



April 25<sup>th</sup> 2018

**#Q1 2018  
REVENUES**

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*Solocal.*  
GROUP

## DISCLAIMER

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This document contains forward-looking statements. Any forward-looking statement does not constitute forecasts as defined in European regulation (EC) 809/2004. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements are based on the Company's current beliefs, assumptions and expectations of its future performance, taking into account all information currently available. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company. These risks and uncertainties include those discussed or identified under section 4 "Risk Factors" of the SoLocal Group's "Document de référence" which was filed with the French financial markets authority (AMF) on 28 April 2017. Important factors that could cause actual earnings to differ materially from the earnings anticipated in the forward-looking statements include the effects of competition, usage levels, the success of the Group's investments in France and abroad, and the effects of the economic situation. SoLocal Group, its affiliates, directors, advisors, employees and representatives expressly disclaim any liability whatsoever for such forward-looking statements.

The forward-looking statements contained in this document apply only at the date of this document. SoLocal Group does not undertake to update any of these statements to take account of events or circumstances arising after the date of said document or to take account of the occurrence of unexpected events.

Accounting data presented on an annual basis are in audited consolidated form, but accounting data indicated on a quarterly or half-yearly basis are in unaudited consolidated form.

Business indicators covered in the presentation are for continued activities.

All financial data and indicators are published in details within the report of Consolidated financial information as of 31 December 2017 which is available on the corporate website, [www.solocalgroup.com](http://www.solocalgroup.com) (finance area).



# **BUSINESS UPDATE**

Eric Boustouller, CEO

## Q1 2018 OVERVIEW

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*in millions of euros, unless otherwise stated*

	[ Q1 2017 ]	[ Q1 2018 ]	[ Change ]
<b>DIGITAL REVENUES</b>	<b>150</b>	<b>152</b>	<b>+1%</b>
<b>DIGITAL SALES</b>	<b>166</b>	<b>153</b>	<b>-8%</b>
<b>DIGITAL ORDER BACKLOG</b>	<b>398</b>	<b>394</b>	<b>-1%</b>
<b>AUDIENCE (in millions)</b>	<b>614</b>	<b>600</b>	<b>-2%</b>
<b>% EVERGREEN SALES</b>	<b>9%</b>	<b>17%</b>	<b>+8pts</b>

