



*Solocal*  
GROUP

2015

NOTICE  
OF MEETING

COMBINED GENERAL  
SHAREHOLDERS' MEETING

11 June 2015  
at 5 pm (CET)

At Palais Brongniart  
Place de la Bourse  
75002 Paris

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*Unofficial translation of the French-language "Avis de convocation à l'Assemblée générale mixte" of Solocal Group, for information purposes only.*

## **SOLOCAL GROUP**

A public limited company with share capital of €233,259,388.6  
Registered office: 7, avenue de la Cristallerie – 92317 Sèvres Cedex – France  
Nanterre Trade and Companies Registry No. 552 028 425

# HOW TO PARTICIPATE IN THE GENERAL MEETING ?

**Solocal Group's Combined General Shareholders' Meeting will be held on:**

**Thursday, 11 June 2015 at 5 pm (CET)\*  
at Palais Brongniart  
28, place de la Bourse, 75002 Paris**

**You can attend the Meeting personally or vote by post or proxy.**

In either case, please indicate your choice using the "voting by post or proxy" form included with this notice. Regardless of how you choose to participate, you must prove that you are a Solocal Group shareholder.

## How to prove you are a shareholder ?

- ▶ **If you hold registered shares:** Your shares must be registered in your name (whether managed by Solocal Group or your financial intermediary) no later than 9 June 2015 at midnight.
- ▶ **If you hold bearer shares:** Have a shareholder certificate drawn up as soon as possible certifying that your shares were registered in the securities account held by your financial intermediary no later than 9 June 2015 at midnight, *i.e.* the second business day prior to the General Meeting at midnight. To be taken into account, this certificate must reach BNP Paribas Securities Services, the bank acting as the centralising agent for the Solocal Group General Meeting, no later than 10 June 2015 at 3 pm (CET).

## How to obtain information ?

- ▶ **By telephone:**  
On 0800 81 84 54 (freephone number) if calling from France or on +33 (1) 55 77 35 00 if calling from abroad, from 9 am to 7 pm (CET), Monday to Friday.
- ▶ **Over the Internet:**  
[www.solocalgroup.com](http://www.solocalgroup.com)
- ▶ **By e-mail:**  
[actionnaires@solocalgroup.com](mailto:actionnaires@solocalgroup.com)
- ▶ **By post:**  
Solocal Group  
Relations actionnaires (Shareholder Relations)  
7, avenue de la Cristallerie  
92317 Sèvres Cedex

## How to vote ?

If you are a Solocal Group shareholder on the date of the Meeting, you can use the voting/attendance form (see model on page 5) or vote electronically.

**There are five ways in which you may exercise your voting right:**

- ▶ **personally attend the General Meeting;**
- ▶ **grant a proxy to the Chairman of the Meeting** (the Chairman of the Board of Directors);
- ▶ **grant a proxy to a third party;**
- ▶ **vote by post;**
- ▶ **vote electronically.**

\* CET: Central European Time.

### Using the paper form



#### If you wish to attend the General Meeting

##### If you hold registered shares

(whether your shares are managed by Solocal Group or your financial intermediary)

- 1 Tick **box A** on the form.
- 2 Date and sign at the bottom of the form.
- 3 Return the form to BNP Paribas Securities Services using the postage-free envelope provided.

BNP Paribas Securities Services must receive your form no later than 10 June 2015 at 3 pm (CET).

##### If you hold bearer shares

- 1 Tick **box A** on the form.
- 2 Date and sign at the bottom of the form.
- 3 Return the form as soon as possible to the financial intermediary that holds your account (bank, stockbroker or online broker).

Your financial intermediary will forward the form, together with a shareholder certificate certifying that the shares are registered to you, to:

**BNP Paribas Securities Services – CTS Assemblées**  
**Grands Moulins de Pantin**  
**9, rue du Débarcadère**  
**93761 Pantin Cedex**

BNP Paribas Securities Services  
will send you your admission card

BNP Paribas Securities Services  
will send you your admission card

#### Bring your admission card with you on the date of the Meeting.

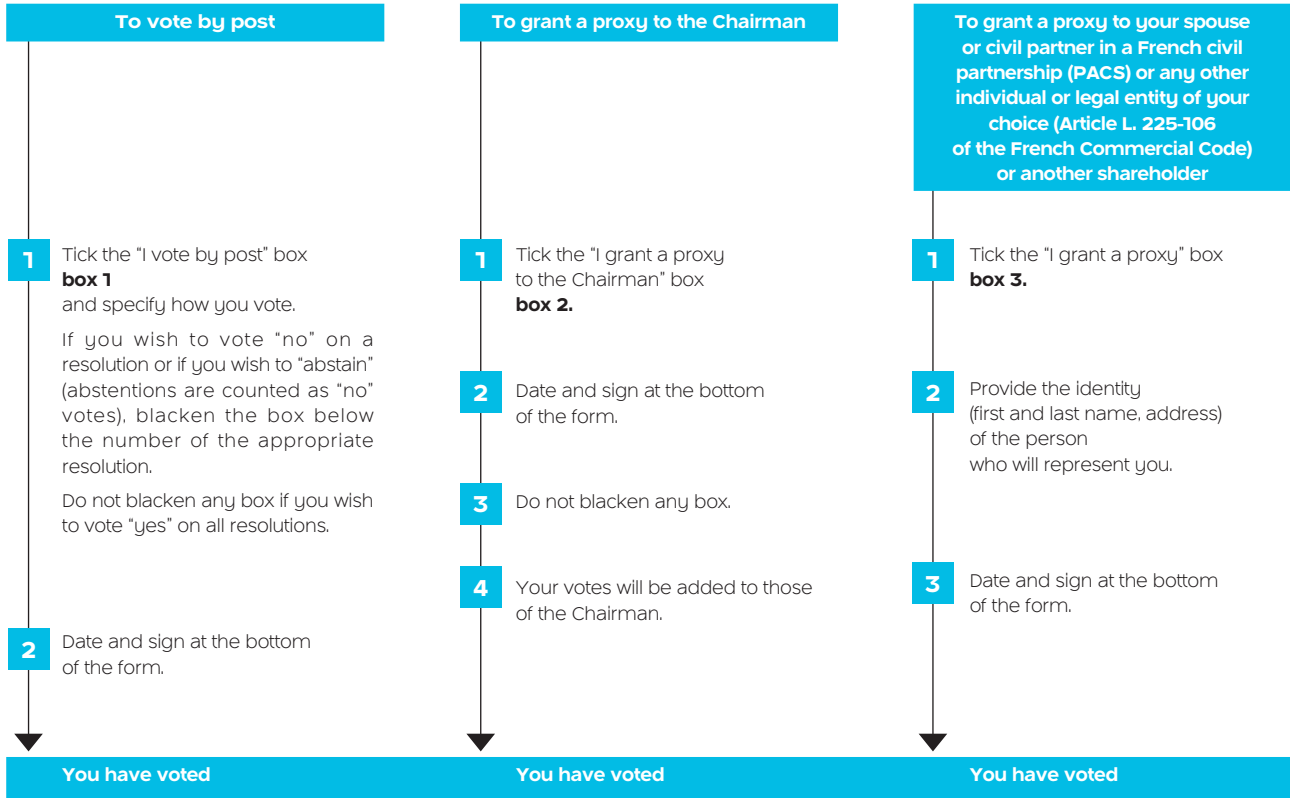
If your request reaches BNP Paribas Securities Services after 10 June 2015, on the date of the Meeting, you must come to the counter for shareholders without documents.

##### If you have not requested an admission card:

- If you are a registered shareholder, you can attend the General Meeting by presenting an identity document at the counter set up for such purpose at the entrance to the Meeting;
- If you are a bearer shareholder, you can attend the General Meeting by presenting a shareholder certificate drawn up by your financial intermediary certifying that your shares were registered no later than 9 June 2015 at midnight, together with an identity document, at the counter set up for such purpose on the date of the Meeting.



If you wish to vote by post or to be represented by a proxy at the General Meeting



**If you hold registered shares:**

Return the form to BNP Paribas Securities Services using the postage-free envelope provided.

**If you hold bearer shares:**

Return the form as soon as possible to the financial intermediary that holds your account (bank, stockbroker or online broker). Your financial intermediary will send the form, together with a shareholder certificate certifying that the shares are registered to you, no later than 10 June 2015 at midnight, to:

**BNP Paribas Securities Services – CTS Assemblées**  
**Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex**



### Electronically



#### Voting electronically

This is an additional way for shareholders to participate in the Meeting, using a secure website that offers them the same possibilities as the paper ballot.

Access to the site is protected by a login and password. Data exchanges are encrypted to ensure the confidentiality of the vote.

The secure dedicated website for voting prior to the General Meeting will open on 22 May 2015.

You can vote electronically prior to the General Meeting until the day before the Meeting, *i.e.* 10 June 2015, at 3 pm (CET). However, to avoid the possibility of overloading the dedicated voting website prior to the General Meeting, shareholders are recommended not to wait until the day before the Meeting to vote.

##### ➤ Registered shareholders whose shares are managed by Solocal Group:

The electronic voting system can be accessed by using the login and password you already use to view your registered share account on the Planetshares site (<https://planetshares.bnpparibas.com>).

After logging onto the site, you can access VOTACCESS by clicking on "Participating in the General Meeting" on the homepage. You will then be redirected to VOTACCESS, the online voting site, where you will be able to vote by following the instructions displayed onscreen. In addition, you will be able to view the official documents for the General Meeting on the same site.

##### ➤ Registered shareholders whose shares are managed by a financial intermediary:

If your shares are registered in your name but are managed by an investment service provider (bank, financial institution, etc.), you will find your login on the voting form sent with the notice of Meeting. You may log on the Planetshares site (<https://planetshares.bnpparibas.com>) and obtain a password by post or e-mail, if you provide your e-mail address. If you do not have a login and/or password, please ring the following freephone number: 0 800 818 454.

After logging onto the site, shareholders can access VOTACCESS by clicking on "Participating in the General Meeting" on the homepage. You will then be redirected to VOTACCESS, the online voting site, where you will be able to vote. In addition, you will be able to view the official documents for the General Meeting on the same site.

##### ➤ Bearer shareholders:

You must ascertain whether the institution that holds your securities account is connected to the VOTACCESS site and, if it is, whether access thereto is subject to specific conditions of use.

If the institution that holds your securities account is connected to the VOTACCESS site, you must identify yourself *via* the institution's web portal, using your customary access codes. Then, click on the icon on the line for your Solocal Group shares and follow the instructions displayed onscreen to access the VOTACCESS site, where you can request an admission card or vote by post, by proxy or electronically.

#### To request an admission card, or appoint or revoke a proxy electronically

##### ➤ Registered shareholders whose shares are managed by Solocal Group or a financial intermediary:

Registered shareholders whose shares are managed by Solocal Group or a financial intermediary and who wish to request an admission card or appoint or revoke a proxy electronically may do so by accessing the VOTACCESS site through the Planetshares site at the following address: <https://planetshares.bnpparibas.com>.

Registered shareholders whose shares are managed by Solocal Group may log on to the Planetshares site using their customary access codes. Registered shareholders whose shares are managed by a financial intermediary may log on to the Planetshares site by using their login number, which is found on the upper right-hand corner of their paper form. After having logged on, registered shareholders should follow the instructions displayed onscreen to access the VOTACCESS site and request an admission card or appoint or revoke a proxy.

##### ➤ Bearer shareholders:

Bearer shareholders must ascertain whether the institution that holds their securities account is connected to the VOTACCESS site.

If the institution that holds your securities account is connected to the VOTACCESS site, you must identify yourself *via* the institution's web portal, using your customary access codes. Follow the instructions displayed onscreen to access the VOTACCESS site to vote, request an admission card or appoint or revoke a proxy.

If the institution that holds your securities account is not connected to the VOTACCESS site, in accordance with Article R. 225-79 of the French Commercial Code, notice of the appointment or revocation of a proxy may also be given electronically by following the procedures below:

- Shareholders should send an e-mail to: [paris.bp2s.france.cts.mandats@bnpparibas.com](mailto:paris.bp2s.france.cts.mandats@bnpparibas.com). This e-mail must contain the following information: the name of the relevant company, the date of the Meeting, the first and last name, address and banking details of the principal, as well as the first and last name and, if possible, the address of the proxy holder;
- Shareholders must request the financial intermediary that manages their securities account to send a written confirmation to the General Meetings Department of BNP Paribas Securities Services – CTS Assemblées Générales, Les Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex.

Only notices appointing or revoking proxies may be sent to the e-mail address above. Any other request or notice about other matters will not be taken into account and/or processed.

In order for *electronic* appointments or revocations of proxies to be validly taken into account, the confirmations must be received no later than the day before the Meeting at 3 pm (CET). Appointments or revocations of proxies made using a paper form must be received no later than the day before the Meeting, *i.e.* 10 June 2015, at 3 pm (CET).

The VOTACCESS dedicated secure website will open on 22 May 2015.

# How to fill in the form included with this document ?

Do not send the form directly to Solocal Group.

All operations in relation with the General Meeting are handled by BNP Paribas Securities Services, the bank acting as the centralising agent for the Solocal Group General Meeting.

**BNP Paribas Securities Services – CTS Services des Assemblées**  
**Grands Moulins de Pantin, 9, rue du Débarcadère, 93761 Pantin Cedex**

**If you wish to attend the Meeting and receive your admission card: tick box A.**

**If you hold bearer shares,** send this form to the institution that holds your securities account, which will forward it, together with a shareholder certificate, to BNP PARIBAS SECURITIES SERVICES.

**IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please refer to instructions on reverse side.**  
**A** Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholder's meeting and request an admission card : date and sign at the bottom of the form.  
**B** J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

**SOLOCAL GROUP**

S.A. au capital de 233 259 388,6 €  
 Siège social : 7, avenue de la Cristallerie  
 92317 SEVRES cedex  
 552 028 425 RCS Nanterre

L'Assemblée générale mixte des actionnaires de Solocal Group se tiendra **jeudi 11 juin 2015, à 17 heures,** au Palais Brongniart **28, place de la Bourse 75002 Paris**

**CADRE RÉSERVÉ À LA SOCIÉTÉ / For Company's use only**  
 Identifiant / Account  
 Nombre d'actions / Number of shares  
 Nominatif Registered  
 Porteur / Bearer  
 Vote simple Single vote  
 Vote double Double vote  
 Nombre de voix / Number of voting rights

**1 JE VOTE PAR CORRESPONDANCE / I VOTE BY POST**  
 Cf. au verso renvoi (2) - See reverse (2)

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration ou le Directoire ou la Gérance, à l'EXCEPTION de ceux que je signale en notifiant comme ceci ■ la case correspondante et pour lesquels je vote NON ou je m'abstiens.  
 I vote YES all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote NO or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration ou le Directoire ou la Gérance, je vote en notifiant comme ceci ■ la case correspondant à mon choix.  
 On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this ■.

1	2	3	4	5	6	7	8	9	Oui/Non/No	Oui/Non/No
									Yes/Abst/Abs	Yes/Abst/Abs
									A	F
10	11	12	13	14	15	16	17	18		
									B	G
19	20	21	22	23	24	25	26	27		
									C	H
28	29	30	31	32	33	34	35	36		
									D	J
37	38	39	40	41	42	43	44	45		
									E	K

**2 JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE**  
 cf. au verso renvoi (3)

I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING  
 See reverse (3)

**3 JE DONNE POUVOIR A :** cf. au verso renvoi (4)

I HEREBY APPOINT see reverse (4)

M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name  
 Adresse / Address

**ATTENTION :** S'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.  
**CAUTION :** If it is about bearer securities, the present instructions will be valid only if they are directly returned to your bank.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)  
 - Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)  
 Cf. au verso renvoi (1) - See reverse (1)

**Regardless of your choice, date and sign here.**

**Please write** your surname, first name and address. If this information is already supplied, please verify and correct if necessary.

Si des amendements ou des résolutions nouvelles étaient présentés en assemblée / In case amendments or new resolutions are proposed during the meeting  
 Je donne pouvoir au Président de l'A.G. de voter en mon nom. / I appoint the Chairman of the general meeting to vote on my behalf.  
 Je m'abstiens (l'abstention équivaut à un vote contre). / I abstain from voting (is equivalent to a vote NO).  
 Je donne procuration (cf. au verso renvoi 4) à M., Mme ou Mlle, Raison Sociale, pour voter en mon nom / I appoint (see reverse (4)) Mr, Mrs or Miss, Corporate Name to vote on my behalf

Pour être prise en considération, toute formule doit parvenir au plus tard :  
 (In order to be considered, this completed form must be returned at the latest)  
 sur 1<sup>ère</sup> convocation / on 1st notification sur 2<sup>ème</sup> convocation / on 2nd notification  
 mercredi 10 juin 2015 à 15h00 / on Wednesday June 10th of 2015 at 3:00 pm (PARIS time)  
 à / to BNP PARIBAS SECURITIES SERVICES, CTS Assemblées, Grands Moulins de Pantin - 93761 PANTIN Cedex

**To vote by post, tick box 1.**

**To be taken into account, your ballot must be received by BNP PARIBAS SECURITIES SERVICES no later than 10 June 2015 before 3 pm (CET).**

**If you are granting a proxy to the Chairman of the Meeting: tick box 2. Date and sign at the bottom of the form, without completing anything else.**

**If you are granting a proxy to a specific person: tick box 3 and write the contact details of that person.**

## Written questions

Written questions should be sent by registered letter with acknowledgement of receipt to the Chairman of the Board of Directors at the Company's head office.

