Consolidated financial information as at 31 March 2015

Board of Directors of 27 April 2015

Unofficial translation of the French-language "*Informations financières consolidées au 31 mars 2015*" of Solocal Group, for information purposes only.

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Solocal Group
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Commercial and Companies Register Nanterre 552 028 425

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1. ACTIVITY REPORT AS AT 31 MARCH 2015

1.1. Overview

Through its subsidiaries, Solocal Group conducts three complementary businesses: the provision of content and services, media and advertising representation. Its offering comprises a diversified range of products and services associated with this activity for the general public and businesses.

The Group creates services and makes them available which give access to a mine of useful and reliable information. Constantly adapted to today's consumption modes, they accompany citizens everywhere and everyday and make their life easier: locating and contacting a business, obtaining an itinerary, visiting merchant shops, finding good deals...

Always in line with the uses, Solocal Group develops its services across all the mobile platforms (in particular via applications for iPhone, iPad and Android), as such meeting the growing needs for information availability and proximity.

The Group's business model is based on that of the media: i.e. offering quality content which generates an audience and then monetising this audience, either as a whole or in segments, among businesses. The Group's brands benefit from the strong notoriety and from the trust of users. The credibility of services, built year after year, is the base for the power of the audiences. Since the beginning of 2014, the Group has reorganised itself around 6 business units, 5 vertical "markets" Solocal Retail, Solocal B2B, Solocal Home, Solocal Services, Solocal Health & Public, and Solocal Network dedicated to brands and networks, major accounts and international customers. This organisation will make it possible to improve the customer experience, and to best meet their expectations, in particular with the development and the marketing of products and services that are adapted to the needs of the various markets.

The Group's activities are organised in two segments: the "Internet" segment and the "Print & Voice" segment.

- Internet:

  The Group's Internet growth is based on 2 major types of products: "search and display" on the one hand, and "digital marketing" on the other hand.

  The "search and display" products are the historical base of Solocal Group's internet activities and represent the largest share of Internet revenues. The Group is diversifying more and more in "digital marketing" activities, primarily by proposing new service offerings to its existing base of "search and display" customers.

  Search and display: These are the activities carried out through the Internet. The main products are the creation and marketing of content and advertising space, listing, targeted advertising and the provision of advertising space for local and national advertisers (often referred to as display), as well as a complete range of products and services for the provision and distribution of information with local content. The Group's Internet activity is mainly carried out in France, but also in Spain (QDQ Media). This segment comprises the activity of "pagesjaunes.fr" and "pagespro.com", the creation and marketing of content and advertising space of the "search" and "display" type, particularly through Horyzon Média's Internet advertising representation, as well as through online small ads from "annoncesjaunes.fr" and "avendrealouer.fr".

  Digital marketing: Solocal Group's Digital marketing solutions allows any business, from an SME to a major networked brand, to extend their presence on the Internet beyond pagesjaunes.fr, and to benefit from setting up contacts for transactional services.

  Among its digital presence solutions, Solocal Group offers the creating and hosting of Websites and listing them on pagesjaunes.fr, affiliated partners and search engines - (SEO – natural listing or SEM – paid listing). The sites developed by Solocal Group for its customers are compatible for mobile use. In addition, Internet user retargeting solutions make it possible to extend the visibility of the Group's customer sites on premium partner portals.

Solocal Group also offers setting up contacts for transactional services, suited to the activity sector of businesses: online quotation requests and contact establishment with players of the construction industry from Sotravo, online quotation requests with the themed content site ComprendreChoisir.com published by Fine Media, online appointment making using the technology developed by ClicRDV, online ordering of meals on Chronoresto.fr from locally-listed restaurants, Web-to-Store solutions through the Mappy mapping asset and Leadformance's "store locator" technology.

Furthermore, Solocal Group provides its customers with the possibility of creating and making visible promotional offers of the "couponing" type (123deal and Smartprivé), promoting and highlighting Good Deals on pagesjaunes.fr, and the creating and management of Direct Marketing campaigns (SMS, targeted emailing).

- Print & Voice:

This activity relating to the publication, distribution and sale of advertising space in printed directories (PagesJaunes, l'Annuaire).

Moreover, there are also the following activities: directory enquiry services by telephone and SMS (118 008), and the QuiDonc reverse directory. This segment also includes some activities of PJMS: telemarketing, data mining, database generation, prospect processing and traditional direct marketing activities (data entry and postage).

1.2. Commentary on the results as at 31 March 2015

Solocal Group	**As at 31 March**		
in million euros	**2015**	**2014**	**Change 2015/2014**
Revenues	**209.2**	**215.7**	**-3.0%**
Net external expenses	(50.5)	(48.0)	-5.2%
Personnel expenses	(104.5)	(85.8)	-21.8%
Restructuring and integration costs	(0.5)	(9.3)	94.6%
EBITDA	**53.7**	**72.5**	**-25.9%**
As % of revenues	*25.7%*	*33.6%*	
Depreciation and amortisation	(11.9)	(10.3)	-15.5%
Operating income	**41.8**	**62.2**	**-32.8%**
As % of revenues	*20.0%*	*28.8%*	
Financial income	0.5	0.5	0.0%
Financial expenses	(22.5)	(28.3)	20.5%
Net financial income	**(22.1)**	**(27.8)**	**20.5%**
Share of profit or loss of an associate	0.1	0.0	na
Income before tax	**19.9**	**34.4**	**-42.2%**
Corporate income tax	(7.5)	(14.9)	49.7%
Income for the period	**12.4**	**19.5**	**-36.4%**
of which attributable to:			
- Shareholders of Solocal Group	12.4	19.5	-36.4%
- Non-controlling interests	(0.0)	(0.0)	

The number of visits to the Group's websites as a whole is 555 million in the first quarter, up 14% compared to the first quarter of 2014, on a like-for-like basis, with a number of visits on mobile up 26%. Mobile represents 34% of the Group's internet audience.

In the first quarter of 2015, consolidated Internet revenues for Solocal Group amounted to 160.3 million euros, up 4.1% compared to the first quarter of 2014. Search and Display revenues are up 5.5%, while revenues for Digital Marketing are down slightly by 1.2%. Total revenues for the Group amount to 209.2 million euros, down 3.0%, due to the 20.6% drop in revenues stemming from the print and voice activities.

The Group's EBITDA amounts to 53.7 million euros in the first quarter of 2015, down 25.9% compared to the first quarter of 2014. EBITDA is down primarily under the effect of a drop in Print & Voice revenues for 12.7 million euros, and in commercial investment. The Group also had an expense of 9.3 million euros in the first quarter of 2014, linked to restructuring costs for the new commercial organisation; this expense has no equivalent in the first quarter of 2015. The reduction in the costs of producing printed directories is minor compared to the changes in 2014, and do not make it possible to offset the increase in the expenses resulting from commercial investments. The ratio EBITDA stands at 25.7% at the end of March 2015 compared to 33.6% at the end of March 2014.

