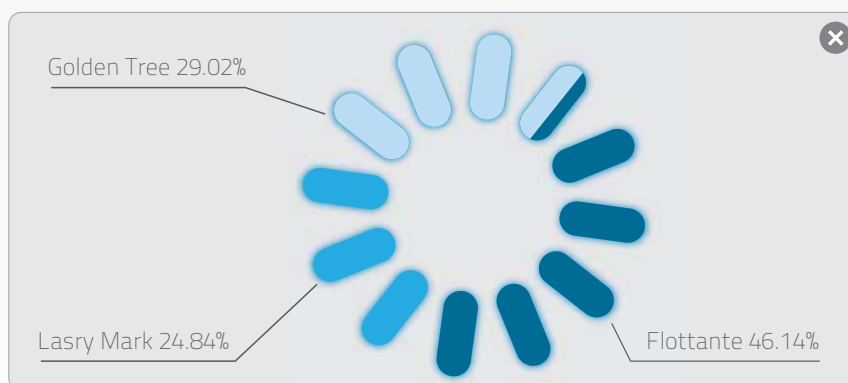
(*) As at March 4, 2014, the extraordinary shareholder's meeting has resolved to approve the new composition of Share Capital as a result of extraordinary operations.

Shareholders \

The following table shows the list of Shareholders owning ordinary shares of Seat Pagine Gialle S.p.A. holding more than 5% of the Company capital as of June

30, 2015, as indicated in the Book of Shareholders, together with other information available to the Company.

Shareholders as at June 30, 2015	Number of ordinary shares	% on ordinary capital
GoldenTree Asset Management LP	18,651,993,862	29.02%
Lasry Marc	15,967,971,232	24.84%



Performance of ordinary shares of Seat Pagine Gialle S.p.A. on the Italian Telematic Stock Market for the period ending on June 30, 2015

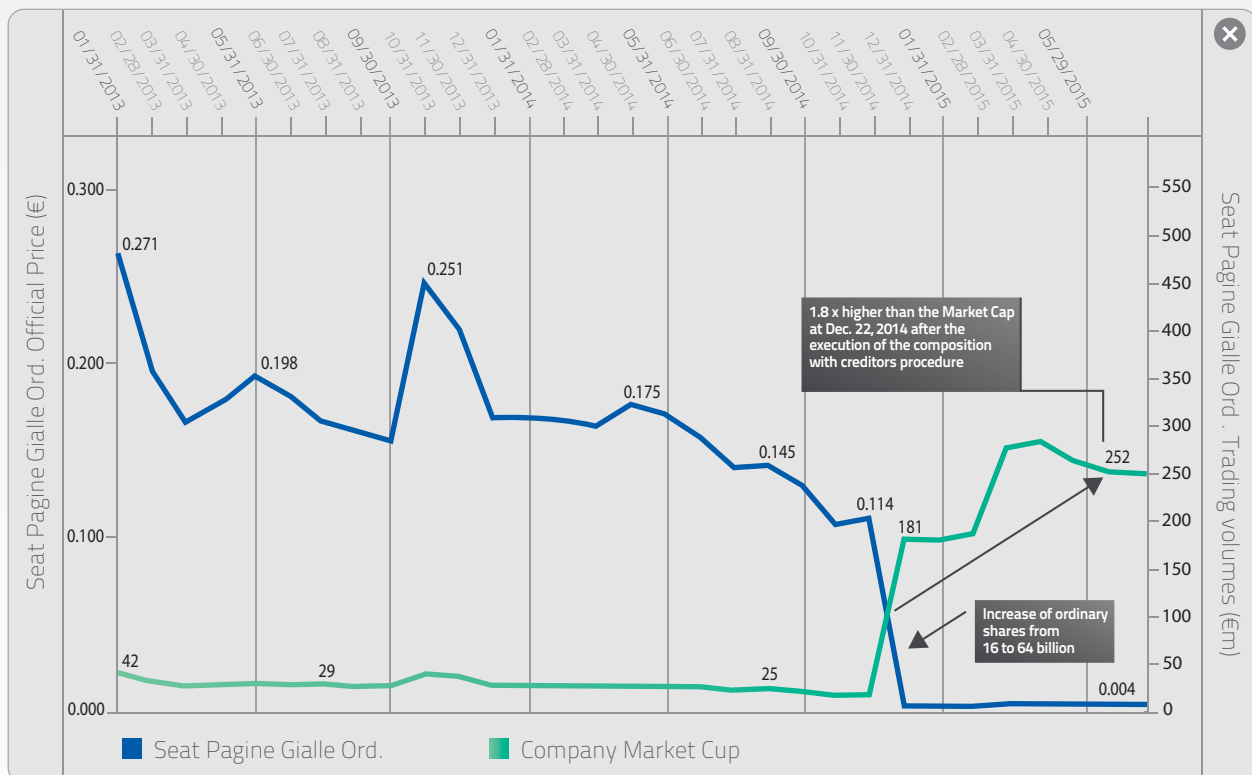
Stock-market capitalization of ordinary shares of Seat Pagine Gialle S.p.A. as of June 30, 2015 was approximately € 252 million, which is 1.8 times the figure reported on December 22, 2014, when the capital operations following the settlement of bankruptcy debts of Seat PG and Seat PG Italia S.p.A. owed to financial bankruptcy creditors belonging to Classes B and C were carried out.

The price of ordinary shares of Seat Pagine Gialle S.p.A. as of June 30, 2015 was equal to € 0.0038, compared to the price of € 0.1620 on June 30, 2014 (after the regrouping). The drop is attributed entirely to the strong increase of the number of shares outstanding upon successful conclusion of the debt-settlement proceeding.

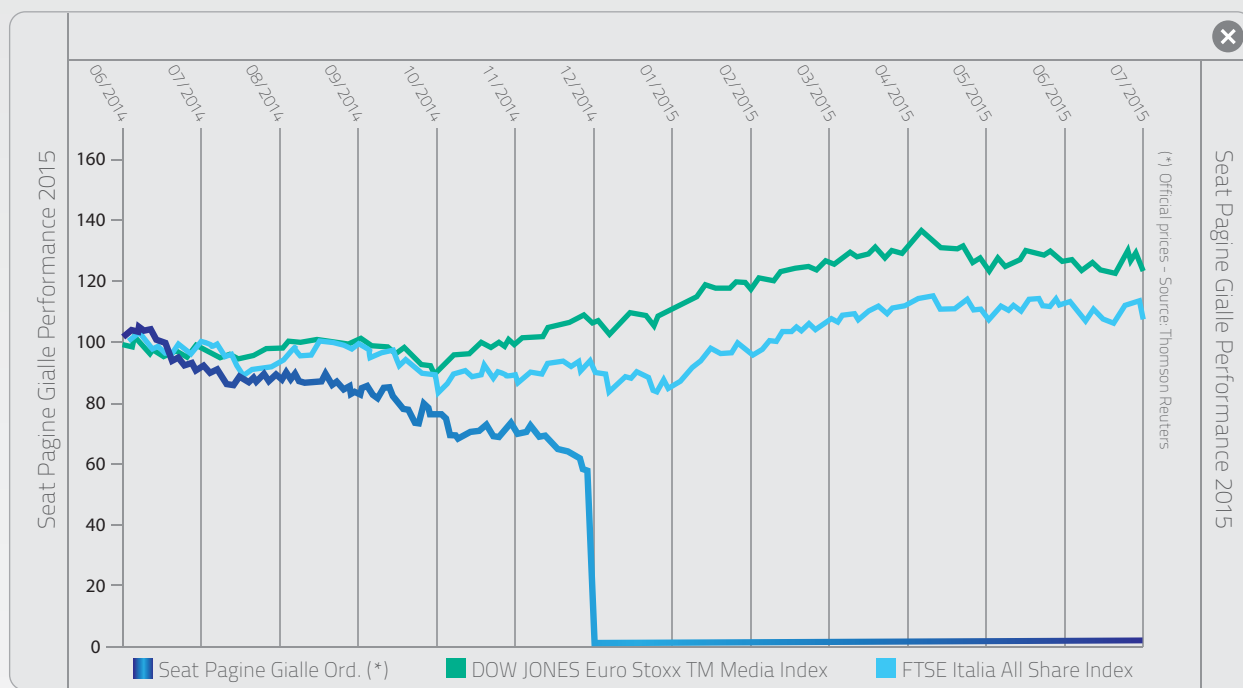
It is noted that since May 22, 2015, following the announcement by Italiaonline S.p.A. ("Italiaonline"), Libero

Acquisition S.à r.l. ("Libero Acquisition"), GL Europe Luxembourg S.à r.l. ("Avenue"), GoldenTree Asset Management Lux S.à r.l., GoldenTree SG Partners LP, GT NM LP and The San Bernardino County Employees' Retirement Association (jointly "GoldenTree") of the signing of an investment agreement regarding the integration form of merger of Italiaonline and Seat Pagine Gialle S.p.A., the price of ordinary shares of Seat Pagine Gialle S.p.A., after reaching the level of € 0.0051 in March 2015, gradually aligned to the price per share of € 0.0039, which will be paid by Italiaonline S.p.A. under the obligatory public tender offer purchase in cash, of all ordinary shares of Seat Pagine Gialle S.p.A.

In the period of June 30, 2014 - June 30, 2015 approximately 65 billion ordinary shares were traded, with a daily trade volume of approximately 255 million shares (corresponding to 0.4% of the ordinary capital).

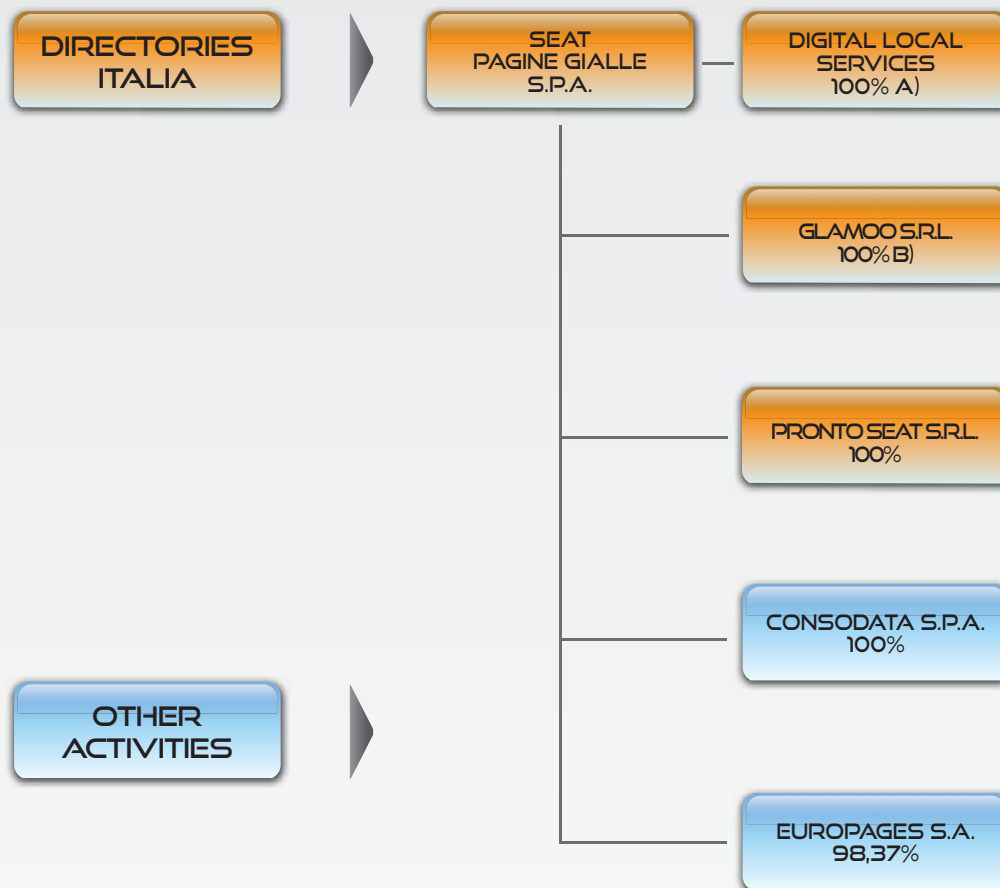


Performance of ordinary shares of Seat Pagine Gialle S.p.A. vs. FTSE Italia All-Share Index and Dow Jones Euro Stoxx Media Index in the period ending on June 30, 2015



Organizational structure of the Group

(information updated as of August 5, 2015)



LEGENDA

A) 74 single shareholders limited liability companies directly owned by Seat Pagine Gialle S.p.A..

B) On January 28, 2015 Glamoo Ltd transferred its entire stake in Glamoo S.r.l. to Seat Pagine Gialle S.p.A.

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Pictured above extracted from the last spot of SEAT PG

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Report on
Operations



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Contents \ Report on operations \

18	Economic and financial performance of the Group
18	Tables – consolidated data
21	Reclassified consolidated income statement for the first half of 2015
24	Reclassified consolidated statement of financial position as of June 30, 2015
28	Consolidated statement of cash flows for the first half of 2015
30	Main events in the first half of 2015
34	Events after June 30, 2015
35	Management Outlook
36	Financial performance by Business Area
38	Italian Directories
48	Other activities
52	Other information
52	Human resources
58	Litigation
60	Corporate Governance
63	Environmental sustainability
64	Social responsibility

Economic and financial performance of the Group

The financial results of the SEAT Group for the first half of 2015 and the first half of 2014 have been prepared in accordance with the international accounting standards issued by the International Accounting Standards Board and endorsed by the European Union ("IFRS").

The half-year financial report of June 30, 2015 was prepared on the assumption of continuation of company activity, since there are reasonable expectations that Seat Pagine Gialle S.p.A. will continue its operating activity in the foreseeable future (and in any case

within a time horizon of more than twelve months).

The "Management outlook" section contains forward-looking statements regarding the Group's intentions, beliefs and current expectations in relation to its financial results and other aspects of its business and strategies. Excessive confidence should not be placed in the reliability of these forward-looking statements, since the final results may differ from those contained in these forecasts for a number of reasons, some of which are beyond the Group's control.

Tables - consolidated data

Reclassified consolidated income statement

<i>(euro thousand)</i>	1 st half year 2015	1 st half year 2014	Change Absolute	%
Revenues from sales and services	183,348	209,344	(25,996)	(12.4)
Costs of materials and external services (*)	(115,550)	(118,959)	3,409	2.9
Salaries, wages and employee benefits (*)	(45,849)	(49,967)	4,118	8.2
Gross Operating Profit (GOP)	21,949	40,418	(18,469)	(45.7)
<i>% on revenues</i>	12.0%	19.3%	-	-
Net valuation adjustments and provisions for risks and charges	(6,601)	(12,001)	5,400	45.0
Other operating income (expenses)	(876)	(1,393)	517	37.1
EBITDA	14,472	27,024	(12,552)	(46.4)
<i>% on revenues</i>	7.9%	12.9%	-	-
Operating amortization, depreciation and write-down	(19,570)	(19,805)	235	1.2
Non-operating amortization, depreciation and write-down	(1,876)	(2,789)	913	32.7
Net non-recurring and restructuring costs	(6,148)	(1,606)	(4,542)	n.s.
EBIT	(13,122)	2,824	(15,946)	n.s.
<i>% on revenues</i>	(7.2%)	1.3%		
Net financial expense	(2,982)	(65,875)	62,893	95.5
Gains (losses) from subsidiaries disposal	-	(2,648)	2,648	100.0
Net income from composition with creditors	5,875	-	5,875	n.s.
Profit (loss) before income taxes	(10,229)	(65,699)	55,470	84.4
Income taxes	(155)	(2,491)	2,336	93.8
Profit (loss) on continuing operations	(10,384)	(68,190)	57,806	84.8
Profit (loss) from non-current assets held for sale and discontinued operations	222	(278)	500	n.s.
Profit (loss) for the period	(10,162)	(68,468)	58,306	85.2
- of which pertaining to the Group	(10,142)	(68,387)	58,245	85.2
- of which non-controlling interests	(20)	(81)	61	75.3

(*) Minus cost debited to minority interest and shown in the IFRS financial statements under "Other revenue and income".

Consolidated comprehensive income statement

	1 st half year 2015	1 st half year 2014
<i>(euro thousand)</i>		
Profit (loss) for the period	(10,162)	(68,468)
<i>Other comprehensive income that will not be reclassified subsequently to profit or loss:</i>		
Actuarial gains (loss) recognised to equity	429	(775)
Total other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax	429	(775)
<i>Other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the year:</i>		
Profit (loss) from fair-value measurement of AFS securities	(6,376)	(50)
Profit (loss) from translation of accounts of foreign subsidiaries	(94)	46
Profit (loss) from warrant evaluation	4,714	-
Other movements	-	9
Total other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the period	(1,756)	5
Total other comprehensive income (expense), net of tax	(1,327)	(770)
Total comprehensive income (expense) for the period	(11,489)	(69,238)
- of which pertaining to the Group	(11,469)	(69,146)
- of which non-controlling interests	(20)	(92)

Reclassified consolidated statement of financial position

<i>(euro thousand)</i>	As at 06.30.2015	As at 12.31.2014	Change
Goodwill and "marketing related" intangibles assets	23,436	25,312	(1,876)
Other non-current assets (*)	121,251	147,860	(26,609)
Operating non-current liabilities	(33,745)	(42,416)	8,671
Non-operating non-current liabilities	(30,602)	(20,754)	(9,848)
Operating working capital	(28,769)	(12,197)	(16,572)
- Operating current assets	204,325	231,772	(27,447)
- Operating current liabilities	(233,094)	(243,969)	10,875
Non-operating working capital	(5,236)	5,381	(10,617)
- Non-operating current assets	28,524	27,167	1,357
- Non-operating current liabilities	(33,760)	(21,786)	(11,974)
Net non-current assets held for sale and discontinued operations	-	(250)	250
Net invested capital	46,335	102,936	(56,601)
Equity of the Group	162,963	174,429	(11,466)
Non-controlling interests	(112)	(92)	(20)
Total equity	(A) 162,851	174,337	(11,486)
Current financial assets, cash and cash equivalent	(126,007)	(111,173)	(14,834)
Current financial debts	1,221	7,428	(6,207)
Non-current financial debts	8,270	32,344	(24,074)
Net financial debt (ESMA)	(B) (116,516)	(71,401)	(45,115)
Total	(A+B) 46,335	102,936	(56,601)

(*) This item includes financial assets available for sale, as well as non-current financial assets.

Reclassified consolidated income statement for the first half of 2015

Revenue from sales and services totaled € 183,348 thousand in the first half of 2015, down by 12.4% compared with the first half of 2014 (€ 209,344 thousand); at constant directory publication volumes, there was a 9.3% reduction in revenue.

Before adjustments between the Group's different Business Areas, revenues from sales and services were as follows:

- Revenue of the "Directories Italia" Business Area (*Seat Pagine Gialle S.p.A., Digital Local Services, ProntoSeat S.r.l., Glamoo Ltd and Glamoo S.r.l.*) in the first half of 2015 was € 176,503 thousand, down by 9.4% compared to the first half of 2014 on a same publication basis. Revenue in the SEAT Area (*Seat Pagine Gialle S.p.A. and Digital Local Services*) in the first half of 2015 was € 176,019 thousand, down 9.6%, compared to the first half of 2014 at constant directory publication volumes, with digital revenue down 9.1%, voice down 44.5% and *third-party products* down 17.8%. On the other hand, the print revenue increased by 4.1% at constant directory publication volumes. For more details please refer to the comment regarding the SEAT Business Area.

Revenue from ProntoSeat, almost all of which was intra-group, amounted to € 2,553 thousand in the first half of 2015, up by € 794 thousand compared with the same period in the previous year (€ 1,759 thousand). The increased sales are essentially attributable to an increase of outbound revenue (+€ 738 thousand compared to the first half of 2014) due to the introduction of new services such as *Rinnovi Web*, increase of the *Caring activity* to ensure customer loyalty and *SmartSite* for creation of new-generation sites and the Sear tele-sales incentive system, which did not exist last year. Inbound revenue also increased (+ € 86 thousand compared to the first six months of 2014) thanks to the introduction of the 89.24.24. service and part of 12.40 as of June 1, 2015.

Glamoo revenue in the first half of 2015 was reported at € 925 thousand. During the first months of the year the decreasing trend of the revenue continued in view of reduction of investments in advertising and promotions, which supported the business in the previous periods.

- Revenue in the "Other Activities" Business Area (*Europages, Consodata*) totaled € 9,132 thousand in the first half of 2015, a decline of 15.1% compared with the first half of the previous year (€ 10,757 thousand), which was attributable to the drop in sales at Europages and Consodata.

Materials and external services costs, net of costs charged to third parties, included in the IFRS financial statements under the item "Other revenue and income", totaled € 115,550 thousand in the first half of 2015, down by € 3,409 thousand compared to the first half of 2014 (€ 118,959 thousand).

In further detail, costs of materials and external services for the period were as follows:

- *industrial costs*: were reported at € 53,377 thousand, (€ 50,537 thousand in the first half of 2014) as a result of the increase of commissions to web publishers (up 2,836 thousand to € 19,089 thousand) in the context of management of Digital reselling offers and partnership agreements signed with major operators in the media industry.

- *commercial costs*: these stood at € 38,921 thousand in the first half of 2015 (€ 46,115 thousand in the first half of 2014). The reduction is essentially due to lower advertising costs sustained in the first half of 2015, as a result of different time positioning of advertising campaigns compared to the previous year, as well as lower costs of provisions and other sales costs tied to the corresponding decrease of revenue;

- *overheads*: they stood at € 23,252 thousand, slightly increasing compared to the same period of the previous year (€ 22,307 thousand).

Salaries, wages and employees benefits, reduced by related cost recovery, including in the IFRS financial statements under the item "other revenue and income", equal to € 45,849 thousand in the first half of 2015, dropped by € 4,118 thousand compared to the first half of 2014 (€ 49,967 thousand). This reduction is mainly attributable to the reorganization actions undertaken within the Seat Group. The Group's workforce, made up of managers, project workers and trainees, consisted of 1,909 employees at June 30, 2015 (1,932 employees at December 31, 2014). The average paid workforce (FTE) in the first half of 2015 was 1,715 employees (1,804 employees in the first half of 2014).

Gross operating profit (GOP), at € 21,949 thousand in the first half of 2015, was down by € 18,469 thousand compared with the same period of the previous year (€ 40,418 thousand). The operating margin for the first half of 2015 was 12.0%, compared with 19.3% in the first half of 2014.

Net valuation adjustments and provisions for risks and charges totaled € 6,601 thousand in the first half of 2015

(€ 12,001 thousand in the first half of 2014). Of the net valuation adjustments, € 6,196 thousand related to the allowance for doubtful trade receivables, down by € 5,279 thousand compared with the same period of the previous year, thanks to maintaining high attention to quality of sales and management of client receivables. This item also includes net provisions for operating risks and charges of € 461 thousand (€ 719 thousand in the first half of 2014).

Other operating income and expenses presented a negative net balance of € 876 thousand in the first half of 2015 (compared with a negative figure of € 1,393 thousand in the first half of 2014).

Operating income before amortization, depreciation, and other net non-recurring and restructuring costs (EBITDA) totaled € 14,472 thousand in the first half of 2015, a drop of 46.4% compared with the first half of 2014 (€ 27,024 thousand), yielding an operating margin of 7.9% (12.9% in the first half of 2014). At the same number of published directories, the EBITDA dropped by 39.0%.

Operative amortization and depreciation, equal to € 19,570 thousand in the first half of 2015 (€ 19,805 thousand in the first half of 2014) refer to intangible assets with defined useful life for € 17,036 thousand (€ 15,964 thousand in the first half of 2014) and to buildings, plant and equipment for € 2,534 thousand (€ 3,841 thousand in the first half of 2014).

Non-operative amortization and depreciation amount to € 1,876 thousand in the first half of 2015 (€ 2,789 thousand in the first half of 2014) and refer to the amortization share of intangible assets related to Customer Relationship of Seat Pagine Gialle S.p.A. and the Italian subsidiary Consodata S.p.A.

Net non-recurring and restructuring costs were € 6,148 thousand in the first half of 2015 (€ 1,606 thousand in the first half of 2014) and consist of non-recurring income of € 30,007 thousand, net restructuring costs of € 32,247 thousand and non-recurring costs for € 3,908 thousand. Non-recurring income is reported at € 30,000 thousand for the amount paid by the former directors of Seat Pagine Gialle S.p.A. regarding the liability settlement.

Non-recurring costs, equal to € 3,908 thousand in the first half of 2015 (€ 876 thousand in the first half of 2014), were reported at € 1,287 thousand mainly related to strategic consultation and € 2,000 thousand related to the amounts to be paid to the CEO for termination of his office on the terms announced by the Company.

Net costs of restructuring equal to € 32,247 thousand in the first half of 2015 were reported at € 32,157 thousand

representing the amount set aside for the company restructuring fund – current and non-current share – following the new plan of staff reorganization of Seat Pagine Gialle S.p.A. as of February 2015 (for more details please refer to the paragraph “Industrial relations, summary of agreement with the trade unions” listed among the Main events in the first half of 2015 of this Report). Net restructuring costs totaled € 730 thousand in the first half of 2014 and primarily included costs incurred by Consodata S.p.A. to restructure its workforce.

EBIT (operating income) was -€ 13,122 thousand in the first half of 2015 (+€ 2,824 thousand in the first half of 2014). Operating income reflects business performance recorded in terms of GOP and EBITDA.

Net financial expense in the first half of 2015 were equal to € 2,982 thousand (€ 65,875 thousand in the first half of 2014).

In particular, financial expense amounted to € 3,986 thousand (€ 67,095 thousand in the first half of 2014) and are related mainly to the adjustment of the warrants equal to € 3,391 thousand to fair value (for more details please refer to the Net Financial Debt section of this Report).

The significant change compared to the first half of 2014 is due to the payment of the Senior Secured bonds and financial debts to The Royal Bank of Scotland, which took place in December 2014 in performance of proposed creditor agreements, as well and termination of 5 out of 7 financial lease agreements in effect as of January 1, 2015.

Financial income totaled € 1,004 thousand in the first half of 2015 (€ 1,220 thousand in the first half of 2014), and was made up of almost entirely interest income from the short-term liquidity investment in the banking system at market rates.

Gains (losses) from subsidiary disposal from the disposal of equity investments showed a balance of € 2,648 thousand in the first half of 2014 and referred to the loss resulting from the disposal of Cipi S.p.A.

Net income from composition with creditors represented € 5,875 thousand in the first half of 2015, and referred to the net effect of termination of 5 of the 7 lease agreements, resulting in the elimination of the related financial debt and posting of the fixed assets subject to the financial lease.

Income taxes for the first half of 2015 were -€ 155 thousand (-€ 2,491 thousand in the first half of 2014). In accordance with the provisions of IAS 34, income taxes for the period were calculated by applying the average rates expected for the full 2015 financial year to gross pre-tax income.

Profit/(loss) on continuing operations presented a loss of € 10,384 thousand in the first half of 2015 (against a loss of € 68,190 thousand in the first half of 2014).

Profit (loss) from non-current assets held for sale and discontinued operations had a positive balance of € 222 thousand in the first half of 2015, due to the transfer of the entire participation held by Seat Pagine Gialle S.p.A. in Katalog Yayın ve Tanıtım Hizmetleri A.Ş. to Doğan Şirketler Grubu Holding A.Ş. In the first half of 2014 the negative balance of € 278

thousand included the loss of the Telegate Group.

