



Q1 2020 Activity and Revenues

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The quarterly financial statements are not audited.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the total provided

Q1 2020 Highlights

- **A good start to the year, in line with expected path**
 - ❑ Increasing adoption of the new Digital services offer
 - ❑ Favourable acquisition & cross-sell

- **However, significant Covid impact since mid-March : -70% Digital order intake since the beginning of the lockdown¹ vs. last year**

- **2020 guidance to be reviewed**

¹Digital Order Intake for weeks 12 to 14 2020 vs. Digital Order Intake for weeks 12 to 14 2019, restated scope



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Business review

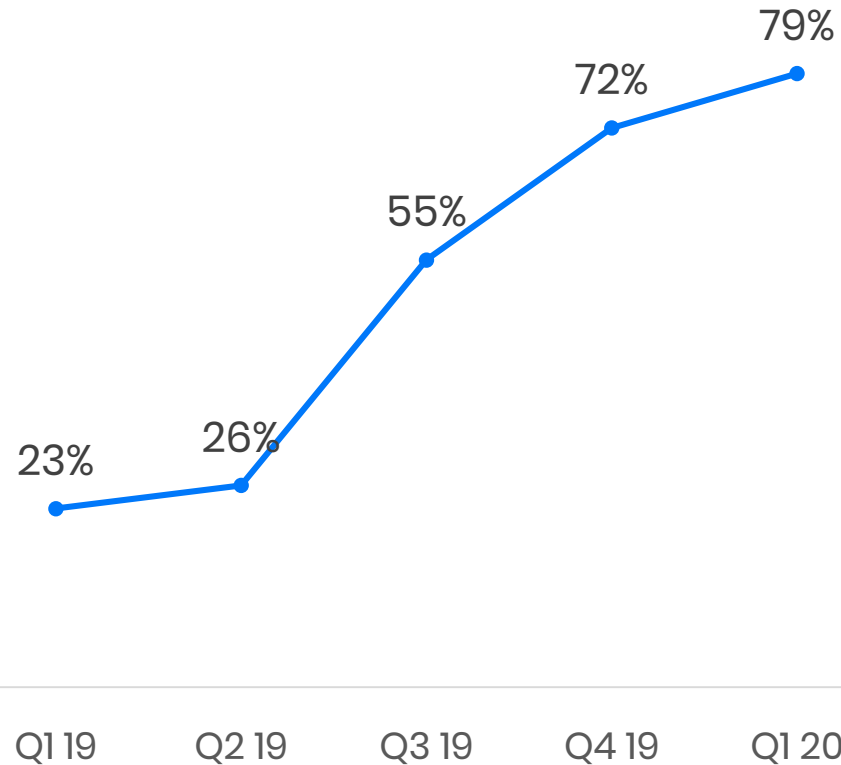
Eric BOUSTOULLER

Chief Executive Officer

