PRESS RELEASE

UPDATE ON COMPANY'S FINANCIAL RESTRUCTURING NEGOTIATIONS

- **Sufficient level of acceptance not yet reached for the consensual restructuring proposal formulated by the Company on 24 November 2011, the term for acceptance of which expired yesterday.**
- **Negotiations also launched with Senior Secured Noteholders through the engagement of an SSN Committee and advisors to the latter, in order that all creditors converge towards the restructuring proposal.**
- **Final consensual restructuring proposal to be formulated by the Company in short order, following the completion of certain technical reviews, while taking account of the updated strategic guidelines.**
- **Negotiations to be monitored closely in order to be in a position to promptly take any measures required to commence the procedures set forth by the law if the proposal is not accepted. Preliminary contacts initiated with the Ministry for Economic Development.**

UPDATE OF 2011-13 STRATEGIC GUIDELINES AND 2015 PROJECTIONS APPROVED

- **Revenue and EBITDA guidance for 2011 confirmed**
- **Update to the 2011-13 Guidelines and 2015 Projections approved, incorporating a change in the outlook for the Italian economy compared to that underlying the estimates presented in August**
- **Strategic guidance and focus on measures aimed at developing the business in Italy confirmed with the goal of positioning the firm as a local Internet company, with online revenues expected to account for approximately 65% of the total in 2013 and approximately 80% in 2015**
- **Implementation and development continue for new business models capable of guaranteeing additional revenue, such as Web marketing services, self-provisioning and couponing**

Milan, 17 January 2012 – The Board of Directors of Seat Pagine Gialle S.p.A., chaired by Enrico Giliberti, has met on today's date to consider, among other matters, the following subjects.

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UPDATE ON COMPANY'S FINANCIAL RESTRUCTURING NEGOTIATIONS

The Board of Directors has reviewed the state of the responses received from the Senior Creditor and certain interested parties in regard to the proposal of Consensual Restructuring presented by the Company on 24 November 2011, the term for acceptance of which had been postponed to 16 January 2012, acknowledging that the Senior Creditor had not received sufficient support for the terms of the Consensual Restructuring from certain interested parties, with which negotiations are still in progress.

Drawing attention to the existence of an agreement between two of the major shareholders (i.e., the investment funds Permira and Investitori Associati) and the Bondholders in regard to the allocation of capital resulting from the consensual financial restructuring of the Company, the Board of Directors also noted that the position of the third major shareholder, Sterling Sub Holdings S.A. (belonging to the fund CVC Capital Partners) is, to the best of the Company's knowledge, substantially in support of the restructuring process pursued by Seat, although Sterling Sub Holdings S.A. has reserved full freedom of negotiation in improving the hypothetical exchange described in the press release disseminated on 29 November 2011.

In addition, following the completion of inquiries regarding, among other subjects, possible structures for the restructuring transaction, the Board of Directors, also in order that all lenders converge towards a shared restructuring proposal, resolved to extend the scope of the parties to the negotiations to include senior secured noteholders through a committee formed by representatives of the aforementioned noteholders, who hold claims in connection with the issuance of a senior secured bond in two tranches (the SSN Committee), assisted by Moelis and Mediobanca as financial advisors and Cadwalader as legal advisor.

Lastly, due to the foregoing, and considering the revision of the strategic guidelines and the need to conduct certain technical reviews regarding the consensus thresholds required for the various categories of creditors, the Board of Directors resolved to adjourn until a forthcoming meeting, to be held, indicatively, within the end of the current month, in order to approve the terms and conditions of the final consensual restructuring proposal to be submitted for the acceptance of the entire category of lenders.

In light of the fact that the distance between the positions held by the three categories of creditors (the Senior Creditor, Lighthouse Bondholders and Senior Secured Noteholders) is now substantially limited to a few specific issues (with the consequence that at this point a further significant extension of the negotiations would not be justified), it is the Company's intention to establish a definitive timeframe for its final proposal, limited to the time strictly necessary to allow the decision-making bodies of the various financial institutions to take the required determinations. The date to be set as the final deadline for acceptance of the forthcoming mediation proposal will be designated as the date after which, in the absence of a positive

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conclusion of the consensual restructuring process, the Company will not proceed with further extensions. The Company will monitor the evolution of negotiations, with a view to promptly take any measures required to initiate the procedures set forth by the law in order to protect the company assets and the rights of legitimate stakeholders. As part of such proceedings, the Company has initiated preliminary contacts with the competent bodies within the Ministry for Economic Development.

UPDATE OF 2011-13 STRATEGIC GUIDELINES AND 2015 PROJECTIONS

The Board of Directors confirmed 2011 revenue and EBITDA guidance and therefore approved the update to the 2011-13 Strategic Guidelines and 2015 Projections, as illustrated by Chief Executive Officer Alberto Cappellini.