The Group's operating income decreased by 32.8% compared to the first quarter of 2014 to 41.8 million euros. This drop of 20.3 million euros stems from the 18.8 million euros drop in EBITDA and 1.6 million euros from the increase in depreciation and amortisation.

The Group's net financial income represents net expense of 22.1 million euros which decreased 20.5% between the first quarter of 2014 and the first quarter of 2015, primarily under the effect of a drop in interest expense linked to the repayment in 2014 of a part of the bank debt for an amount of 400 million euros.

The effective tax rate stands at 37.8% in the first quarter of 2015, down 5.5 points compared to the first quarter of 2014 which can be explained by the deduction of the expense for share-based payments concerning the free share plan.

1.2.1. Analysis of recurring EBITDA

Income for the period amounted to 12.4 million euros, down 36.4% compared to the first quarter of 2014.

The following table summarises the revenues and recurring EBITDA (EBITDA before restructuring and integration costs), for each of the Group's two segments: Internet and Print & Voice.

Solocal Group	**As at 31 March**		
in million euros	**2015**	**2014**	**Change 2015/2014**
Internet	160.3	154.0	4.1%
Print & Voice	49.0	61.7	-20.6%
Revenues	**209.2**	**215.7**	**-3.0%**
Internet revenues as % of total revenues	*76.6%*	*71.4%*	
Internet	41.8	56.8	-26.4%
Print & Voice	12.4	25.0	-50.4%
Recurring EBITDA	**54.2**	**81.8**	**-33.7%**
As % of revenues	*25.9%*	*37.9%*	

The Group posted consolidated revenues of €209.2 million in the first quarter of 2015, down 3.0% compared to the first quarter of 2014:

- The Internet business is up by +4.1%, driven by the Search & Display business, which grew by +5.5% mainly driven by the increase of +10% in ARPA , which is the result of improved monetisation of Internet audiences, up by +14%. The strong increase in ARPA3 more than offsets the decrease in the number of clients (-4%), which, amongst others, has been impacted by the priority given to the commercial development of high-value clients in early 2015.
- The Digital marketing penetration rate rose from 21% to 22%.
- The Print & Voice business fell by -20.6% in the period, which is a sharper decrease than last year (-19% in the fourth quarter of 2014 and -17% in full year 2014).

Recurring EBITDA of €54.2 million in the first quarter of 2015 dropped by 33.7% compared to the first quarter of 2014. The EBITDA/revenues margin was 26% in the first quarter of 2015, compared to 38% in the first quarter of 2014. This 12-point fall in the EBITDA/revenue margin is due primarily to:

- a 7-point increase due to sales cost increase as a result of investments made to the reinforcement of the sales and marketing organisation around around our 5 verticals;
- a 5-point drop due do the Print & Voice business as a result of the accelerated decrease in that business.

1.2.2. Analysis of EBITDA and consolidated operating income

The table below shows the Group’s consolidated operating income in the first quarter of 2014 and in the first quarter of 2015:

Solocal Group	**As at 31 March**		
in million euros	**2015**	**2014**	**Change 2015/2014**
Recurring EBITDA	**54.2**	**81.8**	**-33.7%**
Restructuring and integration costs	(0.5)	(9.3)	94.6%
EBITDA	**53.7**	**72.5**	**-25.9%**
Depreciation and amortisation	(11.9)	(10.3)	-15.5%
Operating income	**41.8**	**62.2**	**-32.8%**
As % of revenues	*20.0%*	*28.8%*	

1.2.2.1. Restructuring and integration costs

The cost of restructuring and integration of the Group amount to 0.5 million euros in the first quarter of 2015, compared to 9.3 millions euros in the first quarter of 2014. The latter had been generated by the commercial and marketing reorganisation of PagesJaunes.

1.2.2.2. Depreciation and amortisation

Depreciation and amortisation for the Group stands at 11.9 million euros in the first quarter of 2015 compared to 10.3 million euros in the first quarter of 2014, which is an increase of 15.5%. This increase reflects the ongoing investments carried out by the Group in order to support its digital transformation, with in particular a revamping of the sales tools, the enhancements to the functionalities of the Group’s fixed and mobile websites.

1.2.2.3. Operating income

The Group's operating income in the first quarter of 2015 stands at 41.8 million euros, down 32.8% compared to the first quarter of 2014 and can be explained by the 18.8 million euro drop in EBITDA and by the increase in depreciation and amortisation for 1.6 million euros. The rate of the Group’s operating margin decreased from 28.8% in the first quarter of 2014 to 20.0% in the first quarter of 2015.

1.2.3. Analysis of income for the period

The table below shows the Group's income for the period in the first quarter of 2014 and in the first quarter of 2015:

Solocal Group	**As at 31 March**		
in million euros	**2015**	**2014**	**Change 2015/2014**
Operating income	**41.8**	**62.2**	**-32.8%**
Financial income	0.5	0.5	0.0%
Financial expenses	(22.5)	(28.3)	20.5%
Net financial income	**(22.1)**	**(27.8)**	**20.5%**
Share of profit or loss of an associate	0.1	0.0	-
Income before tax	**19.9**	**34.4**	**-42.2%**
Corporate income tax	(7.5)	(14.9)	49.7%
Income for the period	**12.4**	**19.5**	**-36.4%**
of which attributable to:			
- Shareholders of Solocal Group	12.4	19.5	-36.4%
- Non-controlling interests	(0.0)	(0.0)	

1.2.3.1. Net financial income

The Group net financial income represents net expense of 22.1 million euros in the first quarter of 2015 compared to 27.8 million euros in the first quarter of 2014. The net financial income is primarily composed of interest expense relating to the bank loan, amounting to 813.8 million euros in the first quarter of 2015 (1,234.6 million euros in the first quarter of 2014), and relating to the bond loan issued in 2011 for an amount of 350.0 million euros. As at 31 March 2015, the revolving credit line was not drawn.

As at 31 March 2015, the bank debt is hedged 98.3% by swaps and a collar (maturing in September 2015).

The total interest expense amounted to 20.2 million euros in the first quarter of 2015 compared to 24.6 million euros in the first quarter of 2014. The average interest rate on debt increased from 6.05% in the first quarter of 2014 to 6.83% in the first quarter of 2015, which is an increase of 78 basis points linked to the greater weight in the first quarter of 2015 than in the first quarter of 2014 of the bond loan in the financing sources.

The net financial income also includes the amortisation of loan issue expenses amounting to 1.8 million euros in the first quarter of 2015 compared to 3.0 million euros in the first quarter of 2014. The change in the fair value of hedging instruments (portion recognised in profit or loss) represented income of 0.4 million euros in the first quarter of 2015, in the first quarter of 2014.

1.2.3.2. Corporate income tax

In the first quarter of 2015, the Group recorded a corporation tax charge of 7.5 million euros, down 49.7% compared to 31 March 2014. The effective tax rate is 37.8% in the first quarter of 2015 compared to 43.3% in the first quarter of 2014. This drop in the effective tax rate can be explained primarily by the deduction of the expense for share-based payments concerning the free share plan.

1.2.3.3. Income for the period

The Group's income for the period amounted to 12.4 million euros in the first quarter of 2015 compared to 19.5 million euros in the first quarter of 2014, a decrease of 36.4% between the two periods.