New digital services for VSEs/SMEs: a successful roll-out

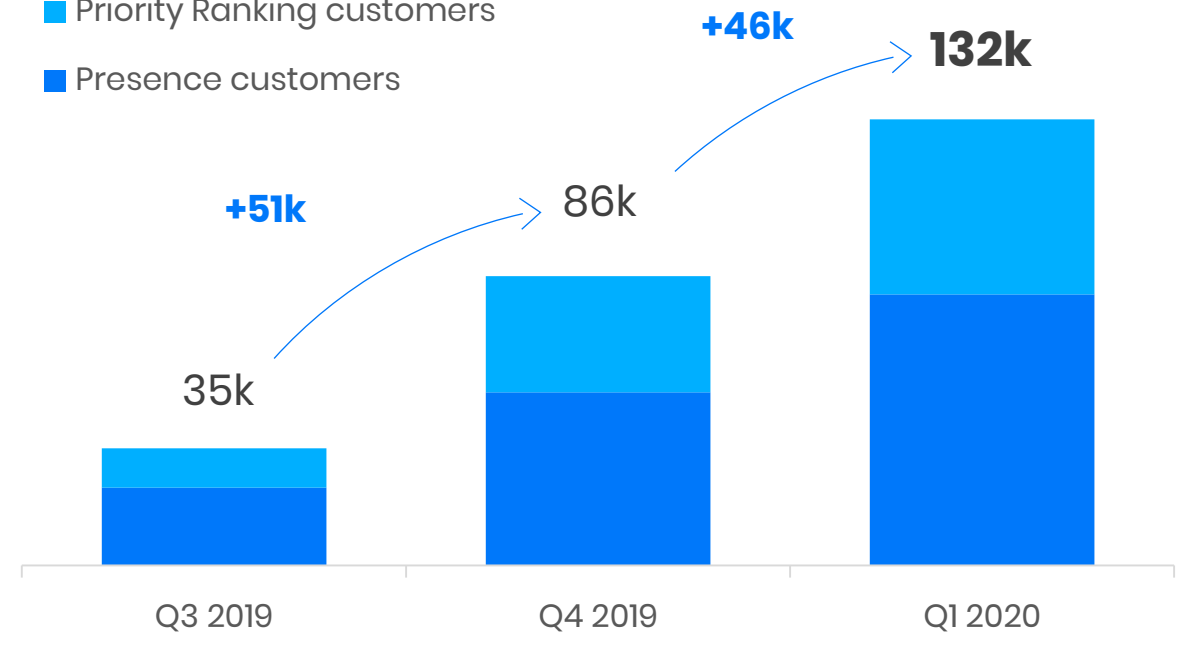
A strong adoption of the subscription model

(% of subscription mode Digital products sold)



A steady increase in the number of customers for new Digital services

- Priority Ranking customers
- Presence customers



Migration rate¹
Q1 2020 for VSE/SMEs

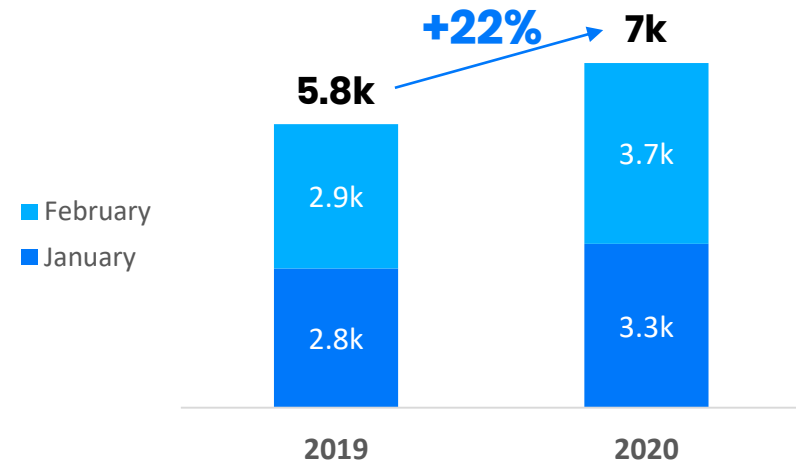
88%

Migrated
customer base

45%

Ongoing progress in the sales transformation plan

Customer acquisition (in volumes)
in Jan/Feb 2020 vs. Jan/Feb 2019

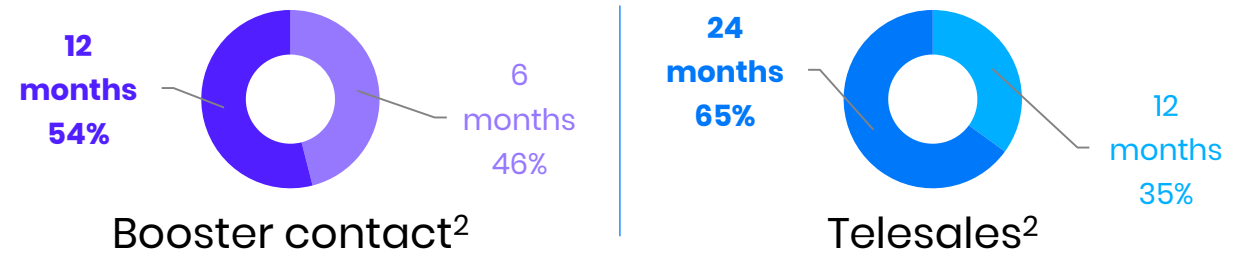


Cross sell : promising trend
in Jan/Feb 2020 vs. Jan/Feb 2019



Booster contact : **x4.5**

Success of our long-maturity new offer¹



¹Reminder : launch in Q3 2019 of our long-term subscription options : 12-month subscription for Booster Contact and 24-month subscription for other products

