Consolidated financial information
As at 30 September 2012

Board of Directors' Meeting of 23 October 2012

Unofficial translation of the French-language "Informations financières consolidées Au 30 septembre 2012" of PagesJaunes Groupe, for information purposes only.

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PagesJaunes Groupe
Public limited company having a Board of Directors and a capital of €56,196,950.80
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Commercial and Companies Register Nanterre 552 028 425

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1. ACTIVITY REPORT AS AT 30 SEPTEMBER 2012

1.1. Overview

The Group's core business activity is the provision of local information, principally in France, through the publication of printed and online directories, and the publication of editorial content to assist users in making searches and choices. Through its subsidiaries, the PagesJaunes Groupe conducts three complementary businesses: the provision of content and services, media and advertising representation. Its offering comprises a diversified range of products and services associated with these businesses for the general public and businesses.

The Group's business model is based on that of the media: offering quality content which generates an audience and then monetizing this audience, either as a whole or in segments, among businesses.

The Group's businesses are organized into three segments:

- Internet:

  These are the activities carried out through the Internet. The main products are the creation and marketing of content and advertising space, listing, targeted advertising and the provision of advertising space for local and national advertisers (often referred to as Display), as well as a complete range of products and services for the provision and distribution of information with local content. The Group's Internet activity is mainly carried out in France, but also in Spain (QDQ Media), Luxembourg (Editus) and in 12 countries through Yelster Digital (formerly 123people).

  This segment comprises the online directory activity of "pagesjaunes.fr" and "pagespro.com", the creation and marketing of content and advertising space of the "search" and "display" type, particularly through Horyzon Media's Internet advertising representation, as well as through online small ads from "annoncesjaunes.fr" and "avendrealouer.fr".

  The Group is one of the main European operators in the creation and hosting of sites. It offers its customers web optimization and visibility solutions through Search Engine Optimization (''SEO'', optimization of the coding, design, menu and content of a website) or Search Engine Marketing (''SEM'', use of paid placements, contextual advertising and paid inclusions).

  This segment includes the online journey planner, geolocation and reservation services of the Mappy and UrbanDive brands, and couponing from 123deal.

  Online people and profile searching with the 123people service, online quotation requests and building industry contact establishment through Keltravo, the themed content site ComprendreChoisir.com published by Fine Media and the Direct Marketing offers based on sending emails ("emailing") services also form part of this segment.

- Printed directories:

  This is the Group's historical activity, involving the publication, distribution and sale of advertising space in printed directories (PagesJaunes, *l'Annuaire*, and the directories of QDQ Media in Spain and Editus in Luxembourg).

- Other businesses:

  Businesses specific to PagesJaunes SA: directory enquiry services by telephone and SMS (118 008), Minitel (discontinued at the end of June 2012), and the QuiDonc reverse directory. This segment also includes a number of activities of PagesJaunes Marketing Services: telemarketing, data mining, database generation, prospect processing and traditional Direct Marketing activities (data entry and postage).

1.2. Comments on the results as at 30 September 2012

PagesJaunes Group	**As at 30 September**		
in million euros	**2012**	**2011**	**Change 2012/2011**
Revenues	**799.9**	**819.4**	**-2.4%**
External purchases	(164.3)	(178.6)	8.0%
Other operating income	6.2	2.5	148.0%
Other operating expenses	(8.2)	(7.6)	-7.9%
Salaries and charges	(271.8)	(254.8)	-6.7%
Gross Operating Margin	**361.8**	**380.9**	**-5.0%**
As % of revenues	*45.2%*	*46.5%*	
Employee profit-sharing	(11.6)	(10.5)	-10.5%
Share-based payment	(0.7)	(1.1)	36.4%
Depreciation and amortisation	(26.5)	(18.0)	-47.2%
Gains and losses from disposals	(0.1)	(0.3)	66.7%
Acquisition costs of shares	(0.0)	(0.7)	100.0%
Operating income	**322.8**	**350.3**	**-7.9%**
As % of revenues	*40.4%*	*42.8%*	
Financial income	3.9	2.6	50.0%
Financial expenses	(98.9)	(94.7)	-4.4%
Net financial income	**(95.0)**	**(92.0)**	**-3.3%**
Share of profit or loss of an associate	(0.7)	(0.1)	-600.0%
Income before tax	**227.2**	**258.2**	**-12.0%**
Corporate income tax	(88.2)	(95.9)	8.0%
Income for the period	**139.0**	**162.3**	**-14.4%**
of which attributable to:			
- Shareholders of PagesJaunes Groupe	139.1	162.3	-14.3%
- Non-controlling interests	(0.1)	0.0	

Excluding 123people, the number of visits to the Group's websites as a whole totalled 1,260.5 million as at 30 September 2012, up 8.0% compared to 30 September 2011, on a like-for-like basis with the number of visits on mobile Internet up 80.1%.