1.3. Consolidated liquidities, capital resources and investment expenses

The table below shows the changes in the Group's cash position as at 31 March 2015, as at 31 December 2014, and as at 31 March 2014:

Solocal Group in million euros	**As at 31 March 2015**	**As at 31 December 2014**	**As at 31 March 2014**
Accrued interest not yet due	0.1	0.2	0.0
Cash and cash equivalents	43.7	46.2	84.0
Cash	**43.7**	**46.4**	**84.0**
Bank overdrafts	(1.7)	(2.8)	(1.1)
Net cash	**42.0**	**43.6**	**82.9**
Bank borrowing	813.8	813.8	1,234.6
Bond loan	350.0	350.0	350.0
Revolving credit facility	-	20.0	20.0
Loan issue expenses	(24.0)	(25.8)	(22.4)
Capital leases	0.7	0.8	0.0
Fair value of hedging instruments	6.6	9.9	18.0
Accrued interest not yet due	13.0	5.1	18.2
Earn-outs	1.2	1.4	3.2
Other financial liabilities	6.4	4.1	3.1
Gross financial debt	**1,167.8**	**1,179.4**	**1,624.8**
of which current	*26.0*	*39.7*	*138.7*
of wich non current	*1,141.8*	*1,139.6*	*1,486.2*
Net debt	**1,125.8**	**1,135.8**	**1,541.9**
Net debt excl. fair value of hedging instruments and loan issue expenses	**1,143.1**	**1,151.6**	**1,546.3**

The Group net debt is down 416.1 million euros compared to 31 March 2014 and down 10.0 million euros compared to 31 December 2014. It stood at 1,125.8 million euros at 31 March 2015 compared to 1,135.8 million euros at 31 December 2014 and 1,541.9 million euros at 31 March 2014.

As at 31 March 2015, it mainly comprised of:

- a tranche A7 bank loan, for a total amount of 813.8 million euros, the final maturity is March 2018 (or March 2020 on option),
- the fair value of hedging instruments which represents a debt of 6.6 million euros as at 31 March 2015. As at 31 March 2015, the bank debt is hedged 98.3% by swaps and a collar,

- a revolving credit line of a total of 57.3 million euros. It was not drawn as at 31 March 2015,

- a bond loan amounting to a total of 350.0 million euros at a fixed rate of 8.875% repayable in mid-2018,

- net cash flow of 42.0 million euros.

As at 31 March 2015, the amount available in the revolving credit line amounts to 57.3 million euros. Including the cash flow as at 31 March 2015, available cash thus amounts to 99.3 million euros.

Excluding the fair value of interest rate hedging instruments, representing a liability of 6.6 million euros as at 31 March 2015, compared to a liability of 18.0 million euros as at 31 March 2014, and excluding loan issue expenses of 24.0 million euros as at 31 March 2015, compared to 22.4 million euros as at 31 March 2014, the net debt amounted to 1,143.1 million euros as at 31 March 2015, compared to 1,546.3 million euros as at 31 March 2014.

The table below shows the cash flows of the consolidated Group in the first quarter of 2014 and in the first quarter of 2015:

Solocal Group	**As at 31 March**		
in million euros	**2015**	**2014**	**Change 2015/2014**
Net cash from operations	36.9	67.6	(30.7)
Net cash used in investing activities	(17.2)	(19.7)	2.5
Net cash provided by (used in) financing activities	(21.3)	(38.1)	16.8
Impact of changes in exchange rates on cash	0.0	(0.0)	0.0
Net increase (decrease) in cash position	**(1.6)**	**9.8**	**(11.4)**
Net cash and cash equivalents at beginning of period	43.6	73.1	(29.5)
Net cash and cash equivalents at end of period	**42.0**	**82.9**	**(40.9)**

Net cash and cash equivalents for the Group amounted to 42.0 million euros as at 31 March 2015, compared to 82.9 million euros as at 31 March 2014.

The net cash from operations amounted to 36.9 million euros in the first quarter of 2015 compared to 67.6 million euros in the first quarter of 2014, representing a decrease of 30.7 million euros due mainly to:

- EBITDA of 54.2 million euros in the first quarter of 2015, down 18.8 million euros compared to the first quarter of 2014,

- a 9.9 million euro drop in non-monetary items and changes in provisions included in EBITDA including a reversal of a provision on restructuring costs of 4.6 million euros in the first quarter of 2015 compared to a net allowance of 5.8 million euros recognised in the first quarter of 2014,

- an increase in the working capital requirement of 2.8 million euros in the first quarter of 2015 compared to a drop of 20.2 million euros in the first quarter of 2014, representing a change of 22.9 million euros between the two periods. This change is temporarily implied by the new sales compensation structure,

- receipts of 0.1 million euros in respect of corporation tax in the first quarter of 2015 compared to a disbursement of 20.1 million euros in the first quarter of 2014.

The net cash used in investing activities represents a disbursement of 17.2 million euros in the first quarter of 2015, down compared to a disbursement of 19.7 million euros recorded in the first quarter of 2014, mainly comprising:

- 16.1 million euros in respect of acquisitions of tangible and intangible fixed assets in the first quarter of 2015 compared to 16.6 million euros in the first quarter of 2014,

- 0.2 million euros in terms of the acquisition of equity interests and net price supplements of the cash flow acquired in the first quarter of 2015 compared to 2.3 million euros in the first quarter of 2014.

The net cash used in financing activities amounted to 21.3 million euros in the first quarter of 2015 compared to 38.1 million euros in the first quarter of 2014, representing a decrease of 16.8 million euros due mainly to:

- a decrease of 20.0 million euros corresponding to repaying of the revolving credit line in the first quarter of 2015 compared to, on the one hand, a decrease of 62.8 million euros in the first quarter of 2014 corresponding to contractual repayments of the bank loan and on the other hand, an increase of 20.0 million euros corresponding to the drawings under the revolving credit line in the first quarter of 2014,

- disbursements in respect of own shares amounting to 2.7 million euros in the first quarter of 2015 compared to collections of 0.9 million euros in the first quarter of 2014.

1.4. Risks and uncertainties relating to the last three quarters of 2015

The main risks and uncertainties identified by the Group concern:

- The operational activities and the strategy of the Group: the decrease in the use of the Printed directories combined with increasing competition in the online advertising market, a deterioration in the economic conditions, uncertainty concerning the economic model for online advertising and the reduction in the content of its services are risk factors that could have a significant negative impact on the Group’s business, financial position or results.

- The financial aspects: in view of its financial structure, the Group is exposed to interest rate risk, liquidity risk and credit risk.

- The legal aspects: the occurrence of arbitration procedures or major lawsuits, uncertainty or stiffening of applicable regulations, especially the application of restrictions to the Group’s right to collect personal data, could have a significant unfavorable effect on the Group’s business, results, financial position or its ability to achieve its goals.