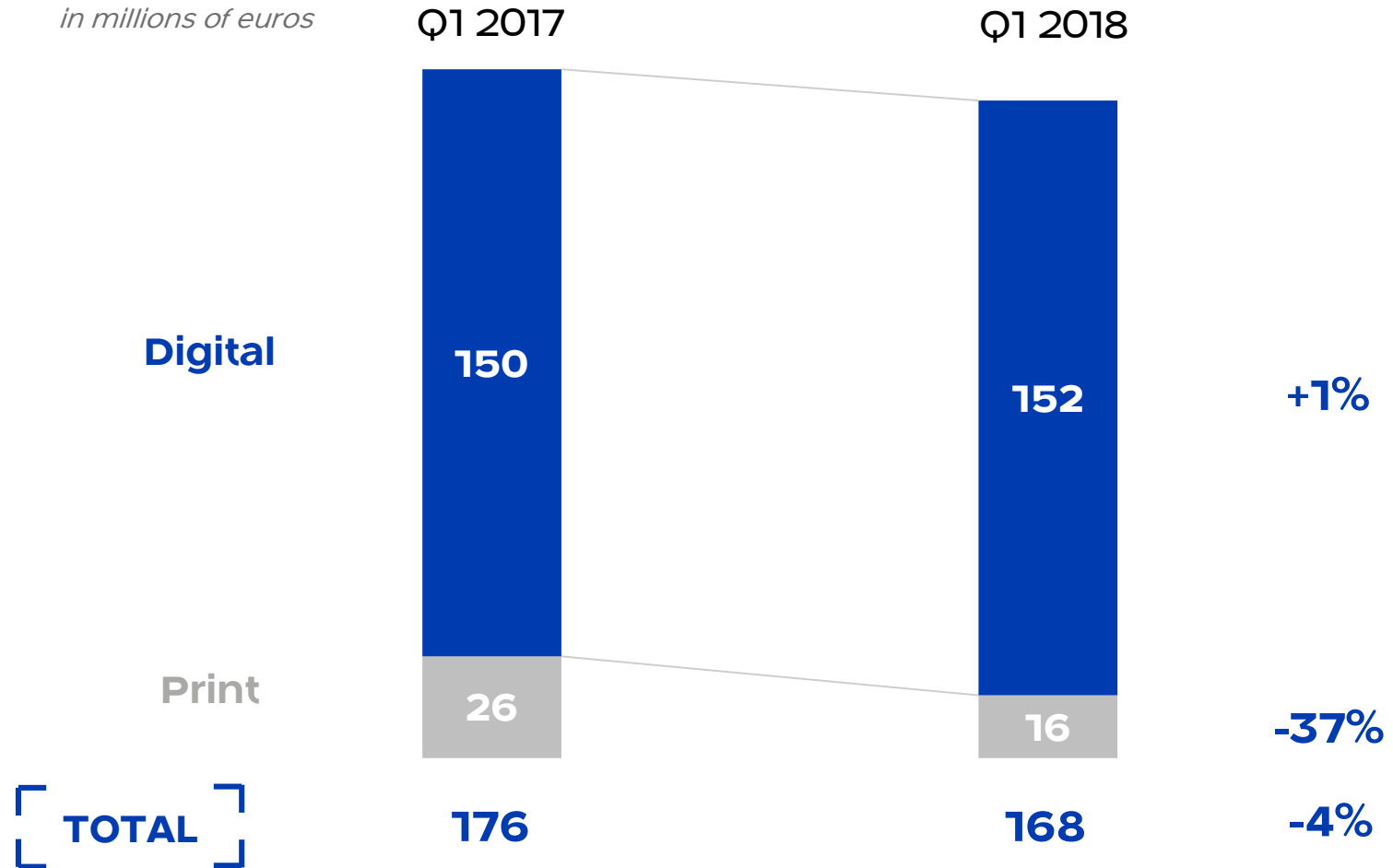
# Q1 2018 REVENUE BREAKDOWN

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*in millions of euros*



## DRIVERS



- Digital growth driven by success of Premium websites, Booster Contact and Pack Presence
- Clients migrating towards digital