The consolidated revenues of the PagesJaunes Groupe amounted to 799.9 million euros as at 30 September 2012, up 2.4% compared to 30 September 2011 as published data. There is no impact linked to the timing differences in the publication of the printed directories of PagesJaunes at the end of September. The fall in revenues from printed directories, down 14.2% compared to 30 September 2011, is partially offset by the growth in Internet businesses, which rose 9.4% compared to 30 September 2011 to 463.3 million euros. Internet revenues accordingly represented 57.9% of the Group's revenues as at 30 September 2012, compared to 51.7% as at 30 September 2011.

External purchases amounted to 164.3 million euros as at 30 September 2012, down 8.0% compared to 30 September 2011. This drop is primarily the result of the savings made on the costs of paper, printing and delivery (down 15%), as well as the reduction in marketing and technology expenses.

Salaries and social charges amounted to 271.8 million euros, up 6.7% compared to 30 September 2011. This increase can be explained by the continued commercial investment in 2012.

The total for other operating income and expenses represents an expense of 2.0 million euros as at 30 September 2012, down 61% compared to 30 September 2011. This drop can be explained primarily by the higher amounts for the Research Tax Credit recognized in 2012.

The Group's gross operating margin amounted to 361.8 million euros as at 30 September 2012, down 5.0% compared to 30 September 2011. The gross operating margin rate remains high at 45.2% as at 30 September 2012 compared to 46.5% as at 30 September 2011, with the drop resulting primarily from commercial investment.

The Group's operating income declined 7.9% to 322.8 million euros compared to 30 September 2011. The decrease in operating income was essentially due to the decrease in the gross operating margin, as well as the increase in depreciation and amortization expense, for 8.5 million euros, due to the increase in Internet investments since 2010.

The Group's financial result represents a net expense of 95.0 million euros, up 3.3% between 30 September 2011 and 30 September 2012. The average interest rate on the debt decreased from 5.56% as at 30 September 2011 to 5.26% as at 30 September 2012, which is a drop of 30 base points linked to the drawing on the RCF credit facility, for which the margin is less than the average margin. The drop in rates made it possible to partially offset the increase in the cost of the debt following the refinancing operations conducted in the first half of 2011. As at 30 September 2011, following the issue of the bond loan, the financial result was impacted by the recognition of 5.1 million euros of accelerated amortization of the expenses associated with the issue of this loan.

Income for the period amounted to 139.0 million euros, down 14.4% compared to 30 September 2011.

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

in million euros	As at 30 September 2012	2011	Change 2012/2011
Internet	463.3	423.6	9.4%
Printed directories	316.2	368.6	-14.2%
Other businesses	20.4	27.2	-25.0%
Revenues	**799.9**	**819.4**	**-2.4%**
Internet revenues as % of total revenues	*57.9%*	*51.7%*	
Internet	206.2	196.2	5.1%
Printed directories	147.7	175.8	-16.0%
Other businesses	7.9	9.0	-12.2%
Gross Operating Margin	**361.8**	**380.9**	**-5.0%**
As % of revenues	*45.2%*	*46.5%*	

1.2.1. Analysis of the revenues and gross operating margin of the Internet segment

The following table shows the revenues and gross operating margin of the Internet segment as at 30 September 2011 and 30 September 2012:

Internet in million euros	As at 30 September 2012	2011	Change 2012/2011
Revenues	**463.3**	**423.6**	**9.4%**
Gross Operating Margin	**206.2**	**196.2**	**5.1%**
As % of revenues	*44.5%*	*46.3%*	

The revenues of the Internet segment rose 9.4% as at 30 September 2012 to 463.3 million euros. This sustained growth was driven by the Search businesses, buoyed by mobile, and by the Display business in France.

The Group's gross operating margin for the Internet segment amounted to 206.2 million euros as at 30 September 2012, up 5.1% compared to 30 September 2011. The gross operating margin rate changed from 46.3% as at 30 September 2011 to 44.5% as at 30 September 2012, primarily from continued commercial investment, partially offset by the reduction in marketing and technology expenses.