Profit (loss) for the period pertaining to minority interests was a loss of € 20 thousand and is attributable to the minority shareholders of the Europages Group. In the first half of 2014 the loss was equal to € 81 thousand and was mainly attributable to the minority shareholders of the Telegate Group.

Profit (loss) for the period pertaining to the Group was a loss of € 10,142 thousand (€ 68,387 thousand in the first half of 2014).

Reclassified consolidated statement of financial position as of June 30, 2015

Net Invested Capital

Net invested capital, at € 46,335 thousand as of June 30, 2015, fell by € 56,601 thousand compared with December 31, 2014.

Net invested capital can be broken down as follows:

- **goodwill and "marketing-related" intangible assets** totaled € 23,436 thousand at June 30, 2015 and related to the Group's intangible assets known as Customer Relationship. The decrease of € 1,876 million compared with December 31, 2014 is the result of the amortization in the period;
- **other non-current assets** totaled € 121,251 thousand as of June 30, 2015, down by € 26,609 thousand compared to December 31, 2014 (€ 147,860 thousand). These assets include:
 - *intangible and tangible fixed operating assets*, which totaled € 108,122 thousand as of June 30, 2015, down by € 22,436 thousand compared to December 31, 2014 (€ 130,558 thousand). The change reflects mainly the € 17,378 thousand effect of termination of 5 of the 7 lease agreements related to the real estate complex hosting the Turin offices of the Parent Company following an agreement reached on March 31, 2015 between Mediocredito Italiano S.p.A. and Seat Pagine Gialle S.p.A.
Capital expenditures of € 14,575 thousand (€ 13,578 thousand in the first half of 2014) were related mainly to the following areas:
 - the SEAT Business Area (€ 13,026 thousand in the first half of 2015):
 - improvement of Web and Mobile service systems, aimed at enhancing the performance of the integration between the various systems and involve in particular *i)* real-time updating of content and its publication, *ii)* improvement of search algorithms and *iii)* identification of new graphic-functional services of the Company's web portals;
 - improvement of the Web products in the commercial offer, related mainly to the optimization of the graphics concept for use via mobile, development for the new Site line for development of Custom offers for Major Clients;
 - commercial and publishing improvements to upgrade the systems and adapt them to new product offerings;
 - Consodata S.p.A. (€ 1,530 thousand in the first half of 2015) for investments aimed at the development of software platforms, database enrichment, the acquisition of databases and the upgrading of production and service provision IT platforms.
 - *Other investments*, amounting to € 3,878 thousand as of June 30, 2015 (€ 10,254 thousand as of December 31, 2014), representing the fair value measurement of 16.24% of the remaining investment held by SEAT Pagine Gialle S.p.A. in Telegate AG (following of the proceedings with creditors) which, pursuant to IAS 39, is a financial asset available for sale;
 - *other non-current assets* totaled € 6,869 thousand as of June 30, 2015, which include tax receivables of € 4,518 thousand for excess corporation tax (IRES) paid for fiscal periods prior to 2012, as a result of the failure to deduct regional production tax (IRAP) relating to staff and similar expenses that were recognized in 2013 in accordance with the available official interpretations;
 - *deferred tax assets* totaled € 445 thousand as of June 30, 2015 (€ 462 thousand as of December 31, 2014).
- **operating non-current liabilities** totaled € 33,745 thousand at June 30, 2015 (€ 42,416 thousand at December 31, 2014). The item relates, in particular, to:
 - the *reserve for sale agents'* termination compensation totaled € 17,786 thousand as of June 30, 2015 (€ 24,483 thousand as of December 31, 2014).
 - the *reserve for severance* compensation totaled € 12,779 thousand as of June 30, 2015 (€ 14,456 thousand as of December 31, 2014);
- **non-operating non-current liabilities** totaled € 30,602 thousand at June 30, 2015 (€ 20,754 thousand at December 31, 2014). The item relates, in particular, to:
 - The *deferred tax fund*, of € 20,825 thousand as of June 30, 2015 (€ 20,740 thousand as of December 31, 2014), fully referring to Seat Pagine Gialle S.p.A.
 - The *non-current portion of the company restructuring fund* of € 9,263 thousand as of June 30, 2015, established in Seat Pagine Gialle S.p.A. following the new plan of staff reorganization as of February 2015 (for more details please refer to the 'Industrial relations, summary of the agreement with the trade unions' section, listed among the Main events of the first half of 2015 of this Report). This fund should be considered in conjunction with the current portion of the restructuring reserve.
- **operating working capital** was -€ 28,769 thousand as of June 30, 2015 (-€ 12,197 thousand as of December 31, 2014).

Listed below are the most significant changes that took place during the period with reference to:

- *trade receivables*, which totaled € 152,694 thousand as of June 30, 2015, falling by € 30,136 thousand compared with December 31, 2014 (€ 182,830 thousand), and related mainly to the SEAT Business Area (€ 27,338 thousand);
 - *payables for services to be provided and other current liabilities*, which totaled € 117,889 thousand at June 30, 2015, down by € 6,145 thousand compared with December 31, 2014 (€ 124,034 thousand). This change primarily reflects the timing of the purchase and invoicing of advertising services;
 - *trade payables*, which amounted to € 97,166 thousand as of June 30, 2015, showing a fall of € 2,950 thousand compared with December 31, 2014, relating mainly to the SEAT Business Area.
- **non-operating working capital**, which was -€ 5,236 thousand as of June 30, 2015 (compared with +€ 5,381 thousand as of December 31, 2014). This includes:
 - *provisions for current non-operating risks and charges* were € 25,623 thousand (€ 10,306 thousand as of December 31, 2014). The change reflects mainly the contribution to the current portion of the restructuring fund of € 22,894 thousand made by Seat Pagine Gialle S.p.A. as a result of the aforementioned company restructuring plan;
 - *income tax debts* equal to € 1,038 thousand (€ 3,315 thousand as of December 31, 2014). The change reflects mainly the payment of approximately € 2.9 million of tax debts in bankruptcy made in January 2015;
 - *current tax assets* totaling € 27,307 thousand as of June 30, 2015 (€ 27,130 thousand as of December 31, 2014).

Net equity

Consolidated **net equity** totaled € 162,851 thousand as of June 30, 2015 (€ 174,337 thousand as of December 31, 2014), of which € 62,963 are attributable to the Parent Company (€ 174,429 thousand as of December 31, 2014). The reduction of € 11,486 thousand in the portion corresponding to the Parent Company was mainly attributable as follows:

- € 10,142 thousand for the period's losses;
- € 6,376 thousand for the reduced fair value valuation of

the 16.24% stake held by Seat Pagine Gialle S.p.A. in Telegate AG;

- € 429 thousand for the decrease (net of the related tax effect) of actuarial losses with reference to non-current reserves related to the staff;
- € 4,714 thousand for the positive effect resulting from setting of the option price of the "Warrant Subscription Price", which reduced the amount posted for the option valuation.

Net Financial Debt

At June 30, 2015, the net financial debt totaled € 116,516 thousand (€ 71,401 thousand at December 31, 2014).

As of June 30, 2015, net financial debt was structured as follows:

	(euro/thousand)	As at 06.30.2015	As at 06.30.2015	Change
A	Cash	125,279	108,455	16,824
B	Cash equivalent	-	-	-
C	Trading securities	-	-	-
D=(A+B+C)	Liquidity	125,279	108,455	16,824
E.1	Current financial receivables from third parties	728	2,718	(1,990)
E.2	Current financial receivables from related parties	-	-	-
F	Current bank debt	-	95	(95)
G	Current portion of non-current debt	1,097	4,976	(3,879)
H.1	Other current financial debt to third parties	124	2,357	(2,233)
H.2	Other current financial debt to related parties	-	-	-
I=(F+G+H)	Current financial debt	1,221	7,428	(6,207)
J=(I-E-D)	Net current financial debt	(124,786)	(103,745)	(21,041)
K	Non-current bank debt	-	-	-
L	Bonds issued	-	-	-
M.1	Other non-current financial debt to third parties	8,270	32,344	(24,074)
M.2	Other non-current financial debt to related parties	-	-	-
N=(K+L+M)	Non-current financial debt	8,270	32,344	(24,074)
O=(J+N)	Net financial debt (ESMA)	(116,516)	(71,401)	(45,115)

The change of the net financial position compared with December 31, 2014 is mainly attributable, apart from the net cash flow from operations, to the collection of a total of € 30,000 thousand in February, related to the settlement of the liability action and to the termination of 5 of the 7 lease agreements in March 2015, resulting in an overall debt reduction of approximately € 23,216 thousand.

It is noted that with the notification of the Warrant Subscription Price, which took place on April 17, this financial instrument has become an option classified under net equity, since its price is now established and in case of its exercise results in delivery of a fixed number of shares; therefore, the resulting financial liability, arising by virtue of accounting at fair value in the period

between the date of completion of the capital increase and the date of setting of the option price, is no longer included in the net debt.

– **Non-current financial debt** as of June 30, 2015 totaled € 8,270 thousand (€ 32,344 thousand as of December 31, 2014) and is made up of the Other non-current financial debts item, referring to two executory financial lease agreements regarding the Turin offices of Seat Pagine Gialle S.p.A. The above-mentioned agreements involve repayment in 34 installments, payable at the end of each quarter with the application of a variable rate based on a 3-month Euribor rate plus a spread of approximately 65 basis points p.a. The residual value is fixed at around 1% of the value of the buildings covered by the lease agreement.

- **Current financial debt** totaled € 1,221 thousand as of June 30, 2015 (€ 7,428 thousand as of December 31, 2014) and refers to € 1,097 thousand to the current portion of the two remaining executory financial lease agreements.

- **Current financial receivables, cash and cash equivalents** amounted to € 126,007 thousand as of June 30, 2015 (€ 111,173 thousand as of December 31, 2014), including

€ 125,279 million of cash and cash equivalents (€ 108,455 thousand as of December 31, 2014).

The increase of € 16,824 thousand compared to December 31, 2014 is attributable to the collection of a total of € 30,000 thousand related to the settlement of the liability action, partially offset by outstanding bankruptcy payments made during the period according to the terms established in the proceeding.

Risk relating to financial debt

As of June 30, 2015 the maturities of financial instruments in place are as follows:

<i>(euro/thousand)</i>	due within			Total
	by 1 year	1-5 years	over 5 years	
Financial debt due to Leasint S.p.A. (*)	1,097	4,824	5,028	10,949
Net financial debt	1,097	4,824	5,028	10,949

(*) In the consolidated financial statements, the item amounted to € 9,367 thousand for the measurement of amortized cost.

There are no risks identified relating to financial debt in light of the financial resources available as of June 30, 2015.

Credit risk

The Seat Pagine Gialle Group operates in the online directional advertising market, a business where there is a large number of customers. As of June 30, 2015, 98.3% of the Group's trade receivables (97% at December 31, 2014) related to Seat Pagine Gialle S.p.A., which in the first six months of 2015 had around 178,000 customers spread throughout Italy, consisting mainly of small and medium-sized businesses. In the first half of 2015, SEAT alone issued some 262,000 invoices, each providing on average for payment in 2 installments of around € 412 each, meaning more than € 0.5 million of receipts.

There is, therefore, no concentration of credit risk. The type of business and customer base are, however, the factors that have always guided SEAT in putting together an effective credit management system. Over time, SEAT has introduced a widespread and continually

strengthened team that is able to efficiently manage all phases of the payment request process. The in-house team, call centers, collection agencies and legal experts constitute a total of around 430 people.

Credit risk exposure – represented by the allowance for doubtful receivables on the financial statements – is measured using a statistical model that breaks down the client base by location and seniority, which reflects the historical experience of SEAT in debt collection and projects it into future estimates.

At June 30, 2015, the allowance for doubtful trade receivables totaled € 60,840 thousand at the Group level. This was lower than the figure at December 31, 2014 (€ 75,596 thousand), but still ensured sufficient coverage. As a percentage of total trade receivables, the coverage of the allowance was 28.5%.

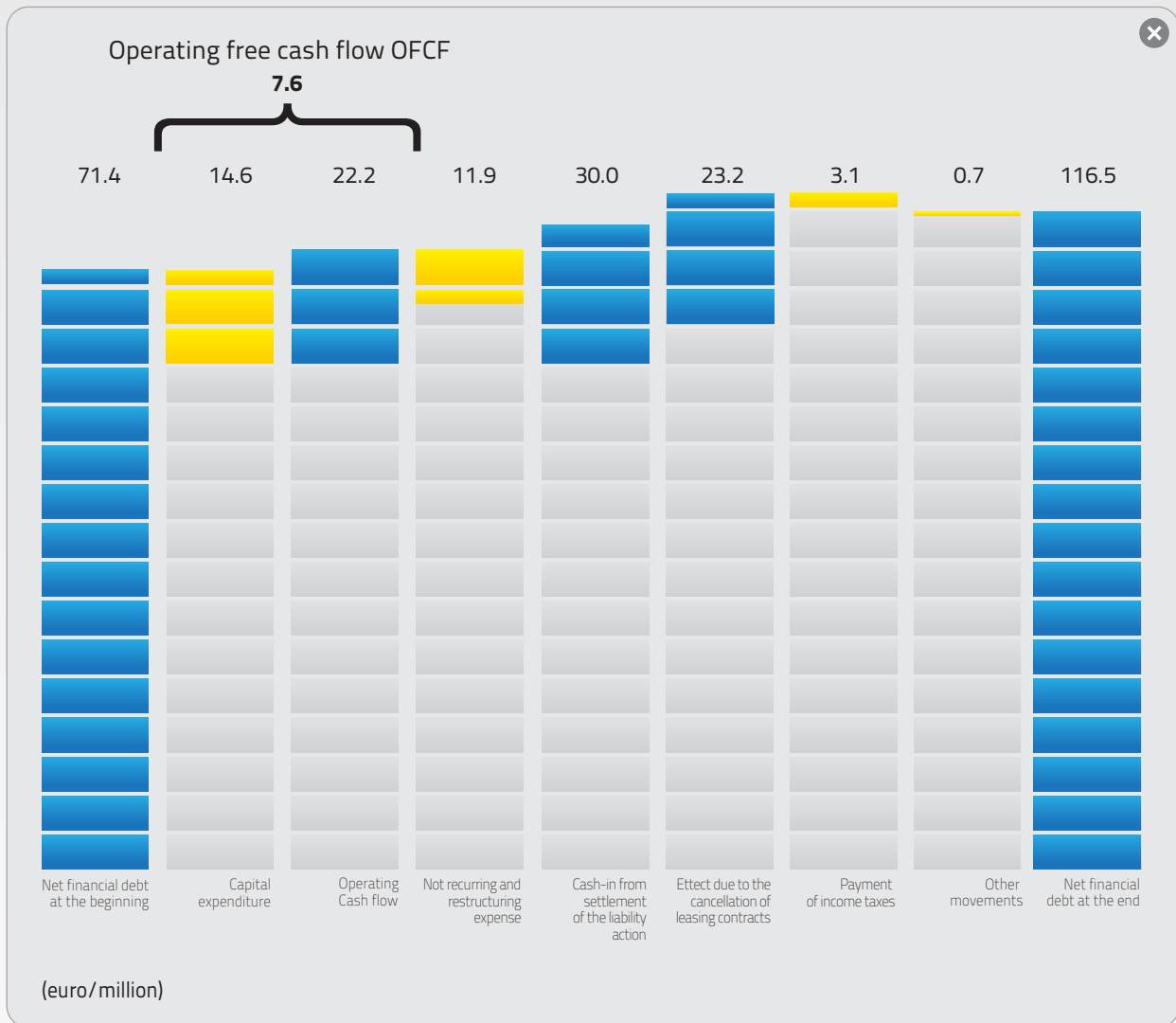
Consolidated statement of cash flows for the first half of 2015 \

<i>(euro/thousand)</i>	1 st half year 2015	1 st half year 2014	Change
EBITDA	14,472	27,024	(12,552)
Gain (losses) from discounting operating assets and liabilities	174	(854)	1,028
Decrease (increase) in operating working capital	9,927	(10,484)	20,411
(Decrease) increase in operating non current liabilities (*)	(2,391)	145	(2,536)
Capital expenditure	(14,575)	(13,578)	(997)
(Gains) losses on disposal of non-current operating assets	(8)	3	(11)
Operating free cash flow - OFCF	7,599	2,256	5,343
Payment of interest expense, net	262	670	(480)
Payment of income taxes	(3,097)	(1,587)	(1,510)
Payment of non-recurring and restructuring expense	(11,852)	(22,338)	10,486
Cash-in under the settlement for the action of responsibility	30,000	-	30,000
Effect from the dissolution of leases agreements	23,216	-	23,216
Other movements (**)	(1,013)	(71,803)	70,790
Change in net financial debt	45,115	(92,802)	137,917

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

(**) This item includes in the 1st half year 2014 accrued interest expenses on financial debt equal to € 63 million.

The following graph summarizes the main factors that contributed to the change in net financial debt during the first six months of 2015.



The change in the net financial position with respect to December 31, 2014, is mainly due to the collection of € 30,000 thousand related to the settlement of the liability action and termination of 5 out of 7 lease agreements in March 2015, resulting in an overall debt reduction of approximately € 23.2 million.

Operative free cash flow, generated in the first half of 2015 (€ 7,599 thousand), was higher by € 5,343 thousand than that generated in the first half of 2014 (€ 2,256

thousand); this increase reflects the positive contribution of operative cash flow in the first half of 2015 of € 20,411 thousand, which allowed for an offset against the drop of EBITDA, which diminished by € 12,552 compared to the same period of the previous year. Industrial investments of € 14,575 thousand (€ 13,578 thousand in the first half of 2014) were made in the first half of 2015. They involved in particular the SEAT Business Area as explained above.

Main events in the first half of 2015 \

Resignation of the position of Director and Chairman of the Board of Directors

On January 2, 2015, Guido de Vivo resigned from the positions of the Chairman and member of the Board of Directors.

Appointment of the Board of Statutory Auditors

On January 27, 2015, the Seat Pagine Gialle S.p.A. Ordinary Shareholders' Meeting took the necessary measures to appoint new members to the Board of Statutory Auditors in the wake of the resignation of the standing members of that control body who were in office until October 14, 2014. As a result, until the natural expiration of the control body mandate, or until the Meeting of April 23, 2015, the Board of Statutory Auditors consists of standing auditors Maurizio Michele Eugenio Gili, Guido Nori and Ada

Alessandra Garzino Demo, and alternate auditors Roberta Battistin and Marco Benvenuto Lovati.

On April 23, 2015, the Ordinary Meeting of Shareholders appointed the members of the new statutory board of auditors, composed of statutory auditors Maurizio Michele Eugenio Gili, Guido Nori and Ada Alessandra Garzino Demo, and alternate auditors Roberta Battistin and Massimo Parodi.

Liability action and settlement proposal

On January 27, 2015, the Seat Pagine Gialle S.p.A. Ordinary Shareholders' Meeting approved the settlement proposal concerning the liability action against the former directors that held office between August 8, 2003

and October 21, 2012, and the settlement of relationships with parties other than the former directors called before the court, following payment of a total of € 30 million, which the Company announced on February 10, 2015.

Industrial relations: company restructuring agreement with trade unions signed on February 12, 2015 before the Ministry of Employment and Social Policies

On February 12, 2015, Seat Pagine Gialle S.p.A. signed a company restructuring agreement with trade unions, which was approved on the same day by the Ministry of Employment and Social Policies.

The new agreement provides for access to the Wage Guarantee Fund (CIGS) for up to 160 workers. This policy will remain in place from February 12, 2015 to February 11, 2017, and will apply to all offices and company departments. Furthermore, a CIGS moratorium is provided for the

remaining personnel by means of a rotation mechanism for a maximum of 36 days per person during the two-year period.

While CIGS is applied, initiatives may be put into place to safeguard employment levels and reduce the number of excess staff using retirement incentives, part-time arrangements and turnover blocks and new job placements via transfers between operating offices, primarily resulting from the closure of four offices.

Settlement with Mediocredito Italiano S.p.A. regarding termination of real estate lease agreements

On March 31, 2015 Mediocredito Italiano S.p.A. and Seat Pagine Gialle S.p.A. reached an agreement for termination of 5 of 7 lease agreements regarding the real estate complex in Turin hosting the offices of the Parent Company in relation to the authorization of the Court of

Turin pursuant to art. 169-bis of the Bankruptcy Act with the decision filed on July 9, 2014.

The agreement involved payment of an indemnification of approx. € 3.2 million, which was paid by April 2, 2015 as agreed.

Complete execution of the composition with creditors procedure

The final report regarding the execution of the composition with creditors procedure, together with the opinion of the Commissioners Office, were filed on April 14, 2015.

On April 23, 2015, the Court filed the decision confirming the complete execution of the agreement involving the Company and the subsidiary Seat Pagine Gialle Italia S.p.A.

The decision followed the decree approving the preliminary agreements proposed by the Company and the subsidiary,

and confirms full performance of the agreement's terms with complete performance of the agreement's obligations, in terms of pre-existing debts and bankruptcy debts owed to the creditors of Classes A, B, C and D of both agreements.

In view of this, the Court ordered that the Company is free of any personal or in rem liens or encumbrances on its property, related to obligations owed to the creditors under the agreements.

Transfer of Katalog Yayın ve Tanıtım Hizmetleri A.Ş.

On April 10, 2015 the entire stake held by Seat Pagine Gialle S.p.A. in Katalog Yayın ve Tanıtım Hizmetleri A.Ş.

was transferred to Doğan Şirketler Grubu Holding A.Ş.

Shareholders' Agreements signed on April 2, 2015

A shareholders' agreement was signed on April 2, 2015 between GoldenTree Asset Management LP and GL Europe S.à.r.l., regarding 34,619,965,094 ordinary shares of SEAT, representing approximately 53.87% of the Company capital and effective until the third anniversary

of the subscription date. Among other things, the agreement contains provisions regarding the voting rights of the aforementioned shareholders regarding the issues included in the agenda of Shareholders Meetings of April 23, 2015.

Seat Pagine Gialle S.p.A. 2014-2016 Warrants

On April 17, 2015 the information was provided that the Subscription Price of the warrants "Warrant Seat Pagine Gialle S.p.A. 2014-2016" (ISIN IT0005070286) (the

"Warrants"), determined pursuant to Article 1.2, paragraph 2, of the Warrant Regulations, was equal to 0.0045 euro.

Ordinary Meeting of April 23, 2015

On April 23, 2015, the Ordinary Meeting of Shareholders of Seat Pagine Gialle S.p.A. approved the financial statements for 2014 of the parent company Seat Pagine Gialle S.p.A., the drafting of which was approved by the Board of Directors on March 12, 2015, showing a positive result of € 1,390,295,399.26, € 12,203,233.78 of which was allocated to cover accrued losses, € 1,340,610,506.94 of which was allocated to cover the merger deficit from the merger of Seat Pagine Gialle Italia S.p.A. into Seat Pagine Gialle S.p.A., and the remaining € 37,481,658.54 to the available reserve.

Moreover, at the Meeting it was resolved to:

- Set the number of members of the Board of Directors at 7, establishing the duration of their mandates until the approval of the financial statements for the year ending on December 31, 2016, and establish the annual compensation for each director at € 75,000, plus € 5,000 per each day of directors' activities above the threshold of 18 days per year – authorizing an insurance policy covering the civil liability of directors to be taken out with an annual premium of up to € 350,000;
- Appoint Vincenzo Santelia, Maria Elena Cappello, Michaela Castelli, Mauro Del Rio, David Eckert, Francesca Fiore and Corrado Sciolla as directors, appointing also Vincenzo Santelia as the Chairman of the Board of Directors. All appointed directors were selected from the single list provided for the Meeting by GoldenTree Asset Management LP as the respective asset manager, the shareholders of The San Bernardino County Employees' Retirement Association, GT NM LP,

GoldenTree SG Partners LP and GoldenTree Asset Management Lux S.à.r.l. and voted for by majority;

- Appoint Maurizio Gili, Ada Garzino Demo and Guido Nori as Standing Statutory Auditors, until the approval of the financial statements for the year ending on December 31, 2017, and Massimo Parodi and Roberta Battistin as Alternate Auditors, appointing also Maurizio Gili as the Chairman of the Board of Statutory Auditors and setting the annual compensation for the Chairman of the Board of Auditors at € 90,000, and the annual compensation of each Standing Statutory Auditor at € 60,000. The Board of Statutory Auditors was appointed from the single list provided for the Meeting by GoldenTree Asset Management LP as the respective asset manager, the shareholders of The San Bernardino County Employees' Retirement Association, GT NM LP, GoldenTree SG Partners LP and GoldenTree Asset Management Lux S.à.r.l. and voted for by majority;
- Adjust the compensation of the independent auditors PricewaterhouseCoopers S.p.A. for the financial years in the period 2015-2020;
- Approve Section I of the Remuneration Report pursuant to Article 123-ter of Legislative Decree 58 of February 24, 1998.

Maria Elena Cappello, Mauro Del Rio, David Eckert, Francesca Fiore and Corrado Sciolla declared that they met the criteria of independence pursuant to Article 148, paragraph 3 of Legislative Decree 58/1998 and to the Code of Corporate Governance for Listed Companies;

Shareholders' Agreements between Shareholders and Italiaonline

A shareholders' agreement was signed on May 21, 2015 between Italiaonline S.p.A., Libero Acquisition S.à.r.l., GL Europe Luxembourg S.à.r.l., GoldenTree Asset Management Lux S.à.r.l., GoldenTree SG Partners LP, GT NM LP and The San Bernardino County Employees' Retirement Association involving a voting trust, the exercise of a controlling influence over the company, as well as the share transfer limits pursuant to Art. 122, paragraph 5, letters a), b) and d), of L.D. 58/98.

The Shareholders' Agreement indicates that the majority shareholders of the Company have a favorable opinion to the appointment of Dr. Antonio Converti, after the execution

of the assignment, as the Chief Executive Officer of the Company.

A modifying agreement was signed on July 20, 2015 between Italiaonline S.p.A., Libero Acquisition S.à r.l., GL Europe Luxembourg S.à r.l., GoldenTree Asset Management Lux S.à r.l., GoldenTree SG Partners LP, GT NM LP and San Bernardino County Employees' Retirement Association, concerning certain shareholders' agreements contained in the investment agreement signed on May 21, 2015 regarding the 34,619,965,094 ordinary shares of Seat PG equal to approximately 53.9% of the company capital, the subscription of which was communicated to the market on May 26, 2015.

Chief Executive Officer

At the meeting of the Board of Directors of June 19, 2014, the Chairman and Chief Executive Officer Vincenzo Santelia confirmed his availability to continue his current management, leading the Company until

the date of control changeover authorized by the competent authorities following the planned merger of Italia On Line and the Company or, in any case, until the end of August.

Events after June 30, 2015 \

New Chairman of the Remuneration and Appointments Committee and Lead Independent Director

On July 9, 2015 director David Eckert announced his resignation from the position of Lead Independent Director of the Company, yet remaining a member of the Board of Directors. The decision was based on the fact, communicated by the director to the Board, that the necessary independence requirements were no longer met. Therefore, on the same date the Board of Directors of the Company appointed Corrado Sciolla as

the new chairman of the Remuneration and Appointments Committee. David Eckert shall remain a member of the committee, which as a result is composed of Corrado Sciolla (Chairman), David Eckert and Francesca Fiore.