# Q1 2018 SALES BREAKDOWN

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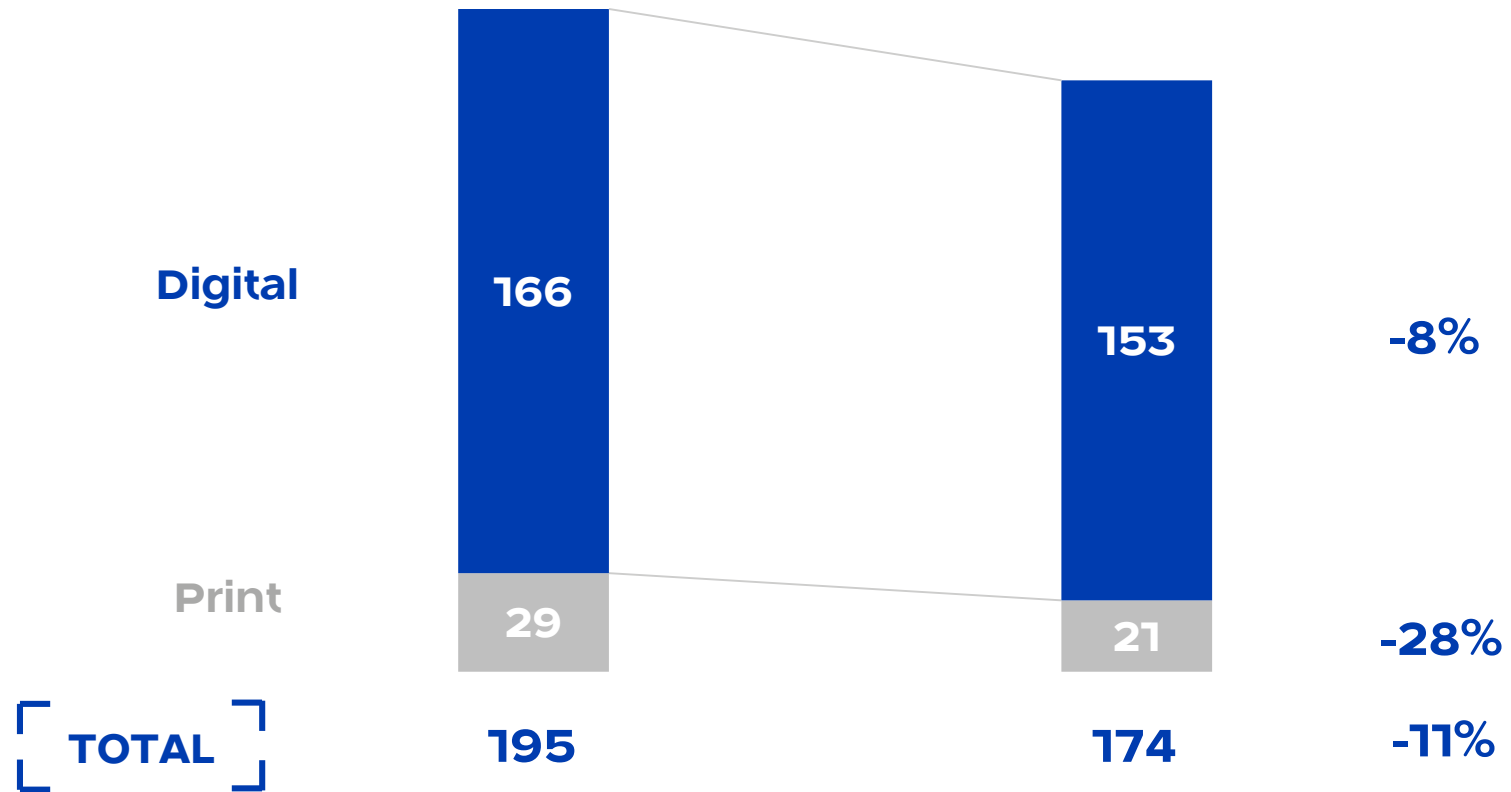
*in millions of euros*