1.2.2. Analysis of the revenues and gross operating margin of the Printed directories segment

The following table shows the revenues and gross operating margin of the Internet segment as at 30 September 2011 and 30 September 2012:

Printed directories	**As at 30 September**		
in million euros	**2012**	**2011**	**Change 2012/2011**
Revenues	**316.2**	**368.6**	**-14.2%**
Gross Operating Margin	**147.7**	**175.8**	**-16.0%**
As % of revenues	*46.7%*	*47.7%*	

The revenues of the Printed directories segment are down 14.2% as at 30 September 2012 at 316.2 million euros, primarily linked to a more pronounced drop in the revenues on all of the *départements* in which prospecting took place in 2012. Note the discontinuation of PagesBlanches in 4 *départements* (*Alpes-Maritimes, Yvelines, Essonne and Val-d'Oise*) in September 2012. These *départements* represented 1.5 million euros in revenue in 2011, which is 0.2% of the revenues from printed directories at the end of September 2011.

The gross operating margin of the Printed directories segment amounted to 147.7 million euros as at 30 September 2012, down 16.0% compared to 30 September 2011. The gross operating margin rate was 46.7% as at 30 September 2012, down 1.0 point compared to 30 September 2011. The continued efforts in reducing the costs of producing and distributing printed directories, combined with the discontinuation of PagesBlanches in 4 *départements*, made it possible to partially offset the commercial investment in France, and this despite a more pronounced drop in the revenues in 2012. The costs of paper, printing and delivery are down 15% over the first nine months of 2012, to be compared with a drop in revenues in the Printed directories segment of 14% over the same period.

1.2.3. Analysis of the revenues and gross operating margin of the Other businesses segment

The following table shows the revenues and gross operating margin of the Other businesses segment as at 30 September 2011 and 30 September 2012:

Other businesses	**As at 30 September**		
in million euros	**2012**	**2011**	**Change 2012/2011**
Revenues	**20.4**	**27.2**	**-25.0%**
Gross Operating Margin	**7.9**	**9.0**	**-12.2%**
As % of revenues	*38.7%*	*33.1%*	

The revenues of the Other businesses segment decreased by 25.0% as at 30 September 2012 to 20.4 million euros. This was due to the sharp decrease in revenues from telephone directory enquiry services, and in revenues from advertisers and from calls made by users of this service.

The gross operating margin of the Other businesses segment amounted to 7.9 million euros as at 30 September 2012, down 12.2% compared to 30 September 2011. The gross operating margin rate changed from 33.1% on 30 September 2011 to 38.7% as at 30 September 2012. The impact of the drop in revenues on the margin is partially offset by the discontinuation of advertising expenses to promote the telephone directory enquiry services (118 008), and savings on call processing and the drop in the weight of mail postage.

1.2.4. Analysis of consolidated operating income

The following table presents the consolidated operating income of the Group as at 30 September 2011 and 30 September 2012:

PagesJaunes Group	**As at 30 September**		
in million euros	**2012**	**2011**	**Change 2012/2011**
Gross Operating Margin	**361.8**	**380.9**	**-5.0%**
Employee profit-sharing	(11.6)	(10.5)	-10.5%
Share-based payment	(0.7)	(1.1)	36.4%
Depreciation and amortisation	(26.5)	(18.0)	-47.2%
Gains and losses from disposals	(0.1)	(0.3)	66.7%
Restructuring costs	(0.0)	-	-
Acquisition costs of shares	(0.0)	(0.7)	100.0%
Operating income	**322.8**	**350.3**	**-7.9%**
As % of revenues	*40.4%*	*42.8%*	

1.2.4.1. Employee profit-sharing and share-based payment

The legal profit-sharing among the employees of the Group amounted to 11.6 million euros as at 30 September 2012 compared to 10.5 million euros as at 30 September 2011. This increase can be explained by the corporate contribution changing from 8% to 20%.

The Group's share-based payment expense amounted to 0.7 million euros as at 30 September 2012 compared to 1.1 million euros as at 30 September 2011. This expense resulted from the stock option plans established in 2009 and in 2010.

1.2.4.2. Depreciation and amortization

The Group's depreciation and amortization charges amounted to 26.5 million euros as at 30 September 2012 compared to 18.0 million euros as at 30 September 2011, a rise of 47.2%. This rise reflects the increase in investments carried out by the Group which are essential for its digital transformation, particularly in the context of the launch of new products and services for customers and the enrichment of the functionalities of the Group's fixed and mobile websites.