On 20 July the Board of Directors of the Company decided to appoint Maria Elena Cappello as the new Lead Independent Director replacing David Eckert.

Meeting of savings shareholders

On July 16, 2015, the Special Meeting of Savings Shareholders of Seat Pagine Gialle S.p.A. resolved to authorize the Common Representative, Ms. Stella d'Atri, to take the necessary steps to challenge – pursuant to Art. 2377 et seq. of the Civil Code – the decision made at the Ordinary Meeting of Shareholders of Seat Pagine Gialle S.p.A. on April 23, 2015, as to the part regarding the allocation of income for the year ending on December 31, 2014. The Company responded that the request to allocate

a portion of the 2014 income to distribution of dividends to the savings shareholders was not compatible with the proposed agreement approved by the Court of Turin, and even prior to that, with the resolution of the Special Meeting of the Company held on March 4, 2014 and the meeting of savings shareholders held on July 2, 2014, and therefore lacked merit.

On July 17, 2015, the Company receives a summons from Dr. d'Atri; the hearing is scheduled for January 12, 2016.

Management Outlook \

The first half of 2015 marks the end of an important cycle of company life, during which: (i) financial restructuring of the company was completed, permitting the liquidation of an enormous debt that arose more than a decade ago; (ii) strategic changes in the company business were made through the rebuilding of the sales network reorganized in regional branches, product innovation, broadening of the commercial offering and a complete media portfolio, and resuming investments in advertising and (iii) the first part of a business plan ("the Plan") implemented in order to enable the return to sustainable growth and satisfactory profitability by 2018.

The first half of 2015 is the third consecutive period that saw the company achieve its targets, a sign that the strategy put in place is producing the results expected.

The continued focus on targets allowed, including in just recent months, to move forward with product innovation. Among the main changes launched in 2015, of particular note are (i) the inclusion of "Adv on Facebook" permitting users to launch 5,000 campaigns for improved geopositioning and to profile users by types of interests (ii) the launching of "FacebookPresence", a new offering that includes the creation of Fanpage "site like" with quality images and new functionality, a Social Media Center platform for managing posts and a Social Media Editing service of posts written and monitored by editing staff, (iii) the launching of a new ECommerce platform integrated with Amazon and (iv) the launch of "SmartSite Easy", which envisions the progressive conversion of client websites into a new website line, all optimized for mobile devices. Moreover, as part of the strategy of strengthening the partnership with the leading players, in May the Company signed a partnership agreement with ItaliaOnline, providing an offering of display and e-mail marketing campaigns on Libero and Virgilio portals to the clients of SEAT.

Specifically, the SEAT Area (including Seat Pagine Gialle S.p.A. and the company Digital Local Services) acquired net orders from clients totaling € 157.7 million, less than the budget forecasts (€ 167.1 million), revenue of € 176.0 million (or approximately 47% of the revenue expected for the entire year), substantially in line with the budget forecasts (€ 179.4 million) and EBITDA of

€ 16.7 million (versus an original Plan forecast of € 12 million for the entire year), higher than the budget forecasts, which were negative (€ -4.4 million). In this respect, it must be noted that the result in terms of EBITDA being better than the budget provisions is the result of multiple factors, such as: (i) The higher percentage of revenue obtained from the Company's own products, with higher profit margins, compared to those resulting from third-party products, (ii) improved performance of all main cost items as a result of specific actions and decisive cost containment measures, and of lower advertising costs, and (iii) the strong improvement of client receivables collection, reflected in reduced requirements for credit allowance fund contributions (€ -5.5 million compared to the budget forecasts), events that more than offset the aforementioned delay in net orders from customers (approximately -6% compared to budget forecasts).

Consequently, cash and cash equivalents stood at € 124.5 million, more than the budget data (€ 98.7 million) thanks to greater profitability and a lower level of investments.

As regards forecasts on the future trends in the business, management is of the view that the positive results achieved in the first half of the year allow for a slight improvement of Ebitda targets for 2015. The slight delay in terms of net orders from clients and revenue, which is explained by a market dynamic that remains negative and by reduced investment in advertising, but which is more than offset by the strong improvement in quality in terms of mix and receipts, is considered recoverable in the remaining part of the year. EBITDA is therefore expected to slightly higher than the original forecast of Plan year-end of approximately Euro 12 million.

As it is known, on May 22, 2015 ItaliaOnline, Libero Acquisition, Avenue and GoldenTree issued a press release announcing an investment agreement involving the merger of ItaliaOnline and Seat Pagine Gialle.

Once the necessary antitrust and AGCOM authorizations are obtained, and subject to the approval of the merger by the competent Company bodies, the operation could lead to a review of strategies pursued by the Company in view of a detailed analysis of business assets, which will be shared.

Financial performance by Business Area \

<i>(euro million)</i>		Italian Directories	Other Activities	Aggregate total	Eliminations and other adjustments	Consolidated total
Revenues from sales and services	1 st first half year 2015	176.5	9.1	185.6	(2.3)	183.3
	1 st first half year 2014	202.1	10.8	212.9	(3.6) (*)	209.3
GOP	1 st first half year 2015	23.2	(1.5)	21.7	0.2	21.9
	1 st first half year 2014	40.0	(1.6)	38.4	2.0 (*)	40.4
EBITDA	1 st first half year 2015	16.1	(1.6)	14.5	-	14.5
	1 st first half year 2014	27.0	(1.8)	25.2	1.8 (*)	27.0
EBIT	1 st first half year 2015	(9.4)	(3.7)	(13.1)	-	(13.1)
	1 st first half year 2014	7.2	(5.7)	1.5	1.3 (*)	2.8
Total assets	June 30, 2015	498.1	16.9	515.0	(11.5)	503.5
	December 31, 2014	543.2	20.4	563.6	(20.3) (*)	543.3
Total liabilities	June 30, 2015	334.7	22.7	367.4	(16.7)	340.7
	December 31, 2014	362.7	22.5	385.2	(16.3) (*)	368.9
Net invested capital	June 30, 2015	39.2	2.8	42.0	4.3	46.3
	December 31, 2014	104.6	5.5	110.1	(7.2) (*)	102.9
Capital expenditure	1 st first half year 2015	13.0	1.5	14.5	0.1	14.6
	1 st first half year 2014	12.1	1.5	13.6	-	13.6
Average workforce	1 st first half year 2015	1,551	164	1,715	-	1,715
	1 st first half year 2014	1,626	178	1,804	-	1,804
Average number of sale agents	1 st first half year 2015	1,384	36	1,420	-	1,420
	1 st first half year 2014	1,370	56	1,426	-	1,426

(*) This includes the effects of Cipi S.p.A. deconsolidation.

Key performance indicators of the Group

	1 st half year 2015	1 st half year 2014
Number of published directories		
PAGINEBIANCHE ⁽¹⁾	-	58
PAGINEGIALLE®	-	85
SMARTBOOK (*)	46	-
Number of distributed directories (values in million)		
PAGINEBIANCHE®	-	10.6
PAGINEGIALLE®	-	7.9
SMARTBOOK (*)	8.1	-
Number of visits (values in million)		
<i>uninterrupted site acces for 30 minutes</i>		
PAGINEBIANCHE.it® (**)	91.0	82.9
PAGINEGIALLE.it® (**)	185.9	176.9
TuttoCittà.it®	29.8	27.1
Europages.com (**)	12.5	13.3
Download Seat's mobiles applications (values in million)		
PagineGialle Mobile	3.7	3.3
PagineBianche Mobile	3.2	2.6
Tuttocittà Mobile	1.9	1.4
89.24.24 Mobile	0.3	0.3
Glamoo Mobile	0.3	0.3

⁽¹⁾ The item included Gorizia and Treviso "One Book".

(*) From 2015 is distributed one volume "Smatbook" which includes directories PAGINEBIANCHE® and PAGINEGIALLE®.

(**) The total traffic includes the *web* and mobile visits and online webstes of customers.

Italian Directories \

Market scenario

Operating results for the first half of 2015 were realized as part of a general economic context in slow recovery, where the advertising market has continued its steady downward trend, for years now.

According to Istat, in the first quarter of 2015 the gross domestic product (GDP) of Italy rose by 0.3% compared to the previous quarter, a trend that confirms the preliminary estimate released by that statistics institute this past May 13. On the other hand, GDP growth was 0.1% compared to the first quarter of 2014.

In the second quarter of 2015, according to Istat, "the economic recovery continues, but information from production industries indicates a lower intensity than in the first quarter." In this regard it should be recalled that in May the change in the economic situation of the GDP envisioned by Istat for the second quarter had been estimated at +0.2%, with a "fork" of between 0 and +0.4%. With regard to the longer-term forecasts for the Italian economy, Istat expects growth in GDP of 0.7% in 2015, followed by growth of 1.2% in 2016 and 1.3% in 2017.

According to the most recent Nielsen data, the performance of advertising in Italy in the first five months of the year recorded a decline of 1.3% compared to the same period in 2014, with the month of May, which was

up 2.6%, reversing the very negative trend of the first four months of the year, which had recorded a decline of 2.3% compared to the same period in 2014. According to Nielsen, the performance in May, which up to now has represented the highest growth trend since the beginning of the year, will find difficulty recurring next month, when a comparison will be made with the month of June 2014, which had benefited from an important media event represented by the soccer World Cup in Brazil.

More specifically, the internet segment in May was slightly negative (-0.6%), with a decline of 2.2% in the first five months of the year. Moreover, adding the Nielsen estimate for the data on the web segment (mainly search and social), currently not monitored and therefore not communicated directly by companies, in the period of January to May 2015, the internet segment would be increased by 8.8 %.

With regard to other media, TV has closed the first five months with a decline of 0.7% (+4.5% in May); newspapers and magazines have lost 7.0% and 5.3%, respectively.

Investments into radio, on the other hand, have recorded an increase of 5.5% (+1.1% in May).

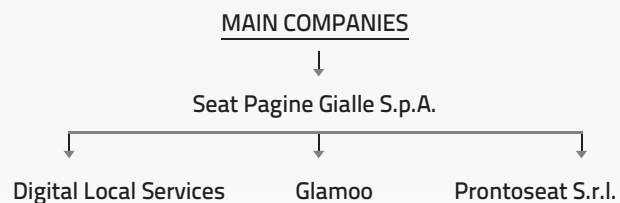
Again, there is a negative trend in cinema (-2.8%) and direct mail (-3.1%).

Results by product

		1 st half year 2015	1 st half year 2015 on total revenues
Digital		117.8	66.9
	Online Directory   	64.9	36.9
	Web Agency  	25.5	14.5
	Reselling  	27.4	15.6
Print		42.2	24.0
Voice	 	8.6	4.9
Third Party	    	7.5	4.2
Total revenues		176.0	100.0

Structure of the Business Area

The Directories Italia Business Area is organized as follows:



Economic and financial data

The table below shows the main results for the first half of 2015 compared with those from the same period of the previous fiscal year.

<i>(euro million)</i>	1 st first half year 2015	1 st first half year 2014	Change	
			Absolute	%
Revenues from sales and services	176.5	202.1	(25.6)	(12.7)
GOP	23.2	40.0	(16.8)	(42.0)
EBITDA	16.1	27.0	(10.9)	(40.4)
EBIT	(9.4)	7.2	(16.6)	n.s.
Capital expenditure	13.0	12.1	0.9	7.4
Average workforce	1,551	1,626	(75)	(4.6)
Net invested capital	39.2	104.6 (*)	(65.4)	(62.5)

(*) Data refers to December 31, 2014

Below is an analysis of the data for the SEAT Business Area, for Prontoseat S.r.l., and for Glamoo.

SEAT

This area comprises the data relating to Seat Pagine Gialle S.p.A. and the 74 Digital Local Services set up to provide greater oversight of the sales network and support to agents

and customers.

The table shows the main results for the first half of 2015, compared to those from the previous fiscal year.

<i>(euro million)</i>	1 st first half year 2015	1 st first half year 2014	Change	
			Absolute	%
Revenues from sales and services	176.0	201.9	(25.9)	(12.8)
GOP	23.7	40.6	(16.9)	(41.6)
EBITDA	16.7	27.6	(10.9)	(39.5)
EBIT	(8.6)	11.6	(20.2)	n.s.
Capital expenditure	13.0	12.1	0.9	7.4
Average workforce	1,397	1,470	(73)	(5.0)
Net invested capital	38.6	92.6 (*)	(54.0)	(58.3)

(*) Data refers to December 31, 2014

It should be noted that, from the time of the interim management report on March 31, 2015, the company started to express revenues on the basis of a new

classification (Digital, Print, Voice, and Third Party Products) that proves to be more consistent, than in the past, with its positioning as a "one-stop-shop" in the SME segment.

SEAT's **revenue from sales and services** amounted to € 176.0 million in the first half of 2015, down by 9.6% compared to the first half of 2014 at constant publication volumes. This result is largely in line with the budget forecasts (€ 179.4 million) and reflects a different mix than the one originally envisioned, considering a higher percentage of revenues realized on the Company's own products compared to the percentage deriving from third party products. Revenue performance in the first six months also reflects the forecasts made in the 2014-2018 Business Plan.

More specifically:

a) Digital Revenues (encompassing the core-internet/mobile revenues of the previous classification): They amounted to € 117.8 million in the first half of 2015, down 9.1% compared to the first half of 2014. The digital revenues share of the total amounted to 66.9% in the period. It breaks down as follows:

- *Directory* (the proprietary portals www.paginegialle.it, www.paginebianche.it, and www.tuttocitta.it, and mobile applications): The revenues from traditional directory products, amounting to € 64.9 million in the first half of 2015, fell by 20.2% compared to the first half of 2014. In this respect, it should be noted that at the end of 2014, the Company made a series of investments aimed at (i) safeguarding usage to retrieve the *usability* gap accumulated over the years and thus ensure a better *user experience* for users, (ii) developing innovative offerings to meet the needs of our customers, thus ensuring competitiveness and attractiveness on the market and confirming its own *leadership* in the local *advertising* segment, and (iii) improving the *performance* of the existing range of products with new features, technologies, and integration with the overall ecosystem, in order to maximize returns in terms of visibility to advertisers. The Company expects that the benefit of such interventions will be more apparent in the performance of revenues in the second half of the year.
- *Web Agency* (construction and management of websites optimized for mobile use as well, multimedia content creation, activities pertaining to web visibility, e-commerce and web marketing services, and managing presence on social networks): Revenues for web agency products were reported at € 25.5 million in the first half of 2015, down 12.6% compared to the first half of 2014 (down 15.8% in the first quarter of the year compared to the same period in 2014). Revenues for web agency discount the strong increased interest of customers in social communications that in part is eroding investment in its website. During 2014, the Company introduced a new range of websites, called

"Smart Sites". The gradual spread of this technology to all Seat customers represents the main competitive advantage that this business holds over local web agencies.

- *Reselling* (services of display advertising and of SEM (search engine marketing) – Google AdWords and hyperlocal advertising campaigns – Adv. on Facebook): Product revenues deriving from digital reselling activities amounted to € 27.4 million in the first half of 2015, up 43.5% compared to the first half of 2014, thanks both to the evolution of consolidated partnerships (Google) that were made more competitive, as well as the entry into new collaboration (Facebook) that have enabled the Company to obtain leadership and gain a competitive advantage within the relevant market. This positive trend that follows upon the strong growth recorded during the first quarter of the year (+54.8% compared to the same period in 2014) is expected to continue during the second half of the current fiscal year.

Performance of traffic overall, including visits to PAGINEBIANCHE.it®, PAGINEGIALLE.it®, and TUTTOCITTA'.it®, deriving both from the web and from mobile, and their online and mobile customer sites, amounted to about 306.7 million hits in the first half of 2015, an increase of 6.9% compared to the first half of 2014. With regard to mobile, it should be noted in particular that, at the end of June, overall SEAT mobile applications (PagineGialle Mobile, PagineBianche Mobile, Tuttocittà Mobile, 89.24.24 Mobile, Glamoo Mobile, Giallo Emergenza, and TorinoAPP) reached the threshold of about 9.4 million downloads (+19.4% compared to June 2014), considering both the Apple world as well as the other major platforms.

- b) Print** (including the core-paper revenues of the previous classification, revenues from directories distribution, and other lesser revenues relating to print products): Print products revenues, including revenues deriving from the two Pagine Gialle and Pagine Bianche e-book applications for iPad, amounting to € 42.2 million in the first half of 2015, increased 4.1% compared to the first half of 2014 at constant publication volumes, after a slight decline (-0.8%) recorded in the first quarter of the year compared to the same period in 2014. In this respect, it should be noted that starting from February 2015, distribution has begun of the Smartbook, the single-volume Pagine Gialle and Pagine Bianche, with a new format, a larger font to facilitate use, supplemented with the TuttoCittà data and new pages dedicated to services, broken down by categories, and to the particular characteristics of individual territories. In

addition, thanks to a new distribution system based on a computerized mapping system, which is going into operation initially in metropolitan areas, the new product will have, already in 2015, widespread distribution in Italian cities (to date, more than 938 thousand roads, squares, and streets have already been mapped) and a more advanced and a more accurate certification mechanism, to supply the more than 300 thousand businesses that buy ads each year. The positive effects of these initiatives in the first half of 2015 confirm their validity, and a further positive impact on revenues is also expected in the second half of the year. With regard to the online component of the revenues of PAGINEBIANCHE®, it is noted that, starting from the first quarter of 2015, as shown by the evidence from the data on usage, considered to be a proxy for generating leads for customers, this indicator has been used as the new criterion for estimating the share of revenue attributable to the online component of the PAGINEBIANCHE® offering.

c) Voice (including core-telephone advertising revenues from the previous classification and the telephone traffic revenues): The revenues from the directory assistance services 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® amounted to € 8.6 million in the first half of 2015, down 44.5% compared to the first half of 2014, with a greater decline in the advertising component (-65.8%) than in telephone traffic (-33.0%). In this respect, it should be noted that the Company is continuing its strategy of efficiently managing volumes structurally shrinking due to a market in profound transformation, placing particular focus on cost reduction.

d) Revenues on Third Party Products (encompassing other revenues and minor products of the previous classification, net of revenues from the telephone traffic of directory assistance services, revenues from directories distribution, and other lesser revenues relating to print products): Revenues from other products amounted to € 7.5 million in the first half of 2015, a decrease of 17.8% compared to the first half of 2014. Of particular note are revenues arising from partnership agreements signed with major players in the media world, amounting to € 4.0 million (largely related to the existing TV offering with Sky) and revenues from Direct Marketing products and from Merchandising activities amounting to € 2.4 million.

II GOP stood at € 23.7 million in the first half of 2015,

down by € 13.6 million compared to the first half of 2014 at constant publication volumes. The reduction is due to the fall in revenues, which was offset only partially by lower operating costs. Costs of materials and external services, net of costs charged to third parties, totaled € 114.9 million for the first half of 2015, a decrease of € 0.5 million (-0.4%) compared to the first half of 2014 at constant publication volumes. In particular, *industrial* costs, at € 53.0 million in the first half of 2015, rose by € 3.3 million compared with the first half of 2014, at constant publication volumes (€ 49.7 million).

The fall in the volume of calls to the 89.24.24 Pronto PAGINEGIALLE® and 12.40 Pronto PAGINEBIANCHE® services caused inbound call center service costs to fall by € 1.5 million, to € 3.2 million. Commissions rose by € 2.9 million, to € 19.1 million, due to the management of online offerings aimed at increasing web traffic and the new media agency offering.

Commercial costs, at € 39.5 million in the first half of 2015, are down by € 5.1 million compared to the first half of 2014, at constant publication volumes (€ 44.6 million); this reduction is mainly due to a different time positioning between advertising campaigns and advertising expenses, which amounted to € 2.8 million in the first half of 2015, down from the same period of the previous fiscal year, (-€ 6.1 million).

Commission costs and other costs related to sales force recorded a decline in line with the performance of revenues, at € 2.7 million (-8.4%).

Overhead totaled € 22.4 million in the first half of 2015, up € 1.3 million from the first half of 2014.

Salaries, wages and employees benefits costs, net of cost recoveries for staff moved to other Group Companies, amounted to € 37.4 million in the first half of 2015, a decline of € 4.5 million (-10.8%) compared to the first half of 2014; the decline is due to the progress in Seat's restructuring, partially offset by greater Digital Local Services sales staff costs.

EBITDA amounted to € 16.7 million in the first half of 2015, down by € 7.6 million compared to the first half of 2014 at constant publication volumes (-31.2%), with a 9.5% effect on revenues (12.5% in the previous half year). The margin essentially reflects the downward GOP performance, offset partially by lower provisions to the allowance for doubtful trade receivables and to the risk reserve (€ 5.4 million). In the first half of 2015, the provision to the allowance for doubtful trade receivables, down € 6.1 million compared to the same period in the previous fiscal year, thanks to maintaining a high level of focus on the quality of the sales and on the management of receivables from customers, enabled the percentage

of coverage of overdue receivables to be maintained in a satisfactory manner.

The **operating result (EBIT)**, a positive € 8.6 million in the first half of 2015 reflects the performance in EBITDA and includes operating and non-operating amortization, depreciation, and write-downs of € 19.4 million and net non-recurring costs of € 5.9 million, comprising mainly net restructuring costs of € 32.2 thousand, non-recurring costs of € 3.6 million, and non-recurring income of € 30 million relating to the sum paid by the former directors of Seat Pagine Gialle S.p.A. in relation to the outcome of the liability action settlement.

Net income from composition with creditors amounted to € 5.9 thousand in the first half of 2015 and refers to the net effect arising from the termination of 5 of the 7 leasing agreements that resulted in the elimination of the related financial debt and elimination of the posting under assets of the fixed assets to which the financial leasing pertained.

Capital expenditure amounted to € 13.0 million in the first half of 2015 and related mainly to: *i)* the developmental improvements in Web and Mobile service provision systems (about € 4.1 million), in particular for the real-time updating of content and its publication, for the

improvement of search algorithms and for the identification of new functional graphics solutions on the Company's web portals; *ii)* developmental improvements in Web products (approximately € 3.1 million) mainly related to the optimization of the graphics concept for use by mobile, developments for a new range of Sites for the development of the Custom Large Customers offerings; *iii)* developmental improvements (about 3.3 million) within the sales and publishing areas for enhancing and adapting the systems for new product offerings.

The **average workforce** stood at 1,397 employees in the first half of 2015, compared to 1,470 in the first half of 2014; the reduction of 73 employees was due mainly to the progress of restructuring at SEAT.

Net invested capital amounts to € 38.6 million at June 30, 2015, net of the carrying value of investments in subsidiaries, a decline of € 54.0 million compared to December 31, 2014 (€ 92.6 million) mainly attributable, to the extent of € 17.4, to the elimination of the posting under assets of the fixed assets involving the leasing agreements subjected to termination and to the extent of € 32.2 to the provision to the current and non-current portions of the restructuring reserve - following upon the new workforce restructuring plan initiated at Seat Pagine Gialle S.p.A. starting in February 2015.

Glamoo group

Wholly owned by Seat Pagine Gialle S.p.A.

Glamoo S.r.l. operates in the e-commerce sector's flash sale segment, which was introduced in Italy in 2003. The company has three business lines within this segment: *Local Couponing* (which allows the user to obtain services from local merchants at favorable terms), *Products* (covering all of the main merchandise

sectors, from fashion to electronics, from décor to gadgets), and *Travel*.

Glamoo Ltd and Glamoo S.r.l. are included in the scope of consolidation since May 31, 2014; accordingly, the table shows the economic data for the first half of 2015 and just the month of June for 2014.

(euro million)	1 st first half year 2015	1 st first half year 2014	Change Absolute	%
Revenues from sales and services	0.9	0.1	0.8	n.s.
GOP	(0.6)	(0.2)	(0.4)	n.s.
EBITDA	(0.7)	(0.3)	(0.4)	n.s.
EBIT	(0.8)	(0.3)	(0.5)	n.s.
Average workforce	23	31	(8)	(25.8)
Net invested capital	0.1	- (*)	0.1	n.s.

(*) Data refers to December 31, 2014

Revenues from sales and services were recorded at € 0.9 million in the first half of 2015. During the first half of 2015, the downward trend in revenues has continued, in light of the reduction in the investments in advertising and promotions that the business had made in previous periods.

Since May, management's attention has been focused on streamlining and reducing fixed costs. In addition, with regard to the portion involving the Products line of business, numerous activities have been focused on the elimination of deals that have low profitability and

on growth in large customer billings and Brands, both traditional and new.

GOP amounted to a loss of € 0.6 million in the period.

EBITDA and **EBIT** were down, respectively, by € 0.7 and 0.8 million, performing in line with the GOP.

In the first six months of 2015, the **average workforce** was 23 employees.

Prontoseat S.r.l.

Wholly owned by Seat Pagine Gialle S.p.A.

The table shows the main results for the first half of 2015 compared with those from the same period of the previous fiscal year.

(euro million)	1 st first half year	1 st first half year	Change	
	2015	2014	Absolute	%
Revenues from sales and services	2.6	1.8	0.8	44.4
GOP	0.1	(0.4)	0.5	n.s.
EBITDA	-	(0.4)	0.4	100.0
EBIT	-	(0.5)	0.5	100
Average workforce	131	125	6	4.8
Net invested capital	0.6	0.6 (*)	-	-

(*) Data refers to December 31, 2014

Revenue from sales and services were recorded at € 2.6 million in the first half of 2015, up by € 0.8 million compared with the same period in the previous fiscal year. The higher billings are basically attributable to an increase in outbound revenues (+0.7 million compared to the first half of 2014) due to the introduction of new services such as Web Renewals, to the increase in customer care activities for customer loyalty, Smart Site for creating new-generation sites, and to the Seat telesales incentive system that was not present last year. There was also an increase in inbound revenues (up € 0.1 million compared to the first six months of 2014) thanks to the start-up of the 89.24.24. service and part of the 12.40 service on June 1, 2015.

GOP is up by € 0.1 million, an increase of € 0.5 million compared to the same period of the previous fiscal year; this result was achieved due to the increase in revenues and the continuation of a careful policy of cost reduction and containment.

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

The average workforce (131 employees in the first half of 2015) increased by 6 compared to the same period of the previous fiscal year.

Relevant regulatory framework

The relevant regulatory framework applicable to the activities carried out by the SEAT Group in general, and by SEAT Pagine Gialle S.p.A. in particular, falls within the package of EU Directives on telecommunications:

Directive 2002/19/EC (Access to electronic communications networks); Directive 2002/20/EC (Authorization of electronic communications networks and services); Directive 2002/21/EC (Common regulatory framework for electronic communications networks and services); Directive 2002/22/EC (Universal service); and Directive 2002/58/EC (Processing of personal data and the protection of privacy in the electronic communications sector). These directives were reformed and, at the end of 2009, the European Commission approved a new package of regulations: Directive 2009/140/EC (for "Better Regulation"); Directive 2009/136/EC (on "Citizens' Rights"); and Regulation (EC) No 2009/1211, which set up a supranational regulatory body, BEREC (Body of European Regulators for Electronic Communications).

While the reform came into force on May 25, 2011 in most EU countries, in Italy the time frame for adoption was longer:

- on June 1, 2012, the new Electronic Communications Code came into force (through Legislative Decree 70 of May 28, 2012, implementing EU Directive 2009/140/EC). As far as SEAT Pagine Gialle is concerned, the most important aspect introduced by the decree is the exclusion of telephone directories from universal-service obligations.

