

Boulogne-Billancourt, 24 October 2016

## Precisions following the Combined General Shareholders' meeting of 19 October 2016

### I. Details of the change of control of the clause related to Senior Secured Notes issued by PagesJaunes Finance & Co SCA of a nominal amount of €350 million

Following various questions raised by shareholders after the Combined General Shareholders' meeting held on 19 October 2016, the Company wishes to clarify the change of control clause relating to Senior Secured Notes issued in 2011 by PagesJaunes Finance & Co SCA ("Notes"), to which reference was made during this Combined General Shareholders' meeting. The clause is defined in the Notes prospectus dated 12 May 2011, which is posted on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The main features of this clause are detailed below:

Under the terms of the Notes, the occurrence of any of the following constitutes a Change of Control:

- (i) the sale in one transaction or a series of related transactions, of all or substantially all of the assets of SoLocal Group,
- (ii) the adoption of a plan relating to the liquidation of SoLocal Group,
- (iii) where one or more persons acting in concert becomes the beneficial owner of more than 50% of the voting rights of SoLocal Group, or
- (iv) the replacement of the majority of members of the SoLocal Group's Board of Directors by new members who have not been elected or approved Directors by the Board of Directors (assessed on a 24-month rolling period)

In the event of a Change of Control,

- (i) the issuer (PagesJaunes Finance & Co SCA) has the obligation to offer to noteholders to repurchase their Notes at a price equal to 101% of the nominal value; and
- (ii) the proportionate share of the C1 loan (granted by PagesJaunes Finance & Co SCA to SoLocal Group) equal to 101% of the nominal amount of the Notes whose redemption is requested by the noteholders becomes due and payable (i.e. a maximum of 101 % of €350 million).

It is noted that the changes in the governance of the Company decided on 19 October 2016 (appointment of four new Directors including three of them who are not approved by the Board of Directors, with a Board of Directors now consisting of 12 members) do not constitute a Change of Control.

Regarding the other tranches of SoLocal Group's debt (tranches A7 and B3), a change of control occurs if, a person or group of persons acting in concert acquires control (in accordance with Article 233-3 of the *Code de Commerce*) of the Company as a result of the acquisition of the Company's shares. Thus, for these two tranches, the change in the Board of Directors composition is not in itself a change of control which may lead to the acceleration of these debt tranches.

It is specified that a default under the Notes constitutes an event of default in respect of tranches A7 and B3, enabling the creditors to (subject to the mandatory provisions of the *Code of Commerce*) immediately accelerate the entire financial indebtedness of SoLocal Group.

## **II. Further information concerning the discussions with creditors**

As already mentioned, the rejection of the financial restructuring plan by the Combined General Shareholders' meeting has resulted in releasing the creditors who were parties to agreements with the Company of their undertaking to waive their rights to accelerate the debt of SoLocal Group, in respect of the breach of leverage covenant as of 30 June 2016 and (potentially) 30 September 2016. As a result, the creditors (by a two-thirds majority (excluding Tranche C1)) are again able to accelerate at any time (subject to the mandatory provisions of the *Code de Commerce*) the entire debt of SoLocal Group.

On 20 October 2016, creditors have sent a letter to this effect to the Company's Chairman of the Board of Directors stating that they were now released from their undertaking to waive their rights as mentioned above and that they consider the plan which was submitted to the Combined General Shareholders' meeting of 19 October 2016 was the only viable solution to end the financial difficulties of the Company.

The Company wishes to engage new discussions from today with its creditors and shareholders to seek in the best timing the terms for its financial restructuring.

The Commercial Court of Nanterre will consider on 2 November 2016 the Company's situation under the accelerated financial safeguard plan approved in 2014, this hearing convened before the Combined General Shareholders' meeting of 19 October was initially scheduled to rule on the motion to amend the plan.

The Company will keep its shareholders informed of the progress of discussions as well as the Commercial Court's decision, where appropriate. In the meantime, the suspension of share is extended.

## **III. Declaration of thresholds crossing**

Moreover, SoLocal Group took note of the declaration of the Regroupement PP Local association, following the expiry of proxies from shareholders of SoLocal Group after the Combined General Shareholders' meeting, of the thresholds crossing down ten and five percent of the Company's capital and voting rights dated 24 October 2016.

## **About SoLocal Group**

SoLocal Group, European leader in local online communication, reveals local know-how, and boosts local revenues of businesses. The Internet activities of the Group are structured around two business lines: Local Search and Digital Marketing. With Local Search, the Group offers digital services and solutions to clients which enable them to enhance their visibility and develop their local contacts. Thanks to its expertise, SoLocal Group earned the trust of some 530,000 clients of those services and over 2.2 billions of visits via its 4 flagship brands (PagesJaunes, Mappy, Ooreka and A Vendre A Louer) but also through its partnerships. With Digital Marketing, SoLocal Group creates and provides Internet users with the best local and customised content about professionals. With over 4,400 employees, including a salesforce of 1,900 local communication advisors specialised in five verticals (Home, Services, Retail, Health & Public, BtoB) and Internationally (France, Spain, Austria, United Kingdom), the Group generated in 2015 revenues of 873 millions euros, of which 73% on Internet and ranks amongst the first European players in terms of Internet advertising revenues. SoLocal Group is listed on Euronext Paris (LOCAL). More information may be obtained at [www.solocalgroup.com](http://www.solocalgroup.com).

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