Include a shareholder certificate certifying that your shares are registered with the Company in your name or are held on a bearer securities account held with a financial intermediary. Questions must be received no later than the second business day before the date of the General Meeting.

In accordance with the laws in force, a written question will be deemed to have been answered if it is included in the "Questions and Answers" section of the Company's website.

All documents and information required by Article R. 225-73-1 of the French Commercial Code may be viewed on the Company's website: <http://www.solocalgroup.com>, as from the twenty-first day before the Meeting, i.e. 21 May 2015.

# AGENDA

## Ordinary matters

- Board of Directors' report;
- Statutory auditors' report on the financial statements for the financial year ended 31 December 2014;
- Statutory auditors' special report on the agreements within the scope of Article L. 225-38 of the French Commercial Code;
- Approval of the Company financial statements for the financial year;
- Approval of the consolidated financial statements for financial year;
- Appropriation of net income for the financial year ended 31 December 2014, as reported in the annual financial statements;
- Approval of agreements within the scope of Article L. 225-38 of the French Commercial Code;
- Authorisation to be granted to the Board of Directors to purchase or transfer Solocal Group shares;
- Ratification of the co-optation of Ms Nathalie Balla as Director;
- Ratification of the co-optation of Mr Robert de Metz as Director;
- Renewal of the term of office as Director of Mr Robert de Metz;
- Ratification of the co-optation of Mr Jean-Marc Tassetto as Director;
- Renewal of the term of office as Director of Mr Jean-Marc Tassetto;
- Renewal of the term of office as Director of Ms Cécile Moulard;
- Non-binding vote on the components of remuneration owed or granted to Mr Jean-Pierre Remy, the Chief Executive Officer, for the financial year ended 31 December 2014;
- Non-binding vote on the components of remuneration owed or granted to Mr Christophe Pingard, the Deputy Chief Executive Officer, for the financial year ended 31 December 2014;
- Non-binding vote on the components of remuneration owed or granted to Mr Robert de Metz, the Chairman of the Board of Directors, for the financial year ended 31 December 2014;
- Establishing the annual amount of Directors' fees granted to the members of the Board of Directors.

## Extraordinary matters

- Board of Directors' report;
- Statutory auditors' report;
- Authorisation granted to the Board of Directors to reduce share capital by cancelling shares;
- Bringing the Articles of Association into compliance with new regulations;
- Amendment to Article 17 of the Articles of Association concerning the powers of the Board of Directors;
- Non-use of financial authorisations during tender offer periods;
- Reverse stock split of the Company's shares by granting one (1) new ordinary share with a par value of €6 in exchange for 30 ordinary shares held with a par value of €0.20 – Delegation of authority to the Board of Directors with the right to sub-delegate;
- Powers for formalities.



# BRIEF OVERVIEW OF THE SOLOCAL GROUP'S SITUATION DURING THE PAST FINANCIAL YEAR

## General description

Through its subsidiaries, Solocal Group conducts three complementary businesses: content and services developer, media and advertising representation. Solocal Group offers a diversified range of products and services in connection with these activities, for businesses and consumers.

The Group creates and offers services that provide access to a wealth of useful and reliable information. These services are constantly updated to keep up with consumption trends, and are available to consumers everywhere, everyday to make their lives easier: locating and contacting businesses, keeping in touch with friends on the net, obtaining an itinerary, visiting merchants' shops, finding great deals, etc.

To keep abreast of evolving uses, Solocal Group develops its services for all mobile platforms (in particular, through applications for iPhone, iPad and Android), thereby meeting the increasing demand for information that is available and local.

The Group's business model is similar to that of the media, *i.e.* offering quality content that generates audiences and then monetising those audiences for businesses, either as a whole or by segments. The Group's brands are very well-known and have earned users' trust. The credibility of our services, built year after year, is the basis for the power of our audiences. Since early 2014, the Group has been reorganised on the basis of five verticals "markets" (Commerce, B2B, Home, Services, Health and Public) and one business unit for major accounts. This will enable us to improve clients' experience and better meet their demands, in particular by developing and marketing targeted services and products.

The Group's businesses break down into three product segments:

### ➤ Internet:

This segment covers businesses conducted over the Internet. Their main products are the creation and marketing of content and advertising space, listings, targeted advertising and providing advertising space to local and national advertisers (often referred to as "display" advertising), as well as a complete range of services and products for providing and distributing information with local content. The Group's Internet activity is conducted mainly in France, but also in Spain (QDQ Media). This segment comprises the activities

of "pagesjaunes.fr" and "pagespro.com", the creation and marketing of "search" and "display" content and advertising space, particularly through Horyzon Media's Internet advertising representation, and online classified ads on "annoncesjaunes.fr" and "avendrealouer.fr".

Display advertising, clicks, site creation and hosting, video, listings on pagesjaunes.fr, affiliated partners and search engines – "SEO" (natural listing) or "SEM" (paid listing), etc. Solocal Group markets a very broad range of advertising formats and mobile and fixed Internet services that offers all businesses, from microenterprises to the largest brand networks, the possibility of creating a bespoke communication plan.

This segment includes itinerary, geolocation and online booking services from Mappy, but also "couponing" promotional offers from 123deal and smartprivé, and digital marketing.

The following products and services are also included in this segment: requesting a quote online and establishing contact with building tradesmen on Sotravo, scheduling an appointment online using technology developed by ClicRDV, the themed content site ComprendreChoisir.com published by Fine Media, ordering prepared meals online from locally-listed restaurants on Chronorestor.fr (in 2013) and direct e-mail marketing services ("e-mailing"). The online people and profile search service offered by 123people was shut down in March 2014.

### ➤ Printed Directories:

This is the Group's historical business, and covers the publication, distribution and sale of advertising space in printed directories (PagesJaunes, *l'Annuaire*).

### ➤ Other Businesses:

This segment comprises some of the businesses specific to Solocal Group, such as telephone and SMS directory enquiry services (118 008) and the QuiDonc reverse directory. This segment also includes certain PJMS activities (formerly PagesJaunes Marketing Services): telemarketing, data mining (database processing), file creation, dealing with potential clients, and traditional direct marketing activities (inputting entries and posting mailings).

## Commentary on 2014 full-year results

Solocal Group (in millions of euros)	Periods ended 31 December		
	2014	2013	2014/2013 change
<b>Revenues</b>	<b>936.2</b>	<b>998.9</b>	<b>-6.3%</b>
Net external expenses	(228.3)	(222.1)	-2.8%
Salaries and charges	(385.7)	(352.5)	-9.4%
<b>Gross operating margin</b>	<b>322.2</b>	<b>424.3</b>	<b>-24.1%</b>
as % of revenues	34.4%	42.5%	
Legal employee profit-sharing	(10.3)	(15.4)	33.1%
Share-based payments	(8.6)	(1.5)	NA
Depreciation and amortisation	(48.4)	(40.7)	-18.9%
Other operating income and expenses	(38.5)	(37.4)	-2.9%
<b>Operating income</b>	<b>216.5</b>	<b>329.2</b>	<b>-34.2%</b>
as % of revenues	23.1%	33.0%	
Financial revenues	1.6	2.9	-44.8%
Financial expenses	(99.7)	(135.2)	26.3%
<b>Financial income</b>	<b>(98.1)</b>	<b>(132.3)</b>	<b>25.9%</b>
Share of profit or loss of associated companies	(0.0)	(0.2)	NA
<b>Income before tax</b>	<b>118.4</b>	<b>196.7</b>	<b>-39.8%</b>
Corporate income tax	(58.9)	(81.9)	28.1%
<b>Income for the period</b>	<b>59.4</b>	<b>114.8</b>	<b>-48.3%</b>
of which attributable to:			
■ Solocal Group shareholders	59.4	114.8	-48.3%
■ non-controlling interests	0.0	0.1	

The number of visits to the Group's websites as a whole exceeded 2 billion visits for the first time, totalling 2,044.2 million in 2014, up 12.1% compared to 2013 on a like-for-like basis, with the number of visits on the mobile web up 35%. The mobile web accounts for 34% of the Group's internet audience. The audience directed to PagesJaunes.fr businesses is up sharply by 22%, with 1,132.3 million visits in 2014.

In 2014, the complete overhaul of the sales organisation and the adoption of new sales staff contracts resulted in the departure of nearly 300 sales representatives, which was about 20% of the workforce concerned, and which required hiring about 450 new sales representatives. As a result, and due to an economic context that remains weak, consolidated revenues for Solocal Group totalled €936.2 million in June 2014, down 6.3% compared to 2013 based on published figures. Internet revenues represented 68% of the Group's revenues in 2014, compared to 63% in 2013. The revenues of the Printed Directories segment decreased by 17.3% compared to 2013. Internet revenues were stable in 2014, and were up +2.0% in the fourth quarter of 2014, compared to the fourth quarter of 2013. The deployment of the new sales organisation by vertical market was finalised at the end of September 2014.

The Group's normalised gross operating margin stood at €350.3 million in 2014, down 17.4% compared to 2013 (for an explanation of normalised GOM, see below, "Changes to sales force employment contracts"). The Group's published gross operating margin amounted to €322.2 million in 2014, down 24.1% compared to 2013. The gross operating margin was down mainly due to the impact of the fall in revenues from the

Printed Directories and Other Businesses segments by €62.7 million, and to commercial investment. The 28% reduction in the costs of producing printed directories made it possible to partially offset the impact of the increase in commercial and technological investments required to support the digital transformation. The normalised gross operating margin rate stood at 37.4% in 2014, compared to 42.5% in 2013. The published gross operating margin rate was 34.4% in 2014.

The Group's operating income decreased by 34.2%, compared to 2013, to €216.5 million. This decrease of €112.7 million was due to a €102.0 million decline in the gross operating margin, a €7.7 million increase in depreciation and amortisation expense, a €5.1 million drop in profit-sharing, an increase of €7.1 million in share-based payments and of €1.1 million in exceptional items, including a provision of €10.4 million for premises refurbishing costs and possible future double rents, restructuring costs of €23.5 million in 2014, compared to €28.1 million in 2013, and impairment expense of €3.8 million in 2014, compared to €8.4 million in 2013. Excluding exceptional items, operating income was down 30.4%.

The Group's financial income was a net charge of €98.1 million, reflecting a decrease of 25.9% between 2013 and 2014, primarily due to a drop in the cost of debt. The average interest rate on the debt fell by 63 basis points, dropping from 6.83% in 2013 to 6.20% in 2014. This drop is due to the favourable impact of hedging instruments and a 3.25% decrease in the margin on bank loans during a portion of 2014. Furthermore, the capital increase underwritten in June 2014 made it possible to pay back an amount of €400 million on the bank debt.

The effective tax rate stood at 49.8% in 2014, up 8.2 points compared to 2013, which is explained by a less favourable impact in 2014 than in 2013 of the partial deductibility of financial interest, which was reduced from 85% in 2013 to 75% in 2014, and a higher corporation value added tax (CVAE) (which rose mechanically due to the fall in income before tax). Moreover, in 2013 and in 2014, the Group was favourably impacted by the positive outcome of tax claims submitted previously, which resulted in a drop in the effective tax rate of 5.4 points in 2013 and 3.7 points in 2014.

Income for the period amounted to €59.4 million, down 48.3% compared to 2013. Excluding exceptional items, income for the period was down 41.3%.

#### ■ CHANGES TO SALES FORCE EMPLOYMENT CONTRACTS

A significant event in 2014 was the extension of "specialist" status to nearly the entire sales force, which required amending their employment contracts, in particular switching workers from sales representative to management status. Fixed remuneration and reimbursement for costs were introduced together with this change, which led directly to a decrease in the variable portion of the sales force's remuneration. For the record, this status had already been partially applied in 2012 to about 230 members of the sales staff.

In accordance with IFRS, only incremental variable remuneration was capitalised as "contract acquisition costs" and was recognised as an expense at the same time as revenues, *i.e.* for the entire amount at the time of publication in the case of printed directories, and spread out as from the time of online publication and over the duration of publication in the case of digital products.

As a result, starting in the second quarter, the 2014 financial statements reflect a dual accounting treatment: the recognition as an expense of the sales costs in connection with revenues prospected in 2013 (recognised and posted on the balance sheet as of 31 December 2013), as well as the fixed remuneration paid in 2014 for revenues prospected in 2014.

The sales representatives did not receive double remuneration in 2014, and this simply reflects a dual accounting treatment without any impact on the cash position.

Normalised GOM is intended to neutralise this dual treatment associated with the accelerated recognition of sales costs (the decrease in the variable portion of total remuneration) in order to make it possible to obtain a pertinent and comparable aggregate that accurately reflects the economic activity of the business. The impact reflected in the figures is an estimate based on forecast projections.

The table below presents the revenues and gross operating margin for each of the Group's three segments: Internet, Printed Directories and Other Businesses.

Solocal Group (in millions of euros)	Periods ended 31 December		
	2014	2013	2014/2013 change
Internet	632.5	632.5	0.0%
Printed Directories	285.2	344.7	-17.3%
Other Businesses	18.5	21.7	-14.7%
<b>Revenues</b>	<b>936.2</b>	<b>998.9</b>	<b>-6.3%</b>
<i>Internet revenues as % of total revenues</i>	67.6%	63.3%	
Internet	207.3	267.4	-22.5%
Printed Directories	110.1	150.9	-27.0%
Other Businesses	4.8	6.0	-20.0%
<b>Gross operating margin</b>	<b>322.2</b>	<b>424.3</b>	<b>-24.1%</b>
<i>as % of revenues</i>	34.4%	42.5%	

## 1. Analysis of the revenues and gross operating margin of the Internet segment

The table below presents changes in revenues and gross operating margin of the Internet segment in financial years 2013 and 2014.

Internet (in millions of euros)	Periods ended 31 December		
	2014	2013	2014/2013 change
<b>Revenues</b>	<b>632.5</b>	<b>632.5</b>	<b>0.0%</b>
<b>Gross operating margin</b>	<b>207.3</b>	<b>267.4</b>	<b>-22.5%</b>
<i>as % of revenues</i>	32.8%	42.3%	

The revenues of the Internet segment were stable in 2014 at €632.5 million. Internet revenues were up 2.0% in the fourth quarter of 2014, but revenues in previous quarters were impacted by the reorganisation of the sales structure, the slowdown in the growth of the Search activity, and the weakness of the Display sector due to a depressed advertising market.

The gross operating margin of the Internet segment was €207.3 million in 2014 (€226.9 million in normalised figures), down 22.5% compared to

2013 (down 15.1% in normalised figures). The gross operating margin of the Internet segment was impacted by the reorganisation of the sales structure, investments in the management of the digital transformation and advertising campaigns to promote Site products and the A Vendre A Louer brand. This also resulted in a 9.5 point drop in the published gross operating margin rate, which fell from 42.3% in 2013 to 32.8% in 2014. The normalised gross operating margin rate fell by 6.4 points, from 42.3% in 2013 to 35.9% in June 2014.

## 2. Analysis of the revenues and gross operating margin of the Printed Directories segment

The table below presents changes in revenues and gross operating margin of the Printed Directories segment in financial years 2013 and 2014.

Printed Directories (in millions of euros)	Periods ended 31 December		
	2014	2013	2014/2013 change
Revenues	285.2	344.7	-17.3%
Gross operating margin	110.1	150.9	-27.0%
as % of revenues	38.6%	43.8%	

The revenues of the Printed Directories segment fell by 17.3% in 2014 to €285.2 million. The decline in the Printed Directories segment therefore remains under control. The "Les Pages Blanches" directory was discontinued in the Nord *département* in the third quarter of 2014.

The gross operating margin of the Printed Directories segment was €110.1 million in 2014 (€118.5 million in normalised figures), down 27.0%

compared to 2013 (down 21.5% in normalised figures). The normalised gross operating margin rate fell by 5.2 points to 38.6% in 2014 (a moderate decrease of 2.2 points, to 41.5% in normalised figures). The moderate decrease in the margin rate reflects the continuing sustained efforts to reduce the production, printing and distribution costs of Printed Directories, which had declined significantly by 28% at the end of December.

## 3. Analysis of the revenues and gross operating margin of the Other Businesses segment

The table below presents changes in the revenues and gross operating margin of the Other Businesses segment in financial years 2013 and 2014.