- on May 28, 2012, Legislative Decree 69 (implementing EU Directives 136/2009 and 140/2009) was issued, introducing a number of amendments to the Personal Data Protection Code (Legislative Decree 69/2012).

The aspect most relevant to SEAT Pagine Gialle concerns the regulations governing the use of cookies, which state that in order for cookies to be installed on a user's computer (for marketing or other identification purposes), the user must receive clear notification and give their express consent.

The Italian data protection authority has issued a general measure establishing detailed rules on the technical and communication methods used to send this online notification, to inform users about the use of cookies and provide instructions to obtain consent (when required by law). For compliance with the provisions of that Authority, a transition period of one year has been planned, starting from the date on which the measure was published in the Italian Official Gazette (June 3, 2014). The Measure came into force on June 2, 2015.

- In January 2012, the European Commission presented its draft Privacy Regulation, which will replace Directive 95/46/EC and will govern the new European legal framework on data protection, together with a directive on data processing for judicial and law-enforcement purposes (this is also under discussion). Once approved, the EU Regulation shall immediately become enforceable. Unlike directives, it will not need to go through the adoption process in each Member State. SEAT actively participated in the discussions on the text and submitted its own position paper to ensure that the final version of the Regulation takes our recommendations into consideration.

Privacy – Telemarketing – New rules on the processing of data relating to persons included in public directories of telephone service subscribers: Introduction of the opt-out principle and creation of the Objections Register

Law 166 of November 20, 2009 ("Urgent provisions for the implementation of EU obligations and the enforcement of judgments of the Court of Justice of the European Union") converted Decree 135 of September 25, 2009 (the "Malan amendment") into law and made significant amendments to Article 130 of the Personal Data Protection Code ("unwanted communications"). The new provisions of law permit telephone processing of the data of subscribers included in telephone directories for advertising, direct sales, market research and commercial communications purposes for those who have not exercised their right to opt out. Subscribers may opt out by including their telephone number in a public opt-out register, created on November 2, 2010 following the publication of Presidential Decree 178 of September 7, 2010, "*Public register of subscribers opposed to the use of their telephone number for direct-marketing purposes*". The register, which is managed by the Ugo Bordoni Foundation, was activated on February 1, 2011.

From that date on:

- companies operating in the telemarketing sector may no longer contact subscribers whose numbers are included in the register. All telesales lists taken from telephone directories (such as Pagine Bianche and Pagine Gialle) must therefore be checked against the opt-out database before being used. The lists containing the names of subscribers who can be validly contacted have been reduced to 15 days;

- direct-marketing companies must identify themselves as such to the Ugo Bordoni Foundation and must sign a contract under which they agree to match their lists with the opt-out database.

The Italian Data Protection Agency order issued on January 19, 2011 ("Requirements for operator-assisted telephone processing of personal data for marketing purposes following the creation of the public opt-out register") stipulates that the new regulatory framework also gives businesses the right to opt out. Therefore, telesales of the products of any company aimed at a business audience may be carried out using the aforementioned matching procedure (or using lists of parties that have given their express consent). SEAT has therefore signed up for opt-out register matching. In February 2011, the Italian Data Protection Agency issued Order 73 of February 24, 2011 ("Models of information and request for consent to process personal data of subscribers to fixed and mobile telephone services"), which, in light of the introduction of the new opt-out regime for telemarketing activities, is aimed at telecommunications operators, with a view to clarify the

methods of including and/or keeping the data of subscribers in the single database and the publication of these data in directories.

Lastly, on May 22, 2011, the previous regulation on postal marketing, which established an opt-out system (the possibility of being contacted without express consent), without prejudice to the right of individuals to refuse postal marketing by enrolling in the public opt-out register, was modified within the "Development Decree" (Legislative Decree 70 of May 22, 2011 – Article 6). As a result, regulations on direct marketing provided for equal treatment for telephone and postal marketing.

The Italian Data Protection Agency has not issued the implementing measure as of yet, and its impact on SEAT involves elimination of the "envelope" symbol printed in the Pagine Bianche directory, to make the consent of subscribers to receiving postal marketing materials (the current opt-in system) more explicit.

Signing up for the opt-out regime

On January 28, 2013, the Company's Board of Directors resolved to sign up for the opt-out regime established under Article 70, paragraph 8, and Article 71, paragraph 1-bis, of the Issuers' Regulation, thereby availing itself of the option to avoid the obligation to publish a prospectus

for significant mergers, demergers, capital increases by way of in-kind consideration, acquisitions and disposals. On February 1, 2013, the Company released appropriate information to the market.

Other activities \

Structure of the Business Area

This Business Area comprises all activities not included in the previous area. It is specifically organized as follows:



Economic and financial data

The table shows the main results for the first half of 2015 compared with those from the same period of the previous fiscal year.

<i>(euro million)</i>	1 st first half year 2015	1 st first half year 2014	Change Absolute	%
Revenues from sales and services	9.1	10.8	(1.7)	(15.7)
GOP	(1.5)	(1.6)	0.1	6.3
EBITDA	(1.6)	(1.8)	0.2	11.1
EBIT	(3.7)	(5.7)	2.0	35.1
Capital expenditure	1.5	1.5	-	-
Average workforce	164	178	(14)	(7.9)
Net invested capital	2.8	5.5 (*)	(2.7)	(49.1)

(*) Data refers to December 31, 2014

Below is an analysis of the data for each company that makes up the Business Area.

Europages

98.37% owned by *Seat Pagine Gialle S.p.A.*

Europages is a qualified-lead generation and company-search platform operating in the business-to-business (B2B) segment. It has a multilingual search engine that allows users to select and contact potential suppliers, customers/clients or distributors from 35 countries, mainly in Europe. Firms are free to create their own profile on web pages that are set up for indexing in the major search engines. Europages gives its members the ability

to manage published content and monitor a series of useful indicators for optimizing results. The database consists of some 2.6 million companies. Europages is also offering an exhaustive range of services for online marketing on its own media, from placement in multilingual search results to display advertising and in retargeting through the Google Display Network, and from online catalogs to email campaigns.

The table shows the main results for the first half of 2015 compared with those from the same period of the previous fiscal year.

<i>(euro million)</i>	1 st first half year 2015	1 st first half year 2014	Change	
			Absolute	%
Revenues from sales and services	3.7	4.2	(0.5)	(11.9)
GOP	(0.9)	(1.0)	0.1	10.0
EBITDA	(1.0)	(1.1)	0.1	9.1
EBIT	(1.2)	(1.4)	0.2	14.3
Capital expenditure	-	0.1	(0.1)	(100.0)
Average workforce	64	76	(12)	(15.8)
Net invested capital	(4.2)	(2.7) (*)	(1.5)	(55.6)

(*) Data refers to December 31, 2014

In the first half of 2015, revenues from sales and services were recorded at € 3.7 million (€ 4.2 million in the same period in 2014). The decline in billings is mainly attributable to the sharp contraction of the Italian market (-23.3%), affected by economic conditions that still show no tangible signs of improvement for SMEs and by the performance of the advertising market that remains weak. There is slight growth in revenues in other countries (+9%), driven by the positive sales performance in Germany.

Traffic is stable at over 2 million hits per month.

The quality of the visits continues to improve as shown by the positive direction of indicators such as the number of searches performed per visitor (+5% compared to the same period in 2014), the number of page views (+7%), and the duration of visits (+8%).

Furthermore, during the first half of 2015, 18,178 new businesses have created profiles on the Europages site, and in the same period there were 44,337 new users registered. Registration has been mandatory since

October 2014 and it is required for all users who use the contact tools on the platform for sending messages to the businesses searched.

In the first six months of 2015, new sales distribution agreements were also signed in Hungary, Tunisia, and Turkey.

GOP closed with a negative balance of € 0.9 million (down by € 1.0 million in the first half of 2014); this result is influenced by the above-mentioned fall in revenues.

EBITDA and **EBIT** were -€ 1.0 million and -€ 1.2 million, respectively (-€ 1.1 million and -€ 1.4 million, respectively, in the first half of 2014), performing in line with **GOP**.

The average workforce was 64 employees at the end of June 2015, 12 fewer than in the same period of the previous fiscal year.

Net invested capital amounted to -€ 4.2 million as of June 30, 2015 (-€ 2.7 million as of December 31, 2014).

Consodata S.p.A.

Wholly owned by Seat Pagine Gialle S.p.A.

Consodata S.p.A., the leader in Italy for one-to-one marketing and geomarketing, with an increasingly significant presence in the promising business&credit information market, has been offering wide-ranging and innovative customer acquisition, evaluation and

management services to thousands of businesses operating in various product sectors for over 20 years. Consodata S.p.A. focuses its business on the wealth of personal and statistical information in its database and on its recognized data processing and leveraging skills.

The table below shows the main results for the first half of 2015 compared with those from the same period of the previous fiscal year.

(euro million)	1 st first half year 2015	1 st first half year 2014	Change Absolute	%
Revenues from sales and services	5.4	6.6	(1.2)	(18.2)
GOP	(0.6)	(0.6)	-	-
EBITDA	(0.6)	(0.8)	0.2	25.0
EBIT	(2.5)	(4.3)	1.8	41.9
Capital expenditure	1.5	1.4	0.1	7.1
Average workforce	100	102	(2)	(2.0)
Net invested capital	7.0	8.2 (*)	(1.2)	(14.6)

(*) Data refers to December 31, 2014

Revenues from sales and services were recorded at € 5.4 million in the first half of 2015, down by 18.2% compared to the first half of 2014.

This decline is mainly attributable to the decline in direct marketing sales within the SEAT agent network (-€ 0.9 million), due to the lack, in 2015, of publishing products connected with summer 2014 sporting events (World Cup). The performance in sales and revenues of the two Consodata direct-sales channels has demonstrated slightly-declining data compared to the same period of the previous fiscal year. More specifically, the revenues of products sold by the Consodata agent network show revenues slightly in decline compared to the first half of 2014 (-8.7%) reflecting purchase sales performance in line with 2014 but affected by the slowdown in the sales of Kompass brand products.

Revenues from the products and services marketed by the Large Customers channel are substantially in line with the same period of the previous fiscal year (-0.6% compared to the first half of 2014).

Revenues in the business&credit information area are stable with respect to the first half of 2014, reaching € 1.2 million, in line with the ever increasing strategic focus on

this area and on this offering type.

Operating profitability is up compared to 2014, reflecting a more favorable mix of revenues as a result of the decline in revenues with relatively low margins deriving from the SEAT agent network and the increase in revenues with higher margins related to the Large Customers channel.

EBITDA is down € 0.6 million (down by € 0.8 million in the first half of 2014); this is a slight improvement and is mainly attributable to the cost containment actions pertaining to structural costs between the end of 2014 and the first half of 2015.

EBIT is down € 2.5 million (down by € 4.3 million in the first half of 2014), showing an improvement of € 1.8 million compared to the same period of the previous fiscal year; the first half of 2014 was impacted to the extent of € 0.7 million by provisions for early retirement incentives.

Capital expenditure totaled € 1.5 million in the first half of 2015, down € 0.1 million compared to the same period of the previous fiscal year (€ 1.4 million), and it was aimed at the usual development of software platforms, enrichment

of databases, purchasing of data bases, as well as upgrading the production and service provision IT platforms.

The average workforce was 100 employees in the first half of 2015 (102 employees in the first half of 2014).

Net invested capital stood at € 7.0 million as of June 30, 2015 (€ 8.2 million as of December 31, 2014).

Relevant regulatory framework

In June 2008, the Italian Data Protection authority issued an order against Consodata S.p.A. restraining the company (and a number of telephone operators) from continuing to process personal data obtained from telephone directories published prior to August 1, 2005, on the grounds that such data had been obtained without providing required information or obtaining their express consent where required to do so by law.

Upon notification of the aforementioned order, Consodata S.p.A. appealed to the Court of Rome to have the order overturned. The appeal was denied in light of new legislation (known as the "one thousand extensions decree") allowing subscriber data obtained prior to August 2005 to be used by direct marketing operators until December 31, 2009.

At the end of November 2009, the Authority issued a restraining, which Consodata also appealed to the Court of Rome. On October 5, 2011, the Court of Rome denied in its entirety the appeal lodged by Consodata on March 19, 2010. It was therefore confirmed that Consodata was not able to use data obtained without specific consent, other than for postal purposes.

In February 2010, the Authority gave notification that it was initiating a penalty procedure relating to certain databases used by Consodata S.p.A., giving the company

the opportunity to either submit a statement of defense to the Authority or pay a reduced amount of the fine issued via a cash settlement. The company again decided to submit a statement of defense in order to clarify its actions.

In response to this statement, the Authority acknowledged Consodata's new operational setup for controlling data processing and reiterated the need for specific consent to data processing to be obtained for each method used to contact subscribers. The Authority also accepted the company's proposal to use the data contained in some of its databases where consent had been given, in compliance with the principle of "single use" (whereby the customer undertakes to restore or delete the data after an agreed period of use).

On January 10, 2013, an order was finally issued for final determination imposing the fine resulting from the restraining order issued by the Italian Data Protection Authority on November 26, 2009. With this order dated January 10, 2013, which imposed a fine of € 0.4 million in total, the Authority issued a severe and definitive punishment, but also acknowledged that Consodata has substantially altered its behavior since 2009, with to the aim of bringing a more cautious and informed approach to its operating and commercial processes.

Other Information \

Human resources \

Seat Pagine Gialle Group

	As at 06.30.2015	As at 12.31.2014	Change
Employees	1,889	1,916	(27)
Directors, project workers and trainees	20	16	4
Total workforce at the end of the period	1,909	1,932	(23)
	1 st half year 2015	1 st half year 2014	Change
Senior managers	120	113	7
Managers	195	215	(20)
White collars	1,271	1,336	(65)
Journalists	1	1	-
Call operators	106	98	8
Employees	1,693	1,763	(70)
Directors, projects workers and trainees	22	41	(19)
Average workforce for the period	1,715	1,804	(89)

The Seat Pagine Gialle Group has a total workforce of 1,909 employees as of June 30, 2015, 23 less than on December 31, 2014 (1,932 employees) as a result of reorganization actions implemented at Seat Pagine Gialle S.p.A. and in the Group's companies.

The average presence in the first half of 2015 was 1,715 employees, 89 fewer compared to the same period of

the previous fiscal year (1,804 employees in the first half of 2014).

As regards the distribution of human resources across the various Business Areas, the SEAT Business Area (Seat Pagine Gialle S.p.A., Digital Local Services) employed 81.5% of the average total workforce in the first half of 2015, generating approximately 96.0% of the revenue.



SEAT Business Area

(SEAT Pagine Gialle S.p.A. and the Digital Local Services companies)

	As at 06.30.2015	As at 12.31.2014	Change
Employees	1.459	1.528	(69)
Directors, project workers and trainees	16	11	5
Total workforce at the end of the period	1.475	1.539	(64)

	1 st half year 2015	1 st half year 2014	Change
Senior managers	114	103	11
Managers	165	180	(15)
White collars	1,100	1,152	(52)
Journalists	1	1	-
Employees	1,380	1,436	(56)
Directors, projects workers and trainees	17	34	(17)
Average workforce for the period	1,397	1,470	(73)

The workforce as of June 30, 2015 decreased by 64 compared with December 31, 2014 (69 for employees only) due to SEAT's restructuring process. Also, Digital Local Services experienced a marginal workforce reduction (- 7 employees) having reached the stability level of the New Commercial Model. The continued

number of interns working at the Talent Factory (recruitment and training of young commercial employees) at the beginning of the year was moderate. The average workforce in the first half of 2014 decreased by 5% compared to the first half of 2014 as a result of the aforementioned reorganization plan.

Sales network

As of June 30, 2015, Seat Pagine Gialle S.p.A.'s sales network comprised 1,354 agents and dealers and 129 employees, categorized by type of customer and market potential. To be more specific:

- the National Clients segment, which comprises nationwide companies with specific communication needs, is served by a sales force of 23 employees, consisting of broken out as follows: Channel Managers; 8 Sales / Area / Channel Manager and 14 "Key Account"; there are additional 13 agents. The network is supported by a team of highly skilled specialists who are responsible for overseeing market developments, responding to the need for innovation and specialization, proposing and developing new solutions, ensuring a service level-based market approach following accurate customer segmentation, and sharing expertise within the organization;

- the SME segment, which ranges from small businesses to high-spending customers with local and specialized service needs, is overseen by nine Regional Divisions containing 74 branches (SEAT Media Agencies) managed by employee field managers, with a telephone sales channel that also manages customer care and retention. Each structure provides the network with support with planning, training coordination and sales operations. Customers are served by a network of 1,341 agents, who cover the SME communication market, 46 Top Customer agents, and around 600 telesales and customer care operators. The 74 SEAT Media Agency offices, regional limited liability companies wholly owned by SEAT P.G. S.p.A., use a workforce of more than 500 people to provide back office, website creation and technical assistance services, as well as commercial and training support to agents.

Organizational development

In the first half of 2015, no substantial changes were made to the first level organizational structure, which has four departments reporting to the CEO: Sales & Marketing, IT & Operations, Administration, Finance & Control and HR & Organization. However, lower business organization levels were impacted by the 2015 – 2017 Reorganization Plan that was started in the first half of the year, consistent with the principles set out in the agreement signed with S.O.'s,

involving: Confirmation of the business mission of the company with investments in the sales network and territory oversight, strong focus on continuous product innovation, maintaining company unification in terms of support structures increasing efficiency through overall reorganization of work and company processes supported by strong investments in training, and finally a streamlining and consolidation of the group's perimeter and suppliers.

Selection, training, sales & marketing and learning

In the first half of 2015, recruiting activity continued to focus mainly on the search of junior commercial agents targeting the potential market, with 210 new resources hired.

Search and recruitment activities also continued for positions in the DLS companies, and there are now 120 media consultants and 173 web masters.

The Company also consolidated its activities aimed at improving its positioning on the job market, including through the use of modern employer branding tools, with a special focus on the management of a corporate career page on LinkedIn, with more than 11,000 followers, and the creation of a fan page on Facebook, which received more than 3,400 "likes". Employer branding is also reinforced with participation in career days and job fairs.

Training was continued in the first half of 2015.

In particular, the "MI.TO" training course provided by Polytechnic University of Milan was completed by 60 persons from the IT&OP Department on the MI.TO project, with modules focusing on technical and behavioral topics. The project was completed in May 2015 with the discussion of project work and delivery of certificates.

Linguistic training was started with 40-hour English language courses provided in classes of approximately 6 participants (12 classrooms in Turin and 3 classrooms in Milan) for head-office staff, using online methods for staff working in other offices or as sales staff.

A one-day training entitled 'Design the Future' started in February. It is meant to involve the entire company population in a Resilience project to evaluate their skills and positively manage change. The course will continue to be provided in the second half of 2015.

Obligatory workplace safety training for workers (low risk) and coaching certification for training Coordinators continued in the first half of the year. The second

module of Trainer coaching certification was also started.

Courses in use of Office software (Excel, PowerPoint), Photoshop and copywriting were provided in accordance with company needs.

Training meetings with middle management on 'feedback and communication', aimed at supporting managers in communication and providing effective feedback to employees, were also continued.

At the same time, training plans for employees and staff on temporary leave were presented to Fondimpresa and the previous results were summarized.

Individual employees also attended external courses on specialized topics as requested by the management.

In the first half of 2015, a total of 20 orientation courses were held for new Sales Assistants. A new orientation process was also established with the introduction of an initial e-learning component followed by classroom training alternating with on-the-job training and in-the-field sales training. A test of this new approach was started in February 2015, for a total of 5 editions.

For Agents that have already gone through orientation, 5 different training modules in 9 editions were designed as needed and provided with specific objectives of improving sales performance and overcoming competition-related objectives.

Mapping of product competencies of all Agents and Team Leaders was also designed. This mapping, obtained via multiple choice online tests, was carried out in July 2015, in order to identify the strong points and areas of improvement of each Seat sales representative, in order to carry out specific, targeted subsequent training.

A new training course was also designed for team leaders to improve their managerial skills, particularly skills relating to recruitment, management and motivation of the sales force, as well as providing

feedback. Five different training modules were provided for a total of 15 editions.

Two different training modules (9 editions) were also carried out in order to improve public speaking performance and motivation of Field Manager and Media Consultant professionals.

EvaluAction, an opportunity to compare the Field Manager's skills and knowledge related to the 2014 sales performance of Agents, Team Leaders, Media and Digital Consultants, was concluded on April 30, 2015.

The objective of the process was to map and identify strength and improvement areas to work on through a robust and more effective offering of training and growth.

The target for the 2014 process was 1,344 sales personnel, comprised of 1,153 Agents, 75 Team Leaders, 97 Media Consultants and 19 Digital Consultants.

The evaluation percentage was satisfactory, equal to 68% of the total, with a peak of 70% for Media Consultants. In the first half of 2015 the training initiatives planned and carried out for the DLS resources was related to copywriting abilities for Web Masters and introductory courses on knowledge of the site range and use of all platforms (Skipper and Smarteditor 3.0 management software); audience management elements (Public Speaking training sessions) for Media Consultants.

The media consultants also enrolled and participated in 6 events and seminars on digital topics and attended webinars on ADWORDS conducted by a Google instructor for the development and updating of these professionals on an ongoing basis.

A media planning training course was also carried out with the MIP (Polytechnic University of Milan business school), with the participation of all 120 media consultants and digital consultants.

Finally, all MC/DC, after obtaining the Google Adwords certification, participated in a 2-day course designed and organized internally, meant to provide all the skills for planning/preparation and management of pay-per-click campaigns, on internal applications (PGC Admin Panel) as well as directly on the Adwords Panel.

Activities also included the design, planning and launch of new products/tools across the entire sales force.

More specifically, the following were introduced: New 2015 Multimedia offerings (offer packages); news updates on Pg.it (PG EXPO) regarding national and local specialized products (Cinema Movemedia; Moto GP and Moto 3, SKY Diventa protagonista, Cairo Di più, Rai, CentoStazioni, 7Gold, Radio, Stadi, Viaggi del Gusto, Offerta Display and DEM IOL, etc.); news updates on web products (New FOPR signs, new SmartDominio application, new PGMOBAPP features, new E-commerce

offering, new features of ADV on FB, new FB Presence offering, news updates on Smartsite production flow and new SmartSite Easy offering, etc.).

The methods of conversion for Box - lifetime offerings and the conditions for the access of +3% of the "Verdissimo" flow dedicated to collection from late-paying customers and 'safe' purchasing were also released.

Five "20 minutes of.." were designed and provided: (ADV on FB, Gambero Rosso, PGClick, Europages and professional Seo) - training and information streaming session addressed to the entire sales force and all DLS headcount with the following format: marketing information and network information with a highlighting of the best cases gathered from the region and interviews performed by the best sales performers.

Some sales tests were launched and implemented in cooperation with product reference persons to investigate market expectations with respect to new offerings: ADV on MOBILE, PayBack and Native ADV.

A new APP (SMAPP for the segmenting project) was designed and created and new sections were developed and updated on the Company's intranet, Yellow Friend, to facilitate the provision of training and information for the sales network.

The phase of updating 74 local SeatMediAgency responsive design sites (SmartSite) continues with company pages both on paginegialle.it and on paginebianche.it. The activity of writing and updating the content of the Site and of the National Seat Media Agency Fanpage, addressing 74 local presences (Sites and Fanpage), also continues.

The phase of design and online publishing of 74 ADWORDS campaigns to promote and increase traffic on the DLS SmartSites has been started.

In addition to the normal activity of organization and logistics management of meetings, committees and sales meetings throughout the country, a meeting dedicated to agents who won the 2014 national competition was organized and held in Thailand.

As a result of the initially positive results of a training module devoted to increasing telephone contact effectiveness, a new format known as the "Media Agency Revolution" was designed for DLS back office resources, with the goal of improving existing and potential customer contact skills. This format will be rolled out in the first half of 2015 in 6 editions.

At the request of the telesales channel, a training module was developed and provided to improve call center operator sales effectiveness. This training was held in the first half of 2015 in six editions, in various Call Centers.

People services

The SEAT4PEOPLE program continued its work in 2015 by signing agreements and creating initiatives for SEAT employees and agents, e.g. employee service desks located at company offices, conventions, travel events, English courses at SEAT's offices and Expo tickets.

The SEAT community is kept up to date via SEAT4PEOPLE on the company's intranet, company notice boards and personalized emails.

SEAT4PEOPLE also managed initiatives in synergy with the CRAL DLF for all regional branches.

For the eighth consecutive time, SEAT4PEOPLE organized company summer camps for children of employees between 6 and 12 years of age. Approximately 30 children

participated. The company events will be held as usual, including the LOYALTY AWARD for company seniority, awarded to 90 employees and agents, as well as December's NATALE BIMBI Seat.

With a view toward cost containment, the automobile fleet was managed in a more streamlined manner.

An agreement was signed with the FCA for a gradual fleet renewal using exclusively Fiat models. The agreement is not limited exclusively to services, but involves synergic development of activities of both companies.

Health coverage through Cassa Mutua continues. It covers approximately 3,500 enrolled employees, dependent family members and retirees.

Industrial relations

On January 15, 2015, Seat Pagine Gialle S.p.A. signed a preliminary agreement with trade union representatives for the period of February 2015 – February 2017, approved by the Ministry of Labor and Social Policies on February 12, 2015, identifying Cost of Labor saving actions and pursuing at the same time the objective of non-traumatic management of labor surpluses found, by using the following tools:

- Employment separation incentives for a maximum number of 150 persons;
- Temporary leave for 160 persons, 35 of which would retire early pursuant to Law 416/81;
- Further rightsizing of the management structure to 20 positions;
- Increased use of part time up to 60 units;

- Rotation bank for a maximum of 36 days per person per 2-year period;
- Closing of the Bolzano, Ancona, Bari and Cagliari offices;
- Remote work override;
- Other measures for reducing remuneration structure: moratorium on 2015 - 2016 bonuses, blocking of overtime, freezing of vacation time;

Within this context, trade union relations were managed in accordance with the guidelines set out in the plan by holding joint talks to monitor the reorganization process and workloads as well as to manage training, particularly by defining the Company training plan financed by Fondimpresa.

Property and facilities management

In the first half of 2015, this department provided property management, ordinary and extraordinary maintenance of the Seat PG S.p.A. office, covered internal and external logistics needs, as well as everyday services such as the mail service, internal and external logistics and cleaning.

During the reporting period, this department was intensely involved in the implementation of the new commercial model - in line with the company directives and according

to area manager recommendations - favoring "Digital Local Services" in the areas of property, facility, logistics and security (handled by the operative management, reviewing the layout in terms of improvements, maintenance, normalization and reallocation).

The department was also responsible for workplace health and safety monitoring, in all its aspects, through the Health and Safety unit.

Litigation involving the Seat Pagine Gialle S.p.A. Group

1) Conclusion of the Cecchi Gori Litigation - Settlement Agreement Signing

On May 12, 2015, a settlement agreement was signed by FALLIMENTO CECCHI GORI GROUP FIN.MA.VI. s.p.a. ("FINMAVI") and TELECOM ITALIA MEDIA s.p.a. ("TI MEDIA") with the intention of resolving all pending legal matters with Gruppo Cecchi Gori, releasing TI MEDIA from any possible further risk as well as any management or economic obligation, not only vis-à-vis FINMAVI, but also vis-à-vis CGG Media Holding.