² %age of migrated customers who opted for a long term subscription vs. total number of migrated customers in Q1 2020

Macro & industry environment abruptly impacted by the crisis

Strong effects on French business

-39% store traffic

for grocery & pharmacy businesses²

-86% store traffic

in retail & recreation sector businesses²

-36%

loss in business activity¹

1 out of 3

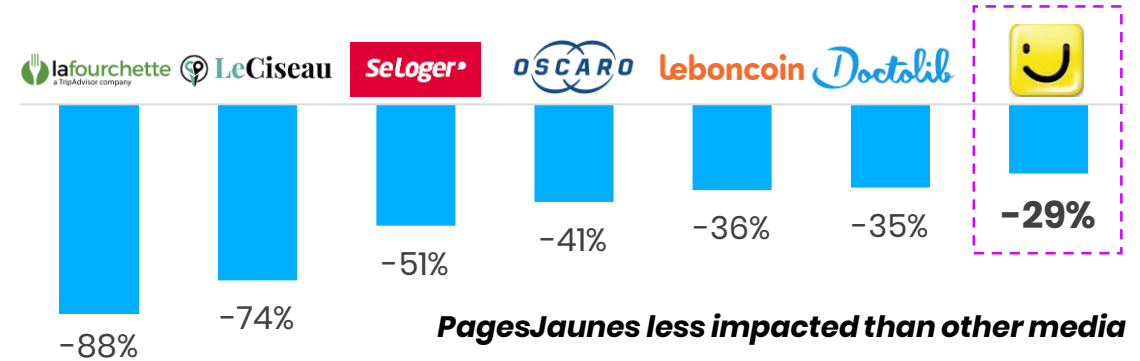
medium-sized businesses postponed their social security contributions and tax payments due March 15

622k small-sized businesses

requested access to the Solidarity Fund

Source: Insee (9th April 2020), Sénat (7th April 2020), Google COVID-19 Community Mobility Report (11th April 2020)

Slowdown in local service media searches



Source: Google Trends, weeks 12-14 vs. previous period

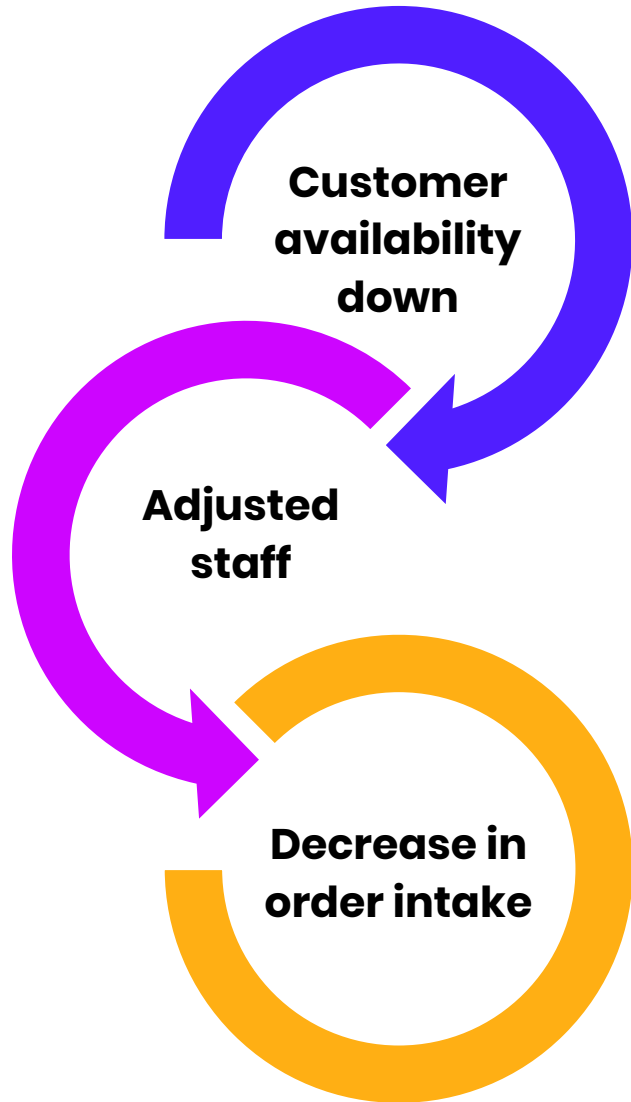
Digital advertising revenues expected to drop