Other Businesses (in millions of euros)	Periods ended 31 December		
	2014	2013	2014/2013 change
Revenues	18.5	21.7	-14.7%
Gross operating margin	4.8	6.0	-20.0%
as % of revenues	25.9%	27.6%	

The revenues of the Other Businesses segment fell by 14.7% in 2014 to €18.5 million. This was primarily due to the sharp decrease in revenues

from telephone directory enquiry services, as well as in revenues from advertising and calls made by users of this service.

The gross operating margin of the Other Businesses segment was 4.8 million in 2014, down 20.0% compared to 2013. The gross operating margin rate decreased from 27.6% in 2013 to 25.9% in 2014. The fall in the margin rate stems from the drop in revenues. Since advertising

expenses to promote the telephone directory enquiry services (118 008) were discontinued in 2012, efforts to optimise the margin are now focused primarily on controlling production expenses and continuing initiatives to save on call processing costs.

## 4. Outlook

### Solocal Group published the following forecasts for 2015 in its press release dated 10 February 2015:

From now on, Solocal Group will use EBITDA to measure and report its financial performance, in line with market practices. In financial year 2014, EBITDA was €267.1 million, down 29.2% compared to 2013, and the EBITDA margin was 28.5%.

#### The expected outlook for 2015 is:

- ↘ Internet revenue growth between +5% and +10%;
- ↘ stable Group revenues;
- ↘ consolidated EBITDA margin between 29% and 30%;
- ↘ an increase > +30% in consolidated net income.

The consolidated EBITDA margin includes the impact of commercial investment on a full-year basis.

Furthermore, the Group would like to:

- ↘ proceed with partial purchases of its high yield debt during 2015; and
- ↘ achieve a reverse stock split, subject to the shareholders vote at the next Combined General Shareholders' Meeting.

### At its Investor Day, which was held in Paris on 28 April, the Group outlined its forecasts for 2015-2018 as follows:

#### 1/ Group outlook for 2015:

- ↘ Internet revenue growth between +5% and +10%;

- ↘ a slight decrease in consolidated revenues – but less significant than in 2014 – due to the continuing decline in the Print & Voice business;
- ↘ EBITDA/revenues margin <sup>(1)</sup> between 29% and 30%;
- ↘ to maintain this margin rate, the Group is setting up an operational improvement plan that will reduce costs by nearly €30 million per year. Due to this plan, net income is expected to remain stable compared to 2014.

#### 2/ In 2015 the Group anticipates:

- ↘ proceeding with partial purchases of its high yield debt;
- ↘ proceeding with partial purchases of its bank debt in an amount of at least €15 million;
- ↘ achieving a reverse stock split, subject to the shareholders vote at next Combined General Shareholders' Meeting scheduled for 11 June 2015.

#### 3/ Its priorities for the period up to 2018, which are sustainable and profitable growth and continuing to deleverage, as well as its aim to achieve, by 2018:

- ↘ Internet revenue growth of approximately +10%;
- ↘ an EBITDA/revenues margin of approximately 30%;
- ↘ net debt reduction of > €300 million compared to the current amount.

(1) Recurring EBITDA/Group revenues margin, excluding exceptional items.

# EXPLANATION OF THE RESOLUTIONS TO BE SUBMITTED TO THE COMBINED GENERAL SHAREHOLDERS' MEETING OF 11 JUNE 2015

## Ordinary matters

### Financial statements and appropriation of net income

#### (FIRST TO THIRD RESOLUTIONS)

The purpose of the first and second resolutions is to submit for your approval, respectively, the Solocal Group annual financial statements as of 31 December 2014, which report a loss of €132,193,013.11, and the Solocal Group consolidated financial statements as of 31 December 2014.

The purpose of the third resolution is to appropriate the entire amount of distributable profits of €1,233,024,413.40, taking into account positive retained earnings of €1,365,217,426.51, to the "retained earnings" account.

### Agreements within the scope of Article L. 225-38 of the French Commercial Code

#### (FOURTH RESOLUTION)

The fourth resolution concerns the approval of various agreements within the scope of Article L. 225-38 of the French Commercial Code that were approved during the financial year, or in prior financial years and whose performance continued during the financial year. All of these agreements are described in detail in Chapter 19 of the 2014 Reference document.

During the financial year ended 31 December 2014, the Company identified the following agreements that are likely to come within the scope of application of Article L. 225-38 of the French Commercial Code:

- ✦ a fifth-rank pledge over the securities account in which Solocal Group's PagesJaunes shares are held, provided as security for the execution of an amendment to the "Facility Agreement" credit contract of 24 October 2006. This pledge was approved by the Board of Directors at its meeting of 4 June 2014;
- ✦ in connection with the refinancing of a portion of Solocal Group's bank debt in April 2011, the terms and conditions of the financing documents for tranche C1 of this debt, the terms of the High-Yield Bonds issue and the execution of the Purchase Agreement, all of which the Board of Directors approved at its meeting of 28 April 2011;
- ✦ a contract that included **A/** an obligation on the part of Médiannuaire Holding SA (i) to exercise, as a shareholder of the Company, its

pre-emptive rights to subscribe for at least €25 million in shares in connection with any capital increase that the Board of Directors may decide pursuant to the authority to be delegated to it by the Extraordinary General Meeting of shareholders to be held on 29 April 2014; (ii) to vote at that Extraordinary General Meeting in favour of resolutions authorising various capital increases and to vote at the next annual Ordinary General Meeting of shareholders to ratify any new Directors co-opted; (iii) to resign from its office as a Director of the Company; and (iv) to maintain its double voting rights until the aforementioned General Meeting; and **B/** an obligation on the part of Cerberus Capital Management L.P. (i) to ensure that Médiannuaire Holding SA exercises its pre-emptive rights to subscribe for at least €25 million in shares in connection with any capital increase that the Board of Directors may decide pursuant to the authority to be delegated to it by the Extraordinary General Meeting of shareholders to be held on 29 April 2014; (ii) and to vote at the next annual Ordinary General Meeting of shareholders to ratify any new Directors co-opted. This agreement was approved by the Board of Directors at its meeting of 12 February 2014;

- ✦ an amendment to the €150 million loan agreement signed with PagesJaunes. The Board of Directors approved this agreement at its meeting of 10 February 2012. At its meeting of 12 February 2014, the Board of Directors authorised the signature of an amendment to extend the term of this loan agreement for one year, *i.e.* until 13 February 2015;
- ✦ the terms and conditions of the position of Mr Jean-Pierre Remy as Chief Executive Officer (described in section 15.1 of the Reference document), which the Board of Directors approved at its meeting of 17 May 2009;
- ✦ the terms and conditions of the position of Mr Christophe Pingard as Deputy Chief Executive Officer (described in section 15.1 of the Reference document), which the Board of Directors approved at its meeting of 26 October 2011;
- ✦ a letter of support, requested by the statutory auditors of QDQ Media in connection with the preparation of QDQ Media's financial statements. This letter of support was previously approved by the Board of Directors at its meeting of 12 February 2014;
- ✦ a letter of support for Sotravo, requested by Sotravo's statutory auditors. This letter of support was previously approved by the Board of Directors at its meeting of 19 June 2014;
- ✦ a letter of support for Mappy, requested by Mappy's statutory auditors. This letter of support was previously approved by the Board of Directors at its meeting of 19 June 2014.

## **Authorisation to be granted to the Board of Directors to purchase or transfer Solocal Group shares**

### **(FIFTH RESOLUTION)**

The purpose of the fifth resolution is to renew the authorisation to purchase shares that had been granted to the Board of Directors by the General Meeting held on 19 June 2014, in accordance with Article L 225-209 *et seq.* of the French Commercial Code.

This authorisation is requested for the same purposes that you approved in past years. The Company requires the flexibility necessary to enable it to react to fluctuations in the financial markets by purchasing or cancelling shares.

Therefore, this resolution provides that the Company may acquire its shares up to the legal limit of 10% of the number of shares that comprise the share capital on the date of this Meeting, and that the maximum number of shares held after these purchases may not at any time exceed 10% of the amount of the share capital.

The maximum price for purchasing shares on the stock market is set at €2 per share.

This authorisation may not be used in the event of a tender offer and is valid for a period of 18 months.

## **Ratification of the co-optation of three Directors**

### **(SIXTH, SEVENTH AND NINTH RESOLUTIONS)**

This General Meeting is requested to ratify the co-optations of Ms Nathalie Balla and Messrs Robert de Metz and Jean-Marc Tassetto.

## **Renewal of the terms of office of three Directors**

### **(EIGHTH, TENTH AND ELEVENTH RESOLUTIONS)**

The purpose of the eight, tenth and eleventh resolutions is, respectively, to renew the terms of office as Directors of:

- ✎ Mr Robert de Metz;
- ✎ Mr Jean-Marc Tassetto; and
- ✎ Ms Cécile Moulard.

If these resolutions are adopted, the terms of office as Directors of Ms Cécile Moulard and Messrs Robert de Metz and Jean-Marc Tassetto will be renewed for a period of four years, *i.e.* until the General Meeting in 2019 that will be convened to vote on the financial statements for the financial year ending 31 December 2018.

## **Non-binding vote on the components of remuneration owed or granted to Mr Jean-Pierre Remy for the financial year ended 31 December 2014**

### **(TWELFTH RESOLUTION)**

The purpose of the twelfth resolution is to consult the shareholders, in application of the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference, on the components of remuneration owed or granted to Mr Jean-Pierre Remy in his capacity as Chairman and Chief Executive Officer, and then Chief Executive Officer, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on pages 95 and 96.

### **JEAN-PIERRE REMY, CHIEF EXECUTIVE OFFICER**

<b>Components of remuneration owed or granted for the past financial year</b>		
	<b>Amounts or values submitted to a vote</b>	<b>Explanation</b>
<b>Fixed portion</b>	€520,000	€520,000 in 2013
<b>Amount of the annual variable portion</b>	€494,000	Jean-Pierre Remy is eligible for a variable portion of 100% of the annual fixed portion of his remuneration, ranging from 0% to 200% depending on objectives met, based (i) 50% on a qualitative scale ranging from 0% to 200% measured by criteria associated with the success of the capital increase and debt refinancing and the success of the Group's operational transformation, and (ii) 50% on a quantitative scale ranging from 0% to 200% based on target GOM. In financial year 2014, the total amount of the variable portion of the Chief Executive Officer's remuneration was €494,000, which represents 95% of the target objectives: 20% for the quantitative component (contrasted with a target of 50% of objectives achieved) and 75% for the qualitative component (contrasted with a target of 50% of objectives achieved).
<b>Valuation of the deferred variable portion</b>	NA	No deferred variable remuneration is awarded.
<b>Valuation of multi-year variable remuneration</b>	NA	There is no multi-year variable remuneration mechanism.
<b>Amount of extraordinary remuneration</b>	NA	No extraordinary remuneration is awarded.
<b>Valuation of stock options and performance shares and all other components of long-term remuneration</b>	(i) 4,200,000 performance shares for the three years 2014-2016, conditional on revenue growth exceeding 0% (vesting in thirds in 2016, 2017 and 2018) and (ii) 4,500,000 performance shares conditional on revenue growth exceeding 3% (CAGR) (vesting in four years, in 2018).	At the Extraordinary General Meeting held on 29 April 2014, the Solocal Group shareholders authorised the Board of Directors to implement a performance share plan, which on 19 June 2014 resulted in an allotment to Jean-Pierre Remy of: (see opposite).
<b>Directors' fees</b>	€33,531	€4,000 per Board of Directors meeting
<b>Valuation of benefits of all types</b>	€20,089	Company car and payment of unemployment insurance contributions.



**EXPLANATION OF THE RESOLUTIONS TO BE SUBMITTED  
TO THE COMBINED GENERAL SHAREHOLDERS' MEETING OF 11 JUNE 2015**

**Components of remuneration owed or granted for the past financial year that have been approved or will be submitted for approval by the General Meeting under the procedure applicable to regulated agreements and commitments**

<b>Amount owed in the event position is terminated: - Severance payment</b>	No amount is owed for the past financial year	Due to the fact that Jean-Pierre Remy has no employment contract, the Board of Directors approved a severance payment in the event he is forced to leave the Company due to a change in the control or strategy of the Company or the implementation thereof. The amount of this payment would be equal to Mr Remy's gross annual all-inclusive remuneration (fixed and variable portions, assuming objectives are met), subject to the condition that he meets at least 80% of his annual targets in the previous three years. The severance payment will be made only after the Company's Board of Directors confirms that the applicable performance condition has been met.
<b>- Non-competition compensation</b>	No amount is owed for the past financial year	A non-competition obligation will take effect if Jean-Pierre Remy ceases to be the Company's Chief Executive Officer for any reason and in any manner. This non-competition obligation is limited to a period of 24 months as from the date he actually ceases to perform his duties and covers all of France. This amount of compensation would be equal to 12 months' remuneration, calculated on the basis of the average total gross monthly remuneration paid over the last 12 months before leaving office. One-fourth of this compensation would be paid to Mr Remy at the end of each half-year. The Company will have the option of releasing Jean-Pierre Remy from this non-competition clause by informing him of its decision no later than 15 calendar days after the Board of Directors meeting that confirms or decides the termination of Mr Remy's position as the Company's Chief Executive Officer. The combined total of the severance payment and the non-competition compensation may not exceed two years of fixed and variable remuneration. These commitments were previously approved by the Board of Directors at its meetings of 17 May 2009 and 10 March 2014 and by the General Meetings of shareholders of 10 June 2010 and 19 June 2014.
<b>Amount owed for supplementary pension scheme</b>	No amount is owed for the past financial year	Defined contribution supplementary pension scheme (Article 83 of the French Tax Code), resulting in a contribution of 5.50% applied to tranches B and C of the remuneration. 40% of this contribution is paid by Jean-Pierre Remy, <i>i.e.</i> 2.20%, and 60% by the Company, <i>i.e.</i> 3.30%. This commitment was previously approved by the Board of Directors at its meetings of 17 May 2009 and 10 March 2014 and by the General Meetings of shareholders of 10 June 2010 and 19 June 2014.

**Non-binding vote on the components of remuneration owed or granted to  
Mr Christophe Pingard, the Deputy Chief Executive Officer, for the financial year  
ended 31 December 2014**

**(THIRTEENTH RESOLUTION)**

The purpose of the thirteenth resolution is to consult the shareholders, in application of the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference, on the components of the remuneration owed or granted to Mr Christophe Pingard in his capacity as Deputy Chief Executive Officer, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on pages 97 and 98.

**CHRISTOPHE PINGARD, DEPUTY CHIEF EXECUTIVE OFFICER**

<b>Components of remuneration owed or granted for the past financial year</b>		
	<b>Amounts or values submitted to a vote</b>	<b>Explanation</b>
<b>Fixed portion</b>	€370,000	€370,000 in 2013
<b>Amount of the annual variable portion</b>	€166,500	Christophe Pingard is eligible for a variable portion of 50% of the annual fixed portion of his remuneration, ranging from 0% to 100% depending on objectives met, based (i) 50% on a qualitative scale ranging from 0% to 200% measured by criteria associated with the Group's transformation, and (ii) 50% on a quantitative scale ranging from 0% to 200% based on target GOM and revenues. In financial year 2014, the total amount of the variable portion of the Deputy Chief Executive Officer's remuneration was €166,500, which represents 90% of the target objectives: 50% for the quantitative component (contrasted with a target of 50% of objectives achieved) and 40% for the qualitative component (contrasted with a target of 50% of objectives achieved).
<b>Valuation of the deferred variable portion</b>	NA	No deferred variable remuneration is awarded.
<b>Valuation of multi-year variable remuneration</b>	NA	There is no multi-year variable remuneration mechanism.
<b>Amount of extraordinary remuneration</b>	NA	No extraordinary remuneration is awarded.
<b>Valuation of stock options and performance shares and all other components of long-term remuneration</b>	(i) 2,100,000 performance shares for the three years 2014-2016, conditional on revenue growth exceeding 0% (vesting in thirds in 2016, 2017 and 2018) and (ii) 1,750,000 performance shares conditional on revenue growth exceeding 3% (CAGR) (vesting in four years, in 2018).	At the Extraordinary General Meeting held on 29 April 2014, the Solocal Group shareholders authorised the Board of Directors to implement a performance share plan, which on 19 June 2014 resulted in an allotment to Christophe Pingard of: (see opposite).
<b>Directors' fees</b>	NA	Christophe Pingard is not a Director of the Company and does not receive Directors' fees.
<b>Valuation of benefits of all types</b>	€18,375	Company car and payment of unemployment insurance contributions.