The settlement agreement was reached inasmuch as:

- a) Recently there were two favorable outcomes for TI MEDIA in the two actions still pending with Cecchi Gori Group (ruling of the Court of Appeals of Milan involving the nullity of the deed of pledge and the Appeals decision regarding the resolutions made on August 11, 2000 by the special meeting of Cecchi Gori Communications S.p.A.).

In both rulings, Fallimenti FINMAVI and Cecchi Gori Media Holding were ordered to pay the legal costs of TI MEDIA;

- b) TI MEDIA was a creditor in the FINMAVI Bankruptcy, holding secured and unsecured claims;
- c) Within the timeframe for appealing the most-recent decision before the Supreme Court (i.e., the ruling of the Court of Appeals of Milan regarding the nullity of the pledge deed), the FINMAVI Bankruptcy debtor was authorized by order of the Court of Rome to reach and enter into a settlement agreement with TI MEDIA permanently resolve any controversy that arises or may arise later on between the Parties.

In view of the above, the Parties have agreed as follows:

- 1) The FINMAVI Bankruptcy debtor agreed not to appeal the ruling described in points a) and c) above, permitting it to become final. It also agreed not to take any other legal actions against TI MEDIA, accordingly releasing expressly any claims against CGG Media Holding and/ or its bankruptcy, which the parties considered probable in view of the fact that the CGG Media Holding Bankruptcy did not appeal the aforementioned ruling of the Court of Appeals of Milan, which is presently in the conclusion phase pursuant to the bankruptcy Art. 118, no. 4, and once this bankruptcy is concluded, CGG Media Holding should be removed from the business register;

- 2) TI MEDIA agreed to release all bankruptcy claims it has against the FINMAVI Bankruptcy debtor, whether listed in the bankruptcy proceedings or not;

- 3) TI MEDIA also agreed to compromise and settle all secured claims it has against the FINMAVI Bankruptcy debtor (as well as the amounts due in accordance with court decisions described in the previous points) at an all-inclusive amount of € 1,700,000.00 (one million seven hundred thousand /00), waving all rights to claim further amounts due as principal and/or interest;

- 4) The FINMAVI Bankruptcy debtor agreed to pay this amount in one payment;

- 5) However, it is agreed that in case the CGG Media Holding Bankruptcy debtor files legal action against TI MEDIA, or if the CGG Media Holding Bankruptcy proceedings are concluded without the company's timely removal from the business register, the FINMAVI Bankruptcy debtor will pay an additional amount of € 150,000.00 (one hundred fifty thousand) to TI MEDIA in addition to the amount described in point 3) above.

On June 8, 2015, the FINMAVI Bankruptcy debtor paid the all-inclusive amount of € 1,700,000.00 (one million seven hundred thousand /00) to TI MEDIA.

2) Appeal of the declaring judgment decision in the FINMAVI bankruptcy (pending)

By notice of appeal to TI Media on November 12, 2012, FINMAVI appealed decision no. 2850 of the Court of Appeals of Rome of May 28, 2012, confirming the Finmavi bankruptcy, requesting that the decision be overturned on the following grounds:

- 1) Presumed nullity of the lower court proceedings due to irregularities in the notification of the opposition to the PM and certain creditors participating in the pre-bankruptcy phase;
- 2) Presumed lack of basis of the appeal ruling as it pertains to the application of provisions of Art. 177 of the Bankruptcy Act to the case in question, and as a result of same, satisfaction of the majority approval requirement of the preliminary creditors agreement.

TI Media has in turn counter-appealed.

3) Arbitration initiated by Contacta S.p.A.

On November 13, 2014, SEAT received a demand for arbitration from the Milan Chamber of National and

International Arbitration made by Contacta S.p.A., with which SEAT entered into a series of agreements in May 2010 linked to the sale of call centers (also through legal entities distinct from but associated with Contacta, namely, People Care and Voice Care) dedicated to SEAT telephone services, such as 89.24.24 and 12.40, as part of the sale of business units of Telegate Italia S.r.l., at the time it was a member of the Group.

These five-year agreements expiring on May 31, 2015, require SEAT to guarantee the payment of a minimum guaranteed amount to Contacta S.p.A. every year. In the arbitration demand, the opposing party appointed its arbitrator (Attorney Valeria Mazzoletti) and requested that SEAT be ordered to pay Contacta S.p.A. € 1,669,986.49 (later reduced to approximately € 1,350,000 after an agreed upon portion was paid) plus VAT, interest and legal fees, equal to the difference between the sums received in 2012-2013 and the period's minimum guaranteed amount (third annual payment), which SEAT allegedly failed to pay, after finding that such claimed amount is not covered by the bankruptcy arrangement with creditors.

On December 18, 2014, Seat Pagine Gialle S.p.A. duly entered an appearance in the arbitration proceeding by submitting its reply, in which it also appointed its own arbitrator (Attorney Francesco Macario). It requested that the opposing party's demands be rejected, and, with reference to the fourth and fifth annual payment, that the obligations relating to the minimum guaranteed amount be found null and void (due to Contacta S.p.A.'s breach of its obligation to maintain employment levels) and, alternatively, that the amount due as claimed be reduced, with Contacta S.p.A. ordered to pay back € 1,735,381.20, plus interest, with offsets between the respective items.

The two parties' arbitrators selected a third party to act as chairman of the Arbitration Panel (Attorney Massimo Fabiani).

The first arbitration hearing was held before the Arbitration Panel on March 12, 2015 at 2 PM. On that date, the arbitration panel was established and set deadlines for the parties of April 17 and May 8 for the submission of briefs. The hearing with in-person appearance of the parties was set for May 21, 2015, and the final deadline for the arbitration award was confirmed on September 14, 2015.

At the hearing of May 21, 2015, the arbitration panel submitted a settlement proposal to the parties and in any case granted time until June 5, 2015 for formulation of conclusions and until June 26 for submission of concluding arguments, setting the argument hearing for July 8, 2015.

Following this settlement proposal, the parties entered into negotiations in order to settle the dispute amicably. An agreement was reached as a result of the negotiation, signed by the parties in form of a private settlement agreement dated July 8, 2015, providing for the mutual release of all claims and dismissal of the arbitration (which in the meantime declared a recess to permit the parties to proceed with the settlement) with payment of costs.

Therefore, in particular, Contacta released its claims for the third annual payment and Seat released its claims related to the fourth and fifth annual payments, with compensation of the final premiums and penalties due reciprocally upon termination of the agreement.

4) Settlement with Mediocredito Italiano S.p.A. regarding termination of real estate lease agreements

On March 31, 2015, Mediocredito Italiano S.p.A. and Seat Pagine Gialle S.p.A. reached an agreement regarding the termination of 5 of 7 lease agreements involved in the real estate complex in Turin hosting the offices of the Parent Company, in relation to the authorization of the Court of Turin pursuant to Art. 169-bis of the Bankruptcy Act with the decision filed on July 9, 2014.

The agreement provided for payment of compensation of approximately € 3.2 million, which was paid by April 2, 2015 as agreed.

5) Request of compensation of damages

In the summons dated July 30, 2014, Mr. Rocco Amabile and 32 other individuals ('Plaintiffs') – representing minority shareholders of Seat – filed a lawsuit in the Court of Rome for compensation of damages against Seat Pagine Gialle, among other defendants.

The Plaintiffs requested declaration of both contractual and non-contractual liability of Seat Pagine Gialle "for financial failure of the company and related harm to their shares, asking the court to declare their rights to payment of damages based on attached banking documentation". The facts alleged by the Plaintiffs include a series of transactions involving Seat Pagine Gialle (in particular, the merger transaction of 2003, the distribution of dividends in 2004, the 2012 debt restructuring transaction and the creditor-settlement application in 2013).

Seat Pagine Gialle responded by rejecting all claims of the Plaintiffs based on a series of preliminary defenses (in particular, the Plaintiffs' lack of standing, Seat Pagine Gialle being an improper party defendant, the running of the statute of limitations), as well as their general lack of merit. At the first hearing held on February 10, 2015, the Plaintiffs requested the scheduling of a hearing involving

the personal appearance of the parties and, alternatively, for preliminary submission submitted pursuant to Art. 183, paragraph six, of the Code of Civil Procedure (CPC). The Company requested the granting of its various preliminary defenses formulated insofar as they were dispositive of the case. After hearing argument, the judge granted time for

preliminary submission pursuant to Art. 183, paragraph six, of the CPC.

Argument was heard on the preliminary submission at a hearing held on May 19, 2015. At the conclusion of the hearing, the judge declared that the case was warranted and set the date of April 5, 2016 for submission of final arguments.

Corporate governance \

Introduction

Pursuant to Article 123 bis of Legislative Decree No. 58/98, the Company has written and published a report on its corporate governance and shareholder structure for 2014.

The report is available on the Company's website, www.seat.it.

On April 24, 2013, the Company's Board of Directors resolved to adhere to the Corporate Governance Code for Listed Companies, as subsequently amended at the end of 2011 (the "Code").

Below is an update concerning only the events that took place in the first half of this fiscal year.

Shareholders' Meetings

1) Ordinary Meetings of Shareholders

On January 27, 2015 the Ordinary Meeting of Shareholders:

- i) approved the settlement proposal received by the Company concerning the liability action against the former directors that held office between August 8, 2003 and October 21, 2012 and the settlement of matters with parties other than the former directors called before the court, for the payment of a total of € 30 million;
- ii) adopted the necessary measures for member appointment to the Board of Auditors in consideration of the resignations of standing statutory auditors in office up to October 14. As a result, Maurizio Michele Eugenio Gili, Guido Nori and Ada Alessandra Garzino Demo were appointed as standing statutory auditors and Roberta Battistin and Marco Benvenuto Lovati as alternate auditors. Mr. Gili's mandate as the Chairman of the Board of Auditors was confirmed. The auditors so appointed remained in office until the date of the meeting approving the financial statements for the year ending on December 31, 2014.

Two directors participated in that shareholders' meeting.

On April 23, 2015 the Ordinary Meeting of Shareholders:

- i) approved the financial statements for 2014 of the parent company Seat Pagine Gialle S.p.A. – whose draft was approved by the Board of Directors on March 12, 2015 – showing a positive result of € 1,390,295,399.26, allocated as follows: € 12,203,233.78 to cover the accrued losses, € 1,340,610,506.94 to cover the merger deficit from the merger of Seat Pagine Gialle Italia S.p.A. in Seat Pagine Gialle S.p.A. and the remaining € 37,481,658.54 to the available reserve;
- ii) set the number of members of the Board of Directors at 7, establishing the duration of their mandates until the approval of the financial statements for the year ending on December 31, 2016, and setting the annual compensation for each director at € 75,000, plus € 5,000 per each day of directors' activities above the threshold of 18 days per year – authorizing an insurance policy to be taken out covering civil liability of directors with an annual premium of up to € 350,000;
- iii) appointed Vincenzo Santelia, Maria Elena Cappello, Michaela Castelli, Mauro Del Rio, David Eckert,

Francesca Fiore and Corrado Sciolla as directors, appointing also Vincenzo Santelia as the Chairman of the Board of Directors. All appointed directors were selected from the single list provided for the Meeting by GoldenTree Asset Management LP as the respective asset manager, the shareholders The San Bernardino County Employees' Retirement Association, GT NM LP, GoldenTree SG Partners LP and Goldentree Asset Management Lux S.à.r.l. and voted for by majority;

iv) appointed Maurizio Gili, Ada Garzino Demo and Guido Nori as standing statutory auditors, until the approval of the financial statements for the year ending on December 31, 2017, Massimo Parodi and Roberta Battistin as alternate auditors, appointing also Maurizio Gili as the Chairman of the Board of Auditors and setting the annual compensation of the Chairman of the Board of Auditors at € 90,000, and the annual compensation of each standing statutory auditor at € 60,000. The Board of Auditors was appointed from the single list provided for the Meeting by GoldenTree Asset Management LP as the respective asset manager, the shareholders The San Bernardino County Employees' Retirement Association, GT NM LP, GoldenTree SG Partners LP and Goldentree Asset Management Lux S.à.r.l. and voted for by majority;

v) adjusted the compensation of the independent auditors PricewaterhouseCoopers S.p.A. for the financial years of the period 2015-2020;

vi) approved Section I of the Remuneration Report pursuant to Article 123-ter of Legislative Decree 58 of February 24, 1998.

Four directors participated in that shareholders' meeting.

2) Savings Shareholders' Meeting

On July 16, 2015, the Special Meeting of Shareholders of savings shares was held to examine and evaluate the decision of the above-mentioned Ordinary Meeting of the Company of April 23, 2015 with reference to the use of the annual profit as well as earnings projections and the Company's business plan in view of the public offer announced by ItalianOnline S.p.A. and its subsequent merger by incorporation in the Company.

The Meeting decided to authorize the Common Representative, Ms. Stella d'Atri, to take the necessary steps to appeal the decision made by the Ordinary Meeting of Seat Pagine Gialle S.p.A. of April 23, as to the matter regarding the use of the profit from the year ending on December 31, 2014, pursuant to Art. 2377 et seq. of the Civil Code.

The Company replied that the request to use a part of the profit of 2014 for distribution of dividends to savings shareholders was not consistent with the proposal approved by the Court of Turin, as well as with the decision of the Special Meeting of the Company of March 4, 2014, and the Meeting of savings shareholders of July 2, 2014, and therefore lacked merit.

On July 17, 2014, the Company received a summons from Dr. d'Atri; the hearing is scheduled for January 12, 2016.

Board of Directors

In the first half of the year, the Board of Directors met on thirteen occasions.

Please note that on April 24, 2015, the Board of Directors of the Company established the governance structure of the Company; as a result, for the period 2015-2016, it confirmed the mandate of Vincenzo Santelia as the Chief Executive Officer and appointed director David Eckert as Lead Independent Director.

On July 9, 2015, director David Eckert announced his resignation

from the position of Lead Independent Director of the Company – though remaining as a member of the Board of Directors – since the necessary requirements of independence were no longer met as a result of a proposal of certain shareholders of professional cooperation during the interim phase, leading to the company's merger with ItaliaOnline.

On July 20, the Board of Directors of the Company decided to appoint Maria Elena Cappello as the new Lead Independent Director replacing David Eckert.

Control and Risk Committee

The Control and Risk Committee met eight times in the first half of 2015, and once more in following months.

The Board meeting held on April 24, 2015 appointed the following persons to the Control and Risk Committee: Ms. Michaela Castelli, acting as the Chairman, Maria Elena Cappello and Francesca Fiore. Their mandate expires on the date of the Meeting called to approve the financial statements as of December 31, 2016.

Previously, until the Meeting of Shareholders held on April 23, 2015, the Committee was composed of Ms. Chiara Burberi (Chair), Luca Rossetto and Harald Rösch.

The work carried out during the Control and Risk Committee meetings included the following:

- examination and evaluation of the organizational structure of the Internal Audit function, in order to monitor the level of autonomy, adequacy, efficacy and efficiency, and in view of best practices as a reference;
- examination and approval of the action plan drawn up by the Internal Audit department for 2015, deeming it in line with the department's targets and the main results of the annual Enterprise Risk Management (ERM) process;
- examined the methodology and results of the annual ERM process aimed at identifying, assessing and managing the main operating, strategic, reporting and compliance risks;

- Meeting together with the Board of Statutory Auditors and the Independent Auditors, with senior executives from the Administration, Finance and Control department to examine the main points of the separate and consolidated financial statements as of December 31, 2014 and the half-year report as of June 30, 2015, and the correct use of the accounting principles applied;
- examining and evaluating the methods used to carry out impairment tests on the Annual Report, already examined by the Independent Auditors;
- examined the "document on the organizational, administrative and accounting structure" prepared by the competent Company departments in order to assist the assessment of the Company's corporate governance system, the Group structure and the organizational, administrative and accounting structure of SEAT pursuant to article 1.C.1, letter c) of the Corporate Governance Code;
- met with the representative of the Independent Auditors to examine the results of the audit carried out;
- preparation and issuance of the Committee's periodic reports to the Board of Directors.

Appointments and Remuneration Committee

On April 24, 2015, the Board of Directors elected the following persons to the Appointments and Remuneration Committee for the period 2015 – 2016: Directors David Eckert (Chairman), Francesca Fiore and Corrado Sciolla.

Please note that as indicated above the Company Board of Directors meeting held on July 9 appointed Corrado Sciolla as the new Chairman of the Appointments and Remuneration Committee. Therefore, the aforementioned committee is now composed of Corrado Sciolla (Chairman), David Eckert and Francesca Fiore.

In the first half of 2015 the Committee met on three occasions.

The main subjects discussed were:

- approval of the MBO 2015 guidelines of the CEO and managers reporting to him;
- evaluation of the size, composition and functioning of the Board of Directors and its committees;
- approval of the MBO 2014 final report;
- evaluation of a possible succession plan for the Company's top management;
- formulation of recommendations for the Board regarding the compensation of directors holding specific offices.

Board of Statutory Auditors

In the first half of 2015 the Board of Auditors met on ten occasions. During these meetings it verified the correct

application of the criteria and control procedures adopted by the Board to assess the independence of its components.

Chief Financial Officer

On April 24, 2015, the Board of Directors confirmed the appointment of Andrea Servo as the Manager in charge of

preparation of accounting documents of the company for the period 2015 – 2016.

Supervisory Board

During the first half of 2015, the Supervisory Board met three times, and once more in following months.

The Board of Directors meeting held on April 24, 2015 appointed Attorney Mittone, acting as the Chairman, Attorney Castelli and Dr. Nigri as the members of the Supervisory Board. Their mandates expire on the date of the Meeting called to approve the financial statements as of December 31, 2016. Previously (up to the Meeting of Shareholders held on April 23, 2015), the members of this

Board were Mr. Marco Rigotti (Chairman), Chiara Burberi and Michaela Castelli.

During the reporting period, the Supervisory Board examined and evaluated the activities carried out by the Company in terms of adjustment and updating of the Organizational Model, also in view of the possible commission of a recent violation - promoting its approval by the Board of Directors - and continued with ordinary supervisory activity.

Environmental sustainability \

Since the end of 2009, Seat Pagine Gialle S.p.A. has been one of the promoters of a Pan-European project, alongside other leading operators and associations representing the entire printed-paper industry.

This project, under the single brand "Print Power", can be broken down into two initiatives aimed at proving to the market that printed products are sustainable, in terms of both their advertising effectiveness and their environmental impact:

"Print Power" is an advertising campaign that highlights the effectiveness of specific qualities of printed materials (to reinforce or complement campaigns online or in other media). It is aimed at advertising investment decision-makers in companies, media centers and advertising agencies. Thanks to all the project participants making pages available for free, the multi-approach campaign, which was launched in September 2010, was featured 250 times in all the major national and regional daily newspapers, and in the main industry magazines (worth an estimated € 1.5 million). At the beginning of 2013, the second phase of the project was launched.

"Two Sides – the green side of paper" It is an information campaign on the environmental sustainability of the printed-paper industry. Aimed at a broad range of individuals, it uses facts and figures to illustrate that a large proportion of printed paper can be recycled and to objectively overcome certain stereotypes about the presumed negative impact that this material has on the environment.

Begun in late 2010 (and relaunched in May 2011), the Two Sides campaign was featured 110 times in the national and local press, and in magazines, through adverts provided for free by project participants, for an estimated value of over € 500 thousand. The third edition of the campaign was started at the beginning of 2013.

Seat's contribution consists of publication of an entire color page in PAGINEBIANCHE®:

In addition to the publication of advertising pages, the Two Sides campaign has been developed online, with the launch of the Italian version of the website (www.it.TwoSides.info) and several links on social networks.

Social responsibility \

In the first half of 2015, Seat Pagine Gialle, aware and strongly convinced about the need of carrying out its business ethically with respect to its stakeholders - not only from the industrial point of view but also and especially from the social point of view - continued investing time and resources to guarantee environmental harmonization of its products and services and to continue promoting a culture of multi-channel communication and promotion that could positively influence the activities, values, customs and lifestyles of its customers, employees, suppliers, partners and institutions it deals with on a daily basis, supporting concretely the economic and social relaunching action of the Italian Government.

In particular, this model of entrepreneurial approach showed its efficacy throughout the years in terms of leverage and concrete support of hundreds of thousands of small and medium-size client companies, objectively favoring their capacity to face the crisis and develop business: for this reason, any advertiser who chooses Seat PG as a media partner participates in a large project of sustainability of the Italian Government System.

The SeatPG offer grows continuously in close relation with the development of new forms of participating citizenship and behavioral mechanisms of social interaction: also from this point of view, the capacity to observe and monitor new habits and the needs of new consumers, permit SeatPG to achieve the essential momentum for development of new products and services and the opportunities offered by new-generation IT tools to be familiar with Public Administration services without space or time limitations, and use them in the best possible way. Moreover, together with continuous innovation and technological updating for a correct and efficient distribution of new information models and multimedia promotion, both on the network and mobile, SeatPG also seized upon the need to dedicate special attention to the needs of all types of the public that for various reasons do not access or have difficulties accessing digital media and information.

PAGINEBIANCHEGIALLE INSIEME: a new single volume 'guides' the relations between the citizens and the territory.

Italy's most 'famous' book celebrates its 90th birthday, and, changing the look, becomes a single volume with PagineBianche®, PagineGialle®, TuttoCittà® in a compact format, easy to handle and full of information. The telephone directory distributed in 110 editions on the entire national territory, from north to south, offers a reliable service, alternative and complementary to other channels (telephone, web and mobile) for the search of contact information,

generating a billion of searches annually. In addition to the traditional content, PagineBianche® contains a precious Guide to services with schedules, addresses, contact of local public utilities, simplifying the relations between citizens and Public Administration, with a focus on online services offered to the public.

A completely new relationship with the public administration, built by reorganizing the institutional relations with individual cities where there not only a proper place for business, but especially where SeatPG becomes an indispensable partner for information for citizens, needed both in case of emergency and on a daily basis. A social function strengthening the company's credibility not only among PA partners but also among commercial operators and individual citizens. From Turin to Milan, to Venice, moving south to Florence, Chieti and Naples: SeatPG gradually regains a primary role of partnership with Italian cities, stressing the importance of service for citizens, which always characterized the company objective.

In order to address everyone's requirements, the font size was enlarged to facilitate the reading and info graphics were inserted to facilitate finding offices and activities.

Within PagineGialle® we inserted cultural, wine and food itineraries, certified by the Ministry of Food and Forest Policies. SeatPG, always attentive to environment protection, decided to use the new platform Urbis Project in large metropolitan areas and in some provinces of Lombardy, permitting real-time monitoring of unified-volume distribution using a computerized mapping system. The increase of efficiency will also allow for a significant environmental-impact reduction in one year. Finally, in order to popularize the new volumes, we launched a "Finalmenteinsieme" photo contest on Instagram, one of the most important social media. The best pictures will be published in the next volumes. Visit www.seat.it for the contest rules.

Digital culture in service of SME: DIGITALY continues the approach of CNA and SeatPG for digitalization of the country.

We continue with Digitaly, a project created and promoted by CNA in partnership with SeatPG, Google, Amazon and Registro.it-CNR. The objective of the project is to spread the digital culture in small and medium size businesses through a series of events held throughout the country. In this context, Seat and other partners provide their know-how through short training sessions meant to sensitize and teach companies about the importance of digital technology to grow their business. The participating companies are also

involved in BtoB meetings organized by CNA to create a direct comparison between digital companies and "traditional" companies. After the launching event held in Ravenna on April 14, numerous events throughout the country followed; the project has a total of 50 of them in its calendar.

ANCI for EXPO and EXPO2015

Activities continue - in partnership with the National Association of Italian Cities - as the "Ambassador" of the ANCI initiative for EXPO 2015, the large national tour, which between 2014 and 2015, reached all the regions of Italy, to anticipate the experience and spirit of Expo2015 held in Milan from May to October, and to promote the production and tourism excellence of various regions. Thanks to this partnership, the "Anci - Italy in all directions. Expo 2015 sponsoring cities" logo was published in all directories in various places.

This year the tour moves to Marche and ends in Latina, Lazio. During these months, from May to October, Milan will see SEAT PG alongside ANCI during the days managed at the Italy Pavilion and at Cascina Triulza, an ancient rural construction of 8,000 square meters that will host the Civil Society Pavilion.

Still in harmony with Expo2015 support and promotion activities, SeatPG has become its Official Sponsor, emphasizing and promoting the entire program of activities and initiatives within and outside of exposition areas on its web properties and mobile apps - in particular on the PagineGialle and Tuttocittà digital platforms.

Promotion of regional and religious tourism: ITorinoAPP and Ostensione della Sindone

At Ostensione della Sindone, visited by more than 2 million pilgrims from the whole world, SEAT PG as the event's media partner, prepared a special section of the Turin App, providing open data of the City in cooperation with the City of Turin. With a few simple touches, the citizens were able to easily obtain complete information and services for the best possible participation in the Ostensione, as well as all notices and contact references regarding the cultural and tourism offerings of the city, directly from their smart phone or tablet: events, museums, attractions, hotels and restaurants, transport, health care and pharmacies. With the same view of providing a service capable of involving all the groups of the general public, including those less familiar or not familiar at all with digital technologies, the company created - as for the past edition of 2010 - 300 thousand maps "powered by TuttoCittà", distributed to pilgrims and tourists participating in events and visiting the city.

30 Ore per la Vita: SeatPG for children.

The Association Trenta Ore per la Vita launched the campaign "Anyone who saves a child's life is a great person" to promote the protection of health of children. This year the campaign was dedicated to two areas: promotion of pediatric airway clearance and support of the Home project targeting pediatric cancer patients and their families. The online course with the testimonial of Lorella Cuccharini, teaches how to recognize foods and objects that are dangerous for children and how to act quickly in case of suffocation. 50 children die of suffocation every year in Italy. Seat PG, always caring for the most vulnerable sections of the population, joined the program promoting the campaign via its properties: on the institution's website www.seat.it (news section) and the site www.glamoo.com (All Deals section), you can buy or donate an online course at the price of 9.90 euro. Also on the Fan page of PagineGialle an online Facebook campaign with PostADV ran, with 4 different persons in rotation, to provide maximum visibility to the initiative. A portion of the profit from the sale of the course was provided to the "Home" project to offer a home to families that have to move to another city to treat their children suffering from cancer.

DIAMOCI UNA MANO (LET'S LEND A HAND): a solidarity pact with the community to promote active citizenship in Cities.

The Ministry of Labor and Social Policies chose the online media of Seat PG, with its 600 million views annually to support the "diamociunamano project". The initiative, arising from an agreement protocol between the Ministry, Anci and the Third Sector Forum, is aimed at persons collecting welfare to involve them in volunteer activities useful for society, in projects carried out jointly by the third sector, cities and local entities. The insurance coverage will be guaranteed by a dedicated national fund created at the Ministry of Labor and Social Policies. The campaign was promoted online on the www.paginebianche.it, www.paginegialle.it and www.tuttocitta.it sites.

The Seat PG Group supports "EARTH HOUR": IL GUFO DI GLAMOO PER WWF.

The WWF "Ora della Terra" (Earth Hour) demonstration took place on March 28, the first day of spring. Seat PG supported the campaign by providing Gufo teddies for sale for charity and mascots of Glamoo, an Italian social shopping company of the Seat PG Group. The profits from sales were dedicated to support of projects protecting the immense richness represented by biodiversity and natural ecosystems, many of which are vital for human populations.

Info: www.oradellaterra.org.