2. Consolidated condensed accounts

2.1 - Consolidated income statement

(Amounts in thousands of euros, except data relating to shares)	Notes	**As at 31 March 2015**	**As at 31 March 2014**
Revenues		209,238	215,699
Net external expenses		(50,527)	(48,049)
Personnel expenses		(104,525)	(85,840)
Restructuring and integration costs		(480)	(9,322)
EBITDA		**53,706**	**72,489**
Depreciation and amortisation		(11,865)	(10,311)
Operating income		**41,841**	**62,178**
Financial income		466	528
Financial expenses		(22,535)	(28,309)
Net financial income	5	**(22,069)**	**(27,781)**
Share of profit or loss of an associate		107	33
Corporate income tax	6	(7,477)	(14,884)
Income for the period		**12,402**	**19,546**
Income for the period attributable to:			
- Shareholders of Solocal Group		12,406	19,550
- Non-controlling interests		(4)	(4)
Net earnings per share (in euros)			
Net earnings per share of the consolidated group based on a weighted average number of shares			
- basic		0.01	0.07
- diluted		0.01	0.07
Net earnings per share of the consolidated group based on a year end number of existing shares (as at 31 March)			
- basic		0.01	0.07
- diluted		0.01	0.07

2.2 - Statement of comprehensive income

(Amounts in thousands of euros)	**As at 31 March 2015**	**As at 31 March 2014**
Income for the period report	**12,402**	**19,546**
Net (loss) /gain on cash flow hedges		
- Gross	2,881	1,786
- Deferred tax	(1,246)	(679)
- Net of tax	**1,635**	**1,107**
Exchange differences on translation of foreign operations	(5)	(3)
Other comprehensive income	**1,630**	**1,104**
Total comprehensive income for the period, net of t	**14,032**	**20,650**
Total comprehensive income for the period attributable to:		
- Shareholders of Solocal Group	14,036	20,654
- Non-controlling interests	(4)	(4)

2.3 - Statement of financial position

(Amounts in thousands of euros)	Notes	As at 31 March 2015	As at 31 December 2014	As at 31 March 2014
Assets				
Net goodwill		82,467	82,467	80,884
Other net intangible fixed assets		113,254	107,265	87,339
Net tangible fixed assets		23,606	25,269	23,302
Investment in an associate		2,379	2,272	6,057
Available-for-sale assets		346	340	439
Other non-current financial assets		4,896	4,616	5,085
Net deferred tax assets	6	7,662	7,407	18,607
Total non-current assets		**234,610**	**229,636**	**221,713**
Net inventories		222	1,253	402
Net trade accounts receivable		387,024	441,786	399,868
Acquisition costs of contracts		42,123	46,669	63,676
Other current assets		35,297	29,032	29,308
Current tax receivable		11,287	18,983	5,208
Prepaid expenses		11,421	9,431	13,311
Other current financial assets		13,093	13,187	9,963
Cash and cash equivalents	8	43,728	46,354	84,037
Total current assets		**544,196**	**606,695**	**605,774**
Total assets		**778,806**	**836,331**	**827,487**
Liabilities				
Share capital		232,345	232,345	56,197
Issue premium		362,899	362,899	98,676
Reserves		(1,940,964)	(1,994,514)	(1,984,982)
Income for the period attributable to shareholders of Solocal Group		12,406	59,413	19,550
Other comprehensive income		(20,742)	(22,377)	(25,284)
Own shares		(4,954)	(7,151)	(9,720)
Equity attributable to equity holders of the Solocal Group		**(1,359,010)**	**(1,369,385)**	**(1,845,563)**
Non-controlling interests		65	69	56
Total equity		**(1,358,945)**	**(1,369,316)**	**(1,845,507)**
Non-current financial liabilities and derivatives	8	1,141,842	1,139,637	1,486,175
Employee benefits - non-current		91,089	90,439	87,928
Provisions - non-current		15,830	16,910	18,347
Other non-current liabilities		-	30	-
Total non-current liabilities		**1,248,761**	**1,247,016**	**1,592,450**
Bank overdrafts and other short-term borrowi	8	14,742	37,461	121,567
Accrued interest	8	12,956	5,060	18,195
Provisions - current		19,300	22,864	14,814
Trade accounts payable		88,064	98,923	86,177
Employee benefits - current		109,092	117,615	118,549
Other current liabilities		94,930	101,278	102,015
Corporation tax		2,854	51	3,040
Deferred income		547,051	575,379	616,187
Total current liabilities		**888,990**	**958,631**	**1,080,543**
Total liabilities		**778,806**	**836,331**	**827,487**

2.4 - Statement of changes in equity

(Amounts in thousands of euros)	**Number of shares in circulation**	**Share capital**	**Issue premium**	**Own shares**	**Income and reserves**	**Cash flow hedges & actuarial differences**	**Translation reserve**	**Group equity**	Non-controlling interests	**Total equity**
Balance as at 31 December 2013	**277,002,259**	**56,197**	**98,676**	**(10,004)**	**(1,985,255)**	**(26,391)**	**1**	**(1,866,777)**	**60**	**(1,866,717)**
Total comprehensive income for the period, net of tax					19,550			**19,550**	(4)	**19,546**
Other comprehensive income, net of tax						1,107	(3)	**1,104**		**1,104**
Comprehensive income for the period, net of tax					**19,550**	**1,107**	**(3)**	**20,654**	**(4)**	**20,650**
Share-based payment					276			**276**	-	**276**
Shares of the consolidating company net of tax effect	1,118,984			284				**284**	-	**284**
Balance as at 31 March 2014	**278,121,243**	**56,197**	**98,676**	**(9,720)**	**(1,965,430)**	**(25,284)**	**(2)**	**(1,845,563)**	**56**	**(1,845,507)**
Total comprehensive income for the period, net of tax					39,863			**39,863**	13	**39,876**
Other comprehensive income, net of tax						2,907	14	**2,921**		**2,921**
Comprehensive income for the period, net of tax					**39,863**	**2,907**	**14**	**42,784**	**13**	**42,797**
Capital increase, net of costs after tax	880,742,416	176,148	264,223		(12,205)			**428,166**		**428,166**
Share-based payment					2,659			**2,659**	-	**2,659**
Shares of the consolidating company net of tax effect	606,324			2,569				**2,569**	-	**2,569**
Balance as at 31 December 2014	**1,159,469,983**	**232,345**	**362,899**	**(7,151)**	**(1,935,113)**	**(22,377)**	**12**	**(1,369,385)**	**69**	**(1,369,316)**
Total comprehensive income for the period, net of tax					12,406			**12,406**	(4)	**12,402**
Other comprehensive income, net of tax						1,635	(5)	**1,630**		**1,630**
Comprehensive income for the period, net of tax					**12,406**	**1,635**	**(5)**	**14,036**	**(4)**	**14,032**
Share-based payment					(5,857)			**(5,857)**	-	**(5,857)**
Shares of the consolidating company net of tax effect	868,985			2,197				**2,197**	-	**2,197**
Balance as at 31 March 2015	**1,160,338,968**	**232,345**	**362,899**	**(4,954)**	**(1,928,564)**	**(20,742)**	**6**	**(1,359,010)**	**65**	**(1,358,945)**