**EXPLANATION OF THE RESOLUTIONS TO BE SUBMITTED  
TO THE COMBINED GENERAL SHAREHOLDERS' MEETING OF 11 JUNE 2015**

**Components of remuneration owed or granted for the past financial year that have been approved or will be submitted for approval by the General Meeting under the procedure applicable to regulated agreements and commitments**

<b>Amount owed in the event position is terminated: Severance payment</b>	No amount is owed for the past financial year	<p>Due to the fact that Christophe Pingard has no employment contract, the Board of Directors approved a severance payment in the event he is forced to leave the Company due to a change in the control or strategy of the Company or the implementation thereof (regardless of the form of the departure: dismissal, non-renewal or resignation), subject to the following performance condition: the average change in revenues over the last three years, as reported in the Group's consolidated financial statements approved by the Board of Directors before Christophe Pingard's departure date, is greater than or equal to the average change in revenues provided for in the budgets for the same period. If Christophe Pingard leaves between the end of the first year and the end of the third year after he assumes his position, the performance condition will be assessed based on the financial year(s) ended during which he was still with the Company.</p> <p>The severance payment will be made only after the Company's Board of Directors confirms that the applicable performance condition has been met. This amount of compensation would be equal to 12 months' remuneration, calculated on the basis of the average total gross monthly remuneration paid over the last 12 months before leaving office.</p>
<b>Non-competition compensation</b>	No amount is owed for the past financial year	<p>A non-competition obligation will come into effect if Christophe Pingard ceases to be Deputy Chief Executive Officer for any reason and in any manner. This non-competition obligation is limited to a period of 24 months as from the date he actually ceases to perform his duties and covers all of France. Based on a non-competition period of 24 months, this amount of compensation would be equal to 12 months' remuneration, calculated on the basis of the average total gross monthly remuneration paid over the last 12 months before leaving office. One-fourth of this compensation would be paid to Mr Pingard at the end of each half-year. When Mr Pingard's position terminates, the Company may waive the benefit of the non-competition obligation, in which case it will not be obliged to pay the corresponding compensation.</p> <p>The combined total of the severance payment and the non-competition compensation may not exceed two years of fixed and variable remuneration. These commitments were previously approved by the Board of Directors at its meetings of 26 October 2011 and 29 April 2014 and by the General Meetings of shareholders of 6 June 2012 and 19 June 2014.</p>
<b>Amount owed for supplementary pension scheme</b>	No amount is owed for the past financial year	<p>Defined contribution supplementary pension scheme (Article 83 of the French Tax Code), resulting in a contribution of 5.50% applied to tranches B and C of the remuneration. 40% of this contribution is paid by Christophe Pingard, <i>i.e.</i> 2.20%, and 60% by the Company, <i>i.e.</i> 3.30%.</p> <p>This commitment was previously approved by the Board of Directors at its meetings of 26 October 2011 and 29 April 2014 and by the General Meetings of shareholders of 6 June 2012 and 19 June 2014.</p>

## **Non-binding vote on the components of remuneration owed or granted to Mr Robert de Metz, the Chairman of the Board of Directors, for the financial year ended 31 December 2014**

### **(FOURTEENTH RESOLUTION)**

The purpose of the fourteenth resolution is to consult the shareholders, in application of the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference, on the components of the remuneration owed or granted to Mr Robert de Metz in his capacity as Chairman of the Board of Directors, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on page 94.

### **ROBERT DE METZ, CHAIRMAN OF THE BOARD OF DIRECTORS**

<b>Components of remuneration owed or granted for the past financial year</b>		
	<b>Amounts or values submitted to a vote</b>	<b>Explanation</b>
<b>Fixed portion</b>	NA	No fixed remuneration
<b>Amount of the annual variable portion</b>	NA	No variable remuneration
<b>Valuation of the deferred variable portion</b>	NA	No deferred variable remuneration is awarded.
<b>Valuation of multi-year variable remuneration</b>	NA	There is no multi-year variable remuneration mechanism.
<b>Amount of extraordinary remuneration</b>	NA	No extraordinary remuneration is awarded.
<b>Valuation of stock options and performance shares and all other components of long-term remuneration</b>	NA	No remuneration of this type
<b>Directors' fees</b>	€5,133	€4,000 per Board of Directors meeting pursuant to his office as Director
<b>Valuation of benefits of all types</b>	NA	
<b>Components of remuneration owed or granted for the past financial year that have been approved or will be submitted for approval by the General Meeting under the procedure applicable to regulated agreements and commitments</b>		
<b>Amount owed in the event position is terminated:</b>	NA	NA
- Severance payment		
- Non-competition compensation		
- Amount owed for supplementary pension scheme	NA	NA

## **Establishing the annual amount of Directors' fees granted to the members of the Board of Directors**

### **(FIFTEENTH RESOLUTION)**

This resolution proposes that the General Meeting of 11 June 2015 set at €490,000 the amount of Directors' fees granted to the members of the Board of Directors for the current financial year and subsequent financial years, until a new decision is adopted by the General Meeting. This increase would enable to better take into account the annual number of meetings of the Board of Directors and of the Committees, to consider the possibility of appointing a new Director, and to provide remuneration in the amount of €90,000 for the newly created position of Chairman of the Board of Directors, which is now separate from that of the Chief Executive Officer, who held both positions until now.

## Extraordinary matters

### Authorisation granted to the Board of Directors to reduce share capital by cancelling shares

#### (SIXTEENTH RESOLUTION)

In connection with the fifth resolution submitted for your approval (share purchase programme), and in accordance with Article L. 225-209 of the French Commercial Code, we propose in the sixteenth resolution that you authorise the Board of Directors, for a period of 18 months, to cancel all or some of the shares of the Company that may be purchased in connection with the share purchase programme authorised by the approval of the fifth resolution (or pursuant to any share purchase programmes previously or subsequently set up) and, in consequence thereof, to reduce the share capital. In accordance with the law, shares may be cancelled up to a maximum of 10% of the Company's share capital in any 24-month period. The Board of Directors would be empowered to decide that the amount of the purchase price of the shares that exceeds their par value will be allocated to the "Issue Premiums" account or any other available reserve fund, including the statutory reserve fund, up to a maximum of 10% of the capital decrease carried out.

The General Meeting would delegate all powers to the Board of Directors, with the right to sub-delegate its authority in accordance with legal requirements, to carry out the capital decrease resulting from the cancellation of the shares and to make the aforementioned allocation, as well as to amend Article 6 of the Articles of Association accordingly.

### Amendment of Articles 23, 26 and 27 of the Articles of Association

#### (SEVENTEENTH RESOLUTION)

You are requested to vote on bringing the Articles of Association into compliance with the provisions of Order No. 2014-863 of 31 July 2014 and Decree No. 2014-1466 of 8 December 2014.

Order No. 2014-863 of 31 July 2014 *inter alia* amended the regime applicable to so-called "regulated" agreements and now provides that agreements concluded between two companies, one of which directly or indirectly holds all of the capital of the other, excluding, if applicable, the minimum number of shares necessary to meet the requirements of Article 1382 of the French Civil Code or Articles L. 225-1 and L. 226-1 of the French Commercial Code, are no longer subject to this regime. This amendment should be reflected in the Company's Articles of Association (Article 23).

Decree No. 2014-1466 of 8 December 2014 *inter alia* amended the date for establishing the list of shareholders authorised to participate in General Meetings of shareholders and bondholders.

Since 1 January 2015, such date is the second business day prior to the Meeting at midnight (instead of the third business day as before).

This amendment should be reflected in the Company's Articles of Association.

The first two paragraphs of Article 26 of the Articles of Association (General Meetings) would be amended as follows, with no changes made to the remainder of Article 26:

*"General Meetings are comprised of all shareholders, provided the payments due on their shares have been made, who can prove the right to take part in General Meetings by the registration of the shares in the name of the shareholder or, if the shareholder is not domiciled in France, of the intermediary registered on his behalf, no later than the second business day before the Meeting at midnight.*

*The registration of the shares before the deadline specified in the preceding paragraph shall be made either on the registered share*

*accounts maintained by the Company or the bearer share accounts maintained by an authorised intermediary."*

In addition, the sixth paragraph of Article 27 of the Articles of Association (Voting Rights) would be amended as follows, with no changes made to the remainder of Article 27:

*"A proxy granted or vote cast using such electronic means before the Meeting, as well as the acknowledgment of receipt thereof, shall be considered, subject to the exception below, as irrevocable documents binding on all parties. As an exception to the foregoing, in the event of share transfers that occur prior to the second business day before the Meeting at midnight, the Company shall invalidate or modify accordingly, as applicable, the proxy granted or vote cast before the Meeting using the electronic means set up by the Board of Directors."*

### Amendment of Article 17 of the Articles of Association

#### (EIGHTEENTH RESOLUTION)

The Order of 31 July 2014 amended certain rules with respect to the authority to issue securities that confer rights to equity or to debt securities.

Before this Order, issuing securities that confer the right to debt securities, other than bonds, was solely within the power of an extraordinary General Meeting. Since the adoption of the Order, if the issue of securities does not dilute the shareholders' interests immediately or in the future, the body with authority may be determined by the Articles of Association or by the issue contract.

We propose that the regime for these issues be aligned with that for bonds, *i.e.* that such power be granted to the Board of Directors, with the right to delegate this authority to the Chief Executive Officer.

Accordingly, you are requested to supplement Article 17 of the Company's Articles of Association with regard to the Board of Directors' powers to issue securities that confer the right to debt securities and, consequently, to add a new paragraph at the end of said Article 17 that reads as follows:

*"The Board of Directors is empowered to decide or authorise the issue of bonds and all other securities that confer the right to debt securities. The Board of Directors may delegate to one or more of its members, to the Chief Executive Officer or, with his agreement, to one or more deputy chief executive officers, the powers necessary to complete, within a period of one year, the issue of such bonds or securities and to stipulate the procedures therefore. The persons appointed shall report to the Board of Directors in accordance with the requirements it prescribes."*

### Non-use of financial authorisations during tender offer periods

#### (NINETEENTH RESOLUTION)

Before the Florange Act, Act No. 2014-384 of 29 March 2014, the Board of Directors was not entitled to use, during a tender offer period, delegations of authority, such as financial authorisations, granted by the General Meeting prior to such offer period.

This prohibition has been lifted, unless otherwise stipulated by the Articles of Association or the General Meeting.

We request that you decide that the Board of Directors shall not, without the prior authorisation of the General Meeting during the offer period, use the delegations of financial authority granted by the Combined General Shareholders' Meeting of 19 June 2014 pursuant to its fifteenth to twenty-second resolutions, from the time a third party files a tender offer for the Company's shares until the end of the offer period.

**Reverse stock split of the Company's shares by granting one (1) new ordinary share with a par value of €6 in exchange for 30 ordinary shares held with a par value of €0.20 – Delegation of authority to the Board of Directors with the right to sub-delegate**

**(TWENTIETH RESOLUTION)**

We propose that the General Meeting authorise the Board of Directors to carry out a reverse stock split of the shares comprising the Company's share capital, pursuant to which 30 ordinary shares with a par value of €0.20 each will be exchanged for one (1) new share with a par value of €6.

To facilitate the reverse stock split operations (and to enable the exchange ratio set out in the previous paragraph to be applied to a round number of shares), a shareholder of the Company may waive its right to the reverse stock split for a certain number of its shares.

For this purpose, you are requested to:

- grant full powers to the Board of Directors, with the right to sub-delegate its authority, to:
  - set the starting date for the reverse stock split operations,
  - publish all notices and carry out all formalities required by law,

- determine and approve the exact number of shares to be consolidated and the exact number of shares resulting from the reverse stock split before the start of the reverse stock split operations;

- in consequence of the foregoing, resolve that the Board of Directors shall have full powers, with the right to sub-delegate its authority, to amend the Articles of Association accordingly, to determine and, if necessary to adjust (including by making cash adjustments) the rights of the beneficiaries of share subscription or purchase options and allotments of bonus shares, and the holders of all securities that confer the right to the Company's capital, to carry out all required publication formalities and, more broadly, to do all that may be of use and necessary to carry out the reverse stock split of the Company's shares in accordance with the conditions above and in compliance with applicable laws and regulations.

The new shares will immediately carry double voting rights, provided they continue to be held as registered shares, if on the date of the reverse stock split of the former shares from which they are derived, each of such former shares carried double voting rights.

In the event of a reverse stock split of former shares that were registered as registered shares on different dates, the time period for determining whether the new shares carry double voting rights will be deemed to begin on the most recent date on which the former shares were registered as registered shares.

This delegation of authority is granted for a period that will expire on the date of the General Meeting convened to vote on the financial statements for the financial year ending 31 December 2015.

## Ordinary and extraordinary matters

### **Powers for legal formalities**

**(TWENTY-FIRST RESOLUTION)**

The General Meeting is also requested to grant full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal and administrative formalities and comply with all filing and publication requirements prescribed by the laws in force.

## DIRECTORS WHOSE TERMS OF OFFICE THE GENERAL MEETING IS REQUESTED TO RENEW

**Robert de Metz** began his career at the *Inspection générale des finances* (the French public-sector auditing body). He then moved to the private sector working for Banque Indosuez in Hong Kong and Paris and then for the Demachy Worms bank. After joining Paribas, where he was successively the bank's General Secretary, a member of its Executive Committee and Management Board, and where he oversaw the fixed-income, foreign exchange and derivatives, Mr de Metz joined the Vivendi group, where he was deputy CEO in charge of disposals and acquisitions and strategy from 2002 to 2007. Since 2009 he has been an independent Director of Dexia, and has been the Chairman of its Board of Directors since 2012. At the same time, he manages La Fayette Investment Management, an investment fund management company based in London. Robert de Metz is a graduate of the *Institut d'études politiques* in Paris and of the *École nationale d'administration*.

**Cécile Moulard** began her career in media (radio and television). In October 1995 she founded Carat Interactive, where she held the position of Chief Executive Officer and oversaw the company's international development. She then joined the Vivendi group as an advisor to the Chairman on Internet-related issues, and helped launch Amazon.fr in the position of Strategy, Marketing and Development Director, before joining Meetic's management team to prepare its IPO. Currently, Cécile Moulard shares her time between France and the United States. She is a founding partner of Smallbusinessact.com and sits on the Boards of MilleMercis and AXA France. Cécile Moulard has been a Young Leader Fellow, an Eisenhower Fellow and a Remarque Fellow. She received a graduate degree (DESS) in marketing from IEP Paris and earned a certificate in finance at UCLA.

**Jean-Marc Tassetto** was Marketing Director of a Danone group subsidiary before joining the SFR group, where he served successively as Marketing Director, Deputy CEO, Head of Services and Products and, finally, Head of Marketing and Consumer Business. In 2010, he was appointed CEO of Google France and in 2013 founded Coopacademy. Mr Tassetto graduated from ESCP and holds a DEA post-graduate degree in business management. He is an affiliate professor at HEC Paris.

## DIRECTORS WHOSE TERMS OF OFFICE THE GENERAL MEETING IS REQUESTED TO RENEW

Name	Age	Nationality	Position	Number of shares the officer owns or holds	Date appointed	Date term of office expires	Other positions and principal offices held in other companies during the past 5 years
<b>Robert de Metz</b> Dexia Group Bastion Tower Place du Champ de Mars, 5 B-1050 Brussels Belgium	63	French	Director Chairman of the Board of Directors	1,060,000	5 November 2014	General Meeting to be held in 2015	Chairman of the Board of Directors and independent Director of Dexia SA (listed company – Belgium) Chairman of the Board of Directors and Director of Dexia Crédit Local (Belgium) Executive Director of La Fayette Management Ltd (UK) Executive Director of La Fayette Investment Management Ltd (UK) Director and Chairman of the Audit Committee of Media Participations (Franco-Belgian company) Deputy Chairman of Bee 2 Bees SA (Belgium) Member of the Executive Committee of the Historical Monuments Foundation (France) <b>Offices no longer held:</b> Member of the Supervisory Board of Canal Plus France SA (France) Non-executive Director and member of the Audit Committee of Belfius Banque (Dexia Banque Belgium) (Belgium)
<b>Cécile Moulard</b> Sixième Continent 5, rue de la Baume 75008 Paris France	51	French	Director Member of the Remuneration and Appointments Committee	4,201	26 March 2013	General Meeting to be held in 2015	Director of MilleMercis (public company – France) Director of Truffle Capital, an Internet incubator holding company (France) Director of AXA France (IARD-Vie) (France) <b>Offices no longer held:</b> Director of Foncière INEA (France)
<b>Jean-Marc Tassetto</b> Coorpacademy – EPFL Innovation Park Bâtiment I 1015 – Lausanne Switzerland	55	French	Director Member of the Remuneration and Appointments Committee	19,500	5 November 2014	General Meeting to be held in 2015	Independent consultant to the Board of Directors of Fullsix (France) Director of Paper.li (Switzerland) <b>Offices no longer held:</b> NA



# DRAFT RESOLUTIONS TO BE SUBMITTED TO THE COMBINED GENERAL SHAREHOLDERS' MEETING TO BE HELD ON 11 JUNE 2015

## Ordinary matters

### ■ FIRST RESOLUTION

#### *(Approval of the annual financial statements for the financial year ended 31 December 2014)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Board of Directors' management report and the Statutory Auditors' report, approves the annual financial statements for the financial year ended 31 December 2014, comprising the balance sheet, the income statement and the notes to the financial statements, as submitted to it, as well as the transactions reported in said financial statements and summarised in said reports. It confirms that the loss for that financial year, as reported in said financial statements, is €132,193,013.11.