1.2.4.3. Operating income

The Group's operating income as at 30 September 2012 amounted to 322.8 million euros, down 7.9% compared to 30 September 2011. The rate of the Group's operating margin as a proportion of revenues changed from 42.8% as at 30 September 2011 to 40.4% as at 30 September 2012.

1.2.5. Analysis of income for the period

The table below shows the Group's income for the period as at 30 September 2011 and as at 30 September 2012:

PagesJaunes Group	As at 30 September		
in million euros	2012	2011	Change 2012/2011
Operating income	**322.8**	**350.3**	**-7.9%**
Financial income	3.9	2.6	50.0%
Financial expenses	(98.9)	(94.7)	-4.4%
Gain (loss) on foreign exchange	-	-	-
Net financial income	**(95.0)**	**(92.0)**	**-3.3%**
Share of profit or loss of an associate	(0.7)	(0.1)	-600.0%
Income before tax	**227.2**	**258.2**	**-12.0%**
Corporate income tax	(88.2)	(95.9)	8.0%
Income for the period	**139.0**	**162.3**	**-14.4%**
of which attributable to:			
- Shareholders of PagesJaunes Groupe	139.1	162.3	-14.3%
- Non-controlling interests	(0.1)	0.0	

1.2.5.1. Financial income

The Group's financial income represents a net expense of 95.0 million euros as at 30 September 2012 compared to 92.0 million euros as at 30 September 2011. The financial income essentially comprised the interest expense relating to the bank loan, for 1,600.0 million euros, and the bond loan issued on 20 May 2011 at a fixed rate of 8.875% for 350.0 million euros. Moreover, the drawing on the entire amount of the revolving credit line also impacts this item in 2012.

In 2011, the bank loan was fully hedged against changes in interest rates by a portfolio of rate swaps and collars maturing in December 2011. As at 30 September 2012, this loan was hedged 56% by swaps for the period December 2011 - November 2013 and 31% by forward swaps for the period November 2013 - September 2015.

The total interest expense, net of the effect of rate hedging instruments, amounted to 89.2 million euros as at 30 September 2012 compared to 81.4 million euros as at 30 September 2011. The average interest rate on the debt changed from 5.56% as at 30 September 2011 to 5.26% as at 30 September 2012 (5.75% excluding the impact of drawing on the RCF in January 2012), a drop of 30 base points primarily associated with the drawing on the RCF, for which the margin is less than the average margin. The drop in the rates made it possible to partially offset the increase in the cost of the debt following the refinancing operations conducted in the first half of 2011. For the record, this rate stood at 5.77% for full-year of 2011.

The financial income also includes the amortization of loan issue expenses amounting to 6.8 million euros as at 30 September 2012 compared to 10.7 million euros as at 30 September 2011. This decrease can be explained by the debt renegotiating in the 1st half of 2011 which led to part of the bank debt being extinguished and the recognition of 5.1 million euros of accelerated amortization of part of the expenses associated with the issue of this loan in 2006. Investment income amounted to 3.4 million euros as at 30 September 2012 compared to 1.2 million euros as at 30 September 2011.

1.2.5.2. Corporate income tax

As at 30 September 2012, the Group recorded a corporation tax charge of 88.2 million euros, down 8.0% compared to 30 September 2011. The apparent tax rate was 38.7% as at 30 September 2012 compared to 37.1% at 30 September 2011. This was mainly due to the introduction of the additional contribution of 5% on corporate income tax in France. For the record, the apparent tax rate stood at 38.9% for full-year 2011.

1.2.5.3. Income for the period

The Group's income for the period amounted to 139.1 million euros as at 30 September 2012 compared to 162.3 million euros as at 30 September 2011, a decrease of 14.3% between the two periods.