Q1 2017

Q1 2018



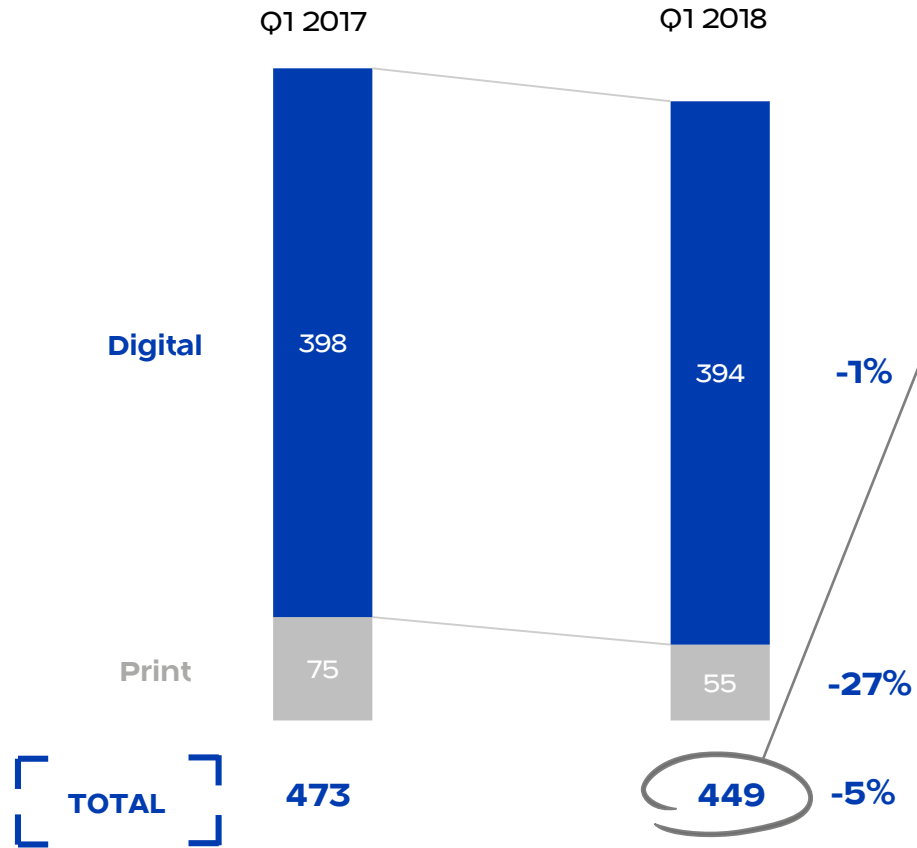
## DRIVERS



- Slowdown related to disturbances after the announcement of redundancy plan (« PSE ») and fewer business days and days worked
- Clients migrating towards digital