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615

Condensed
consolidated
half-year financial
statements



LOADING



Consolidated statement of financial position as of June 30, 2015 \

Assets \

<i>(euro thousand)</i>	As at 06.30.2015	As at 12.31.2014	Note
Non-current assets			
Intangible assets with indefinite useful life	-	-	(4)
Intangible assets with finite useful life	116,175	121,115	(6)
Property, plant and equipment	8,369	9,978	(7)
Leased assets	7,014	24,777	(8)
Other investments	3,878	10,254	(9)
Other non-current financial assets	1,937	869	(10)
Deferred tax assets, net	445	462	(29)
Other non-current assets	6,869	5,717	(13)
Total non-current assets	(A) 144,687	173,172	
Current assets			
Inventories	6,713	3,927	(11)
Trade receivables	152,694	182,830	(12)
Current tax assets	27,745	27,567	(29)
Other current assets	45,697	44,615	(13)
Current financial assets	728	2,718	(17)
Cash and cash equivalent	125,279	108,455	(17)
Total current assets	(B) 358,856	370,112	
Non-current assets held for sale and discontinued operations			
	(C) -	-	(30)
Total assets	(A+B+C) 503,543	543,284	

Liabilities

<i>(euro thousand)</i>		As at 06.30.2015	As at 12.31.2014	Note
Equity of the Group				
Share capital		20,000	20,000	(14)
Additional paid-in capital		117,155	117,155	(14)
Legal reserve		4,000	4,000	(14)
Reserve for foreign exchange adjustments		(43)	51	(14)
Reserve for actuarial gains (losses)		(1,338)	(1,768)	(14)
Other reserves		33,331	(1,344,176)	(14)
Profit (loss) for the year		(10,142)	1,379,167	
Total equity of the Group	(A)	(162,963)	174,429	(14)
Non-controlling interests				
Share capital and reserves		(92)	4,056	
Profit (loss) for the year		(20)	(4,148)	
Total non-controlling interests	(B)	(112)	(92)	(14)
Total equity	(A+B)	162,851	174,337	(14)
Non-current liabilities				
Non-current financial debts		8,270	32,344	(17)
Non-current reserves to employees		13,786	15,651	(19)
Deferred tax liabilities and non-current tax payables		20,825	20,740	(29)
Other non-current liabilities		29,736	26,779	(20)
Total non current liabilities	(C)	72,617	95,514	
Current liabilities				
Current financial debts		1,221	7,428	(17)
Trade payables		97,166	94,216	(22)
Payables for services to be rendered and other current liabilities		123,042	130,356	(22)
Reserve for current risks and charges		40,278	26,865	(21)
Current tax payables		6,368	14,318	(29)
Total current liabilities	(D)	268,075	273,183	
Liabilities directly associated with non-current assets held for sale and discontinued operations	(E)	-	250	(30)
Total liabilities	(C+D+E)	340,692	368,947	
Total liabilities and equity	(A+B+C+D+E)	503,543	543,284	

Consolidated half-year income statement \

<i>(euro/thousand)</i>	1 st half year 2015	1 st half year 2014	Note
Sales of goods	1,823	1,388	(24)
Rendering of services	181,525	207,956	(24)
Revenues from sales and services	183,348	209,344	(24)
Other income	1,484	1,731	(25)
Total revenues	184,832	211,075	
Costs of materials	(7,698)	(5,894)	(25)
Costs for external services	(108,957)	(114,183)	(25)
Salaries, wages and employee benefits	(45,849)	(49,983)	(25)
Valuation adjustments	(6,140)	(11,282)	(11)
Provisions to reserves for risks and charges, net	(461)	(719)	(20,21)
Other operating expenses	(1,255)	(1,990)	
Operating income before amortization, depreciation, non-recurring and restructuring costs, net	14,472	27,024	
Amortization, depreciation and write-down	(21,446)	(22,594)	(5-8)
Non-recurring costs, net	26,099	(876)	(25)
Restructuring costs, net	(32,247)	(730)	(25)
Operating results	(13,122)	2,824	
Interest expense	(3,986)	(67,095)	(26)
Interest income	1,004	1,220	(26)
Gains (losses) from subsidiaries disposal	-	(2,648)	(27)
Net income from execution of composition with creditors procedure	5,875	-	(28)
Profit (loss) before income taxes	(10,229)	(65,699)	
Income taxes for the year	(155)	(2,491)	(29)
Profit (loss) on continuing operations	(10,384)	(68,190)	
Profit (loss) from non-current assets held for sale and discontinued operations	222	(278)	(30)
Profit (loss) for the year	(10,162)	(68,468)	
- of which pertaining to the Group	(10,142)	(68,387)	
- of which non-controlling interests	(20)	(81)	

		As at 06.30.2015 (*)	As at 06.30.2014
Number of Seat Pagine Gialle S.p.A. shares		64,267,622,142	16,066,893,331
- ordinary shares	n.	64,267,615,339	16,066,212,958
- saving shares	n.	6,803	680,373
<i>weighted average shares outstanding</i>		64,267,622,142	16,066,893,331
Profit (loss) on continuing operations of the Group	€/thousand	(10,364)	(68,166)
Profit (loss) from non-current assets held for sale and discontinued operations of the Group	€/thousand	222	(221)
Profit (loss) par share from continuing operations of the Group	€	(0.0002)	(0.004)
Profit (loss) par share from non-current assets held for sale and discontinued operations of the Group	€	0.00000	(0.00001)

(*) As at March 4, 2014 the Extraordinary Shareholders meeting, has resolved to approve the new composition of Share Capital as a result of extraordinary operations.

Consolidated half-year comprehensive income statement

<i>(euro/thousand)</i>	1 st half year 2015	1 st half year 2014
Profit (loss) for the period	(10,162)	(68,468)
<i>Other comprehensive income (expense) that will not be reclassified subsequently to profit (loss) for the period:</i>		
Actuarial gains (losses)	429	(775)
Total other comprehensive income (expense) that will not be reclassified subsequently to profit (loss) for the period	429	(775)
<i>Other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the period:</i>		
Profit (loss) from fair-value measurement of securities and investments AFS	(6,376)	(50)
Profit (loss) from translation of accounts of foreign subsidiaries	(94)	46
Profit (loss) from the fair-value of warrant	4,714	-
Other movements in the period	-	9
Total other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the period	(1,756)	5
Total other comprehensive income (expense), net of tax	(1,327)	(770)
Total comprehensive income (expense) for the period	(11,489)	(69,238)
- of which pertaining to the Group	(11,469)	(69,146)
- of which pertaining to minority interests	(20)	(92)

Consolidated half-year statement of cash flows

<i>(euro thousand)</i>		1 st quarter 2015	1 st quarter 2014	Note
Cash inflow (outflow) from operating activities				
Operating result		(13,122)	2,824	
Amortization, depreciation and write-down		21,446	22,594	(6)-(7)-(8)
(Gain) loss on disposal of non-current assets		(8)	3	
Change in working capital		24,474	(35,006)	
Income taxes paid		(3,097)	(1,587)	
Change in non-current liabilities		7,532	(869)	
Foreign exchange adjustments and other movements		2	(3)	
Cash inflow (outflow) from operating activities	(A)	37,227	(12,044)	
Cash inflow (outflow) for investments				
Purchase of intangible assets with finite useful life		(13,972)	(12,458)	(6)
Purchase of property, plant and equipment		(603)	(1,120)	(7)
Other investments		(2,715)	(5,796)	
Proceeds from disposal of non-current assets		24	16	
Cash inflow (outflow) for investments	(B)	(17,266)	(19,358)	
Cash inflow (outflow) for financing				
Repayment of non-current loans		(1,584)	(1,894)	
Inflow interest income, net		262	670	
Change in financial asset and liabilities		(1,815)	898	
Cash inflow (outflow) for financing	(C)	(3,137)	(326)	
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	(D)	-	(7,040)	(30)
Increase (decrease) in cash and cash equivalents in the period	(A+B+C+D)	16,824	(38,768)	
Cash and cash equivalents on continuing operations at the beginning of the year	(E)	108,455	196,426	(17)
Cash and cash equivalent of subsidiaris reclassified into non-current assets held for sale and discontinued operation at the beginning of the year	(F)	-	11,450	
Cash and cash equivalents at beginning of the period		108,455	207,876	(17)
Cash and cash equivalents on continuing operations at the end of the year	(H)	125,279	165,119	
Cash and cash equivalent of subsidiaris reclassified into non-current assets held for sale and discontinued operation at the end of the period	(I)	-	3,989	
Cash and cash equivalents at end of the period		125,279	169,108	

Consolidated statement of changes in net equity from December 31, 2014 to June 30, 2015

	Share capital	Addition paid-in capital	Legal reserve	Reserve for foreign exchange adjustments	Reserve for actuarial gains and (losses)	Other reserves	Profit (loss) for the year	Total	Non-controlling interests	Total
<i>(euro thousand)</i>										
As at 12.31.2014	20,000	117,155	4,000	51	(1,768)	(1,344,176)	1,379,167	174,429	(92)	174,337
Allocation of previous year profit (loss)	-	-	-	-	-	1,379,167	(1,379,167)	-	-	-
Total other comprehensive profit (loss) for the period	-	-	-	(94)	429	(1,662)	(10,142)	(11,469)	(20)	(11,489)
Other movements	-	-	-	-	1	2	-	3	-	3
As at 06.30.2015	20,000	117,155	4,000	(43)	(1,338)	33,331	(10,142)	162,963	(112)	162,851

Consolidated statement of changes in net equity from December 31, 2013 to June 30, 2014

	Share capital	Addition paid-in capital	Legal reserve	Reserve for foreign exchange adjustments	Reserve for actuarial gains and (losses)	Other reserves	Profit (loss) for the year	Total	Non-controlling interests	Total
<i>(euro thousand)</i>										
As at 12.31.2013	450,266	466,847	50,071	1	(322)	(1,962,167)	(347,603)	(1,342,907)	19,479	(1,323,428)
Allocation of previous year profit (loss)	-	-	-	-	-	(347,603)	347,603	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-	(1,730)	(1,730)
Total other comprehensive profit (loss) for the period	-	-	-	46	(773)	(32)	(68,387)	(69,146)	(92)	(69,238)
Other movements	-	-	-	-	-	12	-	12	2	14
As at 06.30.2014	450,266	466,847	50,071	47	(1,095)	(2,309,790)	(68,387)	(1,412,041)	17,659	(1,394,382)

Accounting standards and notes to the financial statements \

1. Corporate information

SEAT is the only media agency that offers local marketing services throughout Italy. In addition to traditional paper and telephone visibility services, it offers companies 360-degree support in promoting their activities on the Internet, through a network of agencies (the *SEAT media agencies*). SEAT's web marketing services include website construction and management along with optimization for mobile use, multimedia content creation, web visibility activities, e-commerce and web marketing services, social

network presence management, as well as couponing. In addition, it offers visibility on third-party digital, TV, radio and movie media in partnership with specialized operators.

The parent company Seat Pagine Gialle S.p.A. has its registered office in Turin at Corso Mortara 22, and share capital of € 20,000 thousand.

The Group's main activities are described in the "Management Report, Economic and financial performance by Business Area".

2. Criteria for preparation

The condensed consolidated half-year financial statements as of June 30, 2015 were prepared pursuant to Art. 154 ter of Legislative Decree No. 58/98, and were prepared in accordance with the IAS/IFRS standards applicable in the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the European Council of July 19, 2002 and, in particular, IAS 34 – interim financial statements – as well as the orders issued for implementation of Art. 9 of Legislative Decree No. 38/2005. They do not include all the information required on annual consolidated financial statements and, therefore, must be read together with the consolidated Annual Report of the Seat Pagine Gialle group prepared for 2014.

The Seat Pagine Gialle group has adopted the IAS/IFRS standards in observance of European Regulation No. 1606 of July 19, 2002.

The condensed half-year consolidated financial statements were prepared on the basis of the historical cost principle, except for Other Investments, which were valued at fair value.

Other current financial debts for warrants were valued at fair value up to the date of the announcement of the Conversion Share Subscription Price (warrant), which took place on April 17. Since that date, the financial instrument became an option classified under net equity since the price is now defined and, in the event of exercise, it entails the delivery of a fixed number of shares; consequently, the resulting financial liability, produced by the effect of recognition at fair value during the period from the date of implementation of the capital increase and the date of setting the exercise price, is no longer recognized under net debt.

The valuation criteria used in preparing the condensed half-year consolidated financial statements as of June 30,

2015 are consistent with those used to prepare the consolidated financial statements at December 31, 2014; therefore, the information included in the half-year consolidated financial statements should be read together with the consolidated financial statements at December 31, 2014, prepared on the basis of IFRS, to which we refer the reader. With reference specifically to the international accounting standards applicable since 2015, which have not had an impact for the Group, we refer the reader to section 3.1 below.

The financial statement formats adopted are consistent with those provided for by IAS 1. Specifically:

- *the consolidated statement of financial position* is prepared classifying assets and liabilities according to the "current/non-current" standard and showing "Non-current assets/liabilities disposed of/held for sale" in two separate items, as required by IFRS 5;
- *the consolidated income statement* is prepared classifying operating costs by type, since this method of presentation is considered best for representing the Group's specific business and is consistent with internal reporting methods. In addition, the result from continuing operations is separated from "net profits (losses) from non-current assets held for sale and discontinued operations", as required by IFRS 5. As provided for by Communication No. DEM/ 6064293 of July 28, 2006, in the context of the income statement by type, income and expenses from non-recurring operations are specifically identified, showing their effect on operating income.

Non-recurring income and expenses are included under cases which by their very nature do not occur continuously in the normal course of operations, such as:

- corporate restructuring costs;

- extraordinary consultancy of a highly strategic nature (mainly consultancy regarding activities aimed at identifying and implementing financial restructuring options);

In keeping with the provisions of IAS 1, according to which an entity must present additional items, headings or partial results in the statement of profits (losses) for the financial year and the other comprehensive income statement items when said presentation is significant for purposes of understanding the entity's operating and financial results, a specific item "Net income from composition with creditors" is included in the abovementioned statements, which shows the economic effects of the implementation of proposed creditors' agreements;

- the *consolidated comprehensive* income statement indicates the expense and/or revenue items not yet recognized on the income statement with an impact on Group equity at the reporting date;
- the *consolidated statement of cash flows* is prepared by recording cash flows from operating activities according to the "indirect method", as allowed by IAS 7, showing cash flows from operating, investment and financial activities separately from those from non-current assets held for sale and discontinued operations.

The cash and cash equivalents recorded on the financial statements include cash, bank drafts (or checks), bank overdrafts and short-term securities readily convertible into cash.

The cash flows linked to operating activities are shown adjusting operating income for the effects of non-monetary operations, any deferral or allocation of previous or future operating cash flows or payments and revenue or cost items associated with cash flows deriving from investment or financial activities or from discontinued operations or non-current assets held for sale;

- the *statement of changes in net equity*, which shows the changes occurring in net equity items relative to:
 - allocation of the operating profit of the parent company and subsidiaries to minority shareholders;
 - breakdown of the comprehensive profit or loss;
 - effect deriving from errors or any changes in accounting standards.

The data are stated in euro, and all amounts are rounded off to thousandths unless otherwise indicated.

The publication of the Seat Pagine Gialle group's condensed consolidated half-year financial statements as of June 30, 2015 was authorized by a resolution of the Board of Directors dated August 5, 2015.

2.1 Business continuity

The condensed consolidated half-year financial statements as of June 30, 2015 were prepared on the assumption of business continuity since there is a reasonable expectation that Seat Pagine Gialle S.p.A. will continue its operations in the foreseeable future (and in any case for a time period greater than twelve months).

2.2 Consolidation principles

The condensed consolidated half-year financial statements include the half-year financial statements of Seat Pagine Gialle S.p.A. and its subsidiaries. Where necessary, these financial statements have been modified to make them consistent with the valuation criteria adopted by the parent company.

Subsidiaries:

The parent company Seat Pagine Gialle S.p.A. has control when it simultaneously has:

- decision-making power over the subsidiary, or rather the ability to direct the significant business activities of the subsidiary, i.e. those activities that significantly affect the subsidiary's returns;
- the right to variable (positive or negative) returns from its interest in the entity;
- the ability to use its own decision-making power to determine the amount of returns from its interest in the entity.

The existence of control is reassessed any time that facts and circumstances indicate a change in one or more of the three elements qualifying as control.

Subsidiaries are consolidated by the full consolidation method starting from the date of acquisition, or from the date on which the Group has acquired control of them, and they cease to be consolidated from the date on which control is transferred outside of the Group or when they are held for sale.

Mention is also to be made of the following consolidation principles used:

- recognition of assets, liabilities, costs and revenues in their full amount, regardless of the amount of equity held and recognizing to minority shareholders, in separate items, the share of net equity and profit for the year pertaining to them;
- elimination of receivables and payables, as well as costs and revenues on intragroup transactions;
- elimination of intragroup dividends.

Minority interests represent the portion of the economic result and net equity of the subsidiaries not held by the Group. The portions pertaining to the Group are shown separately on the consolidated income statement and consolidated statement of net equity.

The half-year financial statements of subsidiaries prepared

in foreign currencies of countries not belonging to the euro are converted into euro applying the exchange rates at the end of the period (current exchange rates method) to the individual items on the balance sheet and the average exchange rates for the period to the individual items on the income statement. The differences deriving from the

conversion of initial net equity, as well as the economic result at the exchange rates at the end of the period, are classified as net equity items until the investment is sold. In preparing the consolidated statement of cash flows, the average exchange rates for the period were used to convert the cash flows of foreign subsidiaries.

The exchange rates used are as follows:

<i>Euro/Currency</i>	Average exchange rate 1 st half 2015	Exchange rate as at June 30, 2015	Average exchange rate 1 st half 2014 (*)	Exchange rate as at June 30, 2014
Pounding sterling	1.363400867	1.410079246	1.2441	1.2495

(*) The equity investment in Glamoo Ltd has been consolidated as far as May 31, 2014.

2.3 Accounting estimates and assumptions

The preparation of the condensed consolidated half-year financial statements and the respective explanatory notes to the financial statements in application of IAS/IFRS, requires Management to make estimates and assumptions that have an effect on the amounts of revenues, costs, assets and liabilities on the financial statements and on the information on potential assets and liabilities at the reporting date. The actual results may differ from such estimates.

The estimates are used to measure provisions for risks on receivables and error practices, amortization and depreciation, asset write-downs, employee benefits, current and deferred taxes, restructuring reserves, and other provisions and reserves.

The estimates and provisions are reviewed periodically, and the effects of any change are reflected immediately on the income statement.

These valuations and estimates must be considered with the measurement criteria described in more detail in the second paragraph of this Note.

3. Accounting standards and interpretations issued by the IASB/IFRIC

3.1 Accounting standards, amendments and interpretations issued by IASB/IFRIC applicable starting January 1, 2015

On December 18, 2014, Regulation (EU) No. 1361/2014 was issued, implementing at the EU level certain improvements to the IFRS for the 2011-2013 period.

Specifically, the improvements involved the following aspects:

- "Amendment to IFRS 3 - Business Combinations"; this amendment clarifies that IFRS 3 does not apply, when accounting for the formation of any type of joint arrangement, in the financial statements of the joint arrangement itself (IFRS 11);
- "Amendment to IFRS 13 - Fair Value Measurement"; this amendment clarifies that the exception established by the principle of measuring the financial assets and liabilities on a net portfolio-exposure basis applies to all contracts accounted for within the scope of IAS 39/IFRS 9, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32;
- "Amendment to IAS 40 - Investment Property".

These amendments, which entered into effect on January 1, 2015, are not expected to have a significant impact on the Group's consolidated financial statements.

On December 17, 2014, Regulation (EU) No. 28/2015 was issued, implementing at the EU level certain improvements to the IFRS for the 2010-2012 period. Specifically, as regards the aforementioned amendments, the following is noteworthy:

- "Amendment to IFRS 2 Share-based Payment": this amendment specifies some characteristics of vesting conditions;
- "Amendment to IFRS 3 - Business Combinations": the amendment clarifies how to account for contingent consideration in a business combination;
- "Amendment to IFRS 8 - Operating Segments": this amendment requires an additional disclosure in the financial statements regarding how aggregation criteria were applied to operating segments;
- "Amendment to IAS 16 - Property, Plant and Equipment" (Revaluation method - proportionate restatement of accumulated depreciation);
- "Amendment to IAS 24 - Related Party Disclosures" (Key management personnel);
- "Amendment to IAS 38 - Intangible Assets" (Revaluation method - proportionate restatement of accumulated

amortization).

These amendments, which entered into effect on January 1, 2015, are not expected to have a significant impact on the Group's consolidated financial statements.

It is also noted that as of January 1, 2015, the amendments to IAS 19 - Employee benefits, defined benefit plans, contributions from employees issued by the EU Regulation 29-2015 were implemented on December 17, 2014. In particular, these amendments clarify how to report employee contributions to defined benefit plans.

3.2 New accounting principles and interpretations issued by IASB and not yet not incorporated by the UE

On the date of preparation of the interim consolidated financial statements, the following principles/interpretations were issued by IASB, but not yet incorporated by the EU:

- IFRS 14 (Regulatory deferral accounts) Deferred accounting of regulated activities" applicable starting January 1, 2016;
- Amendments to IFRS 11 (Joint control agreements) - Accounting of the acquisition of an interest in a joint control operation" applicable starting January 1, 2016;
- Amendments to IAS 16 (Property, plant and equipment) and to IAS 38 (Intangible assets) - Clarification of methods of amortization applicable to intangible and tangible assets: application starting January 1, 2016;
- Amendments to IFRS 10 (Consolidated Financial Statements) and IAS 28 (Investments in related companies and joint ventures): Sale or transfer of activities between an investor and its related company/ joint venture: mandatory application from January 1, 2016;
- Improvements to the IFRS (2012-2014 cycle) applicable starting January 1, 2016;
- Amendments to IFRS 12, IFRS 10 and IAS 28 (Investment entities - Exception to consolidation) mandatory application from January 1, 2016;
- Amendments to IAS 1 (Presentation of financial statements): mandatory application from January 1, 2016;
- IFRS 15 (Revenue from contracts with customers) applicable starting January 1, 2017;
- IFRS 9 (Financial instruments) applicable starting January 1, 2018;

4. Intangible assets with an indefinite useful life

This item was reduced to zero as of December 31, 2014 as a result of impairment tests performed and the resulting write-downs.

5. Impairment test

Following the write-downs made on the 2014 financial statements as a result of impairment tests performed, as of June 30, 2015 intangible assets with a finite useful life are recognized, referring in particular to Customer Relationships, amounting to € 23,436 and Trademarks, amounting to € 46,784 thousand.

For intangible assets with a finite useful life, according to IAS 36, impairment tests must be done at the end of each of quarter on intangible assets subject to such testing, if specific events or circumstances occur that could lead to the assumption of an impairment loss. In particular, in assessing whether an asset may have suffered an impairment loss, information from external and internal sources must be considered.

To that end, it is noted that the said intangible assets are amortized in order to systematically recognize their loss of value over time, such that any additional write-downs for impairment may be made only if forecast cash flows

and the operating parameters on which these are based are highly negative.

As of June 30, 2015, no indicators of impairment have been identified from market interest rate trends and other financial parameters. Likewise for Seat Pagine Gialle S.p.A., which has recognized Customer Relationship assets of € 22,766 and Trademarks of € 46,784 thousand, actual performance during the first half, both in terms of results and orders, are in line with the corresponding forecasts, as described in the Management Report (Management Outlook section).

Due to the foregoing, there are no specific events or circumstances that would lead one to assume an impairment of such intangible assets and, therefore, no impairment tests have been performed.

Such trends will nevertheless be closely monitored in the coming months so as to detect in a timely manner factors which could require impairment tests to be performed.

6. Intangible assets with a finite useful life

Intangible assets with a finite useful life total € 116,175 thousand as of June 30, 2015, and are broken down as follows:

(euro / thousand)	1 st half year 2015				Total
	Marketing related intangibles assets	Software	Patents, concessions, brands and licences	Other intangible assets	
<i>Cost</i>	81,495	317,256	74,959	21,458	495,168
<i>Accrued amortization</i>	(56,183)	(276,708)	(25,995)	(15,167)	(374,053)
Balance at beginning of the period	25,312	40,548	48,964	6,291	121,115
- Investments	-	10,732	19	3,221	13,972
- Purchases	-	9,606	19	1,830	11,455
- Capitalized costs	-	1,126	-	1,391	2,517
- Amortization	(1,876)	(14,339)	(2,051)	(587)	(18,853)
- Write-downs	-	-	-	(59)	(59)
- Other movements	-	2,857	12	(2,869)	-
Balance at end of the period	23,436	39,798	46,944	5,997	116,175
<i>di cui:</i>					
<i>Cost</i>	81,495	329,450	74,989	21,752	507,686
<i>Accrued amortization</i>	(58,059)	(289,652)	(28,045)	(15,755)	(391,511)

Intangible assets with a finite useful life consist of:

- *Marketing-related* intangible assets, of € 23,436 thousand as of June 30, 2015, related to Customer Relationship assets. During the first half of 2015, the item decreased by the rate of depreciation for the period amounting to € 1,876 thousand;
- *software*, of € 39,798 thousand at June 30, 2015 (€ 40,548 thousand as of December 31, 2014) which includes costs for acquisitions from third parties and the internal creation of proprietary programs and programs under license used primarily to improve the algorithms used by search engines, in order to support new internet & mobile sale offers. During the first half of 2015, the item decreased

due to depreciation of € 14,339 thousand, but investments of € 10,732 thousand were made, intended in particular to support the new sale offers on internet & mobile platforms at Seat Pagine Gialle S.p.A.;

- *patent rights, concessions, trademarks and licenses*, of € 46,944 thousand as of June 30, 2015 (€ 48,964 thousand as of December 31, 2014). During the first half, depreciation for such assets amounted to € 2,051 thousand;
- *other intangible assets*, amounting to € 5,997 thousand as of June 30, 2015 (€ 6,291 thousand as of December 31, 2014), refer primarily to software projects in progress.

The table below gives an overview of the depreciation rates used:

	1 st half 2015	1 st half 2014
Marketing related intangible assets	10-25%	10-25%
Software	33-50%	33-50%
Trademarks	7%	7%
Other intangible assets	20%	20%

7. Property, plant and equipment

Property, plant and equipment totaled € 8,369 thousand as of June 30, 2015. This item was recorded net of reserves for depreciation totaling € 51,927

thousand at the end of the period, which as a proportion of the gross value was 86.12%. It is broken down as follows:

(euro / thousand)	1 st half 2015			Total
	Property	Plant and equipment	Other fixed assets	
Cost	2,890	5,895	52,346	61,131
Accrued amortization	(1,537)	(4,509)	(45,107)	(51,153)
Balance at beginning of the period	1,353	1,386	7,239	9,978
- Investments	119	6	478	603
- Depreciation and write-downs	(179)	(227)	(1,743)	(2,149)
- Disposals and other movements	(54)	(1)	(8)	(63)
Balance at end of the period	1,239	1,164	5,966	8,369
<i>di cui:</i>				
Cost	2,182	5,584	52,530	60,296
Accrued amortization	(943)	(4,420)	(46,564)	(51,927)

Property, plant and equipment includes:

- *property* totaling € 1,239 thousand as of June 30, 2015 (€ 1,353 thousand as of December 31, 2014). During the first half, investments totaling € 119 thousand were made, and the assets were depreciated in the amount of € 179 thousand;
- *plant and equipment* totaling € 1,164 thousand as of June 30, 2015 (€ 1,386 thousand as of December 31, 2014). The item decreased mainly due to the depreciation rate for the period in the amount of € 227 thousand;
- *other tangible assets* totaling € 5,966 thousand as of June 30, 2015, of which € 4,669 thousand referred to IT equipment and systems. The investments for the period amounted to € 478 thousand, of which € 380 thousand referred to Seat Pagine Gialle S.p.A., primarily for technological upgrades in the sales area in connection with the new sales model.