2.5 - Cash flow statement

(Amounts in thousands of euros)	Notes	**As at 31 March 2015**	**As at 31 March 2014**
Income for the period attributable to shareholders of Solocal Group		**12,406**	**19,550**
Depreciation and amortisation of fixed assets		11,865	10,282
Change in provisions		(2,596)	7,337
Share-based payment		899	276
Capital gains or losses on asset disposals		-	29
Interest income and expenses	5	18,203	24,685
Hedging instruments	5	3,866	3,096
Unrealised exchange difference		-	-
Tax charge for the period	6	7,477	14,884
Share of profit or loss of an associate		(107)	(33)
Non-controlling interests		(4)	(4)
Decrease (increase) in inventories		1,031	513
Decrease (increase) in trade accounts receivable		53,980	4,940
Decrease (increase) in other receivables		(4,849)	(12,446)
Increase (decrease) in trade accounts payable		(9,173)	(754)
Increase (decrease) in other payables		(43,745)	27,917
Net change in working capital		**(2,755)**	**20,169**
Dividends and interest received		75	162
Interest paid and rate effect of net derivatives		(12,504)	(12,732)
Corporation tax paid		66	(20,087)
Net cash from operations		**36,890**	**67,614**
Acquisition of tangible and intangible fixed assets		(16,146)	(16,593)
Acquisitions / disposals of investment securities and subsidiaries, net of cash acquired / sold and other changes in assets		(1,053)	(3,090)
Net cash used in investing activities		**(17,199)**	**(19,683)**
Increase (decrease) in borrowings		(18,571)	(39,002)
Other cash from financing activities o/w own shares		(2,702)	919
Net cash provided by (used in) financing activities		**(21,273)**	**(38,083)**
Impact of changes in exchange rates on cash		7	(1)
Net increase (decrease) in cash position		**(1,575)**	**9,847**
Net cash and cash equivalents at beginning of period		43,578	73,079
Net cash and cash equivalents at end of period	8	**42,003**	**82,926**

2.6 – Notes to the consolidated financial statements

Note 1 - Description of the business

The Group's main activities are described in note 4.

The accounting year for the companies in the Solocal Group extends from 1 January to 31 December. The currency used in presenting the consolidated financial statements and the accompanying notes is the euro.

Solocal Group is a public limited company listed on Euronext Paris (LOCAL).

This information was approved by the Board of Directors of Solocal Group on 27 April 2015.

Note 2 – Context of publication and basis for preparation of the consolidated condensed financial statements

The consolidated financial statements of Solocal Group, drawn up for the period of three months ending on 31 March 2015, were prepared in accordance with the provisions of IAS 34 – Interim Financial Reporting. As these are summary statements, they do not include all of the information required by IFRS standards and must be read in relation with the Group's annual consolidated financial statements for the year ended 31 December 2014 available on (http://www.solocalgroup.com/en/finances), subject to the particularities inherent with drawing up interim financial statements described hereinafter.

The accounting policies used are consistent with those used in the preparation of the annual consolidated financial statements for the year ending 31 December 2014, with the exception of new standards, amendments and interpretations which are mandatory with effect from 1 January 2015, but which have no significant impact:

- IAS 19 Defined Benefit Plans: Employee Contributions
- Improvements to IFRSs 2010-2012 Cycle
- Improvements to IFRSs 2011-2013 Cycle

None of these new standards and interpretations has had a significant effect on the consolidated financial statements as at 31 March 2015.

Furthermore, these principles do not differ from the IFRS standards as published by the IASB insofar as there would be no significant impact from the implementation of the amendments and interpretations which are mandatory for financial years commencing from 1 January 2015, as set out in the reference framework published by the IASB, but which are not yet mandatory in the reference framework endorsed by the European Union.

The Group is not applying the following instruments, which were not adopted by the European Union as at 31 March 2015:

- IFRS 14 Regulatory Deferral Accounts (applicable 1 January 2016)
- IFRS 15 Revenue from Contracts with Customers (applicable 1 January 2017)
- IFRS 9 Financial Instruments (applicable 1 January 2018)
- IFRS 9 Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 (application date unfixed)
- IFRS 11 Accounting for Acquisitions of Interests in Joint Operations (applicable 1 January 2016)
- IAS 16 et IAS 38 Clarification of Acceptable Methods od Depreciation and Amortisation (applicable 1 January 2016)

- IAS 27 Equity Method in Separate Financial Statements (applicable 1 January 2016)
- Improvements to IFRSs 2012-2014 Cycle (applicable 1 January 2016)
- IAS 1 Disclosure Initiative (applicable 1 January 2016)
- IFRS 10, IFRS12 and IAS 28 Investment Etities: Applying the Consolidation Exception (applicable 1 January 2016)

Nonetheless, the Group is currently reviewing the practical consequences of these new instruments and the effects of their implementation on its future financial statements. At this stage of the review, the impacts on its consolidated financial statements are not significant.

All of the standards and interpretations adopted by the European Union as at 31 March 2015 are available on the website of the European Commission at the following address:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

In order to prepare the financial statements, the Management of the Group is required to make estimates and assumptions which have an effect on the amounts presented as assets and liabilities, the contingent liabilities at the date of preparation of the financial statements and the amounts presented as income and expenses for the financial year. The Management continuously evaluates these estimates and assessments on the basis of its past experience, as well as various other factors deemed reasonable, which combine to form the basis of its assessment of the book value of the assets and liabilities. This includes in particular goodwill, acquisition costs of contracts, share-based payments, restructuring costs and the valuation of pension liabilities. The actual results could differ appreciably from these estimates, if the actual outcome differs. Finally, where a specific transaction is not covered by any standards or interpretations, the Management of the Group applies judgement to define and apply accounting methods which will provide relevant and reliable disclosures, ensuring that the financial statements:

- present a true and fair view of the financial position, the financial performance and the cash flow of the Group,
- reflect the economic substance of transactions,
- are neutral,
- are prudent,
- and are complete in all material respects.

Seasonal variations

Although the activities of the Group are not subject to seasonal effects per se, in order to optimise costs, the dates of publication of the printed directories (which determine the recognition of income and related expenses) may vary from one quarter to the next, as each printed directory appears only once a year.

Impairment test as at 31 March 2015

In the absence of an indication of impairment, it was not necessary to carry out, as at 31 March 2015, impairment tests on goodwill and intangible fixed assets.

Note 3 - Presentation of Financial Statements

As permitted under IAS 1 “Presentation of Financial Statements”, the Group presents the income statement by type.

Operating income corresponds to net income before:

- financial income;
- financial expenses;
- current and deferred income taxes;
- profits and losses of discontinued operations and operations held for sale.

EBITDA corresponds to operating income before taking depreciation and amortisation into account.

Note 4 - Segment information

Through its subsidiaries, Solocal Group conducts three complementary businesses: the provision of content and services, media and advertising representation. Its offering comprises a diversified range of products and services associated with this activity for the general public and businesses.