1.3. Consolidated liquidities, capital resources and investment expenses

The table below shows the changes in the Group's cash position at 30 September 2012, 31 December 2011 and 30 September 2011:

PagesJaunes Group in million euros	**Period ending 30 September 2012**	**Year ending 31 December 2011**	**Period ending 30 September 2011**
Fair value of hedging instruments	-	-	-
Accrued interest not yet due	0.0	0.0	0.0
Cash and cash equivalents	524.0	82.7	79.0
Cash	**524.0**	**82.7**	**79.0**
Bank overdrafts	(3.0)	(4.6)	(4.5)
Net cash	**521.1**	**78.1**	**74.5**
Bank borrowing	1,600.1	1,600.2	1,600.0
Bond loan	350.0	350.0	350.0
Revolving	281.4	-	-
Loan issue expenses	(27.8)	(33.4)	(35.6)
Capital leases	0.1	0.1	-
Liability in respect of hedging instruments	-	-	1.9
Fair value of hedging instruments	62.7	56.4	54.3
Accrued interest not yet due	14.4	7.4	16.4
Earn-outs	8.5	9.9	9.7
Other financial liabilities	1.8	2.2	2.3
Gross financial debt	**2,291.2**	**1,992.8**	**1,999.0**
of which current	*(299.0)*	*(11.3)*	*(27.4)*
of wich non current	*(1,992.2)*	*(1,981.5)*	*(1,971.7)*
Net debt	**1,770.1**	**1,914.7**	**1,924.5**
Net debt excl. fair value of hedging instruments and debt-related fees	**1,735.3**	**1,891.7**	**1,905.8**

The Group’s net financial debt amounted to 1,770.1 million euros as at 30 September 2012, compared to 1,914.7 million euros as at 31 December 2011 and 1,924.5 million euros at 30 September 2011.

As at 30 September 2012, it mainly comprised:

- a bank loan totalling 1,600 million euros, of which 638.0 million euros is repayable in November 2013 and 962.0 million euros in September 2015. Since 13 December 2011, the bank debt is hedged 56% by swaps for the period December 2011 – November 2013 and 31% by forward swaps for the period November 2013 – September 2015. In addition, PagesJaunes Group has a credit line of approximately 300 million euros granted by a diversified syndicate of banks and expiring at the end of 2013. This revolving credit line was fully drawn on as at 30 September 2012, the funds collected as such amount to 281.4 million euros,

- a bond loan amounting to a total of 350.0 million euros at a fixed rate of 8.875% repayable in June 2018.

Excluding the fair value of interest rate hedging instruments, representing a liability of 62.7 million euros as at 30 September 2012 compared to a liability of 54.3 million euros as at 30 September 2011, and excluding loan issue expenses of 27.8 million euros as at 30 September 2012 compared to 35.6 million euros as at 30 September 2011, the net debt amounted to 1,735.3 million euros as at 30 September 2012, compared to 1,905.8 million euros as at 30 September 2011.

The table below shows the Group's consolidated cash flow as at 30 September 2011 and as at 30 September 2012:

PagesJaunes Group	**As at 30 September**		
in million euros	**2012**	**2011**	**Change 2012/2011**
Net cash from operations	194.4	209.9	(15.5)
Net cash used in investing activities	(30.9)	(49.8)	18.9
Net cash provided by (used in) financing activities	279.5	(189.1)	468.5
Impact of changes in exchange rates on cash	0.0	(0.1)	0.1
Net increase (decrease) in cash position	**443.0**	**(29.0)**	**472.0**
Net cash and cash equivalents at beginning of period	78.1	103.5	(25.4)
Net cash and cash equivalents at end of period	**521.1**	**74.5**	**446.6**

Cash and cash equivalents for the Group amounted to 521.1 million euros as at 30 September 2012, compared to 74.5 million euros as at 30 September 2011.

The net cash from operations amounted to 194.4 million euros as at 30 September 2012 compared to 209.9 million euros as at 30 September 2011, representing a decrease of 15.5 million euros due mainly to:

- a gross operating margin of 361.8 million euros as at 30 September 2012, down 19.1 million euros compared to 30 September 2011,

- a decrease in the working capital requirement of 1.0 million euros as at 30 September 2012 compared to a decrease of 0.4 million euros as at 30 September 2011, representing a resource of 0.6 million euros between the two periods,

- a net disbursement of 79.0 million euros in respect of financial interest as at 30 September 2012 compared to 68.6 million euros as at 30 September 2011, owing to the drawing on the revolving credit line and the disbursements of the interest concerning the bond loan (no cash out flow as 30 September 2011),

- a disbursement of 76.2 million euros in respect of corporation tax as at 30 September 2012 compared to 95.7 million euros at 30 September 2011.

The net cash used in investing activities represents a disbursement of 30.9 million euros as at 30 September 2012 compared to a disbursement of 49.8 million euros as at 30 September 2011.