Capital expenditures mainly involved the following areas of activity:

- in the SEAT Business Area (€ 13,026 thousand in the first half of 2015):
 - improvements to web and mobile platforms, aimed

at boosting integration between the different systems and intended specifically for *i*) updating and publishing content in real time, *ii*) improving search algorithms and *iii*) identifying new graphic and functional solutions for the Company's websites;

- improvements to commercially offered web products relating to the optimization of graphic design for mobile use, and to developments for the new range of websites for changes to offers for Large Customers;
- commercial and publishing improvements to upgrade and improve the systems for new product ranges;
- in Consodata S.p.A. (€ 1,530 thousand in the first half of 2015) for investments aimed at software platform development, database enrichment, database acquisition, as well as upgrades to production and service provision IT platforms.

The current reserves for depreciation (€ 51,927 thousand) are considered adequate, for each fixed-asset class, to cover the depreciation of the assets in relation to their estimated residual useful life.

The table below provides an overview of the depreciation rates used:

	1 st half 2015	1 st half 2014
Property	3%	3%
Plant and equipment	10-25%	10-25%
Other fixed assets	10-40%	10-40%

8. Leased assets

The assets under finance leases totaled € 7,014 thousand as of June 30, 2015 and concern two residual finance lease agreements for the Seat Pagine Gialle

S.p.A. buildings in Turin. The assets comprising the real estate complex are broken down as follows:

<i>(euro / thousand)</i>	1st half 2015				Total
	Leased land	Leased property	Leased plant	Other leased assets	
<i>Cost</i>	5.170	33.076	16.524	3.739	58.509
<i>Accrued amortization</i>	-	(18.866)	(12.133)	(2.733)	(33.732)
Balance at beginning of the period	5.170	14.210	4.391	1.006	24.777
- Amortization and write-downs	-	(147)	(160)	(78)	(385)
- Disposals and other movements	(3.623)	(10.000)	(3.115)	(640)	(17.378)
Balance at end of the period	1.547	4.063	1.116	288	7.014
<i>di cui:</i>					
<i>Cost</i>	1.547	9.806	4.845	1.484	17.682
<i>Accrued amortization</i>	-	(5.743)	(3.729)	(1.196)	(10.668)

On March 31, 2015, Mediocredito Italiano S.p.A. and Seat Pagine Gialle S.p.A. reached an agreement for the termination of 5 of the 7 leasing agreements concerning the real estate complex in Turin where the

parent company has its headquarters as a result of the authorization by the Court of Turin pursuant to Art. 169-bis of the Bankruptcy Act in a ruling filed on July 9, 2014.

9. Other investments

This item includes the fair-value valuation of the 16.24% stake held by Seat Pagine Gialle S.p.A. in Telegate AG totaling € 3,878 thousand which, pursuant to IAS 39,

represents a financial asset held for sale valued with reference to level 1 (quoted market) of the fair value hierarchy.

10. Other non-current financial assets

The other non-current financial assets amount as of June 30, 2015 to € 1,937 thousand (€ 869 thousand as of December 31, 2014) and include:

- loans to employees totaling € 1,445 thousand, disbursed

at market rates for transactions of this type;
- assets held for sale of € 111 thousand, of which € 110 thousand refers to the 2.2% interest in the share capital of Emittenti Titoli S.p.A..

11. Inventories

The amount of inventories is broken down as follows:

<i>(euro / thousand)</i>	1 st half 2015				Total
	Raw material, suppliers and consumables	Merchandising products	Work in progress and semi-finished goods	Finished goods	
Balance at beginning of the period	2,367	48	1,354	158	3,927
Increase (decrease)	2,365	27	387	7	2,786
Balance at end of the period	4,732	75	1,741	165	6,713

The inventories as of June 30, 2015 amount to € 6,713 thousand (€ 3,927 thousand as of December 31, 2014); raw materials and consumables include inventories

related to the print products of Seat Pagine Gialle S.p.A., and products for resale refer to the merchandising activity.

12. Trade receivables

	1 st half 2015		Net value
	Trade receivables	Allowance for doubtful trade receivables	
<i>(euro / thousand)</i>			
Balance at beginning of the period	258,426	(75,596)	182,830
Provisions in the income statement	-	(6,196)	(6,196)
Utilization	-	20,807	20,807
Other movements	(44,892)	145	(44,747)
Balance at end of the period	213,534	(60,840)	152,694

Trade receivables, net of provisions for doubtful receivables, totaled € 152,694 thousand as of June 30, 2015.

The *allowance for doubtful receivables* totaled € 60,840 thousand as of June 30, 2015 (€ 75,596 thousand as of December 31, 2014), including € 60,673 thousand relating to Seat Pagine Gialle S.p.A., and is considered adequate to cover expected losses.

During the first half of 2015, the allowance was drawn down by € 20,807 thousand (including € 20,753

thousand relating to Seat Pagine Gialle S.p.A.) and a provision of € 6,196 thousand was added, ensuring that the coverage of overdue receivables remained at a more than adequate percentage.

The change in trade receivables, amounting to € 44,892 thousand, reflects invoicing and collection trends linked to business performance.

For a more in-depth analysis of credit risk, please refer to Note 18 below.

13. Other assets (current and non-current)

Other assets (current and non-current) amounted to € 52,566 thousand as of June 30, 2015 (€ 50,332 thousand as of December 31, 2014) and are broken down as follows:

(euro / thousand)	As at 06.30.2015	As at 12.31.2014	Change
Advances on sales commissions and other receivables from agents	19,991	22,204	(2,213)
Prepaid expenses	13,454	11,113	2,341
Advances to suppliers	6,376	4,917	1,459
Other receivables	5,876	6,381	(505)
Total other current assets	45,697	44,615	1,082
Other non-current assets	6,869	5,717	1,152
Total other current assets and non-current assets	52,566	50,332	2,234

Specifically:

- *advances on sales commissions and other receivables from agents* amounted to € 19,991 thousand as of June 30, 2015 (€ 22,204 thousand as of December 31, 2014) and are recorded net of the respective allowance for doubtful receivables totaling € 1,762 thousand as of June 30, 2015 (€ 1,688 thousand as of December 31, 2014). They include € 28 thousand in receivables due in more than 12 months, classified under other current assets in that they fall within the company's normal operating cycle. Such receivables have been adjusted applying an average market rate for receivables with the same term;
- *prepaid expenses* amounted to € 13,454 thousand as of June 30, 2015 (€ 11,113 thousand as of December 31, 2014); the item includes the deferral of direct production costs with the same frequency with which the corresponding revenues are recognized on the income statement;
- *advances to suppliers*, totaling € 6,376 thousand as of June 30, 2015 (€ 4,917 thousand as of December 31, 2014), include € 3,148 thousand in advances paid to the printer Rotosud S.p.A. (€ 3,375 thousand as of December 31, 2014).
- *other receivables*, totaling € 5,876 thousand as of June 30, 2015 (€ 6,381 thousand as of December 31, 2014), include receivables of Seat Pagine Gialle S.p.A. from INPS of € 993 thousand, security deposits of € 1,072

thousand and miscellaneous receivables, including from Engineering S.p.A. in the amount of € 484 thousand and from Rotosud S.p.A. in the amount of € 143 thousand. The item also includes the receivable deriving from payment, pending a lawsuit, by a third party of the demanded amount of € 1,186 thousand, relating to the tax assessment notice issued by the Italian Revenue Agency - Lombardy Regional Office (hereinafter "DRE"); the notice was served on the Company on December 24, 2014 and charges failure, in the year 2009, to apply tax withholding on interest paid to the Royal Bank of Scotland (Milan branch) under a so-called Senior loan.

- Regarding the foregoing and as reported above in the annual financial report as of December 31, 2014, for purposes of preparing these first half year consolidated financial statements, it is considered that the risk of having to use income-bearing funds for the notice served by the DRE is not likely but at most possible; therefore, in accordance with IAS 37, no provision for tax risks and charges has been made.
- *other non-current assets* of € 6,869 thousand concern € 4,518 thousand in tax receivables for the refunding of the greater corporation tax (IRES) paid for tax years prior to 2012 due to failure to deduct regional production tax (IRAP) relative to staff and similar expenses recognized in 2013 in accordance with the available official interpretations.

14. Net equity

Net equity is broken down as follows:

<i>(euro / thousand)</i>	As at 06.30.2015	As at 12.31.2014	Change
Share capital	20,000	20,000	-
Share premium reserve	117,155	117,155	-
Legal reserve	4,000	4,000	-
Reserve for foreign exchange adjustments	(43)	51	(94)
Reserve for actuarial gains and (losses)	(1,338)	(1,768)	430
Other reserves	33,331	(1,344,176)	1,377,507
Profit (loss) for the year	(10,142)	1,379,167	(1,389,309)
Total net equity of the Group	162,963	174,429	(11,466)
			0
Share capital and reserves	(92)	4,056	(4,148)
Profit (loss) for the year	(20)	(4,148)	4,128
Total non-controlling interests	(112)	(92)	(20)
			0
Total net equity	162,851	174,337	(11,486)

Share capital

The share capital stood at € 20,000 thousand as of June 30, 2015 and was unchanged compared to December 31, 2014.

As of June 30, 2015, the share capital consisted of 64,267,615,339 ordinary shares and 6,803 savings shares. The number and class of shares into which the share capital is currently divided is the result of transactions approved by the Special Shareholders' Meeting of Seat Pagine Gialle S.p.A. on March 4, 2014. It is to be noted that, of the share capital, € 13,741 thousand is subject to taxation. Deferred tax liabilities have not been calculated on this amount since Seat Pagine Gialle S.p.A does not plan to distribute the capital.

Share premium reserve

The share premium reserve totaled € 117,155 thousand as of June 30, 2015, and was unchanged compared to December 31, 2014.

It is to be considered fully subject to taxation in case of distribution as a result of the realignment made in 2005 between the book value and the tax value of the Customer Data Base, pursuant to Law No. 342/2000.

Legal reserve

The legal reserve stood at € 4,000 thousand as of June 30, 2015, and was unchanged compared to December 31, 2014. The reserve in question is to be considered subject to taxation in case of distribution to the extent of € 1,499 thousand pursuant to Art. 109 TUIR, as well as to the extent of € 2,501 thousand as a result of the realignment made in 2005 pursuant to Law 342/2000.

Reserve for foreign exchange adjustments

The reserve for foreign exchange adjustments shows a negative balance of € 43 thousand relating to the consolidation of balances of the English subsidiary Glamoo Ltd.

Reserve for actuarial gains (losses)

The reserve shows a negative balance of € 1,338 thousand (negative by € 1,768 thousand as of December 31, 2014) and includes the effect of recording actuarial gains (losses) on defined-benefit plans (for the Italian companies, employee severance compensation – the portion remaining in the company) as a result of their recognition on the financial statements pursuant to IAS 19, paragraph 93A. For further details on the methods for determining the amounts, please refer to Note 19.

Other reserves

Other reserves totaled € 33,331 thousand as of June 30, 2015 (negative balance of € 1,344,176 thousand as of December 31, 2014) and refer to:

- Reserve for adoption of IAS/IFRS negative by € 890 thousand at June 30, 2015 and unchanged compared to December 31, 2014;

- Miscellaneous reserves and retained earnings (losses) show a balance of € 40,597 thousand (negative by € 1,343,286 thousand at December 31, 2014).

- Fair value adjustment reserve: negative by € 6,376 thousand as a result of the lower fair value valuation of the 16.24% interest held by Seat Pagine Gialle S.p.A. in Telegate AG.

15. Other total profits (losses)

<i>(euro/thousand)</i>	1 st half 2015	1 st half 2014
<i>Other comprehensive income (expense) that will not be reclassified subsequently to profit (loss) for the period:</i>		
Actuarial gain (loss)	592	(1,066)
Tax effect of actuarial gain (loss)	(163)	291
Other movements in the year	-	-
Total other comprehensive income (expense) that will not be reclassified subsequently to profit (loss) for the period	429	(775)
<i>Other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the period</i>		
Profit (loss) for foreign exchange adjustments	(94)	46
Profit (loss) from fair value measurement of AFS securities	(6,376)	(50)
Profit (loss) from the fair value of warrant	4,714	-
Other movements in the period	-	9
Total other comprehensive income (expense) that will be reclassified subsequently to profit (loss) for the period	(1,756)	5
Total other comprehensive profit (loss), net of tax effect	(1,327)	(770)

16. Earnings per share

The earnings (losses) per share are calculated by dividing the economic and financial result by the average number of shares outstanding during the period.

		As at 06.30.2015 (*)	As at 06.30.2014
Number of Seat Pagine Gialle S.p.A. shares		64,267,622,142	16,066,893,331
- ordinary shares	n.	64,267,615,339	16,066,212,958
- saving shares	n.	6,803	680,373
<i>weighted average shares outstanding</i>	n.	64,267,622,142	16,066,893,331
Profit (loss) on continuing operations of the Group	€/thousand	(10,364)	(68,166)
Profit (loss) from non-current assets held for sale and discontinued operations of the Group	€/thousand	222	(221)
Profit (loss) par share from continuing operations of the Group	€	(0.0002)	(0.004)
Profit (loss) par share from non-current assets held for sale and discontinued operations of the Group	€	0.00000	(0.00001)

(*) As at March 4, 2014 the Extraordinary Shareholders meeting, has resolved to approve the new composition of Share Capital as a result of extraordinary operations.

17. Net financial debt

As of June 30, 2015, the net financial debt is positive for € 116,516 thousand (positive for € 71,401 thousand as of December 31, 2014).

The net financial debt as June 30, 2015 is structured as follows.

<i>(euro/thousand)</i>	As at 06.30.2015	As at 12.31.2015	Change
A Cash	125,279	108,455	16,824
B Cash equivalent	-	-	-
C Trading securities	-	-	-
D=(A+B+C) Liquidity	125,279	108,455	16,824
E.1 Current financial receivables from third parties	728	2,718	(1,990)
E.2 Current financial receivables from related parties	-	-	-
F Current bank debt	-	95	(95)
G Current portion of non-current debt	1,097	4,976	(3,879)
H.1 Other current financial debt to third parties	124	2,357	(2,233)
H.2 Other current financial debt to related parties	-	-	-
I=(F+G+H) Current financial debt	1,221	7,428	(6,207)
J=(I-E-D) Net current financial debt	(124,786)	(103,745)	(21,041)
K Non-current bank debt	-	-	-
L Bonds issued	-	-	-
M.1 Other non-current financial debt to third parties	8,270	32,344	(24,074)
M.2 Other non-current financial debt to related parties	-	-	-
N=(K+L+M) Non-current financial debt	8,270	32,344	(24,074)
O=(J+N) Net financial debt (ESMA)	(116,516)	(71,401)	(45,115)

The difference in the net financial position compared to December 31, 2014 is due primarily not only to the net cash flow from operations, but also to the collection in February of a total of € 30,000 thousand relating to settlement produced by the outcome of the liability actions and to the termination in March 2015 of 5 out of 7 property leasing agreements, which meant an overall reduction in debt of approximately € 23,216 thousand. It is noted that with the Conversion Share Subscription

Price (warrant) notice, which took place on April 17, this financial instrument became an option classified under equity insofar as the price is now defined and, in the event of exercise, it entails the delivery of a fixed number of shares; consequently, the resulting financial liability, as a result of fair-value recognition during the period between the date of implementation of the capital increase and the date of setting the exercise price, is no longer recorded under net debt.

Below is a description of the items comprising the net financial debt:

Non-current financial liabilities

As of June 30, 2015, non-current financial liabilities totaled € 8,270 thousand (€ 32,344 thousand as of December 31, 2014) and are broken down as follows:

(euro thousand)	As at 06.30.2015	As at 12.31.2014	Change
Other non-current financial debt to third parties	8,270	32,344	(24,074)
Non-current financial debt	8,270	32,344	(24,074)

Other non-current financial debts refer to the two remaining finance leasing agreements for the Seat Pagine Gialle S.p.A. buildings in Turin. These agreements provide for repayment through the payment of 34 remaining installments, all of which are quarterly

deferred installments subject to a floating interest pegged to the three-month Euribor plus a spread of approximately 65 basis points per annum. The residual value is fixed at around 1% of the value of the buildings related to the finance leasing agreements.

Current financial liabilities

As of June 30, 2015, current financial liabilities stood at € 1,221 thousand (€ 7,428 thousand as of December 31, 2014) and are broken as follows:

(euro thousand)	As at 06.30.2015	As at 12.31.2014	Change
Current bank debt	-	95	(95)
Current portion of non-current financial debt	1,097	4,976	(3,879)
Other current financial debt to third parties	124	2,357	(2,233)
Current financial debt	1,221	7,428	(6,207)

They include the current portion of the two remaining finance leasing agreements in the amount of € 1,097 thousand.

Current financial assets

The current financial assets amounted to € 728 thousand as of June 30, 2015 (€ 2,718 thousand as of December 31, 2014) and refer mainly to financial receivables totaling € 629 thousand (€ 2,613 thousand as of December 31, 2014) and loans to staff totaling € 99 thousand (€ 105 thousand as of December 31, 2014).

Cash and cash equivalents

Cash and cash equivalents totaled € 125,279 thousand as of June 30, 2015 (€ 108,455 thousand as of December 31, 2014) and refer mainly to Seat Pagine Gialle S.p.A. in the amount of € 124,444 thousand. The change compared to December 31, 2014 is due to the collection of a total of € 30,000 thousand relating to the settlement of liability actions, offset in part by the remaining payments of debts relating to the composition with creditors, made by the deadlines provided for in the proceeding.

18. Information on financial risks

Risk associated with financial debt

As of June 30, 2015, the contractual maturities of existing financial instruments were as follows:

<i>(euro/thousand)</i>	due within			Total
	by 1 year	1-5 years	over 5 years	
Financial debt due to Leasint S.p.A. (*)	1,097	4,824	5,028	10,949
Net financial debt	1,097	4,824	5,028	10,949

(*) In the consolidated financial statements, the item amounted to € 9,367 thousand for the measurement of amortized cost.

In view of the financial resources available at June 30, 2015, no risks associated with the financial debt are seen.

Credit risk

The Seat Pagine Gialle group, operating in the multimedia directory advertising market, is engaged in a business characterized by the presence of a high number of customers. Some 98.3% of the Group's trade receivables as of June 30, 2015 (97% as of December 31, 2014) relate to Seat Pagine Gialle S.p.A., which in the first six months of 2015 boasts approximately 178,000 customers throughout Italy consisting predominantly of small and mid-sized businesses. During the first half of 2015, at SEAT alone issued some 262,000 invoices, each of which provides, on average, for payments in 2 installments of about € 412 each, meaning more than 0.5 million payments to be received.

In this context, therefore, situations of credit-risk concentration are not seen. The type of business and the customer type are nevertheless elements that have

always guided SEAT in preparing an efficient credit management organization. Over time, SEAT has implemented a widespread and continually strengthened structure that is able to efficiently manage all phases of the payment request process. The internal organizational structure, call centers, collection agencies and network of legal professionals include about 430 people overall.

The exposure to credit risk – represented on the financial statements by the allowance for doubtful receivables – is valued using a statistical model, based on customer segmentation according to territorial criteria and seniority, which SEAT believes reflects its past receivables collection experience, projecting into the future.

As of June 30, 2015, the allowance for doubtful trade receivables Group-wide totaled € 60,840 thousand, down from December 31, 2014 (€ 75,596 thousand) albeit though maintaining an adequate percentage of coverage for overdue payments. As a percentage of total trade receivables, the coverage of the allowance is 28.5%.

19. Non-current reserves for employees

The companies in the Seat Pagine Gialle group provide post-employment benefits to their active and no longer active employees either directly or by contribution to funds outside the Group. The terms according to which these benefits are provided vary according to the legal, tax and economic conditions of each country in which the Group operates. The benefits are usually based on employee compensation and years of service.

The Group companies provide post-employment benefits through defined-contribution plans and/or defined-benefit plans.

In the case of defined-contribution plans, the Group pays contributions to government or private insurance institutions

based on a legal or contractual obligation, or on a voluntary basis. By paying contributions, the Group fulfills all of its obligations. The cost for the financial year accrues based on the service provided by the employee and is recorded in the income statement (€ 1,648 thousand in the first half of 2015). Defined-benefit plans are unfunded as in the case of employee severance compensation or fully funded by contributions paid by the company, or by its employees, to a company or fund legally separate from the company which disburses benefits to employees.

The table below shows the changes occurring during the first half of 2015 in the different types of plans in existence:

	1 st half 2015			Total
	Net liabilities for defined benefit pension plans	Reserve for severance indemnities	Reserve for defined contribution pension plans	
<i>(euro / thousand)</i>				
Balance at beginning of the period	231	14,456	964	15,651
Provisions	-	470	1,648	2,118
Contributions	-	-	411	411
Benefits paid/received	-	(1,750)	(2,307)	(4,057)
Discounting losses	-	124	-	124
Actuarial losses (gains) recognised to equity	-	(592)	-	(592)
Foreign exchange adjustments and other movements	-	71	60	131
Balance at end of the period	231	12,779	776	13,786

The amounts for pension plan assets, liabilities to employees and the respective costs in the income statement have been determined based on valuations performed by an independent expert, using the *Project Unit Credit Method* according to the instructions contained in IAS 19.

Net liabilities for defined-benefit plans

Net liabilities for defined-benefit plans totaled € 231 thousand as of June 30, 2015 and were unchanged compared to December 31, 2014. They are recorded net of assets earmarked for financing such plans.

Reserve for severance compensation

The reserve for severance compensation, amounting to € 12,779 thousand as of June 30, 2015 (€ 14,456 thousand as of December 31, 2014), was valued (being considered a

defined-benefit plan) according to the instructions contained in IAS 19 *revised*.

Following the entry into effect of the supplemental pension reform (Legislative Decree No. 252 of December 5, 2005), the institution of severance compensation changed effective January 1, 2007, from a defined-benefit plan to a defined-contribution plan. Consequently, the debt recorded in the financial statements represents the defined-benefit plan liability – valued based on the criteria of IAS 19 – for employees rendering services through December 31, 2006. In addition, during the first half of 2015, changes arose recorded under net equity in the amount of € 592 thousand, of which € 479 thousand are attributable to Seat Pagine Gialle S.p.A. Pursuant to IAS 19, paragraph 93A, such losses have been recorded, net of the respective tax impact, directly in the comprehensive income statement.

<i>(euro / thousand)</i>	As at 06.30.2015	As at 12.31.2014
A. Change in benefit obligation		
1. Benefit obligation at the beginning of the year	14,456	13,531
2. Current service cost	470	715
3. Interest expense	124	452
4. Benefit paid form plan/company	(1,750)	(2,539)
5. Other movements and change in consolidation scope	71	71
6. Changes recognised to equity (OCI effect) (*)	(592)	2,226
a. Effects due to changes of demographic events	-	-
b. Effects due to changes of financial events	(592)	2,480
c. Effects due to changes of actuarial events	-	(254)
7. Curtailment	-	-
Benefit obligation at the end of the year	12,779	14,456
B. Account recognised in the statement of financial position		
<i>Plants that are fully unfunded and plants that are wholly or partly funded</i>		
1. Present value of defined-benefit unfunded obligations at the end of the year	12,779	14,456
2. Other movements	-	-
Net liability recognised in the statement of financial position	12,779	14,456
<i>Amounts in the statement of financial position</i>		
1. Liabilities	12,779	14,456
2. Assets	-	-
C. Component of pension costs		
<i>Amounts recognised in the income statement</i>		
1. Current service costs	470	715
2. Interest expense	124	452
Total pension cost recognised in the income statement		
D. Principal actuarial assumptions		
<i>Weighted-average assumptions to determine benefit obligation</i>		
1. Discount rate	2.25%	1.70%
2. Rate of price inflation	2.00%	2.00%
<i>Weighted-average assumptions to determine net pension cost</i>		
1. Discount rate	1.80%	3.50%
2. Rate of price inflation	2.00%	2.00%
E. Past experience of actuarial (profits) and losses		
a. Amount (*)	n.s.	n.s.
b. Percentage of plan liabilities at the closing data	n.s.	n.s.

(*) This is the amount of actuarial gains/(losses) from applying the previous year's actuarial assumptions to the current workforce.

20. Other non-current liabilities

Other non-current liabilities stood at € 29,736 thousand as of June 30, 2015 (€ 26,779 thousand as of December 31, 2014) and are broken down as follows:

(euro / thousand)	1 st quarter 2015				Total
	Reserve for sale agents' termination indemnities	Other non-current operating liabilities	Reserve for restructuring expenses	Other non-operating liabilities	
Balance at the beginning of the period	24,483	2,282	-	14	26,779
Provisions	684	-	9,263	500	10,447
Utilizations/repayments	(1,444)	(117)	-	-	(1,561)
Discount losses (gains)	(299)	-	-	-	(299)
Other movements	(5,638)	8	-	-	(5,630)
Balance at the end of the period	17,786	2,173	9,263	514	29,736

The balances as of June 30, 2015, for non-current reserves were discounted, considering expected future cash flows, using the pre-tax discount rate which reflects the current market valuation of the cost of money over time. The increase due to the passage of time and the variation in the discount rate applied was recorded as financial income (€ 299 thousand).

The *reserve for agent termination* represents the matured debt with active sales agents for compensation owed to them in the event of termination of the agency relationship, as provided for by current regulations.

As of June 30, 2015, this reserve totaled € 17,786 thousand and decreased over the period by € 6,697

thousand (€ 24,483 thousand as of December 31, 2014); this difference is tied to the results of the analysis described in Note 22.

The non-current portion of the *corporate restructuring reserve* amounted to € 9,263 thousand as of June 30, 2015 as a result of the provision made during the first six months of the year at Seat Pagine Gialle S.p.A. as a result of the new workforce restructuring plan started in February 2015 (for further details, please refer to the section "Industrial relations, summary of the union agreement" included among the Main Events of the first half of 2015 in the Report). This reserve should be considered in conjunction with the current corporate restructuring reserve.