The Group creates services and makes them available which give access to a mine of useful and reliable information. Constantly adapted to today's consumption modes, they accompany citizens everywhere and everyday and make their life easier: locating and contacting a business, obtaining an itinerary, visiting merchant shops, finding good deals...

Always in line with the uses, Solocal Group develops its services across all the mobile platforms (in particular via applications for iPhone, iPad and Android), as such meeting the growing needs for information availability and proximity.

The Group’s business model is based on that of the media: i.e. offering quality content which generates an audience and then monetising this audience, either as a whole or in segments, among businesses. The Group's brands benefit from the strong notoriety and from the trust of users. The credibility of services, built year after year, is the base for the power of the audiences. Since the beginning of 2014, the Group has reorganised itself around 6 business units, 5 vertical "markets" Solocal Retail, Solocal B2B, Solocal Home, Solocal Services, Solocal Health & Public, and Solocal Network dedicated to brands and networks, major accounts and international customers. This organisation will make it possible to improve the customer experience, and to best meet their expectations, in particular with the development and the marketing of products and services that are adapted to the needs of the various markets.

The Group’s activities are organised in two segments: the "Internet" segment and the "Print & Voice" segment.

- Internet:

  The Group’s Internet growth is based on 2 major types of products: "search and display" on the one hand, and "digital marketing" on the other hand.

  The "search and display" products are the historical base of Solocal Group's internet activities and represent the largest share of Internet revenues. The Group is diversifying more and more in "digital marketing" activities, primarily by proposing new service offerings to its existing base of "search and display" customers.

  Search and display: These are the activities carried out through the Internet. The main products are the creation and marketing of content and advertising space, listing, targeted advertising and the provision of advertising space for local and national advertisers (often referred to as display), as well as a complete range of products and services for the provision and distribution of information with local content. The Group’s Internet activity is mainly carried out in France, but also in Spain (QDQ Media). This segment comprises the activity of "pagesjaunes.fr" and "pagespro.com", the creation and marketing of content and advertising space of the "search" and "display" type, particularly through Horyzon Média’s Internet advertising representation, as well as through online small ads from "annoncesjaunes.fr" and "avendrealouer.fr".

Digital marketing: Solocal Group's Digital marketing solutions allows any business, from an SME to a major networked brand, to extend their presence on the Internet beyond pagesjaunes.fr, and to benefit from setting up contacts for transactional services.

Among its digital presence solutions, Solocal Group offers the creating and hosting of Websites and listing them on pagesjaunes.fr, affiliated partners and search engines - (SEO – natural listing or SEM – paid listing). The sites developed by Solocal Group for its customers are compatible for mobile use. In addition, Internet user retargeting solutions make it possible to extend the visibility of the Group's customer sites on premium partner portals.

Solocal Group also offers setting up contacts for transactional services, suited to the activity sector of businesses: online quotation requests and contact establishment with players of the construction industry from Sotravo, online quotation requests with the themed content site ComprendreChoisir.com published by Fine Media, online appointment making using the technology developed by ClicRDV, online ordering of meals on Chronoresto.fr from locally-listed restaurants, Web-to-Store solutions through the Mappy mapping asset and Leadformance's "store locator" technology.

Furthermore, Solocal Group provides its customers with the possibility of creating and making visible promotional offers of the "couponing" type (123deal and Smartprivé), promoting and highlighting Good Deals on pagesjaunes.fr, and the creating and management of Direct Marketing campaigns (SMS, targeted emailing)

- Print & Voice:

This activity relating to the publication, distribution and sale of advertising space in printed directories (PagesJaunes, l’Annuaire).

Moreover, there are also the following activities: directory enquiry services by telephone and SMS (118 008), and the QuiDonc reverse directory. This segment also includes some activities of PJMS: telemarketing, data mining, database generation, prospect processing and traditional direct marketing activities (data entry and postage).

The table below presents a breakdown of the main aggregates by business sector:

Amounts in thousands of euros	**As at 31 March 2015**	**As at 31 March 2014**
Revenues	**209,238**	**215,699**
- Internet	160,253	153,961
- Print & Voice	48,985	61,738
Recurring EBITDA	**54,186**	**81,811**
- Internet	41,762	56,823
- Print & Voice	12,424	24,988

Note 5 - Net financial income

The net financial income is made up as follows:

(Amounts in thousands of euros)	**As at 31 March 2015**	**As at 31 March 2014**
Interest and similar items on financial assets	56	93
Result of financial asset disposals	(33)	69
Change in fair value of hedging instruments	443	366
Financial income	**466**	**528**
Interest on financial liabilities	(16,313)	(21,542)
Income / (expenses) on hedging instruments	(3,866)	(3,096)
Amortisation of loan issue expenses	(1,799)	(2,994)
Other financial expenses & fees	(221)	(20)
Accretion cost (1)	(336)	(657)
Financial expenses	**(22,535)**	**(28,309)**
Net financial income	**(22,069)**	**(27,781)**

(1) The accretion cost corresponds to the increase, during the financial year, of the current value of pension commitments.

Note 6 – Corporation tax

6.1 - Group tax analysis

The corporation tax results from the application of the effective tax rate at the end of the financial year to the pre-tax income.

The reconciliation of the theoretical tax, calculated on the basis of the statutory tax rate in France, and the effective tax is as follows:

Amounts in thousands of euros	**As at 31 March 2015**	**As at 31 March 2014**
Pretax net income from continuing businesses	19,879	34,430
Share of profit or loss of an associate	107	33
Pretax net income from continuing businesses and before Share of profit or loss of an associate	**19,772**	**34,397**
Statutory tax rate	34.43%	34.43%
Theoretical tax	**(6,808)**	**(11,844)**
Loss-making companies not integrated for tax purposes	(580)	(389)
Share-based payment	3,205	(95)
Foreign subsidiaries	19	66
Non-deductible amortisation	(43)	-
Corporate value added contribution (after tax)	(1,651)	(1,791)
Ceiling of interest expense deductibility	(1,721)	(2,125)
Adjustment corporation tax of prior years	-	1,252
Additional tax 10,7%	(673)	(1,647)
Other non-taxable / non-deductible items	775	1,689
Effective tax	**(7,477)**	**(14,884)**
of which current tax	*(10,835)*	*(14,548)*
of which deferred tax	*3,358*	*(336)*
Effective tax rate	**37.8%**	**43.3%**

6.2 - Taxes in the balance sheet

The net balance sheet position is detailed as follows:

Amounts in thousands of euros	**As at 31 March 2015**	**As at 31 December 2014**	**As at 31 March 2014**
Retirement benefits	28,207	27,663	26,784
Legal employee profit-sharing	2,996	3,048	4,340
Non-deductible provisions	1,808	2,048	7,544
Hedging instruments	422	1,836	4,636
Other differences	1,717	1,838	966
Subtotal deferred tax assets	**35,150**	**36,433**	**44,270**
Corporate value added contribution	(11)	(13)	(34)
Loan issue costs	(8,959)	(9,643)	(9,290)
Depreciations accounted for tax purposes	(18,518)	(19,370)	(16,339)
Subtotal deferred tax liabilities	**(27,488)**	**(29,026)**	**(25,663)**
Total net deferred tax assets / (liabilities)	**7,662**	**7,407**	**18,607**
Deferred tax assets	*7,662*	*7,407*	*18,607*

No deferred tax asset relating to loss carryforwards of QDQ Media was recognised in the balance sheet, as this company recorded a net loss in the first quarter of 2015. The amount of deferred tax not recognised is estimated at 65.3 million euros.