That represents a decrease of 18.9 million euros, mainly comprising the following:

- 29.2 million euros in respect of acquisitions of tangible and intangible fixed assets as at 30 September 2012, stable compared to 30 September 2011,

- 1.3 million euros as at 30 September 2012 concerning the disbursement of price supplements compared to 19.6 million euros as at 30 September 2011 relating to acquisitions of equity interests, net of cash acquired (including A Vendre A Louer, ClicRDV, Fine Media).

The net cash used in financing activities amounted to 279.5 million euros as at 30 September 2012 compared to a disbursement of 189.1 million euros as at 30 September 2011, representing a change of 468.5 million euros due mainly to:

- 281.4 million euros corresponding to the drawing on the revolving credit line in January 2012,

- 162.7 million euros for dividends paid in the first half of 2011, and no payment in 2012 for 2011,

- a decrease of 1.5 million euros in other financial liabilities as at 30 September 2012 compared to a decrease of 16.1 million euros as at 30 September 2011 (including a disbursement of 23.5 million euros in respect of part of the refinancing expenses).

- disbursements in respect of own shares amounting to 0.3 million euros as at 30 September 2012 compared to 3.4 million euros as at 30 September 2011.

1.4. Risks and uncertainties relating to the fourth quarter of 2012

The main risks and uncertainties identified by the Group concern:

- the changes in the economic environment and the situation of the advertising market in France and Spain, which may affect the sales prospecting by PagesJaunes and QDQ Media in their respective markets,

- Developments in competition on the Internet, particularly with regard to search services and geographic and mapping services, which may have an impact on the ability of PagesJaunes and Mappy to maintain their rate of revenue growth.

1.5. Events subsequent to the closing date of 30 September 2012

On 1 October 2012, PagesJaunes Groupe sold 38.92% of the capital of Editus Luxembourg to P&TLuxembourg, leading operator of postal and telecommunications services in Luxembourg, who until now was already a shareholder at 51%. Following this sale, PagesJaunes Groupe remains a shareholder of Editus for 10.08% through its subsidiary Euro Directory.

Condensed consolidated financial statements

2.1 - Consolidated income statement

(Amounts in thousands of euros, except data relating to shares)	Notes	**As at 30 September 2012**	**As at 30 September 2011**	**3rd Quarter 2012**	**3rd Quarter 2011**
Revenues		799,878	819,366	274,885	285,111
External purchases		(164,334)	(178,559)	(54,422)	(61,394)
Other operating income		6,235	2,541	1,252	961
Other operating expenses		(8,193)	(7,624)	(2,613)	(2,698)
Personnel expenses : - Salaries and charges		(271,832)	(254,793)	(89,490)	(86,609)
Gross Operating Margin		**361,754**	**380,931**	**129,612**	**135,371**
- Employee profit-sharing		(11,622)	(10,490)	(4,848)	(3,645)
- Share-based payment		(650)	(1,134)	(229)	(386)
Depreciation and amortisation		(26,480)	(17,994)	(9,451)	(6,274)
Gains and losses from disposals		(141)	(308)	12	(137)
Restructuring costs		(2)	-	-	-
Acquisition costs of shares		(11)	(722)	-	(172)
Operating income		**322,848**	**350,283**	**115,096**	**124,756**
Financial income		3,872	2,644	1,332	146
Financial expenses		(98,854)	(94,653)	(31,259)	(34,902)
Net financial income	4	**(94,982)**	**(92,009)**	**(29,927)**	**(34,757)**
Share of profit or loss of an associate		(679)	(88)	(275)	(42)
Corporate income tax	5	(88,175)	(95,874)	(33,011)	(33,132)
Income for the period		**139,012**	**162,312**	**51,882**	**56,826**
Income for the period attributable to:					
- Shareholders of PagesJaunes Groupe		139,063	162,286	51,932	56,808
- Non-controlling interests		(51)	26	(50)	18
Net earnings per share (in euros)					
Net earnings per share of the consolidated group					
- basic		0.50	0.58		
- diluted		0.49	0.56		

2.2 - Statement of comprehensive income

(Amounts in thousands of euros)	**As at 30 September 2012**	**As at 30 September 2011**	**3rd Quarter 2012**	**3rd Quarter 2011**
Income for the period report	**139,012**	**162,312**	**51,882**	**56,826**
Net (loss) /gain on cash flow hedges				
- Gross	(6,192)	8,563	(4,918)	(16,995)
- Deferred tax	2,131	(2,950)	1,693	5,850
- Net of tax	**(4,061)**	**5,613**	**(3,225)**	**(11,145)**
Exchange differences on translation of foreign operations	-	-	-	-
Other comprehensive income	**(4,061)**	**5,613**	**(3,225)**	**(11,145)**
Total comprehensive income for the period, net of ta›	**134,951**	**167,925**	**48,658**	**45,681**
Total comprehensive income for the period attributable to:				
- Shareholders of PagesJaunes Groupe	135,002	167,899	48,708	45,663
- Non-controlling interests	(51)	26	(50)	18