The General Shareholders' Meeting approves the total amount of costs and expenses within the scope of Article 39-4 of the French Tax Code in the amount of €67,454 for the financial year ended 31 December 2014, and the amount of the tax thereon, i.e. €25,632.

### ■ SECOND RESOLUTION

#### *(Approval of the consolidated financial statements for the financial year ended 31 December 2014)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Board of Directors' management report and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements for the financial year ended 31 December 2014, comprising the consolidated balance sheet and the income statement, as well as the notes to the consolidated financial statements, as submitted to it, as well as the transactions reported in said financial statements and summarised in said reports.

### ■ THIRD RESOLUTION

#### *(Appropriation of net income for the financial year ended 31 December 2014, as reported in the annual financial statements)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Board of Directors' report:

- ✦ acknowledges that the loss for the financial year is €132,193,013.11;
- ✦ acknowledges that, in light of positive retained earnings of €1,365,217,426.51, the distributable profit for the financial year is €1,233,024,413.40; and
- ✦ resolves to appropriate the entire amount of distributable profit to the "retained earnings" account.

The following dividends were distributed for the past three financial years:

Financial year	Number of shares	Dividend per share	Portion of the dividend eligible for the tax credit <sup>(1)</sup>
2011	280,984	0	Not applicable
2012	280,984	0	Not applicable
2013	280,984	0	Not applicable

(1) 40% tax credit provided for in Article 158-2 and 158-3 of the French General Tax Code.

### ■ FOURTH RESOLUTION

#### *(Agreements within the scope of Article L. 225-38 of the French Commercial Code)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Statutory Auditors' special report on the agreements within the scope of, in Article L. 225-38 of the French Commercial Code, acknowledges the conclusions of that report and approves the agreements concluded during the financial year ended 31 December 2014, as described in that report.

### ■ FIFTH RESOLUTION

#### *(Authorisation to be granted to the Board of Directors to purchase or transfer Solocal Group shares)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Board of Directors' report:

- ✦ cancels, effective immediately, the unused portion of the authority to purchase shares of the Company that was granted by the combined General Shareholders' Meeting of 19 June 2014 pursuant to its fifth resolution;

- ✎ authorises the Board of Directors, in accordance with Article L. 225-209 *et seq.* of the French Commercial Code, to purchase shares in the Company, under the conditions set out below, and up to the limit of 10% of the amount of the share capital existing on the date, this delegation of authority is used:
  - ✎ the maximum purchase price shall not exceed €2 per share. However, in the event of capital transactions, in particular, the capitalisation of reserves and the allotment of free shares, and/or stock splits or reverse stock splits, this price shall be adjusted accordingly,
  - ✎ the maximum amount of funds allocated to the repurchase programme shall be €232,345,434,
  - ✎ this authorisation shall be valid for a period of 18 months,
  - ✎ the purchases made by the Company pursuant to this authorisation shall not, under any circumstance or at any time, cause the Company to directly or indirectly hold more than 10% of the shares comprising the share capital on the relevant date,
  - ✎ these shares may be purchased or transferred by any means, on the market or *via* multilateral trading facilities or over the counter, including by purchasing or transferring blocks of shares, or using derivative financial instruments traded on a regulated market, multilateral trading facilities or over the counter,
  - ✎ shares may be purchased or transferred at any time, except during the period of a tender offer for the Company's shares, in compliance with the statutes and regulations.

Such share purchases may be made with a view to any allocation permitted by law. The purposes of this share repurchase programme shall be:

- ✎ to undertake and comply with obligations associated with stock option programmes or other allotments of shares to employees of the Company or its affiliates and, in particular, to allot shares to the employees of Solocal Group in connection with (i) the Company's profit-sharing scheme and (ii) any share purchase plan, stock option plan or allotment of free shares (including any transfer of shares covered by Article L. 3332-24 of the French Labour Code) for the benefit of all or some of the Company's employees and corporate officers, and to carry out any hedging operations relating to these transactions;
- ✎ to reduce the Company's capital in accordance with the sixteenth resolution submitted to this General Shareholders' Meeting, provided it is adopted;
- ✎ to guarantee the liquidity of Solocal Group's shares through a liquidity contract concluded with an investment services provider, in accordance with the code of ethics approved by the French Financial Markets Authority (AMF);
- ✎ to retain the shares and deliver them subsequently pursuant to an exchange or as payment in connection with possible external growth transactions;
- ✎ to undertake and comply with obligations relating to debt securities convertible into equity securities and, in particular, to deliver shares upon the exercise of rights attached to securities that confer an immediate or future right to shares by any means, and to carry out any transactions necessary to hedge the obligations of Solocal Group with respect to such securities.

The General Shareholders' Meeting grants full powers to the Board of Directors, with the right to sub-delegate its authority, to decide to implement and to implement this authorisation, if necessary to specify the terms and determine the procedures thereof, to place all stock market orders, to enter into all agreements, to draft all documents, in particular information documents, to allocate and, if necessary, reallocate the shares purchased in accordance with the various purposes sought to be achieved, to carry out all formalities and file all declarations with all organisations and, in general, to take all necessary actions.

#### ■ SIXTH RESOLUTION

##### *(Ratification of the co-optation of Ms Nathalie Balla as Director)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, ratifies the decision to co-opt Ms Nathalie Balla as Director, which was adopted at the Board of Directors' meeting of 29 July 2014, for the remaining period of her predecessor's term of office, *i.e.* until the General Shareholders' Meeting that will be convened in 2018 to vote on the financial statements for the financial year ending 31 December 2017.

#### ■ SEVENTH RESOLUTION

##### *(Ratification of the co-optation of Mr Robert de Metz as Director)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, ratifies the decision to co-opt Mr Robert de Metz as Director, which was adopted at the Board of Directors' meeting of 5 November 2014, for the remaining period of his predecessor's term of office, *i.e.* until the conclusion of this General Meeting.

#### ■ EIGHTH RESOLUTION

##### *(Renewal of the term of office as Director of Mr Robert de Metz)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, takes note that the term of office as Director of Mr Robert de Metz will expire at the conclusion of this Meeting and resolves, pursuant to the proposal of the Board of Directors and in accordance with the requirements prescribed by Article 14 of the Articles of Association, to renew his term of office as Director for a period of four years that will expire at the conclusion of the General Shareholders' Meeting that will vote on the financial statements for the financial year ending 31 December 2018.

#### ■ NINTH RESOLUTION

##### *(Ratification of the co-optation of Mr Jean-Marc Tassetto as Director)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, ratifies the decision to co-opt Mr Jean-Marc Tassetto as Director, which was adopted at the Board of Directors' meeting of 5 November 2014, for the remaining period of his predecessor's term of office, *i.e.* until the conclusion of this General Meeting.

#### ■ TENTH RESOLUTION

##### *(Renewal of the term of office as Director of Mr Jean-Marc Tassetto)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, takes note that the term of office as Director of Mr Jean-Marc Tassetto will expire at the conclusion of this Meeting and resolves, pursuant to the proposal of the Board of Directors and in accordance with the requirements prescribed by Article 14 of the Articles of Association, to renew his term of office as Director for a period of four years that will expire at the conclusion of the General Meeting that will vote on the financial statements for the financial year ending 31 December 2018.

#### ■ ELEVENTH RESOLUTION

##### *(Renewal of the term of office as Director of Ms Cécile Moulard)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, takes note that the term of office as Director of Ms Cécile Moulard will expire at the conclusion of this Meeting and resolves, pursuant to the proposal of the Board of Directors and in accordance with the

requirements prescribed by Article 14 of the Articles of Association, to renew her term of office as Director for a period of four years that will expire at the conclusion of the General Shareholders' Meeting that will vote on the financial statements for the financial year ending 31 December 2018.

■ **TWELFTH RESOLUTION**  
*(Non-binding vote on the components of the remuneration owed or granted to Mr Jean-Pierre Remy for the financial year ended 31 December 2014)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and consulted pursuant to the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference in application of Article L. 225-37 of the French Commercial Code, votes favourably on the components of the remuneration owed or granted to Mr Jean-Pierre Remy, in his capacity as Chairman and Chief Executive Officer, and then Chief Executive Officer, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on pages 95 and 96.

■ **THIRTEENTH RESOLUTION**  
*(Non-binding vote on the components of the remuneration owed or granted to Mr Christophe Pingard, Deputy Chief Executive Officer, for the financial year ended 31 December 2014)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and consulted pursuant to the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference in application of Article L. 225-37 of the French Commercial Code, votes

favourably on the components of the remuneration owed or granted to Mr Christophe Pingard, in his capacity as Deputy Chief Executive Officer, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on pages 97 and 98.

■ **FOURTEENTH RESOLUTION**  
*(Non-binding vote on the components of the remuneration owed or granted to Mr Robert de Metz, Chairman of the Board of Directors, for the financial year ended 31 December 2014)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, and consulted pursuant to the recommendation of section 24.3 of the AFEP-MEDEF Code of June 2013, which is the Company's code of reference in application of Article L. 225-37 of the French Commercial Code, votes favourably on the components of the remuneration owed or granted to Mr Robert de Metz, in his capacity as Chairman of the Board of Directors, for the financial year ended 31 December 2014, as presented in the Board of Directors' report to this Meeting and in the 2014 Reference document on page 94.

■ **FIFTEENTH RESOLUTION**  
*(Establishing the annual amount of Directors' fees granted to the members of the Board of Directors)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for ordinary general meetings, after having reviewed the Board of Directors' report, resolves to establish the total annual amount of Directors' fees to be granted to the members of the Board of Directors at €490,000 for financial year 2015 and subsequent financial years, until a new resolution is adopted.

## Extraordinary matters

■ **SIXTEENTH RESOLUTION**  
*(Authorisation granted to the Board of Directors to reduce share capital by cancelling shares)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Board of Directors' report and the Statutory Auditors' special report, and voting in accordance with Article L. 225-209 of the French Commercial Code:

- cancels, effective immediately, the unused portion of the authority previously delegated by the combined General Shareholders' Meeting held on 19 June 2014 pursuant to its twenty-fourth resolution;
- delegates to the Board of Directors all powers to cancel, on one or more occasions, all or some of the shares of the Company purchased in connection with the share purchase programmes authorised by the fifth resolution submitted to this Meeting or pursuant to share purchase programmes authorised before or after the date of this Meeting, up to a maximum of 10% of the Company's share capital in any 24-month period;
- resolves that the amount of the purchase price of the shares that exceeds their par value shall be allocated to the "Issue Premiums" account or any other available reserve fund, including the statutory reserve fund, up to a maximum of 10% of the capital decrease carried out;
- delegates all powers to the Board of Directors, with the right to sub-delegate its authority in accordance with legal requirements, to carry out the capital decrease resulting from the cancellation of the shares and to make the aforementioned allocation, as well as to amend Article 6 of the Articles of Association accordingly;

- sets the duration of this authorisation at 18 months from the date of this Meeting.

■ **SEVENTEENTH RESOLUTION**  
*(Bringing the Articles of Association into compliance with new regulations)*

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Board of Directors' report, and in order to bring the Articles of Association into compliance with the new statutory and regulatory provisions adopted by Order No. 2014-863 of 31 July 2014 and Decree No. 2014-1466 of 8 December 2014, resolves to amend:

- the last but one paragraph of Article 23 as follows, with no changes made to the remainder of Article 23:  
*"The foregoing provisions shall not apply to agreements concerning day-to-day operations that are concluded on arm's length terms or to agreements concluded between two companies, one of which directly or indirectly holds all of the capital of the other, excluding, if applicable, the minimum number of shares necessary to meet the requirements of Article 1382 of the French Civil Code or Articles L. 225-1 and L. 226-1 of the French Commercial Code."*
- the first two paragraphs of Article 26 as follows, with no changes made to the remainder of Article 26:  
*"General meetings are comprised of all shareholders, provided the payments due on their shares have been made, who can prove the right to take part in general shareholders' meetings by the registration of the shares in the name of the shareholder or, if the shareholder is not domiciled in France, of the intermediary*

registered on his behalf, no later than the second business day before the Meeting at midnight.

The registration of the shares before the deadline specified in the preceding paragraph shall be made either on the registered share accounts maintained by the Company or the bearer share accounts maintained by an authorised intermediary.”;

- the sixth paragraph of Article 27 as follows, with no changes made to the remainder of Article 27:

“A proxy granted or vote cast using such electronic means before the Meeting, as well as the acknowledgment of receipt thereof, shall be considered, subject to the exception below, as irrevocable documents binding on all parties. As an exception to the foregoing, in the event of share transfers that occur prior to the second business day before the Meeting at midnight, the Company shall invalidate or modify accordingly, as applicable, the proxy granted or vote cast before the Meeting using the electronic means set up by the Board of Directors.”

#### **EIGHTEENTH RESOLUTION** **(Amendment to Article 17 of the Articles of Association concerning the powers of the Board of Directors)**

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Board of Directors' report, resolves, in application of new Article L. 228-36-A of the French Commercial Code, to supplement Article 17 of the Company's Articles of Association with regard to the Board of Directors' powers to issue securities conferring the right to debt securities and, consequently, to add a new paragraph to the end of said Article 17 that reads as follows:

“The Board of Directors is empowered to decide or authorise the issue of bonds and all other securities that confer the right to debt securities. The Board of Directors may delegate to one or more of its members, to the Chief Executive Officer or, with his agreement, to one or more Deputy Chief Executive Officers, the powers necessary to complete, within a period of one year, the issue of such bonds or securities and to stipulate the procedures therefore. The persons appointed shall report to the Board of Directors in accordance with the requirements it prescribes.”

#### **NINETEENTH RESOLUTION** **(Non-use of financial authorisations during tender offer periods)**

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for extraordinary general shareholders' meetings, after having reviewed the Board of Directors' report, resolves that the Board of Directors shall not without the prior authorisation of the General Meeting use the delegations of financial authority granted by the Combined General Meeting of 19 June 2014 pursuant to its fifteenth to twenty-second resolutions, from the time a third party files a tender offer for the Company's shares until the end of the offer period.

#### **TWENTIETH RESOLUTION** **(Reverse stock split of the Company's shares by granting one (1) new ordinary share with a par value of €6 in exchange for 30 ordinary shares held with a par value of €0.20 – Delegation of authority to the Board of Directors with the right to sub-delegate)**

The General Shareholders' Meeting, voting in accordance with the quorum and majority requirements for extraordinary general meetings, after having reviewed the Board of Directors' report, and after having noted that as of 9 February 2015 the Company had share capital of €232,345,434, divided into 1,161,727,170 shares with a par value of €0.20 each:

- resolves to carry out a reverse stock split of the shares comprising the Company's share capital, pursuant to which 30 ordinary shares with a par value of €0.20 each will be exchanged for one (1) new share with a par value of €6;
- grants full powers to the Board of Directors, with the right to sub-delegate its authority, to:
  - set the starting date for the reverse stock split operations,
  - publish all notices and carry out all formalities required by law,
  - determine and approve the exact number of shares to be consolidated and the exact number of shares resulting from the reverse stock split before the start of the reverse stock split operations;
- acknowledges the fact that a shareholder of the Company has waived its right to the reverse stock split for a certain number of shares in order to enable the exchange ratio set out in the first indent of this resolution to be applied to a round number of shares;
- in consequence of the foregoing, resolves that the Board of Directors shall have full powers, with the right to sub-delegate its authority, to amend the Articles of Association accordingly, to determine and, if necessary to adjust (including by making cash adjustments) the rights of the beneficiaries of share subscription or purchase options and allotments of free shares, and the holders of all securities that confer the right to the Company's capital, to carry out all required publication formalities and, more broadly, to do all that may be of use and necessary to carry out the reverse stock split of the Company's shares in accordance with the conditions above and in compliance with applicable laws and regulations.

The new shares shall immediately carry double voting rights, provided they continue to be held as registered shares, if on the date of the reverse stock split of the former shares from which they are derived, each of such former shares carried double voting rights.

In the event of a reverse stock split of former shares that were registered as registered shares on different dates, the time period for determining whether the new shares carry double voting rights shall be deemed to begin on the most recent date on which the former shares were registered as registered shares.

This delegation of authority is granted for a period that will expire on the date of the General Shareholders' Meeting convened to vote on the financial statements for the financial year ending 31 December 2015.

## Ordinary and extraordinary matter

#### **TWENTY-FIRST RESOLUTION** **(Powers for formalities)**

The General Shareholders' Meeting grants full powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal and administrative formalities and comply with all filing and publication requirements prescribed by the laws in force.