The deferred tax assets in the balance sheet decreased from 7.4 million euros as at 31 December 2014 to 7.7 million euros as at 31 March 2015.

In the balance sheet as at 31 March 2015, corporation tax represents a receivable of 12.7 million euros and a liability of 2.9 million euros. In the balance sheet as at 31 March 2014, corporation tax represented a receivable of 5.2 million euros and a liability of 3.0 million euros. The tax disbursed as at 31 March 2015 is 0.1 million euros compared to 20.1 million euros as at 31 March 2014.

Amounts in thousands of euros	**As at 31 March 2015**	**As at 31 December 2014**	**As at 31 March 2014**
Opening balance	**7,407**	**20,257**	**20,257**
Changes recognized in equity	(3,103)	5,943	(1,314)
Changes recognized in income	3,358	(18,793)	(336)
Closing balance	**7,662**	**7,407**	**18,607**

Note 7 - Derivative financial instruments

Solocal Group uses derivative financial instruments to manage the interest rate risk associated with the variable rate bank debt. Solocal Group has implemented the procedures and documentation necessary to justify hedge accounting as defined in IAS 39.

These operations provide a cash flow hedge relating to the variable rate debt (cf. note 8). Prospective effectiveness tests performed on the inception of these operations and retrospective tests carried out on 31 December 2014 and 31 March 2015 showed that these financial instruments offered a totally effective cash flow hedge in relation to this debt.

Accounting and assets/liabilities relating to these derivative financial instruments

The value of these derivative financial instruments is made up as follows:

(in thousands of euros)	**As at 31 March 2015**	**As at 31 December 2014**	**As at 31 March 2014**
Interest rate swaps – cash flow hedge	(5,720)	(8,601)	(16,106)
Collars – fair value hedge	(899)	(1,342)	(1,934)
Assets / (liability)	**(6,619)**	**(9,943)**	**(18,040)**
Of which non-current	-	-	*(18,040)*
Of which current	*(6,619)*	*(9,943)*	-

The change in the fair value of derivative financial instruments (qualified as cash flow hedges) between 31 December 2014 and 31 March 2015, i.e. a decrease of 2.9 million euros for the interest rate swaps, was stated in transferable equity, after recognition of deferred tax of 1.2 million euros.

The change in the collar (qualified as fair value hedging) was recognised in financial expenses (cf. note 6), for an amount of 0.4 million euros. Deferred tax of 0.2 million euros was recorded in this respect.

No ineffectiveness was recorded with regard to cash flow hedges.

Note 8 - Cash and cash equivalents, net financial debt

Net financial debt corresponds to the total gross financial debt less or plus derivative asset and liability cash flow hedging instruments and less cash and cash equivalents.

(in thousands of euros)	**As at 31 March 2015**	**As at 31 December 2014**	**As at 31 March 2014**
Accrued interest not yet due	54	179	47
Cash equivalents	28,711	34,349	70,483
Cash	14,963	11,826	13,507
Gross cash	**43,728**	**46,354**	**84,037**
Bank overdrafts	(1,726)	(2,776)	(1,111)
Net cash	**42,002**	**43,578**	**82,926**
Bank loan	813,811	813,816	1,234,642
Bond loan	350,000	350,000	350,000
Revolving credit facility drawn	-	20,000	20,000
Loans issue expenses	(23,954)	(25,753)	(22,423)
Lease liability	748	841	23
Fair value of hedging instruments (cf. note7)	6,619	9,943	18,040
Price supplements on acquisition of securities	1,219	1,419	3,224
Accrued interest not yet due	12,956	5,060	18,195
Other financial liabilities	6,415	4,056	3,125
Gross financial debt	**1,167,814**	**1,179,382**	**1,624,826**
of which current	*25,972*	*39,745*	*138,651*
of which non-current	*1,141,842*	*1,139,637*	*1,486,175*
Net debt	**1,125,812**	**1,135,804**	**1,541,900**

Cash and cash equivalents

As at 31 March 2015, cash equivalents amounted to 28.7 million euros and is primarily comprised of UCITS and non-blocked, remunerated, fixed-deposit accounts.

These are managed and valued on the basis of their fair value.

Bank overdraft

The Group has authorised overdrafts totalling 14 million euros granted by a number of its banks.

Bank loan (syndicated credit agreement)

The syndicated credit agreement was amended in June 2014 and contains the following financial covenants:

- the ratio of consolidated net debt over consolidated EBITDA (the "**Leverage Ratio**") must be less than or equal to 4.50 as at 31 March 2015, 4.25 as at 30 June and 30 September 2015 and 4.00 at the end of each calendar quarter thereafter over the residual term of the agreement (EBITDA and consolidated net debt as defined in the credit agreement with the financial institutions, note that the definition of EBITDA when calculating covenants is different from that of EBITDA reported in these financial statements);
- the ratio of consolidated EBITDA over consolidated net interest expense must be greater than or equal to 3.0 at the end of each calendar quarter over the residual term of the agreement (EBITDA and consolidated net expense such as defined in the credit agreement with the financial institutions);

- starting in 2015 and if the Leverage Ratio is higher than 3.50, a maximum amount of investments of 70 million euros during the following financial year.

As at 31 March 2015, these financial covenants were met and there are no grounds for reclassifying non-current debt as current debt. These ratios were respectively at 4.03 and 3.52.

The Company's syndicated credit agreement also includes compulsory early repayment clauses including in particular:
- a compulsory early repayment clause that applies in the event of a change of control of the Company resulting from the acquisition of the shares of the Company; and
- an early partial repayment clause for each calendar year for a percentage of the cash flows of the consolidated Group less the debt service, with this percentage varying according to the level of the Leverage Ratio (67% if the Ratio is higher than 3.00, 50% if it is between 2.50 and 3.00 and 25% if it is less than 2.50).

The Company's syndicated credit agreement also includes certain commitments (subject to certain exceptions) to apply or not to apply to the Company and/or to its subsidiaries, including the following commitments in particular:
- obligation to maintain certain authorisations;
- restrictions concerning the granting of sureties;
- restrictions concerning the carrying out of mergers, spin-offs or other restructuring;
- commitment to not change the general nature of the activities of the Company and of the Group with regards to their activity on the conclusion date of the syndicated credit agreement;
- restrictions concerning the financial debt that can be incurred by the Company's subsidiaries; and
- the Company is not allowed to engage in distributing dividends, amortising and reducing its capital and other cash distributions concerning its capital as long as the Leverage Ratio is higher than 3.00.