2.3 - Statement of financial position

(Amounts in thousands of euros)	Notes	As at 30 September 2012	As at 31 December 2011	As at 30 September 2011
Assets				
Net goodwill		93,897	94,079	93,839
Other net intangible fixed assets		70,263	66,438	60,889
Net tangible fixed assets		26,282	28,223	26,929
Investment in an associate		4,203	4,882	112
Available-for-sale assets		207	207	207
Other non-current financial assets	6	1,349	1,299	1,527
Net deferred tax assets	5	25,391	20,182	23,373
Total non-current assets		**221,592**	**215,310**	**206,876**
Net inventories		3,072	1,600	3,459
Net trade accounts receivable		324,309	439,312	326,746
Other current assets		38,812	28,975	38,679
Current tax receivable	5	285	5,405	8,208
Prepaid expenses		101,224	109,372	102,031
Other current financial assets		395	445	418
Cash and cash equivalents	7	524,045	82,682	79,045
Total current assets		**992,142**	**667,791**	**558,586**
Total assets		**1,213,734**	**883,101**	**765,462**
Liabilities				
Share capital		56,197	56,197	56,197
Issue premium		98,676	98,676	98,676
Reserves		(2,227,579)	(2,425,277)	(2,425,654)
Income for the period attribuable to shareholders of PagesJaunes Groupe		139,063	197,033	162,286
Other comprehensive income		(40,848)	(36,787)	(35,321)
Own shares		(9,774)	(10,816)	(6,801)
Equity attributable to equity holders of the PagesJaunes Groupe		**(1,984,265)**	**(2,120,974)**	**(2,150,616)**
Non-controlling interests		5	56	57
Total equity		**(1,984,260)**	**(2,120,918)**	**(2,150,559)**
Non-current financial liabilities and derivatives	7	1,992,199	1,981,520	1,971,662
Employee benefits - non-current		57,622	51,230	52,358
Provisions - non-current		6,330	6,358	7,038
Other non-current liabilities		11	-	-
Deferred tax liabilities	5	1,219	1,276	1,251
Total non-current liabilities		**2,057,381**	**2,040,384**	**2,032,309**
Bank overdrafts and other short-term borrowings	7	287,550	8,477	15,433
Accrued interest	7	14,435	7,412	16,428
Provisions - current		139	896	207
Trade accounts payable		78,956	94,344	85,855
Employee benefits - current		101,395	118,279	99,688
Other current liabilities		78,664	97,453	82,029
Corporation tax	5	8,479	149	862
Deferred income		570,994	636,625	583,209
Total current liabilities		**1,140,612**	**963,635**	**883,712**
Total liabilities		**1,213,734**	**883,101**	**765,462**