Up to -80% drop
for the month of April

-20% to -30% drop
for full year 2020

Source: Display only - SRI

Covid-19 lockdown : massive impact since day one



- **A lot of customers are closed or unreachable :**
-45% opened points of sale in retail businesses¹
- **Adjusted staff : -50%**²
- **All eligible staff working remotely**
- **Reduction in Digital order intake** (vs. LY)

Week 12	Week 13	Week 14
-68%	-78%	-61%
- **Migration less impacted than cross-sell & acquisition**

PagesJaunes initiatives to vitalise local economy

Reactive, innovative and client-centric adaptation of our services

- **Free rich content update on PagesJaunes** : Help businesses broadcast updated opening hours, useful news or initiatives
- Support French consumers in their daily life by easing **access to reliable information** and helping them find the surrounding opened businesses
- **New Solocal digital services** to onboard professionals and enable them to better interact with consumers : Instant Messaging, Click & collect

17th March

PagesJaunes / Solocal Manager :

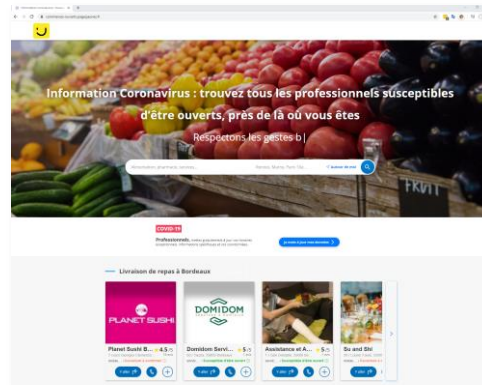
- Free update for all French professionals



30th March

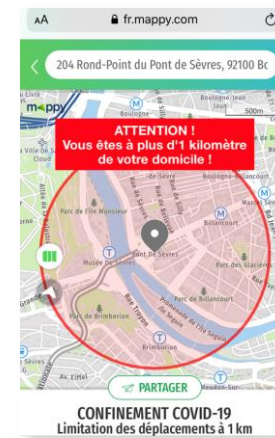
commerces-ouverts.pagesjaunes.fr :

- 40 activities / 550 cities



31st March

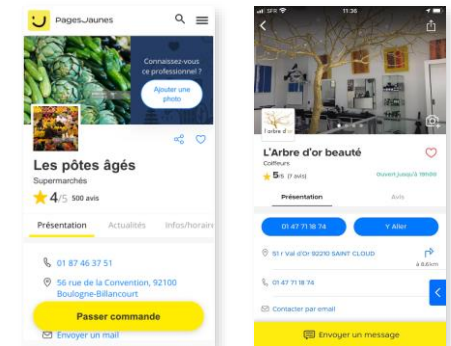
Mappy : 1km area implemented



From 6th April onwards

New features on PJ :

- **Accelerated roll out of Instant Messaging**
- Launch of a new order form to enable local **Click and Collect**



Going forward, post-lockdown ramp up

1

Mobilise teams

- Securing most of sales & marketing resources back to work at the time of economic upturn; leveraging remote working as a new normal.

2

Deliver our promise

- 2020 Capex are maintained, to accelerate the roll out of new innovative products (new Presence offer, large accounts new services) with relational, business-oriented features : click & collect, bookings, instant messaging

3

Stick to priorities

- Focus on customer base : migration to new offer, cross-sell acceleration, churn reduction
- Over the next quarters, resume with acquisition momentum