The Company's syndicated credit agreement finally includes the usual default clauses (in particular in cases of payment default, non-compliance with financial covenants of the Company's commitments (including the commitments mentioned hereinabove), cross-default and opening proceedings for the prevention of and handling of company difficulties) allowing lenders to accelerate the term of the loans that they have granted to the Company and to cancel their commitments with regards to the Company's syndicated credit agreement.

The bond loan amounting to 350 million euros mentioned hereinabove was issued by the entity PagesJaunes Finance & Co SCA (which is not an entity affiliated with the Company) and its income was used by the latter to finance the making available to the Company of a Tranche C1 with regards to the Company's syndicated credit agreement.

The compulsory early repayment clause of the Company's syndicated credit agreement in the event of a change in control does not apply to the Tranche C1. In the event of a change in the control of the Company, the Company will have to pay PagesJaunes Finance & Co SCA (who is the sole lender with regards to the Tranche C1) an amount with regards to the Tranche C1 such that it will allow PagesJaunes Finance & Co SCA to buy back bonds from bond holders who so desire with regards to the aforementioned bond loan.

Moreover, PagesJaunes Finance & Co SCA and the Company have signed a separate agreement that provides for certain commitments in particular (subject to certain exceptions) to apply or not to apply to the Company and/or to its subsidiaries, including in particular commitments concerning the same subjects as those provided for in the Company's aforementioned syndicated credit agreement and the following commitments:
- restrictions concerning the financial debt that can be incurred by the Company and it's subsidiaries; and
- prohibition to carry out certain payments in particular with regards to distributing dividends, acquisitions and granting loans.

The reference rate is Euribor or Libor plus a margin.

As at 31 March 2015, bank debt can be broken down as follows:

- Tranche A7 at a nominal of 813.8 million euros: maturity March 2018 with a faculty to extend it to March 2020 (with the condition of refinancing the bond loan of 350 million euros before March 2018), repayable *in fine* less the partial repayments described hereinabove, margin of 400 bps if the Leverage Ratio is higher than 3.00 (325 bps if the Ratio is between 2.50 and 3.00 and, 250 bps if it is less than 2.50);

- RCF 3 revolving credit line, not drawn: at a nominal of 57.3 million euros, depreciable by 4.124% every quarter a final maturity in March 2018 with a faculty to extend it to March 2020, same margin as the tranche A7.

Bond borrowings

Moreover, Solocal Group has, via PagesJaunes Finance & Co SCA, a 350 million euro bond loan. This loan has a fixed rate of 8.875% and is repayable on 1 June 2018.

Price supplements on acquisition of securities

As part of the acquisitions completed in 2014, price supplements may be paid in 2015, 2016 and 2017 if certain operating performance conditions are fulfilled. As at 31 March 2015, these were estimated to be 1.2 million euros.

Other financial liabilities

The other financial liabilities primarily comprise a debit current account with PagesJaunes Outre-mer, a wholly owned non-consolidated subsidiary of Solocal Group.

Note 9 - Share-holders' equity

Through the liquidity contract, the Company held 1,270,029 of its own shares as at 31 March 2015 (737,001 as at 31 December 2014), stated as a deduction from equity.

Outside the liquidity contract, Solocal Group repurchased:

- in 2011, 2,000,000 of its own shares outside the liquidity contract for a total of 6.0 million euros, stated as a deduction from equity. In April 2014, the final acquisition of 479,814 actions distributed in terms of the free shares plan of 2011 were taken from this stock. The balance of these own shares, which is 1,520,186, were definitively acquired in March 2015 and were taken from this stock.

- As at 31 March 2015, 3,700,000 of its own shares for a total of 2.3 million euros, stated as a deduction from equity. In March 2015, the final acquisition of 3,581,827 actions distributed in terms of the free shares plan of 2012 were taken from this inventory.

As at 31 March 2015, Solocal Group held 118,173 of its own shares directly.

As such, as at 31 March 2015, Solocal Group held 1,388,202 of its own shares.

The social capital of Solocal Group is comprised of 1,161,727,170 shares each with a par value of 0.20 euro, which is a total amount of 232,345,434 euros (before deduction of treasury shares).

Note 10 – Changes in the scope of consolidation

The scope of consolidation did not change significantly during the first quarter of 2015.

Note 11 - Information on related parties

There were no new significant transactions or changes with related parties during the first quarter of 2015.

Note 12 – Off-balance-sheet commitments

There were no new significant commitments during the first quarter of 2015.

Note 13 – Disputes – significant changes over the quarter

During the year 2013, PagesJaunes had to be reorganised again in order to guarantee its sustainability faced with a constantly changing and increasingly competitive market environment. A project on changes in the model and the organisation of PagesJaunes was presented for information and consultation to the staff representation bodies concerned in September 2013. After 10 meetings of negotiations with the trade unions conducted in parallel with the procedures of informing and consulting the CHSCT and the Works Council on the other hand, a majority agreement concerning the measures for the social support determining the content of the Job Safeguard Procedure was signed on 20 November 2013.
This plan called for the suppression of 22 jobs entirely compensated by the creation of jobs proposed to the employees concerned in the framework of internal reclassification. The objective is to maintain employment in the company or outside of the company (compensated by the financing of training). There are no direct redundancies and the overall project is a net creator of jobs (48 jobs).
This agreement received validation via a ruling of the DIRECCTE on 2 January 2014, confirmed by the *Tribunal Administratif* of Cergy-Pontoise in a ruling on 22 May 2014 following the private recourse of an employee of PagesJaunes which aimed to cancel the approval of PagesJaunes' PSE (Job Safeguard Procedure) by the Employment Inspectorate. Following the appeal filed by this employee, this decision was however cancelled by the *Cour Administrative d'Appel* of Versailles in a judgement of 22 October, for lack of majority. The existence or the content of the plan was therefore not disputed. The decision of the *Cour*, as is, does not call into question the validity of the procedure followed or the reality of the economic reasons that justified the procedure implemented by PagesJaunes.
As such, this cancellation therefore has no impact on the validity of the redundancy procedure itself.
The Conseil d'Etat as a last resort rejected on 10 March 2015 our request to obtain the suspension of its effects, and this, while waiting for a decision based on the merits by the highest tribunal for this case.

As 311 employees refused the amendment to their employment contract linked to this reorganisation, 280 of them were made redundant. To date, 4 administrative proceedings are in progress (3 proceedings before the *tribunal administratif* of Cergy-Pontoise for cancellation of the decisions for redundancy authorisations and one proceeding for hierarchical recourse before the Ministry of Labour). 29 legal proceedings were initiated before the industrial tribunals by employees (9 proceedings for claims for damages and 20 interim proceedings for provision requests) in regard to the consequences of the setting aside of the decision to validate the collective agreement relating to the job safeguarding plan by the *Cour Administrative d'Appel* of Versailles, which permits them, according to the law, to claim compensation. On 5 February 2015, the employee claims court of Rennes rejected all of these 20 interim requests. An appeal filed by the employees is underway.

Note 14 - Events subsequent to the closing date of 31 March 2015

Considering the results of the first quarter of 2015, the Group is setting up an operational contingency plan that will allow the Group to reduce costs by nearly €30 million on a yearly basis.