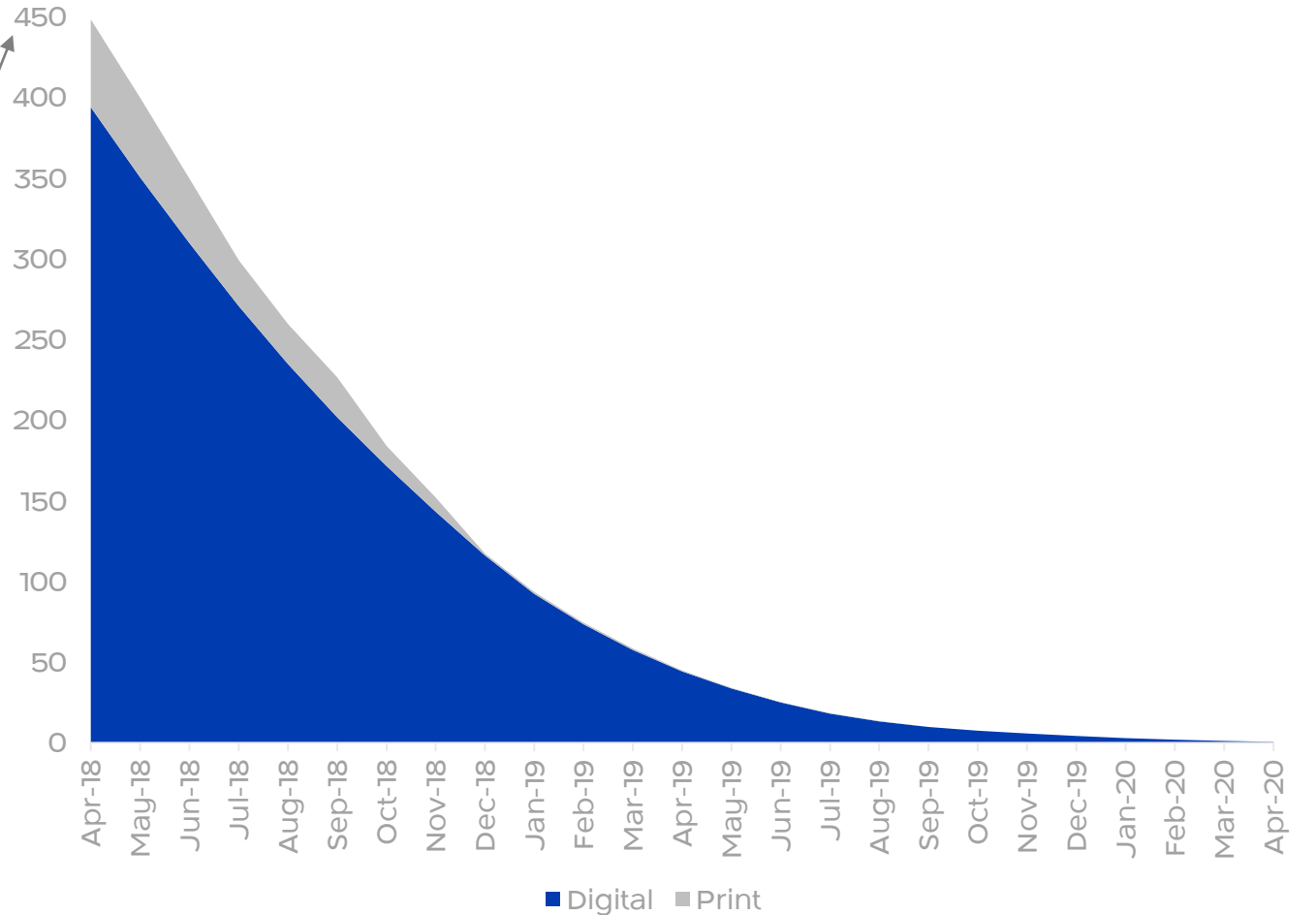
# Q1 2018 ORDER BACKLOG

in millions of euros



# CONVERSION OF ORDER BACKLOG INTO REVENUES

in millions of euros



# Q1 2018 AUDIENCE

in millions of visits Q1 2017

Q1 2018



## DRIVERS

- Flat PagesJaunes audience
- Decrease of Ooreka audience impacted by strong competition in health and housing universe
- Decrease of Mappy audience mainly driven by deterioration of non-mobile visits

Sources : AT Internet et SoLocal Group



# Q1 2018 % EVERGREEN SALES

\_\_\_\_\_

*in % of total sales*

Q1 2017

Q1 2018



[ TOTAL ]

9%

17%

+8pts

- Takeoff driven by growth of Premium websites, launch of a dedicated offering for low ARPA clients and ramp-up of presence management offering

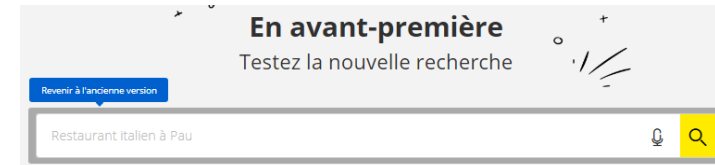
# MOMENTUM OF SOLOCAL 2020 IMPLEMENTATION

## 1 Smart organization

- Ongoing information and consultation process with employee representatives until 21 June 2018

## 2 PagesJaunes media reinvention execution

- Apr-18 : launch of single field search
- By Q2 2018 : loyalty program, partnership booking, reshaping of basic content and conversational – natural language



## 3 Digital advertising & Partnership

- Renewal of Google partnership aiming at Digital advertising business growth 

## 4 Full web / cross device offer

- New offerings launched targeting network accounts (Pack presence) and SMEs (Facebook)
- Revamping of low-end website offering (Visibility)
- Confirmation of new offering roll-out as of next fall : packaged, full web and evergreen