## FIVE-YEAR SUMMARY OF FINANCIAL RESULTS (ARTICLES R. 225-81-3 AND R. 225-83-6 OF THE FRENCH COMMERCIAL CODE)

Items <i>(except for capital, amounts are in euro thousands)</i>	Financial year 2010	Financial year 2011	Financial year 2012	Financial year 2013	Financial year 2014
<b>1. Financial position at financial year-end</b>					
a) Share capital	56,196,951	56,196,951	56,196,951	56,196,951	232,345,434
b) Number of ordinary shares outstanding	280,984,754	280,984,754	280,984,754	280,984,754	1,161,727,170
<b>2. Overall results from operations</b>					
a) Revenues, excluding VAT	7,683	10,563	10,233	10,345	9,071
b) Profit before tax, profit-sharing, depreciation, amortisation and provisions	211,497	125,881	125,723	77,276	(142,015)
c) Corporate income tax	(45,382)	(63,300)	(55,410)	(57,839)	(56,153)
d) Employee profit-sharing owed for the period	-	-	-	-	-
e) Profit after tax, depreciation, amortization and provisions	253,244	187,724	166,731	(51,438)	(132,193)
f) Profits distributed in n+1*	162,697	-	-	-	-
<b>3. Results from operations per share (in euro)</b>					
a) Profit after tax and profit-sharing, but before depreciation, amortisation and provisions	0.91	0.67	0.64	0.48	-0.07
b) Profit after tax, profit-sharing, depreciation, amortisation and provisions	0.90	0.67	0.59	-0.18	-0.11
c) Dividend per share in n+1*	0.58	0.00	0.00	0.00	0.00
<b>4. Workforce</b>					
a) Average number of workers employed during the period	32	38	38	45	43
b) Payroll expense	5,299	8,645	7,342	8,721	7,536
c) Amounts paid as employment benefits	2,082	3,465	4,163	4,216	5,791

\* Or proposed to the General Shareholders' Meeting for the previous period (treasury shares not excluded).

# SUPPLEMENTAL BOARD OF DIRECTORS' REPORT OF 13 MAY 2014 ON THE CAPITAL INCREASE FOR CASH MAINTAINING PRE-EMPTIVE SUBSCRIPTION RIGHTS AND ON THE CAPITAL INCREASE RESTRICTED TO DESIGNATED PERSONS OR CATEGORIES OF BENEFICIARIES

Dear Shareholders,

The Board of Directors implemented the delegations of authority granted by the first to third resolutions adopted by the General Shareholders' Meeting held on 29 April 2014 to carry out a capital increasing maintaining shareholders' pre-emptive subscription rights and a capital increase restricted to designated persons and categories of beneficiaries cancelling pre-emptive subscription rights. A prospectus was prepared for this transaction, which was approved by the French financial markets authority (AMF) on 13 May 2014 under number 14-195. A summary describing the main terms and conditions of the transaction is appended to this report.

This report is presented to you in application of the provisions of Articles L. 225-138, L. 225-129-5, R. 225-114 and R. 225-116 of the French Commercial Code, which provide that when the Board of Directors decides to carry out a capital increase pursuant to a delegation of authority granted by a General Meeting, a supplemental report describing the definitive terms and conditions of the transaction must be prepared and made available to the shareholders.

## I. Background to the transaction

### A. Delegations of authority granted by the General Shareholders' Meeting to the Board of Directors

Pursuant to its first to third resolution, the Extraordinary General Shareholders' Meeting of 29 April 2014 delegated to the Board, for a period of 18 months from the date of that Meeting, the authority to carry out a capital increase comprising a tranche maintaining the Solocal Group shareholders' pre-emptive subscription rights (PSR) (the "**Capital Increase with PSR**"), and a tranche restricted to designated persons and categories of beneficiaries cancelling pre-emptive subscription rights (the "**Restricted Capital Increase**"), both of which were to be subscribed in cash.

With respect to the Capital Increase with PSR, pursuant to its first resolution, the General Shareholders' Meeting also resolved that:

- the shareholders will have, in proportion to the number of their shares, a pre-emptive right to subscribe for the shares issued pursuant to the first resolution. The Board of Directors may grant

shareholders a right to subscribe reducibly for the shares issued, to be exercised in proportion to their subscription rights and up to the limit of their requests;

- the maximum nominal amount of the Company's capital increase as a result of all issues made pursuant to this delegation of authority will be €482 million;
- the issue price per share, to be determined by the Board of Directors, cannot exceed €0.50 per share, and will be equal to the higher of the following two limits:
  - a face-value discount of 35% compared to the theoretical ex-rights price calculated on the basis of the lower of (a) the volume weighted average price for the trading day immediately preceding the Board's decision and (b) the volume weighted average price for the five trading days immediately preceding the Board's decision, and
  - the par value of the Company's share (i.e. €0.20);

**SUPPLEMENTAL BOARD OF DIRECTORS' REPORT OF 13 MAY 2014 ON THE CAPITAL INCREASE FOR CASH MAINTAINING PRE-EMPTIVE SUBSCRIPTION RIGHTS AND ON THE CAPITAL INCREASE RESTRICTED TO DESIGNATED PERSONS OR CATEGORIES OF BENEFICIARIES**

- the Board of Directors will have full powers, with the right to sub-delegate its authority, to implement this resolution, decide the features (including the price, within the limits above), amount and procedures for any issue, as well as of the shares issued.

With respect to the Restricted Capital Increase, pursuant to its second and third resolutions, the General Shareholders' Meeting also resolved that:

- the issue would be restricted to the designated persons or categories of beneficiaries below, each of whom would subscribe for the number of shares specified below:

Categories of beneficiaries	Amounts
Paulson Credit Opportunities Master Ltd. and/or PP Opportunities Ltd. and/or any other entity or fund managed by Paulson & Co. Inc., in its capacity as general partner or management company, and Paulson & Co. Inc., acting in the name and for the account of said entities	37,500,000
Funds managed by Amber Capital UK LLP and Amber Capital UK LLP, acting in the name and for the account of said funds	21,250,000
Crédit Suisse Loan Funding LLC and/or Crédit Suisse International and/or any other entity or fund managed by Crédit Suisse Loan Funding LLC and Crédit Suisse Loan Funding LLC, acting in the name and for the account of said entities	12,500,000
Designated persons	Amounts
Praxient Panther Master Fund Ltd	4,100,000
Blackwell Partners LLC	3,400,000

- the Board of Directors will determine the list of beneficiaries within the aforementioned categories and the number of shares to be allotted to each one;
- the maximum nominal amount of the Company's capital increase as a result of all issues made pursuant to this delegation of authority will be €78.75 million;
- the issue price per share, to be determined by the Board of Directors in the same way as in the first resolution, cannot exceed €0.50 per share, and will be equal to the higher of the following two limits:
  - a face-value discount of 35% compared to the theoretical ex-rights price calculated on the basis of the lower of (a) the volume weighted average price for the trading day immediately preceding the Board's decision and (b) the volume weighted average price for the five trading days immediately preceding the Board's decision, and
  - the par value of the Company's share (i.e. €0.20);
- the Board of Directors will have full powers, with the right to sub-delegate its authority, to implement this resolution, decide the features (including the price, within the limits above), amount and procedures for any issue, as well as of the shares issued;
- the shareholders' pre-emptive subscription rights to the Restricted Capital Increase will be cancelled and the subscription for said capital increase will be restricted to the designated persons and categories of beneficiaries, in the proportions described above.

## **B. Implementation of the delegation of authority by the Board of Directors**

At its meeting of 13 May 2014, the Board of Directors decided to carry out the Capital Increase with PSR and the Restricted Capital Increase and, for such purpose, to use the delegations of authority granted by the first to third resolutions, the key terms of which are summarised above.

This capital increase is part of an overall refinancing plan intended to significantly and durably reduce the Group's financial constraints. The proceeds of this capital increase would enable the Company to repay a portion of its bank debts in exchange for an extension of the maturity dates thereof.

The Capital Increase with PSR is fully subscribed or guaranteed by cash contributions to be made by certain shareholders, investors and financial intermediaries. The Restricted Capital Increase was open to four institutional investors, which undertook to guarantee a portion of the Capital Increase with PSR.

At its meeting of 13 May 2014, the Board of Directors unanimously decided, pursuant to these delegations of authority, (i) to carry out the Capital Increase with PSR for a total amount of €361,621,208 (including the issue premium) by issuing 723,242,416 new shares, and (ii) to carry out the Restricted Capital Increase for a total amount of €78,750,000 (including the issue premium) by issuing 157,500,000 new shares.

## II. Description of the transaction

### A. Definitive terms and conditions of the transaction

Using the powers delegated to it by the Extraordinary General Meeting of 29 April 2014, the Board of Directors decided, on 13 May 2014, to set the terms and conditions of the capital increase as follows:

#### 1. TOTAL AMOUNT OF THE CAPITAL INCREASE AND NUMBER OF NEW SHARES TO BE ISSUED

€440,371,208 by issuing 880,742,416 new shares, allocated as follows:

- in connection with the Capital Increase with PSR: €361,621,208 by issuing 723,242,416 new shares;
- in connection with the Restricted Capital Increase: €78,750,000 by issuing 157,500,000 new shares.

#### 2. SUBSCRIPTION PRICE

The subscription price for the Capital Increase with DPS and the Restricted Capital Increase is €0.50 per share (par value of €0.20 and issue premium of €0.30), to be paid in full, in cash, at the time of the subscription.

#### 3. DIVIDEND ENTITLEMENT DATE FOR NEW SHARES

1 January 2013. As of the time they are delivered, the new shares will be fully fungible with existing shares.

#### 4. CAPITAL INCREASE WITH PSR

#### Pre-emptive subscription rights

Subscriptions for new shares in connection with the Capital Increase with PSR will be limited, in the following order of priority, to:

- existing shareholders whose shares are registered on their securities account at the end of the 14 May 2014 accounting day, who will be granted pre-emptive subscription rights;
- the beneficiaries, or their successors in interest in the event of the disability or death of the beneficiaries, of the free share allotment plans of 11 December 2012 and 11 December 2013, who will be granted pre-emptive subscription rights; and
- the assignees of pre-emptive subscription rights.

Holders of pre-emptive subscription rights will be entitled to subscribe:

- irreducibly, for 13 new shares for each block of five existing shares they hold. Five pre-emptive subscription rights will entitle the holders thereof to subscribe for 13 new shares at a price of €0.50 per share. The shareholders, or the assignees of their rights, who do not hold a sufficient number of existing shares to subscribe irreducibly for a whole number of new shares must acquire on the market the number of pre-emptive subscription rights necessary to subscribe for a whole number of the Company's shares; and
- reducibly, for the number of new shares they wish in addition to the number to which they are entitled by exercising their rights irreducibly.

Treasury shares are not counted for the purposes of determining pre-emptive subscription rights.

The right to exercise share subscription options under all plans will be suspended from 29 April at midnight until 6 June 2014 at 11:59 pm (CET) inclusive. A notice concerning this suspension was published in the *Bulletin des annonces légales obligatoires* dated 18 April 2014.

#### Theoretical value of the pre-emptive subscription right

The theoretical value of the pre-emptive subscription right is €0.72 on the basis of the closing price of the Solocal Group share on 12 May 2014, i.e. €1.65.

The issue price of the new shares reflects a face-value discount of 35.7% compared to the theoretical ex-rights price of the share and a face-value discount of 69.7% compared to the closing price on 12 May 2014.

#### Procedure for exercising pre-emptive subscription rights

The pre-emptive subscription rights will be detached on 15 May 2014 and will be traded on the Euronext Paris regulated market (under ISIN FRO011897172) until the end of the subscription period, i.e. until 28 May 2014 inclusive.

To exercise their pre-emptive subscription rights, the holders must submit a request to their authorised financial intermediary at any time between 15 May 2014 and 28 May 2014 inclusive, and pay the corresponding subscription price. Pre-emptive subscription rights not exercised will lapse automatically at the end of the subscription period, i.e. on 28 May 2014 at the end of the trading day.

#### Guarantee

The issue of the new shares is guaranteed (i) by a subscription agreement (the "**Subscription Agreement**") dated 12 February 2014 concluded between the Company and Cerberus Capital Management L.P., Médiannuaire Holding SAS, Paulson & Co. Inc., Amber Capital UK LLP, Crédit Suisse Loan Funding LLC, BG Master Fund plc and Arundi Absolute Return BG Enhanced Master Fund, Praxient Panther Master Fund Ltd and Blackwell Partners LLC (the "**Guarantor Investors**"), and (ii) by an underwriting agreement dated 12 February 2014 concluded between the Company, Morgan Stanley & Co. International plc and BNP Paribas (the "**Co-lead Underwriters**"), as amended on 7 May 2014 and 13 May 2014 (the "**Underwriting Agreement**").

The Capital Increase with PSR is fully guaranteed as follows:

- Promontoria Holding 55 B.V., alone or with another Cerberus affiliate, has undertaken to irreducibly exercise its pre-emptive subscription rights for at least €25 million;
- Paulson, Amber, Boussard & Gavaudan, Crédit Suisse and Praxient have undertaken to subscribe, for cash, for the new shares remaining after pre-emptive subscription rights have been irreducibly and reducibly exercised by the holders thereof (including Promontoria Holding 55 B.V., alone or with another Cerberus affiliate), in proportion to the commitments shown in the table below;
- the Co-lead Underwriters undertook to subscribe, without joint liability, for cash, for the new shares remaining after pre-emptive subscription rights have been irreducibly and reducibly exercised by the holders thereof (including Promontoria Holding 55 B.V., alone or with another Cerberus affiliate) and by the Guarantor Investors pursuant to their guarantee undertaking above, in proportion to the commitments shown in the table below.



**SUPPLEMENTAL BOARD OF DIRECTORS' REPORT OF 13 MAY 2014 ON THE CAPITAL INCREASE  
FOR CASH MAINTAINING PRE-EMPTIVE SUBSCRIPTION RIGHTS AND ON THE CAPITAL INCREASE RESTRICTED  
TO DESIGNATED PERSONS OR CATEGORIES OF BENEFICIARIES**

The table below shows the amount, in euros, of the undertakings of each Guarantor Investor and Co-lead Underwriter and the corresponding maximum number of shares:

<b>Guarantor Investors</b>	<b>Amount (in euros)</b>	<b>Number of shares</b>
Promontoria Holding 55 B.V., alone or with another Cerberus affiliate	25,000,000	50,000,000
Paulson & Co. Inc. (" <b>Paulson</b> ")	112,500,000	225,000,000
Amber Capital UK LLP (" <b>Amber</b> ")	63,750,000	127,500,000
BG Master Fund plc and Amundi Absolute Return BG Enhanced Master Fund (jointly " <b>Boussard &amp; Gavaudan</b> ")	40,000,000	80,000,000
Crédit Suisse Loan Funding LLC (" <b>Crédit Suisse</b> ")	37,500,000	75,000,000
Praxient Panther Master Fund Ltd and Blackwell Partners LLC (jointly " <b>Praxient</b> ")	22,500,000	45,000,000
<b>TOTAL</b>	<b>301,250,000</b>	<b>602,500,000</b>
<b>Co-lead Underwriters</b>	<b>Amount (in euros)</b>	<b>Number of shares</b>
Morgan Stanley & Co. International plc	35,216,538	70,433,076
BNP Paribas	25,154,670	50,309,340
<b>TOTAL</b>	<b>361,621,208</b>	<b>723,242,416</b>

The Subscription Agreement and Underwriting Agreement may be terminated at any time, under circumstances, by the Guarantor Investors and the Co-lead Underwriters until (and including) the settlement-delivery date. These guarantee undertakings are not a performance warranty within the meaning of Article L. 225-145 of the French Commercial Code. If the Subscription Agreement is terminated by the Guarantor Investors and/or if the Underwriting Agreement is terminated by the Co-lead Underwriters, and if the Capital Increase with PSR is not at least three-fourths subscribed, it will be cancelled.

## ■ 5. RESTRICTED CAPITAL INCREASE

The Restricted Capital Increase is restricted to the following Guarantor Investors, for the amount, in euros, and the number of shares shown below:

<b>Guarantor Investors</b>	<b>Amount (in euros)</b>	<b>Number of shares</b>
Paulson Credit Opportunities Master Ltd.	36,862,500	73,725,000
PP Opportunities Ltd.	637,500	1,275,000
Amber Global Opportunities Master Fund Ltd. and	17,833,000	35,666,000
PM Manager Fund, SPC, on behalf of and for the account of Segregated Portfolio 22	3,417,000	6,834,000
Crédit Suisse Securities (USA) LLC	12,500,000	25,000,000
Praxient Panther Master Fund Ltd	4,100,000	8,200,000
Blackwell Partners LLC	3,400,000	6,800,000
<b>TOTAL</b>	<b>78,750,000</b>	<b>157,500,000</b>

Pursuant to the Subscription Agreement, said Guarantor Investors have undertaken to subscribe for the Restricted Capital Increase for the amount, in euros, and the number of shares shown above.

If the Subscription Agreement is terminated, the Restricted Capital Increase will be cancelled, even if the Capital Increase with PSR is carried out because it would be three-fourths subscribed.

## ■ 6. LISTING OF THE NEW SHARES

The new shares will be admitted to trading on the Euronext regulated market in Paris (Compartment B) as of 6 June 2014. They will be immediately considered identical to the Company's existing shares, which are already traded on Euronext in Paris, and can be traded, as of that date, on the same listing line as the existing shares under the same ISIN: FRO010096354.