Revenues & Outlook

Olivier REGNARD

Chief Financial Officer

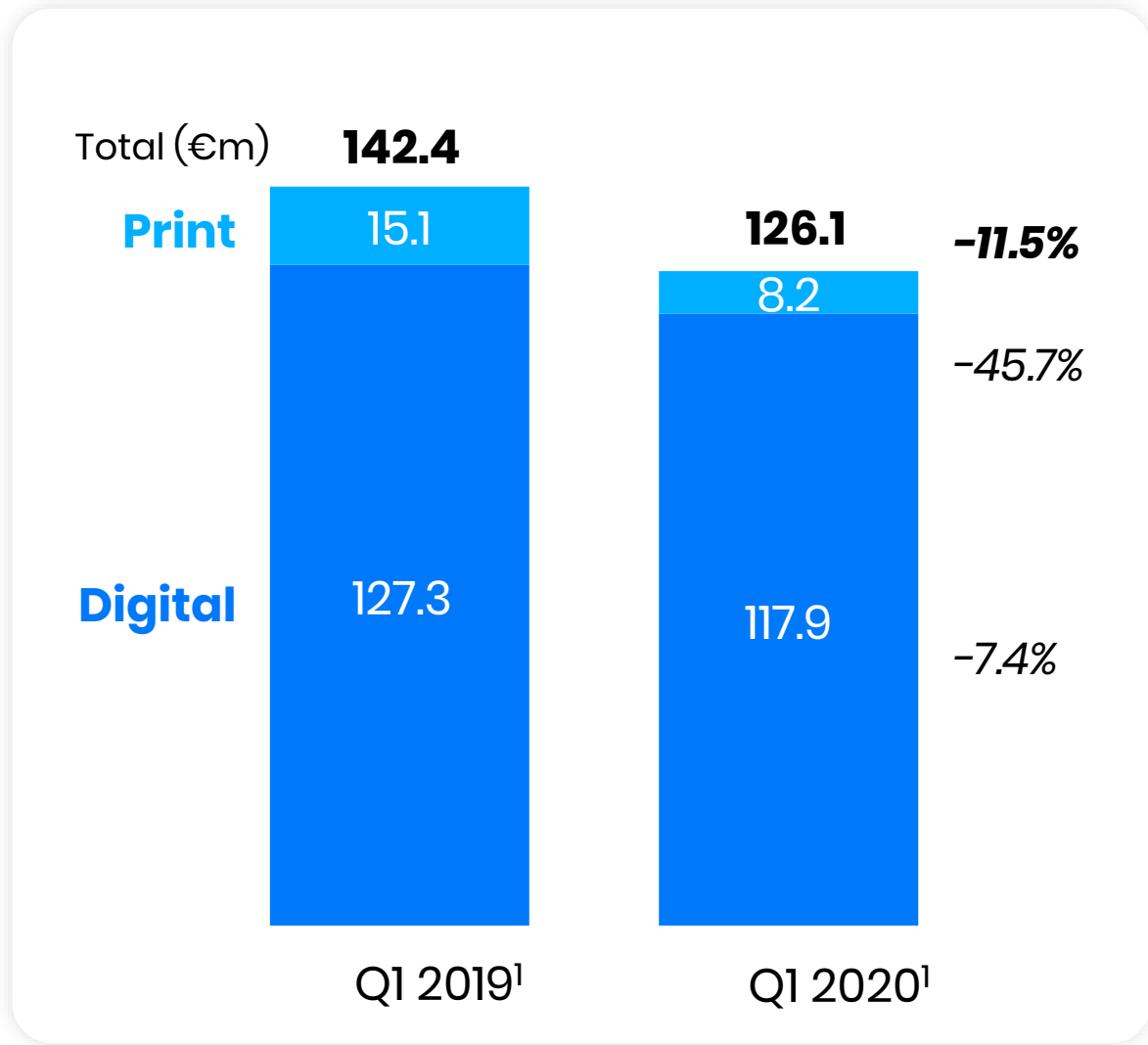
Q1 2020 : Revenues & KPIs

In million euros	Q1 2019 ¹	Q1 2020 ¹	Change
Digital revenues	127	118	-7.4%
Secured Digital revenues for current year	383	360	-5.8%
Subscription-based order intake (as a % of Digital order intake) ²	23%	79%	+56 pts
PJ traffic (in million visits) ³	561	505	-9.9%