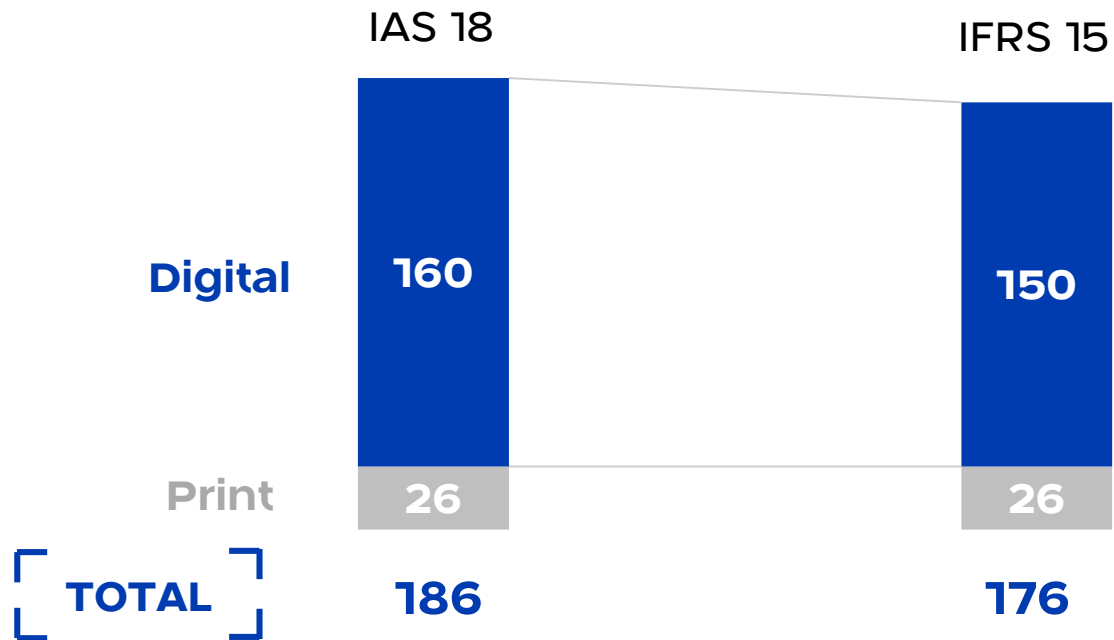


## **FINANCIAL HIGHLIGHTS**

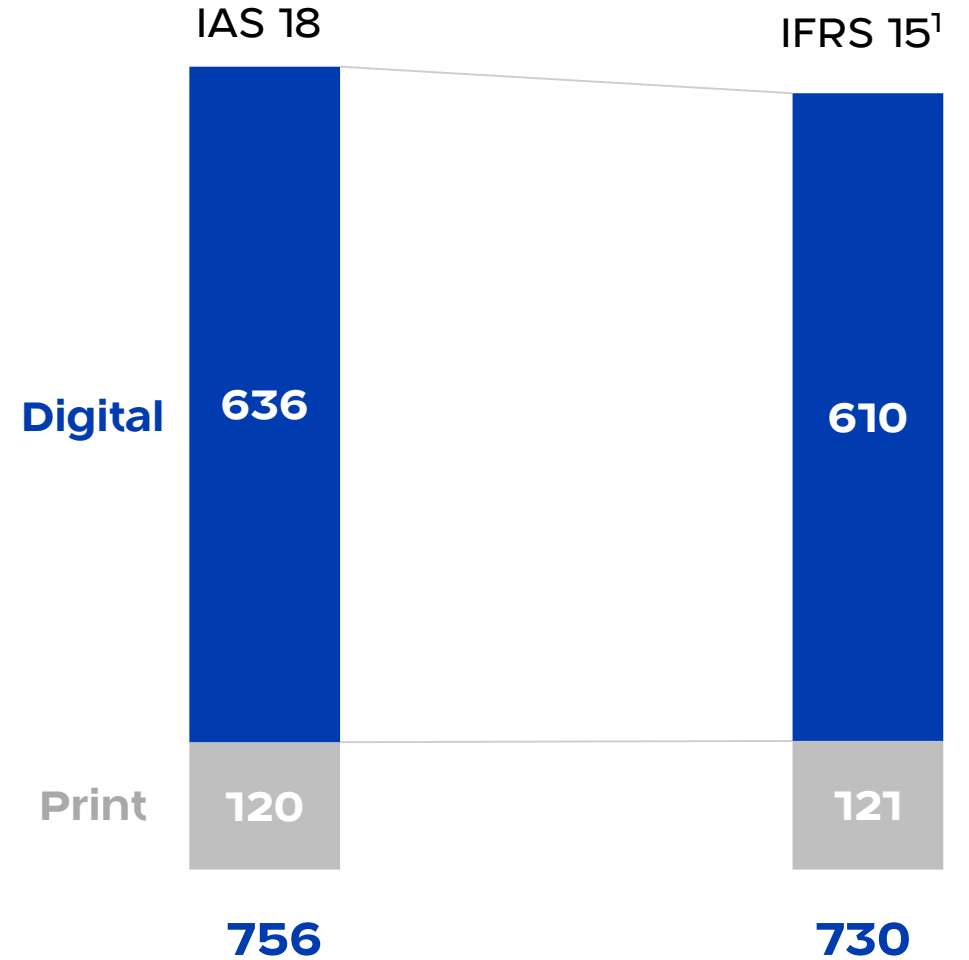
Jean-Jacques Bancel, CFO

# IMPACTS OF IFRS 15 ADOPTION

Q1 2017 revenues



2017 revenues

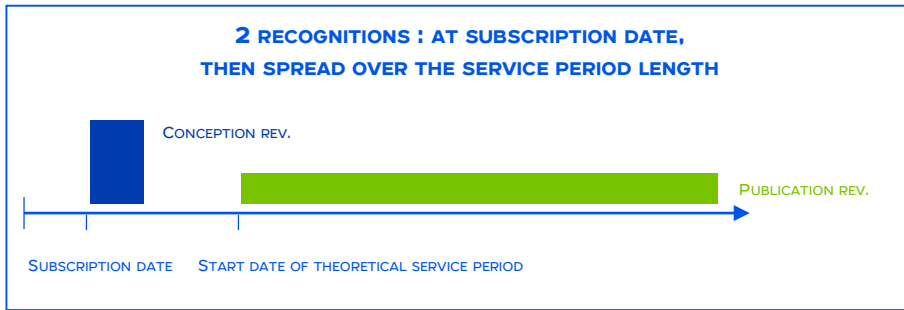


<sup>1</sup> Being currently reviewed by the auditors

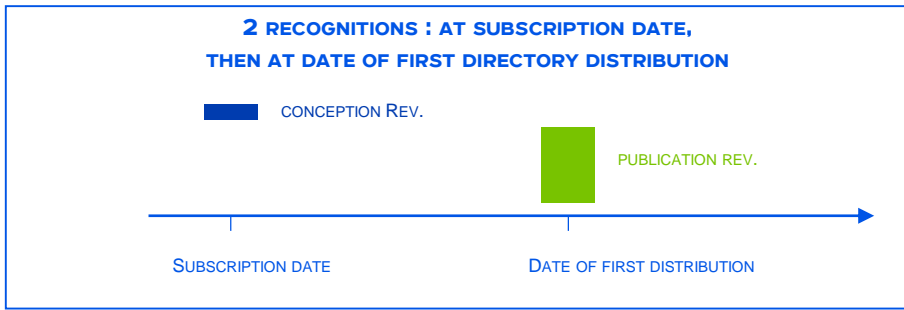
# REVENUE RECOGNITION UNDER IFRS 15

## IAS 18

**WEBSITES**



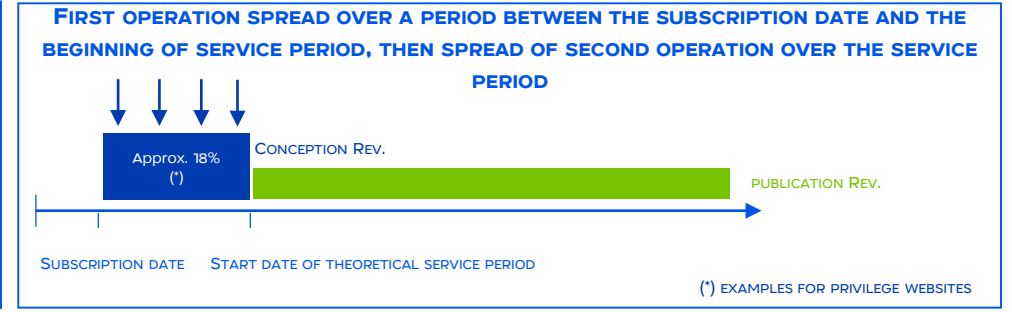