## B. Impact of the issue on the value of equity held

On an indicative basis, the impact of the issue on the Group share of consolidated equity per share (calculated on the basis of the Group share of consolidated equity as of 31 December 2013 – as reported in the consolidated financial statements as of 31 December 2013 – and the number of shares comprising the Company's share capital as of 12 May 2014 after excluding treasury shares, which were not taken into account in determining pre-emptive subscription rights) would be as follows:

	Value of equity per share (in euros)	
	Undiluted basis	Diluted basis <sup>(1)</sup>
Before the issue of new shares pursuant to the Capital Increase with PSR and the Restricted Capital Increase	-6.71	-6.23
After the issue of 880,742,416 new shares pursuant to the Capital Increase with PSR and the Restricted Capital Increase <sup>(2)</sup>	-1.26	-1.19

(1) As of 12 May 2014, in the event (i) all 6,524,626 share subscription options granted by the Company are exercised resulting in the issue of a maximum of 6,524,626 shares and (ii) all 2,675,000 free shares granted by the Company are allotted.

(2) This calculation takes into account the net proceeds of the issue.

## C. Impact of the issue on shareholders' positions

On an indicative basis, the impact of the issue on the equity stake of a shareholder who holds 1% of the Company's share capital before the issue and does not subscribe for the issue (calculated on the basis of the number of share comprising the Company's share capital on 12 May 2014) would be as follows:

	Shareholder's equity stake (%)	
	Undiluted basis	Diluted basis <sup>(1)</sup>
Before the issue of new shares pursuant to the Capital Increase with PSR and the Restricted Capital Increase	1%	0.97%
After the issue of 880,742,416 new shares pursuant to the Capital Increase with PSR and the Restricted Capital Increase	0.24%	0.24%

(1) As of 12 May 2014, in the event (i) all 6,524,626 share subscription options granted by the Company are exercised resulting in the issue of a maximum of 6,524,626 shares and (ii) all 2,675,000 bonus shares granted by the Company are allotted.

## D. Impact of the issue on the allocation of capital

### 1. ALLOCATION OF CAPITAL BEFORE THE ISSUE

The table below shows, to the Company's knowledge, the allocation of the Company's capital and voting rights before the issue, including the shares held by the Guarantor Investors before the transaction and assuming that they do not exercise their rights:

Shareholders	Shares		Voting rights exercisable	
	Number	% of capital	Number	% of voting rights
Médiannuaire Holding SAS <sup>(1)</sup>	25,980,314	9.2%	51,960,628	17.0%
Promontoria Holding 55 B.V. <sup>(2)</sup>	19,478,310	6.9%	19,478,310	6.4%
Solocal Group employees <sup>(3)</sup>	1,207,109	0.4%	1,207,109	0.4%
Edmond de Rothschild AM	14,396,291	5.1%	14,396,291	4.7%
DNCA Finance	9,250,000	3.3%	9,250,000	3.0%
Public	207,858,139	74.0%	208,475,174	68.4%
Treasury shares <sup>(4)</sup>	2,814,591	1.0%	-	-
<b>TOTAL</b>	<b>280,984,754</b>	<b>100%</b>	<b>304,767,512</b>	<b>100%</b>

(1) A company in which Promontoria Holding 55 B.V. holds a 74.97% stake, which is itself controlled by Cerberus Capital Management L.P., which is itself ultimately controlled by Stephen A. Feinberg. The balance of the capital of Médiannuaire Holding SAS is held by funds managed by Goldman Sachs Merchant Banking Division (15.02%) and by funds managed by KKR Europe II Limited and KKR Millennium Limited (10.01%). On 6 May 2014, Médiannuaire Holding SAS carried out a capital decrease by distributing 50% of the 51,960,627 Solocal shares it held to its shareholders, in proportion to their equity stakes.

(2) See note (1). Due to this capital reduction, the undertaking to exercise PSR for an amount of at least €25 million that Médiannuaire Holding SAS and Cerberus made on 12 February 2014 will be performed by Promontoria Holding 55 B.V., alone or with another Cerberus affiliate.

(3) Under the Solocal Group's Group Savings Plan (PEG).

(4) Pursuant to a liquidity agreement implemented on 2 December 2013.

## 2. ALLOCATION OF CAPITAL AFTER THE ISSUE

On an indicative basis, the allocation of capital after the issue, in the event the guarantee undertakings of the Guarantor Investors and Co-lead Underwriters in connection with the Capital Increase with PCR are not implemented and the Guarantor Investors subscribe only for the Restricted Capital Increase, would be as follows:

Shareholders	Shares		Voting rights exercisable	
	Number	% of capital	Number	% of voting rights
Médiannuaire Holding SAS <sup>(1)</sup>	25,980,314	2.2%	51,960,628	4.4%
Promontoria Holding 55 B.V., alone or with another Cerberus affiliate <sup>(2)</sup>	69,478,310	6.0%	69,478,310	5.9%
Paulson <sup>(3)</sup>	77,256,308	6.7%	77,256,308	6.5%
Amber Capital <sup>(3)</sup>	47,156,823	4.1%	47,156,823	4.0%
Crédit Suisse <sup>(3)</sup>	28,062,469	2.4%	28,062,469	2.4%
Praxient <sup>(3)</sup>	20,316,726	1.7%	20,316,726	1.7%
Edmond de Rothschild AM	51,755,408	4.5%	51,755,408	4.4%
DNCA Finance	33,300,000	2.9%	33,300,000	2.8%
Solocal Group employees <sup>(4)</sup>	1,207,109	0.1%	1,207,109	0.1%
Other shareholders	804,399,112	69.2%	805,016,147	67.9%
Treasury shares <sup>(5)</sup>	2,814,591	0.2%	-	-
<b>TOTAL</b>	<b>1,161,727,170</b>	<b>100%</b>	<b>1,185,509,928</b>	<b>100%</b>

(1) A company in which Promontoria Holding 55 B.V. holds a 74.97% stake, which is itself controlled by Cerberus Capital Management L.P., which is itself ultimately controlled by Stephen A. Feinberg. The balance of the capital of Médiannuaire Holding SAS is held by funds managed by Goldman Sachs Merchant Banking Division (15.02%) and by funds managed by KKR Europe II Limited and KKR Millennium Limited (10.01%). On 6 May 2014, Médiannuaire Holding SAS carried out a capital decrease by distributing 50% of the 51,960,627 Solocal shares it held to its shareholders, in proportion to their equity stakes.

(2) See note (1). Due to this capital reduction, the undertaking to exercise PSR for an amount of at least €25 million that Médiannuaire Holding SAS and Cerberus made on 12 February 2014 will be performed by Promontoria Holding 55 B.V., alone or with another Cerberus affiliate.

(3) Guarantor Investors who have subscribed only for the Restricted Capital Increase.

(4) Under the Solocal Group's group savings plan (PEG).

(5) Pursuant to a liquidity agreement implemented on 2 December 2013, Treasury shares will not be taken into account to determine pre-emptive subscription rights.

Note: In the event all guarantee undertakings in connection with the Capital Increase with PSR are implemented (i.e. no shareholder or other holder of PSR exercises them, including DNCA Finance and Edmond de Rothschild AM, but not Promontoria 55 B.V., alone or with another Cerberus affiliate, which would perform its commitment for an amount of €25 million) all of the guarantors of the transaction would hold 78.8% of the share capital and 77.2% of the voting rights, and the other shareholders would hold 21.2% of the share capital and 22.8% of the voting rights.

## E. Impact of the issue on the stock market price

The theoretical impact of the issue of new shares on the stock market price of the Solocal Group share, i.e. €1.65 (average closing prices for the 20 trading days prior to 13 May 2014), would be as follows:

	Impact on stock market price	
	Undiluted basis	Diluted basis <sup>(1)</sup>
Before the issue of new shares	1.650	1.597
After the issue of 880,742,416 new shares <sup>(2)</sup>	0.746	0.740

(1) As of 12 May 2014, in the event (i) all 6,524,626 share subscription options granted by the Company are exercised resulting in the issue of a maximum of 6,524,626 shares and (ii) all 2,675,000 free shares granted by the Company are allotted.

(2) The calculation assumes transaction expenses of €35 million (financial, legal and administrative expenses associated with the Capital Increase with PSR, the Restricted Capital Increase and the Amend and Extend).

This theoretical approach is given on an indicative basis only and may not be a reliable indicator of future fluctuations in the share price. Treasury shares have been neutralised.

The Statutory Auditors have verified that this capital increase is in compliance with the delegation of authority granted by the General Shareholders' Meeting of 29 April 2014, which they certify in their supplemental report that was prepared in application of and in accordance with the requirements of Article R. 225-116 of the French Commercial Code.

In accordance with the statutes and regulations in force, this supplemental report, as well as the Statutory Auditors' supplemental report, will be made available to the shareholders at the Company's head office. In addition, shareholders will be directly made aware of them at the next General Shareholders' Meeting.

Moreover, the prospectus received AMF approval No. 14-195 on 13 May 2014, and is available on the Company's website at: [www.solocalgroup.com](http://www.solocalgroup.com).

The Board of Directors

# STATUTORY AUDITORS' SUPPLEMENTAL REPORT OF 18 JUNE 2014 ON THE CAPITAL INCREASE CANCELLING PRE-EMPTIVE SUBSCRIPTION RIGHTS

## Board of Directors meeting of 13 May 2014

To the shareholders:

In our capacity as your Company's Statutory Auditors, and in application of the provisions of Article R. 225-116 of the French Commercial Code, we hereby present you a supplemental report to our report of 21 March 2014 on the capital increase cancelling pre-emptive subscription rights restricted to designated persons, which was authorised by the extraordinary General Shareholders' Meeting of 29 April 2014.

That Meeting delegated to the Board of Directors the authority to decide to carry out such transaction within a period of 18 months as of the date of said Meeting, for a maximum nominal amount of €78.75 million. Using that authority delegated to it, at its meeting of 13 May 2014, the Board of Directors decided to carry out a capital increase in an amount of €78.75 million by issuing 157,500,000 new shares with a par value of €0.20, plus an issue premium of €0.30 each.

This capital increase is restricted to the designated persons below, who will each subscribe for a number of shares corresponding to the amounts indicated below:

Categories of beneficiaries	Amounts (in euros)
Paulson Credit Opportunities Master Ltd.	36,862,500
PP Opportunities Ltd.	637,500
Amber Global Opportunities Master Fund Ltd. and PM Manager Fund, SPC., in the name and for the account of Segregated Portfolio 22	17,833,000
Crédit Suisse Securities (USA) LLC	3,417,000
Praxient Panther Master Fund Ltd	12,500,000
Blackwell Partners LLC	4,100,000
<b>TOTAL</b>	<b>78,750,000</b>

The Board of Directors is required to prepare a supplemental report in accordance with Article R. 225-115 *et seq.* of the French Commercial Code. It is our role to give our opinion on the veracity of the figures taken from the financial statements, on the issue and on certain other information concerning the issue given in that report.

We performed those duties that we deemed necessary in accordance with the professional guidelines of the French Statutory Auditors' Association (*Compagnie Nationale des Commissaires aux Comptes*) relevant to this assignment. In particular, this work consisted of verifying:

- the veracity of the figures taken from the annual and consolidated financial statements approved by the Board of Directors. We audited these financial statements in accordance with the professional standards applicable in France;
- the compliance of the terms and conditions of the transaction with the delegation of authority granted by the General Shareholders' Meeting;
- the information given in the Board of Directors' supplemental report on the elements chosen to calculate the issue price of the equity securities and the final amount thereof.

We have no observations to make on:

- the veracity of the figures taken from those financial statements and provided in the Board of Directors' report;
- the compliance of the terms and conditions of the transaction with the delegation of authority granted by the extraordinary General Shareholders' Meeting of 29 April 2014 and the information provided to the shareholders;
- the elements chosen to calculate the issue price of the equity securities and the final amount thereof;
- the presentation of the impact of the issue on the position of holders of equity securities and securities that confer rights to capital, assessed on the basis of equity and the stock market price of the share;
- the cancellation of pre-emptive subscription rights that you had previously approved;
- the issue that you had previously approved.

In application of the law, we inform you that we were unable to prepare this report and make it available to the shareholders within the deadline prescribed by Article R. 225-116 of the French Commercial Code due to the fact that the final version of the Board of Directors' report was provided to us late.

Neuilly-sur-Seine and Paris-La Défense, 18 June 2014

The Statutory Auditors

Deloitte & Associés  
Ariane BUCAILLE

Ernst & Young Audit  
Denis THIBON

# SUPPLEMENTAL BOARD OF DIRECTORS' REPORT OF 29 APRIL 2015 ON THE CAPITAL INCREASE RESTRICTED TO EMPLOYEES AND FORMER EMPLOYEES OF THE GROUP

Dear Shareholders,

The Board of Directors implemented the delegation of authority granted by the thirteenth resolution adopted by the General Shareholders' Meeting of the Company's shareholders on 19 June 2014 to carry out an increase of the Company's capital restricted to employees and former employees who are members of the Solocal Group's group savings plan (PEG).

A press release was issued concerning this transaction, which is appended to this report, which is the information document required by Article 212-4-5 of the AMF's General Regulation and Article 14 of Instruction No. 2005-11 of 13 December 2005, and which describes the main terms and conditions of the transaction.

In accordance with the provisions of Article R. 225-116 of the French Commercial Code, we have prepared a supplemental report to the Board of Directors' report that will be presented at the next General Meeting of the Company's shareholders.

## 1. Terms and conditions of the transaction

### 1.1 General Meeting of shareholders held on 19 June 2014

Pursuant to its thirteenth resolution, in accordance with the provisions of Article L. 3332-18 *et seq.* of the French Labour Code, the General Meeting of shareholders of 19 June 2014 delegated to the Board of Directors, for a period of 26 months, the authority to decide to increase the Company's share capital social, on one or more occasions, by a maximum nominal amount set at 2% of the Company's share capital, by issuing shares restricted to employees and former employees who are members of the Solocal Group's group savings plan (PEG).

### 1.2 Decision of the Board of Directors adopted on 9 February 2015

The Board of Directors decided to use the delegation of authority granted to it by the thirteenth resolution adopted by the General Meeting of shareholders held on 19 June 2014, and unanimously decided (i) to increase the share capital by a maximum nominal amount of €4,646,908.60 by carrying out a capital increase restricted to employees and former employees who are members of the Solocal Group's group savings plan (PEG); (ii) to delegate to the Chief Executive Officer the power to carry out said capital increase in accordance with

the terms and conditions prescribed by said resolution and to set the date for the subscription of the new shares; and (iii) that the subscription price would be equal to 80% of the average of the first opening prices quoted for the Company's share on the Euronext Paris market over the twenty trading days preceding the Chief Executive Officer's decision setting the subscription date.

### 1.3 Decisions of the Chief Executive Officer

On 6 March 2015, Mr Jean-Pierre Remy, the Chief Executive Officer, acting pursuant to the delegation of authority granted by the Board of Directors on 9 February 2015 and in accordance with such delegation of authority, decided (i) to carry out a capital increase restricted to employees and former employees who are members of the Solocal Group's group savings plan (PEG) for a maximum nominal amount of €4,646,908.60 by issuing 23,234,543 new ordinary shares with a par value of €0.20 each, and (ii) to set the subscription price of the new ordinary shares at €0.56 per share (*i.e.* a par value of €0.20 and an issue premium of €0.36), thereby bringing the maximum amount of the capital increase to €13,011,344.08 (including the issue premium).

On 29 April 2015, the Chief Executive Officer certified that the capital increase had been subscribed for a total of €2,559,073.24, corresponding to the creation of 4,569,773 new shares with a par value of €0.20 and an issue premium of €0.36.