In million euros	Dec 2019	Mar 2020	Change
Digital order backlog	340	330	-3.0%

- • Decrease in **Digital revenues** due to the conversion of previous quarters' order intake into revenues
- • **More than €360 m Digital revenues** are already secured for 2020 thanks to past order intake
- • In one year, a vast majority of Digital order intake has shifted to a subscription-based model
- • PJ traffic was hit by the Covid impact since mid March but much less than other medias in France
- • **Digital order backlog** down -3% due to revenues higher than order intake over the quarter (order intake affected since mid-March, while revenues not yet impacted)

Q1 2020 Revenues breakdown vs. Q1 2019



- Digital revenues **in line with our expectations**
 - Impacted by negative order intake in H1 2019 and positive H2 2019
- As of today, **revenues not yet impacted by Covid crisis**
 - But Q2 2020 and H2 2020 will be significantly impacted, depending on the duration of shutdown
- Print revenues: ongoing decreasing trend
 - Accelerated by Print business terminating end 2020

Operational measures to protect liquidity

Conservatory measures taken very quickly to preserve our business and our financial structure:

Additional cost reductions

c. €40 m for 2020 on top of initial forecast

- Implementation of partial or full unemployment measures taken for 50% of Solocal staff
- Cost cutting measures: outsourcing, reduction in ad campaign, events, professional travels...

Liquidity focus

- Postponement of tax & social security payments
- Deferred payment of bond coupon initially scheduled mid-March – Standstill obtained from bondholders – Ongoing discussions
- Discussions to obtain a Bridge (PGE) from French Banks and/or BPI France

Wrap up

- Covid has severe impact on Solocal activity : crisis magnitude and timing yet to be assessed
- Under these circumstances, Solocal suspended its announced guidance on 3rd April 2020 & cannot deliver reliable guidance for 2020 **yet**
- As of today:

Revenues

Already €360 m Digital revenues secured for 2020FY

Yet -20% decline expected for 2020FY

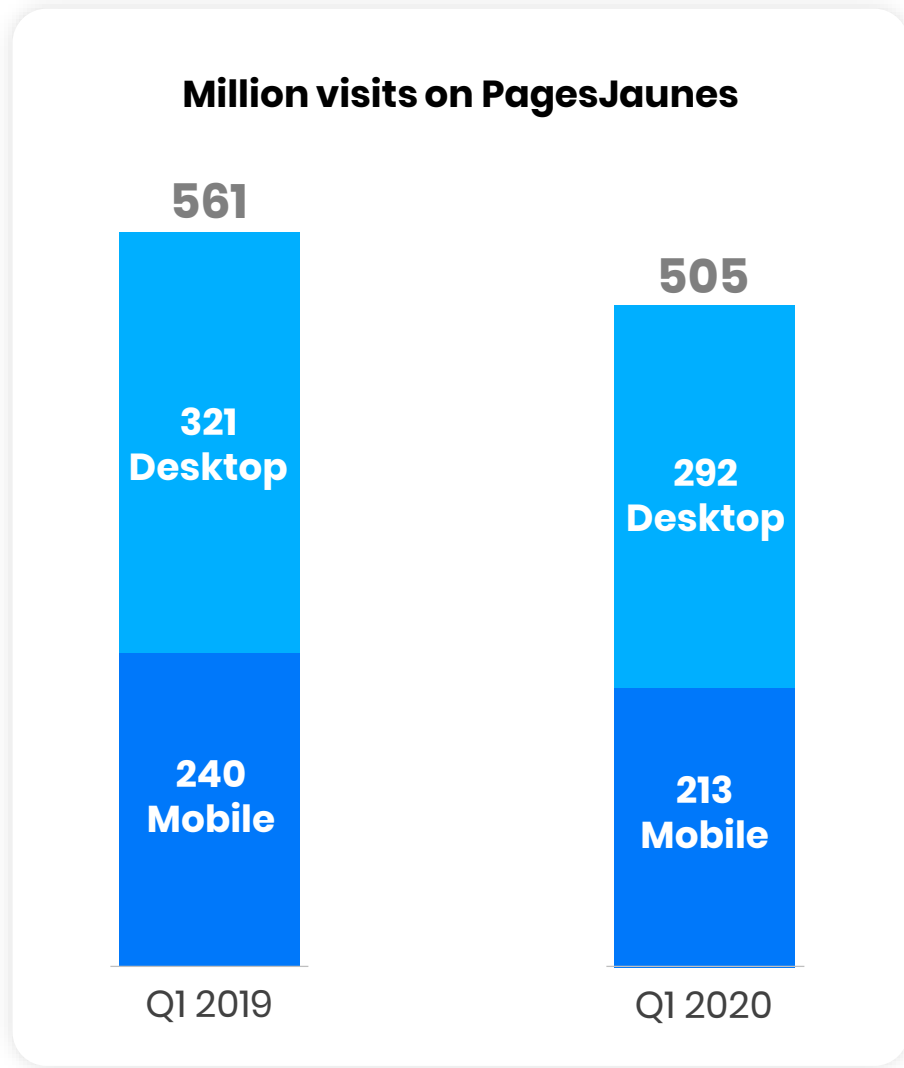
Implementation of a **> €40 m additional cost reduction plan** to partially offset the revenues decrease