**DIGITAL PRODUCTS (EXCL. WEBSITES)**



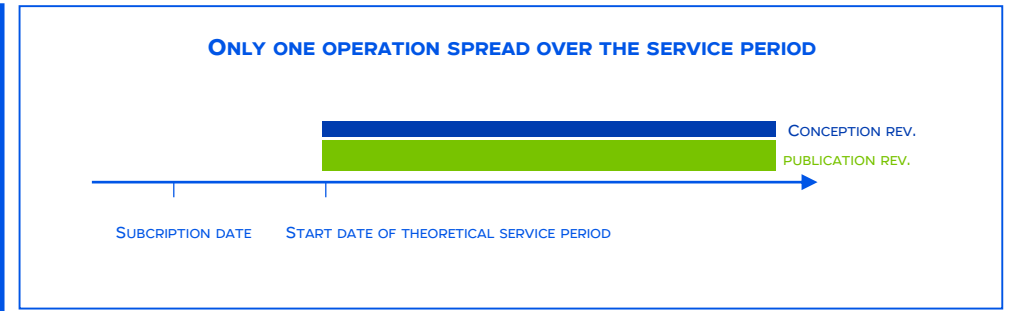
**PRINT & OTHER**

## IFRS 15

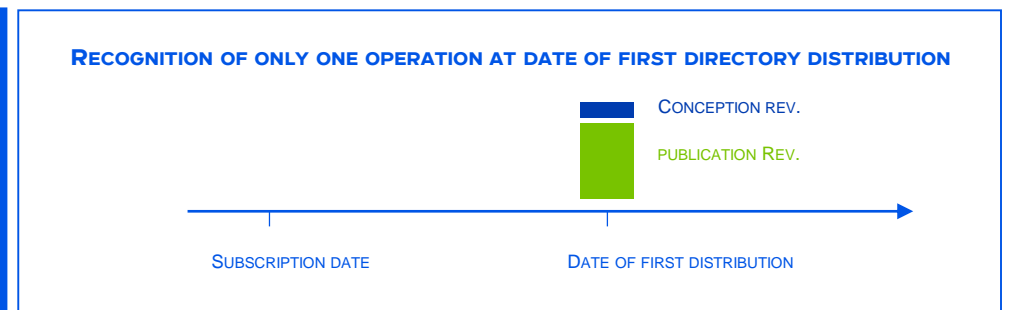
**WEBSITES**



**DIGITAL PRODUCTS (EXCL. WEBSITES)**



**PRINT & OTHER**



## ONGOING EFFORTS TO REDUCE THE COST BASE

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- **Cautious management of the workforce**
  - Non-replacement of employees leaving the company
  - Hiring freeze
- **Non-staff costs**
  - Procurement under control : ongoing diagnostic on all purchases
  - IT expenditures prioritized and optimized
  - Cut in seminar and event costs
- **Divestment**
  - Disposal of Netvendeur on 9<sup>th</sup> March



## OUTLOOK

Eric Boustouller, CEO

## OUTLOOK FOR 2018

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- The Group **confirms for 2018 its outlook of stabilization of recurring EBITDA.**