21. Reserves for (operating and non-operating) current risks and charges

These reserves are broken down as follows:

(euro / thousand)	1 st half 2015			Total
	Reserve for commercial risks	Reserves for contractual and other operating risks	Non-operating reserves	
Balance at the beginning of the period	5,483	9,233	12,149	26,865
Provisions	1,303	99	23,127	24,529
Utilizations	(1,443)	(518)	(6,368)	(8,329)
Estimation revised	0	(941)	(14)	(955)
Other movements	-	(507)	(1,325)	(1,832)
Balance at the end the period	5,343	7,366	27,569	40,278

The reserves for current risks and charges totaled € 40,278 thousand as of June 30, 2015 (€ 26,685 thousand as of December 31, 2014) and were broken down as follows:

- the *reserve for commercial risks*, totaling € 5,343 thousand as of June 30, 2015 (€ 5,483 thousand as of December 31, 2014) is commensurate with any charges associated with imperfect performance of contractual obligations;
- the *reserves for contractual and other operating risks*, which totaled € 7,366 thousand (€ 9,233 thousand as of December 31, 2014), include € 4,473 thousand in reserves for legal disputes (€ 5,270 thousand as of December 31, 2014) and € 2,566 thousand in reserves for lawsuits pending with agents and employees (€ 3,611 thousand as of December 31, 2014);

- the *non-operating reserves* – current portion – amounted to € 27,569 thousand as of June 30, 2015 (€ 12,149 thousand as of December 31, 2014). These include: (i) € 22,012 thousand for the *corporate restructuring reserve* – current portion which reflects the provision of € 22,894 thousand made during the first half of 2015 by Seat Pagine Gialle S.p.A. as a result of the new workforce restructuring plan started in February 2015 (for further details, see the section “Industrial relations, summary of the union agreement” included under Main Events during the first half of 2015 in the Report). This reserve should be considered in conjunction with the non-current portion of the corporate restructuring reserve; and (ii) € 3,611 thousand for the *sales network restructuring reserve*.

22. Trade payables and other current liabilities

Trade payables and other current liabilities are broken down as follows:

(euro / thousand)	As at 06.30.2015	As at 12.31.2014	Change
Payables to suppliers	62,450	58,042	4,408
Payables due to sales agents	13,076	11,612	1,464
Payables due to employees	14,665	16,988	(2,323)
Payables due to social security institutions	6,064	6,289	(225)
Payables due to other	911	1,285	(374)
Total trade payables	97,166	94,216	2,950
Payables for services to be rendered	114,203	119,884	(5,681)
Advances from customers	1,691	1,867	(176)
Other current liabilities	7,148	8,605	(1,457)
Total payables for services to be rendered and other current liabilities	123,042	130,356	(7,314)

All trade payables have maturities of less than 12 months. Specifically:

- *payables to suppliers*, which amounted to € 62,450 thousand as of June 30, 2015 (€ 58,042 thousand as of December 31, 2014), € 57,577 thousand refer to Seat Pagine Gialle S.p.A.. The difference reflects the lower volume of procurement compared to the previous period;
- *payables to agents*, which totaled € 13,076 thousand (€ 11,612 thousand as of December 31, 2014), should be considered in conjunction with "advances on sales commissions," recorded under "other current assets" and totaling € 19,991 thousand (€ 22,204 thousand as of December 31, 2014); it is to be noted that the

implementation of new IT procedures during the first half thereafter made it possible to perform a specific analysis of assets and liabilities associated with relations with agents, which has allowed for allocating amounts previously set aside in reserves related to them;

- *payables for services to be rendered* amounted to € 114,203 thousand (€ 119,884 thousand as of December 31, 2014); the item includes advance billing for advertising services in print directories, as well as the deferral of revenues from the provision of web and voice services on a straight-line basis throughout the on-line and on-voice contractual periods.

23. Reporting by Business Area

The primary reporting format of the Seat Pagine Gialle group is by Business Area, given that the Group's risks and profitability depend, first of all, to differences between the products and services offered.

The secondary format is by geographical areas.

The Group's operations are organized and managed separately based on the nature of the products and services provided, and each area represents a strategic business area, which offers different products and services to different markets.

Prices of intercompany transfers between areas are set

using the same conditions for transactions with third parties. Revenues, costs and results by Business Area include transfers between areas, which are eliminated, on the other hand, at the consolidated level.

The Group's geographical areas are identified based on the location of the Group's activities and basically coincide with the legal entities operating in each Business Area.

The table below includes the main economic and financial data of the Business Areas of the Seat Pagine Gialle group.

		Italian Directories	Other Activities	Aggregate Total	Eliminations and other adjustments (*)	Consolidated Total
<i>(euro/thousand)</i>						
Revenues from sales and services	1 st half year 2015	176,503	9,132	185,635	(2,287)	183,348
	1 st half year 2014	202,134	10,757	212,891	(3,547) (*)	209,344
GOP	1 st half year 2015	23,151	(1,458)	21,646	303	21,949
	1 st half year 2014	39,988	(1,573)	38,381	2,037 (*)	40,418
EBITDA	1 st half year 2015	16,132	(1,613)	14,472	-	14,472
	1 st half year 2014	26,956	(1,838)	25,084	1,940 (*)	27,024
EBIT	1 st half year 2015	(9,384)	(3,747)	(13,178)	56	(13,122)
	1 st half year 2014	7,201	(5,696)	1,471	1,353 (*)	2,824
Total assets	June 30, 2015	498,092	16,857	514,949	(11,406)	503,543
	December 31, 2014	543,230	20,403	563,633	(20,349) (*)	543,284
Total liabilities	June 30, 2015	334,726	22,691	357,417	(16,725)	340,692
	December 31, 2014	362,710	22,506	385,216	(16,269) (*)	368,947
Net invested capital	June 30, 2015	39,226	2,807	42,033	4,302	46,335
	December 31, 2014	104,622	5,465	110,087	(7,151) (*)	102,936
Capital expenditure	1 st half year 2015	13,036	1,539	14,575	-	14,575
	1 st half year 2014	12,080	1,498	13,578	-	13,578

(*) This includes the effects of Cipi S.p.A. deconsolidation.

24. Revenues from sales and services

Revenues from sales and services amounted during the first half of 2015 to € 183,348 thousand (€ 209,344 thousand in the first half of 2014). Before eliminations between the Business Areas, revenues from sales and services are broken down as follows:

- revenues of the Business Area "Directories Italy" (Seat

Pagine Gialle S.p.A., Digital Local Services, Glamoo Ltd, Glamoo S.r.l. and Prontoseat S.r.l.) totaling € 176,503 thousand, of which € 176,019 thousand refer to SEAT (*Seat Pagine Gialle S.p.A. and Digital Local Service*);

- revenues of the Business Area "Other activities" (*Europages and Consodata*) totaling € 9,132 thousand.

25. Other operating revenues and costs

25.1 Other revenues and costs

Other revenues and income amounted to € 1,484 thousand in the first half of 2015 (€ 1,731 thousand in the first half of 2014). The item mainly includes postal, legal and administrative costs recovered from third parties in the amount of € 1,105 thousand.

25.2 Materials costs

Materials costs reached € 7,698 thousand in the first half of 2015 (€ 5,894 thousand in the first half of 2014) and refer mainly to paper consumption.

25.3 External services costs

External services costs amounted in the first half of 2015 to € 108,957 thousand (€ 114,183 thousand in the first half of 2014). External services costs specifically include:

- *Manufacturing costs*, which totaled € 45,851 thousand in the first half of 2015 (€ 45,102 thousand in the first half of 2014), including (i) production costs of € 9,705 thousand, (ii) distribution and warehousing costs of € 3,990 thousand, (iii) costs for digital services associated with online products of € 8,739 thousand, (iv) inbound call center costs of € 3,040 thousand, (v) web publisher fees increasing by € 2,836 to € 19,089 thousand in connection with the management of the new digital reselling offerings and the partnership

agreements signed with important media players;

- *advertising costs*, which reached € 2,945 thousand in the first half of 2015 (€ 6,157 thousand in the first half of 2014), mainly for the new SEAT corporate campaign;

- *sales commissions and other agent costs*, which amounted to € 29,462 thousand in the first half of 2015 (€ 33,179 thousand in the first half of 2014), directly linked to revenue performance;

- *costs for consultancy and professional services*, which totaled € 8,532 thousand in the first half of 2015 (€ 8,052 thousand in the first half of 2014);

- *costs for outbound call center services*, which reached € 3,945 thousand in the first half of 2015 (€ 4,064 thousand in the first half of 2014).

25.4 Labor costs

Labor costs during the first half of 2015 amounted to € 45,849 thousand (€ 49,983 thousand in the first half of 2014).

This decrease is due mainly to the restructuring actions implemented within the Seat Group.

The Group workforce – including directors, contract workers and interns – had a 1,909 headcount as of June 30, 2015 (1,932 headcount as of December 31, 2014). The full-time equivalent (FTE) during the first half of 2015 was a 1,715 headcount (1,804 headcount in the first half of 2014).

25.5 Net non-recurring costs

Net non-recurring costs amounted to € 26,099 thousand during the first half of 2015 (€ 876 during the first half of 2014) and are broken down as follows:

<i>(euro/thousand)</i>	1 st half year 2015	1 st half year 2014	Change	
			Absolute	%
Non - recurring costs	3,908	876	3,032	n.s.
Non - recurring income	(30,007)	-	(30,007)	n.s.
Total non - recurring costs, net	(26,099)	876	(26,975)	n.s.

Specifically, non-recurring costs include:

- € 2.000 thousand related to the amounts to be paid to the CEO for termination of his office on the terms announced by the Company;
- € 1,287 thousand mainly due to strategic consultancy;
- € 250 thousand in costs for the composition of

creditors proceeding and related consultancy.

Of *non-recurring income*, € 30,000 thousand refers to the amount paid by former directors of Seat Pagine Gialle S.p.A. regarding transaction arising from the results of the liability settlement.

25.6 Net restructuring costs

Net restructuring costs amounted to € 32,247 thousand in the first half of 2015 (€ 730 thousand in the first half of 2014), of which € 32,157 thousand refer to the amount allocated to the corporate restructuring reserve – current and non-current portion – as a result of the new workforce restructuring plan begun at Seat Pagine Gialle S.p.A. starting in February 2015 (for further

details, please refer to the section “Industrial relations, summary of union agreement” included under Main Events of the first half of 2015 in the Management Report). In the first half of 2014, net restructuring costs amounted to € 730 thousand and mainly included the costs incurred by Consodata S.p.A. for workforce restructuring.

26. Financial income and expenses

26.1 Financial expenses

Financial expenses amounting to € 3,986 thousand in the first half of 2015 (€ 67,095 thousand in the first half of 2014) are broken down as follows:

<i>(euro/thousand)</i>	1 st half year	1 st half year	Change	
	2015	2014	Absolute	%
Interest expense on loan with The Royal Bank of Scotland Plc.	-	19,902	(19,902)	(100,0)
Interest expense on Bond	-	45,325	(45,325)	(100,0)
Interest expense on leasing debt	192	750	(558)	(74,4)
Foreign exchange losses	145	2	143	n.s.
Other financial expenses	3,649	1,116	2,533	n.s.
Total interest expense	3,986	67,095	(63,109)	(94,1)

They are mainly due to the fair value adjustment of the warrants amounting to € 3,391 thousand (for further details, please refer to the section net financial debt in this Note).

The significant difference compared to the first half of 2014 is attributable to the extinguishment of the senior secured

bonds and of the financial debt to The Royal Bank of Scotland, which took place in December 2014 in implementing the proposed composition of creditors, in addition to the termination of 5 out of 7 finance leasing agreements effective January 1, 2015.

26.2 Financial income

Financial income in the first half of 2015 amounted to € 1,004 thousand (€ 1,220 thousand in the first half of 2014) and refers almost entirely to interest income from

the short-term investment of liquidity in the banking system at market rates.

27. Gains and losses from subsidiaries disposal

The item *gains (losses) from subsidiaries disposal* showed a balance of € 2,648 thousand in the first half of 2014 and referred to the loss on the disposal of Cipi S.p.A.

28. Net income from composition with creditors

Net income from composition with creditors totaled € 5,875 thousand in the first half of 2015 and referred to the net effect from the termination of 5 out of 7 finance leasing

agreements, which meant the elimination of the respective financial debt and the recording under assets of the property to which the finance lease referred.

29. Income tax for the period

Income tax for the period shows a negative balance of € 155 thousand (negative by € 2,491 in the first half of 2014).

According to the provisions contained in IAS 34, taxes were measured applying the average rates for all of 2015 to the gross profit before taxes.

Net prepaid tax asset and net deferred tax liability

The net prepaid tax asset and the net deferred tax liability are described in the table below.

	As at 12.31.2014	Changes during the period			As at 06.30.2015
		Income taxes accounted for in the income statement	Income taxes accounted for equity	Other movements	
<i>(euro/thousand)</i>					
Deferred tax assets	4,959	(75)	(405)	(20)	4,459
Deferred tax liabilities	(25,237)	509	(131)	20	(24,839)
Totale	(20,278)	434	(536)	-	(20,380)
Shown in the statement of financial position:					
<i>Deferred tax assets</i>	462				445
<i>Deferred tax liabilities</i>	(20,740)				(20,825)

⁽¹⁾In the consolidated financial statement, deferred tax assets and liabilities are recorded at their net value, having been offset against each other, where possible in terms of the tax authority, the taxed entity and the relevant time frames.

It is noted that at the end of the tax year 2014, the Parent Company has the following tax attributes:

- Tax losses generated under National Tax Consolidation of around € 130 million;
- Non-deductible interest expense under Art. 96 of the

Consolidated Law on Income Tax of approximately € 650 million.

Of these amounts deferred tax assets were not recorded, as their recovery within timeframe foreseeable at present is not considered likely.

Current tax assets

Current tax assets amount to € 27,745 thousand as of June 30, 2015 (€ 27,567 thousand as of December 31, 2014) and are broken down as follows:

<i>(euro / thousand)</i>	As at 06.30.2015	As at 12.31.2014	Change
Income tax receivables	27,307	27,130	177
Other tax receivables	438	437	1
Total current tax assets	27,745	27,567	178

The amount of € 27,307 thousand at June 30, 2015 includes mainly the IRES receivable arising from national tax consolidation of the Seat Group reported in previous

tax periods, of which € 18,000 thousand were required to be reimbursed by the Parent Company by submitting Form CNM (National Consolidation World) 2014.

Current tax liabilities

Current tax liabilities amount to € 6,368 thousand as of June 30, 2015 (€ 14,318 thousand as of December 31, 2014) and are broken down as follows:

<i>(euro / thousand)</i>	As at 06.30.2015	As at 12.31.2014	Change
Income tax payables	1,038	3,315	(2,277)
Other tax payables	5,330	11,003	(5,673)
Total current tax payables	6,368	14,318	(7,950)

30. Discontinued operations and non-current assets held for sale

In line with the provisions of IFRS 5, the economic and financial results of Katalog Yayın ve Tanıtım Hizmetleri A.Ş for the first half of 2015 (and for the Telegate Group in

the first half of 2014) were recorded as "Discontinued operations and non-current assets held for sale" (*Discontinued operations – D.O.*).

Income statement

<i>(euro/thousand)</i>	1 st half year 2015 <i>Katalog</i>	1 st half year 2015	1 st half year 2014 <i>Gruppo Telegate</i>	1 st half year 2014
Revenues from sales and services	-	-	32,069	32,069
Other income	-	-	279	279
Total revenues	-	-	32,348	32,348
Costs for external services	(28)	(28)	(11,136)	(11,136)
Salaries, wages and employee benefits	-	-	(15,523)	(15,523)
Valuation adjustments	-	-	(1,127)	(1,127)
Provisions to reserves for risks and charges, net	-	-	168	168
Other operating expenses	-	-	(443)	(443)
Operating income before amortization, depreciation, non-recurring and restructuring costs, net	(28)	(28)	4,287	4,287
Non - recurring costs, net	250	250	(4,280)	(4,280)
Restructuring costs, net	-	-	(773)	(773)
Operating result	222	222	(766)	(766)
Interest expense	-	-	(27)	(27)
Interest income	-	-	340	340
Profit (loss) before income taxes	222	222	(453)	(453)
Income taxes for the year	-	-	175	175
Profit (loss) for the year	222	222	(278)	(278)

Statement of financial position

The balance sheet items "Liabilities directly related to discontinued operations and non-current assets held for sale" included amounts as of December 31, 2014 relating

to the interest held in Katalog Yayın ve Tanıtım Hizmetleri A.Ş., which was sold on April 10, 2015.

	As at 06.30.2015	As at 06.30.2015 Katalog
<i>(euro/thousand)</i>		
Non-current assets held for sale and discontinued operations	-	-
Reserve for risks and charges	-	250
Liabilities directly associated with non - current assets held for sale and discontinued operations	-	250

Cash flow statement

	1 st half year 2015	1 st half year 2014 Telegate Group	1 st half year 2014
<i>(euro/thousand)</i>			
Cash inflow (outflow) from operating activities	-	(4,069)	(4,069)
Cash inflow (outflow) for investments	-	(2,148)	(2,148)
Cash inflow (outflow) for financing	-	(823)	(823)
Cash inflow (outflow) from non - current assets held for sale and discontinued operations	-	(7,040)	(7,040)

31. Related-party transactions

With reference to the provisions contained in IAS 24 and based on Consob Regulation No. 17221 of March 12, 2010, below is a summary of the effects of related-party transactions on the income, equity and cash flow in the condensed consolidated half-year financial statements at June 30, 2015 of the Seat Pagine Gialle group.

The effect of intragroup transactions between

consolidated companies on income, equity and cash flow are eliminated in the consolidated data.

The transactions carried out by Group companies with related parties, including intragroup parties, fall within ordinary operations and are governed at market conditions or on the basis of specific regulatory provisions. No atypical and/or unusual transactions or potential conflicts of interest are noted.

Income statement

	1 st half year 2015	Subsidiaries	Associates	Other related parties (*)	Total related parties 1 st half year 2015
<i>(euro/thousand)</i>					
Cost for external services	(108,957)	-	-	(119)	(119)
Salaries, wages and employee benefits	(45,849)	-	-	(2,043)	(2,043)
Non-recurring costs	26,099	-	-	(2,000)	(2,000)

(*) Directors, statutory auditors, managers with strategic responsibilities.

	1 st half year 2014	Subsidiaries	Associates	Other related parties (*)	Total related parties
<i>(euro/thousand)</i>					
Revenues from sales and services	209,344	-	-	9,417	9,417
Cost for external services	(114,183)	-	-	(2,076)	(2,076)
Salaries, wages and employee benefits	(49,983)	-	-	(1,855)	(1,855)
Non-recurring costs	(876)	-	-	(350)	(350)

(*) Directors, statutory auditors, managers with strategic responsibilities and related companies though directors, statutory auditors and managers with strategic responsibilities.

Statement of financial position

<i>(euro/thousand)</i>	As at June 30, 2015	Subsidiaries	Associates	Other related parties (*)	Total related parties as at June 30, 2015
Liabilities	-	-	-	-	-
Other non-current liabilities	29,736	-	-	500	500
Trade payables	97,166	-	-	1,215	1,215
Payables for services to be rendered and other current liabilities	123,042	-	-	1,500	1,500

(*) Directors, statutory auditors, managers with strategic responsibilities.

<i>(euro/thousand)</i>	As at 12.31.2014	Subsidiaries	Associates	Other related parties (*)	Total related parties as at December 31, 2014
Liabilities					
Trade payables	94,216	-	-	1,417	1,417

(*) Directors, statutory auditors, managers with strategic responsibilities.

Cash flow statement

<i>(euro/thousand)</i>	1° half year 2015	Subsidiaries	Associates	Other related parties (*)	Total related parties (*)
Cash inflow (outflow) from operating activities	37,227	-	-	(2,364)	(2,364)
Cash inflow (outflow) for investments	(17,266)	-	-	-	-
Cash inflow (outflow) for financing	(3,137)	-	-	-	-
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	-	-	-	-	-
Increase (decrease) in cash and cash equivalents in the period	16,824	-	-	(2,364)	(2,364)

(*) Directors, statutory auditors, managers with strategic responsibilities.

	1° half year 2014	Subsidiaries	Associates	Other related parties (*)	Total related parties 1° half year 2014
<i>(euro/thousand)</i>					
Cash inflow (outflow) from operating activities	(12.044)	-	-	(2.758)	(4.388)
Cash inflow (outflow) for investments	(18.937)	-	-	-	-
Cash inflow (outflow) for financing	(326)	-	-	-	-
Cash inflow (outflow) from non-current assets held for sale and discontinued operations	(7.040)	-	-	-	-
Increase (decrease) in cash and cash equivalents in the period	(38.347)	-	-	(2.758)	(4.388)

(*) Directors, statutory auditors, managers with strategic responsibilities and related companies though directors, statutory auditors and managers with strategic responsibilities.

32. Information related to Consob Communication No. DEM/ 6064293 of July 28, 2006

In accordance with Consob Communication No. DEM/ 6064293 of July 28, 2006, information regarding the impact of non-recurring events and operations on the economic

and financial results and equity of the Seat Group is provided below. The impact of non-recurring events and operations during the first half of 2015 was as follows:

	Equity	Profit (loss) for the year	Net financial debt	Cash flows (*)
<i>(euro thousand)</i>				
Amount - financial statements	162,851	(10,162)	116,516	16,824
Net non-recurring and restructuring costs of which:	(6,148)	(6,148)	18,148	18,148
- Effects of a settlement agreement between SEAT and Ilte/Rotosud Group	30,000	30,000	30,000	30,000
- Procedural and legal costs relating to the composition with creditors procedure	(250)	(250)	(2,137)	(2,137)
- Net restructuring costs	(32,247)	(32,247)	(7,551)	(7,551)
<i>incidence%</i>	-3.8%	60.5%	15.6%	107.9%

(*) Cash flows refer to the increase (decrease) in cash and cash equivalent during the year.

In accordance with Consob Communication DEM/6064293 of July 28, 2006, a statement is made to the effect that in the first half of 2015 Seat Pagine

Gialle Group has not put into place any atypical and/or unusual transactions, as defined by that Communication.

33. Other information

Comprehensive list of investments in the consolidated financial statements (Consob Communication DEM/6064293 of July 28, 2006)

Statement 1

Company (business)	Registered office	Share capital	Ordinary shares held		% held by Seat Pagine Gialle S.p.A.	
			%	by		
SUBSIDIARIES						
GLAMOO LTD (e-commerce)	London (Great Britain)	Pound Sterling	14,042	100.00	Seat Pagine Gialle S.p.A.	100,00
GLAMOO S.r.l. (e-commerce)	Milan (Italy)	Euro	100,000		Seat Pagine Gialle S.p.A.	100.00
CONSODATA S.p.A. (direct marketing services, database creation, management and distribution)	Rome (Italy)	Euro	2,446,330	100.00	Seat Pagine Gialle S.p.A.	100.00
EUROPAGES S.A. (production, promotion and marketing of the "Europages directory")	Paris (France)	Euro	1,000,000	98.37	Seat Pagine Gialle S.p.A.	98.37
EUROPAGES Benelux SPRL (production, promotion and marketing of the "Europages directory")	Bruxelles (Belgium)	Euro	20,000	99.00	Europages S.A.	97.39
PRONTOSEAT S.r.l. (call center services)	Turin (Italy)	Euro	10,500	100.00	Seat Pagine Gialle S.p.A.	100.00
TELEGATE HOLDING GmbH (holding)	Munich (Germany)	Euro	26,100	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ROMA1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ROMA2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ROMA3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services Milan 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services Milan 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services Milan 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BERGAMO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BERGAMO 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BRESCIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BRESCIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VARESE 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services COMO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00

**Comprehensive list of investments in the consolidated financial statements
(Consob Communication DEM/6064293 of July 28, 2006)**

Statement 1

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			%	by		
SUBSIDIARIES						
Digital Local Services BOLZANO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VENEZIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SONDRIO LECCO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LOMBARDIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LOMBARDIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LOMBARDIA 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SARDEGNA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SARDEGNA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services FRIULI 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VENETO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VENETO 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VENETO 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle Italia S.p.A.	100.00
Digital Local Services VENETO 4 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VENETO 5 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services EMILIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle Italia S.p.A.	100.00
Digital Local Services EMILIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services EMILIA 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PIEMONTE 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PIEMONTE 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services CUNEO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LAZIO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LAZIO 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LAZIO 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SICILIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SICILIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00

**Comprehensive list of investments in the consolidated financial statements
(Consob Communication DEM/6064293 of July 28, 2006)**

Statement 1

Company (business)	Registered office	Share capital	Ordinary shares held		% held by Seat Pagine Gialle S.p.A.	
			%	by		
SUBSIDIARIES						
Digital Local Services SICILIA 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SICILIA 4 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SICILIA 5 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services SICILIA 6 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TORINO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TORINO 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TORINO 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TORINO 4 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PUGLIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PUGLIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PUGLIA 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services PUGLIA 4 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services CALABRIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services CALABRIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services FIRENZE 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services FIRENZE 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services FIRENZE 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services NAPOLI 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services NAPOLI 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ROMAGNA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ROMAGNA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TOSCANA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TOSCANA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BOLOGNA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services BOLOGNA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10,000	100.00	Seat Pagine Gialle S.p.A.	100.00

**Comprehensive list of investments in the consolidated financial statements
(Consob Communication DEM/6064293 of July 28, 2006)**

Statement 1

Company (business)	Registered office	Share capital	Ordinary shares held		% held by Seat Pagine Gialle S.p.A.	
			%	by		
SUBSIDIARIES						
Digital Local Services CAMPANIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services CAMPANIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services CAMPANIA 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services VERONA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services TRENTO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LIGURIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services LIGURIA 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services GENOVA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services UMBRIA 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ADRIATICO 1 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ADRIATICO 2 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00
Digital Local Services ADRIATICO 3 S.r.l. (commercial consultancy and marketing)	Turin (Italy)	Euro	10.000	100.00	Seat Pagine Gialle S.p.A.	100.00

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Other information



LOADING



Certification of the condensed consolidated half-year financial statements pursuant to article 154-*bis* of Legislative Decree 58/98

1. The undersigned, Vincenzo Santelia, in his capacity as Chief Executive Officer, and Andrea Servo, as Chief Financial Officer of Seat Pagine Gialle S.p.A., hereby certify, taking into account the provisions of article 154-*bis*, paragraphs 3 and 4 of Legislative Decree 58 of February 24, 1998, that the administrative and accounting procedures for the preparation of the condensed consolidated half-year financial statements, deemed to be suitable for the characteristics of the business, have been effectively applied during the first half of 2015.

2. The administrative and accounting procedures for the preparation of the condensed consolidated half-year financial statements at June 30, 2015 have been subjected, during the half year, to a critical examination in order to evaluate their suitability and the effectiveness of their application. No anomalies have emerged as a result of this verification.

3. The following is also certified:
 - 3.1 the condensed consolidated half-year financial statements at June 30, 2015:
 - have been prepared in compliance with the applicable IAS/IFRS recognized by the European Union in compliance with (EC) Regulation No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, and in particular IAS 34 – Interim Financial Reporting – as well as the implementing measures of article 9 of Legislative Decree 38/2005;
 - correspond to the results contained in the accounting books and records;
 - are suitable to provide a true and fair representation of the assets, results and cash flows of the issuer and of all the companies included in its consolidation scope;
 - 3.2 the interim report on operations contains references to important events which have taken place in the first six months of the financial year and their effect on the half-year financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year, in addition to information concerning significant related-party transactions.

Turin, August 5, 2015

Chief Executive Officer

Vincenzo Santelia



Chief Financial Officer

Andrea Servo



REVIEW REPORT ON THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
SEAT Pagine Gialle SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of SEAT Pagine Gialle SpA and its subsidiaries ("SEAT Pagine Gialle Group") as of 30 June 2015, comprising the statement of financial position, the income statement, the comprehensive income statement, the statement of cash flows, the statement of changes in net equity and the related notes. The Directors of SEAT Pagine Gialle SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of the SEAT Pagine Gialle Group as of 30 June 2015 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34), as adopted by the European Union.

Turin, 7 August 2015

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

PricewaterhouseCoopers SpA

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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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