Ongoing discussions with bondholders & public authorities to protect liquidity



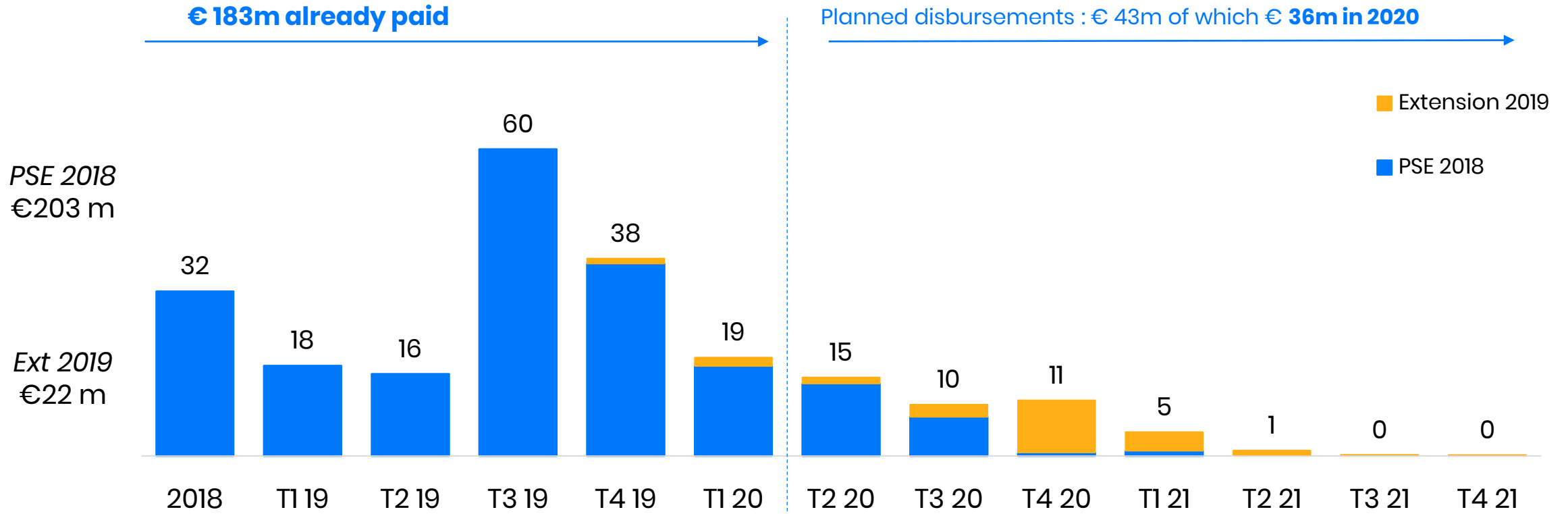
Annexes

Q1 2020 PagesJaunes traffic impacted by the crisis



- -10% decrease in PJ visits in Q1 2020 vs. Q1 2019, as **online local searches are impacted by containment measures**
 - Local searches decreased by -29% overall: different trend depending on the type of business searched
 -  | Supermarkets +98%
 -  | Hotels -61%
- Slowdown in PJ visits is alleviated by Solocal swift launch of **innovative features on PJ website**, designed to help users and SMEs alike in times of crisis

Redundancy plan 2018 & 2019: 81% of costs already paid



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