Given the changed economic scenario and the different outlook for the Italian economy compared to that used in preparing the previous estimates, the references for the 2011-13 Guidelines were approved at a slightly lower level than as prepared before the summer. The outlook used to prepare the previous estimates called for a recovery for the Italian economy and GDP growth, as estimated by all of the main economic research institutes, of approximately 1% for 2011, 2012 and 2013. The abrupt, unexpected change in the macroeconomic scenario at the global level and the difficulties experienced in Europe, and in Italy in particular, have resulted in a clear reversal of the trend, with Italian GDP already showing a decline of 0.2% in the third quarter of 2011 and now expected to fall in 2012, thus indicating the presence of a recessionary scenario for Italy. This changed market scenario has been reflected negatively in the main confidence indicators for both consumers and businesses, representing the main indicators of the state of health of Seat's customer base, which consists primarily of small and medium-sized Italian companies: during this uncertain phase, customers are revising and reducing their advertising investments, as confirmed by the recent downwards revisions of estimates for the advertising market in Italy.

2011 - 13 Strategic Guidelines and 2015 Projections

2011 - 13 Guidelines

In 2011, the Company continued to focus on the evolution of products and services offered to small and medium-sized enterprises in the Italian market in order to enhance their presence on the Web and leverage the potential of new technologies, thanks to significant product innovations introduced in 2011 to local, mobile and social services, such as in particular the possibility of using the platform in self-provisioning mode and couponing services.

The above measures allowed the Company, despite the challenging market scenario, to affirm itself in the role of local online company, and thus to confirm its guidance for 2011, albeit in the lower end of the range indicated in August. In detail, in Italy a decline in total revenues of between -5% and -7% approximately compared to those of 2010 is expected, with revenue growth for online products exceeding 50% and the share of online marketing services accounting for around 30% of Web revenues. A gradual improvement in the trend towards a decline in the customer base (-7% in the 2010 sales cycle) was also confirmed in the 2011 sales cycle, which has now essentially come to a close. The business margins in Italy are expected not to be lower than 46%.

Accordingly, in 2011, actions aimed at containing operating costs at the Group level will allow the Company to confirm the guidance provided in August, albeit in the low end of the range, with an EBITDA of approximately € 365÷385 million. Operating free cash flow is expected to benefit from the improvement in operating working capital, which will include the first effects of the programme aimed at reducing operating working capital, although to a lesser extent and on a deferred basis compared to initial expectations due to the market scenario. In subsequent years, at the Group level, following on a 2012 in which revenues and EBITDA will reach their lowest levels of the period covered by the new 2011-13 Guidelines, due primarily to the impact of the economic scenario and lower margins tied to the launch of new online products and services, it is expected that after completing its transformation into a local Internet company in 2013 the Company will essentially stabilise its revenues and EBITDA (expected to stand at approximately € 330-350 million) and customer base.

The expected transformation of the business will require the cost structure to be brought into line with the different mix of print and online revenues. To that end, a series of measures have already been implemented to allow the Company to reduce its estimated operating costs by over € 50 million compared to the inertial trend, partially offsetting the increased resources allocated to online development, which will allow the Company to achieve margins in excess of 43% in Italy in 2013.

During the 2011-13 period, generation of operating free cash flow is expected to remain at high levels, coming to approximately € 1,000 million on a cumulative basis over the three years, driven by focused management of industrial investments, expected to come to less than € 50 million per year, primarily in the area of product innovation, as well as to the contribution of the programme to improve working capital, the effects of which will be positive, although to a lesser extent and on a deferred basis compared to initial expectations due to the market scenario and lower expected revenues.

2015 Projections

Once the transformation of the Company into a local Internet company has been completed, it is confirmed that in 2014 and 2015 the Company may once more embark upon a growth trend, with the confirmation in Italy of online revenues accounting for an approximately 80% share of the total in 2015 and online marketing services accounting for approximately 50% of total Web revenues. At the level of Group EBITDA, the 2015 Projections call for a figure in excess of € 380 million.

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In the interest of consistency of information with the presentation to the market of 30 August 2011, the following is an analogous table showing the 2011-13 Strategic Guidelines and 2015 Projections.

	2011-2013 Strategic Guidelines and 2015 Projections (new criteria)			
euro million	2010 act.	2011E	2013E	*2015E*
Italian GDP growth[(1)]		*+0.6 %*	*+0.3%*	*n/a*
Seat S.p.A.				
Revenues	798	~740÷760	~720÷740	*Single digit growth in '14-15*
-Online revenues	253	~380÷400	~480÷500	*~80% of total revenues*
-Of which Web services		~30%	~45%	*~50% of online revenues*
-Ebitda margin	47,4%	>46%	>43%	*>45%*
Other Companies				
Ebitda	38	>20	>20	*~Flat trend*
Group				
Ebitda	416	~365÷385	~330÷350	*>380*

(1) Source: Italian Government

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The Company would like to reiterate that the restructuring process is strictly financial in nature, and it confirms that it continues to remain fully operational and meet all of its operational obligations in a regular manner. In confirmation of the foregoing, estimated consolidated cash at hand came to approximately € 170 million at the end of December 2011.

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Disclaimer

This press release contains forward-looking statements, referring to: investment plans, future management performances, growth objectives in terms of revenues and results, both globally and by business areas, net financial position and other aspects of the Group's activities. Forward-looking statements contain a risk and uncertainty factor, as they depend on possible future events and developments. Actual results may differ significantly from those announced due to different factors.

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