## 2. Impact of the issue on the position of holders of equity securities

### 2.1 Impact of the issue on equity (annual financial statements)

On an indicative basis, the impact of the issue on equity per share (calculated on the basis of equity as of 31 December 2014 – as reported in the annual financial statements as of 31 December 2014 – and a total of 1,161,727,170 shares comprising the Company's share capital as of 31 December 2014) would be as follows:

	Equity per share (in euros)
Before the issue of new shares pursuant to this capital increase	1,582
After the issue of 4,569,773 new shares pursuant to this capital increase	1,578

### 2.2 Impact of the issue on the share of equity held (consolidated financial statements)

On an indicative basis, the impact of the issue on the Group share of consolidated equity per share (calculated on the basis of the Group share of consolidated equity as of 31 December 2014 – as reported in the consolidated financial statements as of 31 December 2014 – and a total of 1,161,727,170 shares comprising the Company's share capital as of 31 December 2014), would be as follows:

	Value of equity per share (in euros)
Before the issue of new shares pursuant to this capital increase	(1.18)
After the issue of 4,569,773 new shares pursuant to this capital increase	(1.17)

### 2.3 Impact of the issue on shareholders' positions

On an indicative basis, the impact of the issue on the equity stake of a shareholder who holds 1% of the Company's share capital before the issue and does not subscribe for the issue (calculations made on the basis of a total of 1,161,727,170 shares comprising the Company's share capital as of 31 December 2014) would be as follows:

	Shareholder's equity stake (%)
Before the issue of new shares pursuant to this capital increase	1%
After the issue of 4,569,773 new shares pursuant to this capital increase	0.996%

## 3. Theoretical impact of the issue of new shares on the current stock market price of the Solocal Group share

The theoretical impact on the current stock market price of the Solocal Group share, i.e. €0.678 (the volume weighted average price for the 20 trading days prior to 6 March 2015), would be as follows (on the basis of the number of shares comprising the Company's share capital as of 31 December 2014):

	Number of shares	Stock market price per share (in euros)
Before the issue of new shares pursuant to this capital increase	1,161,727,170	0.678
After the issue of 4,569,773 new shares pursuant to this capital increase	1,166,296,943	0.677

The stock market price (undiluted basis) was obtained by multiplying the pre-transaction market capitalisation, which is equal to the volume weighted average price for the 20 trading days prior to 6 March 2015 (i.e. €0.678) by the total number of shares (i.e. 1,161,727,170 shares as of 31 December 2014), and adding thereto the estimated net proceeds of the issue (i.e. €2,559,073.24, and dividing the total by 1,166,296,943, which is the sum of the number of shares as of 31 December 2014 (i.e.

1,161,727,170 shares) and the total number of shares resulting from this capital increase, i.e. 4,569,773 new shares).

In accordance with the statutes and regulations in force, this supplemental report will be made available to the shareholders at the Company's head office. In addition, shareholders will be directly made aware of it at the next General Shareholders' Meeting.

The Board of Directors

## Press release

Sèvres, 6 March 2015

### SOLOCAL GROUP LAUNCHES A CAPITAL INCREASE RESTRICTED TO ITS EMPLOYEES AND FORMER EMPLOYEES

Solocal Group (hereinafter the **"Company"**) has decided to carry out a capital increase restricted to the Group's employees and retirees.

The subscription period for the restricted capital increase will be from 9 March 2015 to 29 March 2015 inclusive.

#### Issuer

Solocal Group

A French public limited company

Registered office: 7, avenue de la Cristallerie, 92317 Sèvres Cedex

Share capital: €232,345,434

Nanterre Trade and Companies Register No. 552 028 425

Compartment B – Euronext Paris (France)

Ordinary share ISIN: FR0010096354

Security eligible for the Deferred Settlement Service (SRD)

#### Objective

This restricted capital increase is a component of the policy intended to expand employee shareholding in the Group. Through this transaction, Solocal Group wishes to implicate its employees more closely in the Group's results.

#### Background to the transaction

In accordance with the provisions of Article L. 3332-18 *et seq.* of the French Labour Code, the combined General Shareholders' Meeting of 19 June 2014 delegated to the Board of Directors, the authority to decide to increase the Company's share capital, on one or more occasions, by a maximum nominal amount set at 2% of the Company's share capital as of the date of the Meeting, by issuing shares restricted to employees and retirees who are members of the Solocal Group's Group Savings Plan (PEG).

In accordance with this delegation of authority, on 9 February 2015, the Board of Directors adopted the principle of a capital increase restricted to employees and retirees who are members of the Solocal Group's Group Savings Plan (PEG), and delegated to the Company's Chief Executive Officer the power to decide to carry out said restricted capital increase in accordance with the terms and conditions prescribed by the General Shareholders' Meeting and the Board of Directors.

On 6 March 2015, the Chief Executive Officer, acting pursuant to the delegation of authority granted by the Board of Directors, decided on the definitive terms and conditions of the transaction, as described below.

#### Securities offered

The Chief Executive Officer decided to carry out a capital increase restricted to employees and retirees who are members of the Solocal Group's Group Savings Plan (PEG) for a maximum nominal amount of €4,646,908.60 by issuing 23,234,543 new ordinary shares with a par value of €0.20 each.

On that date, the Chief Executive Officer set the subscription price at €0.56 per share (*i.e.* a par value of €0.20 and an issue premium of

€0.36), thereby bringing the maximum amount of the capital increase to €13,011,344.08 (including the issue premium). This purchase price is equal to 80% of the average of the opening prices quoted for the Company's share on the Euronext Paris market over the twenty trading days prior to that date.

#### Terms and conditions of the offer

##### ■ BENEFICIARIES OF THE OFFER

The beneficiaries of the offer are (i) the employees of the French companies of the Solocal Group who are members of the Group Savings Plan (PEG) and who can prove at least three months' length of service at the end of the subscription period, and (ii) retirees from the French companies of the Solocal Group who are members of the group savings plan (PEG) and who retained assets in the group savings plan (PEG) (collectively the **"Beneficiaries"**).

##### ■ TERMS AND CONDITIONS FOR SUBSCRIBING FOR SHARES THROUGH AN EMPLOYEE SHAREHOLDING FUND (*FONDS COMMUN DE PLACEMENT D'ENTREPRISE* – "FCPE")

The shares will be acquired indirectly, through an Intermediate FCPE (the **"Intermediate FCPE"**), which was authorised by the French financial markets authority (AMF) on 19 December 2014, under number 990000114419. The Intermediate FCPE will eventually be merged with the "Solocal Group Actionnariat" FCPE. At the conclusion of the operations, the employees and retirees of the Solocal Group will only hold units in the "Actionnariat Solocal Group" FCPE (the **"FCPE"**).

##### ■ EMPLOYER CONTRIBUTION

Employer contributions will be added to the subscriptions for units in the Intermediate FCPE, in accordance with the following conditions:

- ✦ up to €500 paid by the Beneficiary, 150% of the amount invested will be contributed by the Group;
- ✦ between €501 and €1,000 paid by the Beneficiary, 75% of the amount invested will be contributed by the Group;
- ✦ above €1,001 paid by the Beneficiary, 15% of the amount invested will be contributed by the Group;
- ✦ the maximum employer contribution is €5,477.76 (statutory maximum).

##### ■ VOTING RIGHTS

The FCPE's Supervisory Board will exercise the voting rights.

##### ■ INDIVIDUAL MINIMUM AND MAXIMUM AMOUNTS

To take advantage of this offer, a minimum investment of €10 per Beneficiary of the offer is required.

Furthermore, each Beneficiary may take advantage of the offer by transferring all or some of the available assets held in the "Arcancia Monétaire 257" FCPE, up to a maximum amount of €3,000 per Beneficiary, or by using all or part of his/her 2014 profit-sharing.

Lastly, the total of annual voluntary deposits into the group savings plan (PEG) and collective retirement savings plan (PERCO) (excluding profit-sharing and available assets from the "Arcancia Monétaire 257" FCPE) may not exceed 25% of annual remuneration in 2015.



#### ■ LOCK-IN PERIOD FOR SOLOCAL GROUP SHARES

In accordance with the provisions of Article 3332-25 of the French Labour Code, Beneficiaries who acquire Solocal Group shares through the Intermediate FCPE must keep their units in the FCPE for a lock-in period of five years from the completion of the share issue, which is scheduled for 29 April 2015 (i.e. until 1 May 2020), except for circumstances under which early withdrawal is allowed.

Furthermore, the assets obtained as a result of the transaction cannot be transferred to other investment vehicles offered in connection with the group savings plan (PEG) and collective retirement savings plan (PERCO) for a period of three years from the completion of the share issue, which is scheduled for 29 April 2015 (i.e. until 1 May 2018).

#### ■ PAYMENT TERMS FOR SHARES

The shares acquired may be paid:

- by a withdrawal from the Beneficiary's account on 21 April 2015;
- by all or a portion of the 2014 profit-sharing; and/or
- by a transfer of available assets held in the "Arcancia Monétaire 257" FCPE, up to a maximum amount of €3,000 per Beneficiary.

#### ■ REDUCTION OF ORDERS

If total demand exceeds the number of shares authorised for the offer, i.e. 23,234,543 shares, subscription orders will be reduced to bring them within the number of shares offered.

Subscribers' orders will be honoured in full provided total demand does not exceed 23,234,543 shares.

Subscribers' orders will be reduced if the number of shares requested exceeds 23,234,543. The procedure that will be followed is to reduce the amount of the highest subscription orders until the maximum number of shares authorised for sale is met.

If necessary, the amounts of individual orders will be reduced first from voluntary deposits and then from the portion of the subscription financed by transfers of available assets from the "Arcancia Monétaire 257" fund.

The reduction will be calculated before withdrawing the amount allotted from employees' accounts and before any transfers of available assets from the "Arcancia Monétaire 257" fund.

#### Listing

The admission of the new Solocal Group shares to trading on the Euronext Paris regulated market (ISIN code: FR0010096354) on the same line as the existing shares will be requested as soon as possible after the completion of the capital increase, which is scheduled for 29 April 2015.

#### Important notice

This press release is not an offer of sale or a solicitation for the purchase of Solocal Group shares. The offer of Solocal Group shares is restricted to the Beneficiaries and will be carried out only in France.

The Reference document filed with the French financial markets authority (AMF) on 15 April 2014, which includes a detailed description of the Group's businesses, as well as the corresponding risk factors, is available free of charge from Solocal Group, 7, avenue de la Cristallerie, 92317 Sèvres Cedex, as well as on the Solocal Group website: [www.solocalgroup.com](http://www.solocalgroup.com), and on the AMF website: [www.amf-france.org](http://www.amf-france.org).

#### Employee information

For any question about this offer, Beneficiaries may contact their HR department and visit the website at: [www.intranetsolocalgroup.com](http://www.intranetsolocalgroup.com).

*This press release is the information document required by Article 212-4-5 of the AMF's General Regulation and Article 14 of Instruction No. 2005-11 of 13 December 2005, published in the form of a press release in accordance with Article 221-3 of the AMF's General Regulation.*

# STATUTORY AUDITORS' SUPPLEMENTAL REPORT OF 6 MAY 2015 ON THE CAPITAL INCREASE RESTRICTED TO MEMBERS OF A COMPANY SAVINGS PLAN

## Board of Directors meeting of 29 April 2015

To the shareholders:

In our capacity as your Company's Statutory Auditors, and in application of the provisions of Article R. 225-116 of the French Commercial Code, we hereby present you with a supplemental report to our report of 16 May 2014 on the capital increase cancelling pre-emptive subscription rights restricted to employees and former employees who are members of a Solocal Group's group savings plan (PEG), which was authorised by the combined General Shareholders' Meeting of 19 June 2014.

This capital increase was submitted for your approval as required by the provisions of Article L. 225-129-6 of the French Commercial Code and Article L. 3332-18 *et seq.* of the French Labour Code.

That Meeting delegated to the Board of Directors the authority, with the right to sub-delegate its authority, to approve such a transaction within a period of twenty-six months and for a maximum amount equal to 2% of the Company's share capital on the date of said Meeting. Using that delegation of authority, at its meeting held on 9 February 2015, the Board of Directors decided to carry out a capital increase for a maximum amount of €4,646,908.60 and delegated to the Chief Executive Officer the power to decide to carry out said capital increase accordance. Using that sub-delegation of authority, on 6 March 2015, the Chief Executive Officer decided to carry out a capital increase for a maximum nominal amount of €4,646,908.60 by issuing 23,234,543 ordinary shares with a par value of €0.20 each and an issue premium of €0.36 per share. On 29 April 2015, the Chief Executive Officer certified that the capital increase had been subscribed for an amount of €2,559,073.24. On 29 April 2015 the Board of Directors met to certify the completion of the capital increase.

The Board of Directors is required to prepare a supplemental report in accordance with Articles R. 225-115 and R. 225-116 of the French Commercial Code. It is our role to give our opinion on the veracity of the figures taken from the financial statements, on the proposal to cancel pre-emptive subscription rights and on certain other information concerning the issue given in that report.

We performed those duties deemed necessary in accordance with the professional guidelines of the French Statutory Auditors' Association (*Compagnie nationale des Commissaires aux comptes*) relevant to this assignment. In particular, this work consisted of verifying:

- the veracity of the figures taken from the annual and consolidated financial statements approved by the Board of Directors. We audited these financial statements in accordance with the professional standards applicable in France;
- the compliance of the terms and conditions of the transaction with the delegation of authority granted by the General Shareholders' Meeting;
- the information given in the Board of Directors' supplemental report on the elements chosen to calculate the issue price of the shares and the final amount thereof.

We have no observations to make on:

- the veracity of the figures taken from those financial statements and provided in the Board of Directors' supplemental report. It should be noted that the annual and consolidated financial statements have not yet been approved by a General Shareholders' Meeting;
- the compliance of the terms and conditions of the transaction with the delegation of authority granted by the Combined General Meeting and the information provided to the shareholders;
- the elements chosen to calculate the issue price and the final amount thereof;
- the presentation of the impact of the issue on the position of holders of equity securities, assessed on the basis of equity and the stock market price of the share;
- the cancellation of pre-emptive subscription rights that you had previously approved.

Neuilly-sur-Seine and Paris-La Défense, 6 May 2015

The Statutory Auditors

Deloitte & Associés  
Ariane BUCAILLE

Ernst & Young Audit  
Denis THIBON

# REQUEST FOR DOCUMENTS

Return this document, duly completed  
and signed, directly to:



**SOLOCAL GROUP – RELATIONS ACTIONNAIRES  
(SHAREHOLDER RELATIONS)**

**7, AVENUE DE LA CRISTALLERIE, 92317 SÈVRES CEDEX**

## Combined General Shareholders' Meeting of Solocal Group to be held on 11 June 2015

Mr  Mrs  Miss

First and last name: .....

Address: .....

Postcode:       Town or City: .....

E-mail address: .....

Registered account number: .....

In accordance with the provisions of Article R. 225-88 of the French Commercial Code, I request Solocal Group to send me all documents and information about the combined General Shareholders' Meeting to be held on 11 June 2015, as listed in Article R. 225-83 of the French Commercial Code.

- In my capacity as an owner of registered shares, I also request that a proxy form and the documents and information referred to in Articles R. 225-81 and R. 225-83 of the French Commercial Code be sent to me at the time of each subsequent shareholders' meeting.
- In my capacity as an owner of shares, all in bearer form (this section should not be completed by shareholders who hold registered shares).

I represent that these shares are registered on an account held by:

Name and address of your financial intermediary: .....

an authorised intermediary, and that the certificate issued by such intermediary certifying that the shares were registered no later than 9 June 2015 at midnight was deposited with Solocal Group, the depositary designated in the Notice of Meeting (Articles R. 225-85 and R. 225-88 of the French Commercial Code).

Executed in ..... on ..... 2015.

Signature:





# REQUEST THAT DOCUMENTS BE SENT ELECTRONICALLY

Form to be sent to:

**BNP PARIBAS SECURITIES SERVICES, CTS ASSEMBLÉES**  
**GRANDS MOULINS DE PANTIN**  
**9, RUE DU DÉBARCADÈRE, 93761 PANTIN CEDEX**



## Documents for participating in general shareholders' meetings to be sent to holders of registered shares<sup>(1)</sup>

Solocal Group is aware of its responsibilities with respect to the environment and has decided to limit, to the extent possible, the use of paper in its communications.

That is why this form has been sent to you.

We hope that many of you will join us in this socially responsible measure.

- You may register directly on our dedicated Planetshares website (<https://planetshares.bnpparibas.com>) to request any documents you wish.
- I request that starting with the first General Shareholders' Meeting in 2016 you send me **by e-mail, to my e-mail address** indicated below, my Notice of Meeting and the documents for participating in Solocal Group general meetings.
- I expressly authorise Solocal Group (or its representative, if applicable) to send me **by e-mail** all communications concerning Solocal Group corporate matters.

Mr  Mrs  Miss

First and last name: .....

Address: .....

Postcode: [ ][ ][ ][ ][ ][ ] Town or City: .....

E-mail address: .....

Registered account number: .....

Executed in ..... on ..... 2015,

Signature:

If at any time you decide that you once again wish to receive by post your Notice of Meeting and the documents for participating in general meetings, please inform us in a letter sent by registered letter with acknowledgement of receipt.

Registered office: 7, avenue de la Cristallerie, 92317 Sèvres Cedex – France

Phone: 0800 81 84 54 (freephone number)

E-mail address: [actionnaires@solocalgroup.com](mailto:actionnaires@solocalgroup.com) – [www.solocalgroup.com](http://www.solocalgroup.com)

<sup>(1)</sup> This possibility is available only to registered shareholders of Solocal Group.





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Blanc

**SOLOCAL GROUP**

Public limited company  
with a capital of € 233,259,388.6  
Commercial and Companies Register  
Nanterre 552 028 425

**Head office:**

7, avenue de la Cristallerie  
92317 Sèvres Cedex–France



**0 800 81 84 54**

TOLL FREE NUMBER

@ [actionnaires@solocalgroup.com](mailto:actionnaires@solocalgroup.com)

[www.solocalgroup.com](http://www.solocalgroup.com)

*Solocal*  
GROUP