2.4 - Statement of changes in shareholders' equity

(Amounts in thousands of euros)	**Number of shares in circulation**	**Share capital**	**Issue premium**	**Own shares**	**Income and reserves**	**Cash flow hedges**	**Translation reserve**	**Group equity**	Non-controlling interests	**Total equity**
Balance as at 31 December 2010	**280,365,693**	**56,197**	**98,676**	**(4,037)**	**(2,264,091)**	**(40,934)**	**-**	**(2,154,188)**	**-**	**(2,154,188)**
Total comprehensive income for the period, net of tax					162,286			**162,286**	26	**162,312**
Other comprehensive income, net of tax						5,613	-	**5,613**		**5,613**
Comprehensive income for the period, net of tax					**162,286**	**5,613**	**-**	**167,899**	**26**	**167,925**
Share-based payment					1,134			**1,134**	-	**1,134**
Dividends paid					(162,697)			**(162,697)**	-	**(162,697)**
Shares of the consolidating company net of tax effect	(1,001,971)			(2,764)				**(2,764)**	-	**(2,764)**
Other								**-**	31	**31**
Balance as at 30 September 2011	**279,363,722**	**56,197**	**98,676**	**(6,801)**	**(2,263,368)**	**(35,321)**	**-**	**(2,150,616)**	**57**	**(2,150,559)**
Total comprehensive income for the period, net of tax					34,746			**34,746**	(1)	**34,745**
Other comprehensive income, net of tax						(1,466)	-	**(1,466)**		**(1,466)**
Comprehensive income for the period, net of tax					**34,746**	**(1,466)**	**-**	**33,280**	**(1)**	**33,279**
Share-based payment					377			**377**	-	**377**
Dividends paid								**0**	-	**0**
Shares of the consolidating company net of tax effect	(1,582,468)			(4,015)				**(4,015)**	-	**(4,015)**
Other								**-**	-	**-**
Balance as at 31 December 2011	**277,781,254**	**56,197**	**98,676**	**(10,816)**	**(2,228,244)**	**(36,787)**	**-**	**(2,120,974)**	**56**	**(2,120,918)**
Total comprehensive income for the period, net of tax					139,063			**139,063**	(51)	**139,012**
Other comprehensive income, net of tax						(4,061)	-	**(4,061)**		**(4,061)**
Comprehensive income for the period, net of tax					**139,063**	**(4,061)**	**-**	**135,002**	**(51)**	**134,951**
Share-based payment					665			**665**	-	**665**
Shares of the consolidating company net of tax effect	(171,155)			1,042				**1,042**	-	**1,042**
Balance as at 30 September 2012	**277,610,099**	**56,197**	**98,676**	**(9,774)**	**(2,088,515)**	**(40,848)**	**-**	**(1,984,264)**	**5**	**(1,984,259)**

2.5 - Cash flow statement

(Amounts in thousands of euros)	Notes	As at 30 September 2012	As at 30 September 2011	3rd Quarter 2012	3rd Quarter 2011
Income for the period attribuable to shareholders of PagesJaunes Groupe		**139,063**	**162,286**	**51,932**	**56,808**
Depreciation and amortisation of fixed assets		26,480	17,994	9,451	6,274
Change in provisions		(1,559)	4,039	(3,444)	991
Share-based payment		665	1,134	244	386
Capital gains or losses on asset disposals		141	308	(12)	137
Interest income and expenses	4	73,632	68,550	23,328	28,080
Hedging instruments	6	21,350	23,459	6,599	6,677
Unrealised exchange difference		(10)	64	(4)	(40)
Tax charge for the period	5	88,175	95,874	33,011	33,132
Share of profit or loss of an associate		679	88	275	42
Non-controlling interests		(51)	26	(50)	18
Net change in working capital		**999**	**430**	**(28,381)**	**(34,779)**
Dividends and interest received		3,555	2,167	1,243	368
Interest paid and rate effect of net derivatives		(82,538)	(70,791)	(21,625)	(24,250)
Corporation tax paid		(76,169)	(95,721)	(27,351)	(26,242)
Net cash from operations		**194,413**	**209,906**	**45,217**	**47,601**
Acquisition of tangible and intangible fixed assets		(29,184)	(29,006)	(9,247)	(8,911)
Change in suppliers of fixed assets		(438)	(578)	137	(2)
Proceeds from sale of tangible and intangible assets		11	67	11	1
Acquisitions of investment securities and subsidiaries, net of cash acquired		(1,300)	(19,620)	-	(8,575)
Investments in associates		-	(200)	-	-
Decreases (increases) in marketable securities and other long-term assets		18	(414)	5	(13)
Net cash used in investing activities		**(30,893)**	**(49,751)**	**(9,094)**	**(17,500)**
Cash flows arising from changes in ownership interests not		44	(55)	-	-
Increase (decrease) in borrowings		279,743	(22,919)	(132)	(3,723)
Movements in own shares		(298)	(3,414)	(81)	(3,707)
Non-controlling interests contribution		-	31	-	-
Dividends paid		-	(162,697)	-	-
Net cash provided by (used in) financing activities		**279,489**	**(189,054)**	**(213)**	**(7,430)**
Impact of changes in exchange rates on cash		10	(64)	4	40
Net increase (decrease) in cash position		**443,018**	**(28,963)**	**35,914**	**22,711**
Net cash and cash equivalents at beginning of period		78,074	103,501	485,178	51,827
Net cash and cash equivalents at end of period	7	**521,092**	**74,538**	**521,092**	**74,538**

2.6 – Notes to the condensed consolidated financial statements

Note 1 - Description of the business activity

For more than sixty years, the PagesJaunes Groupe has delivered a diversified range of products and services for the general public and businesses, with its core business comprising directories in France and abroad on both printed and online media. The Group's principal activities are described in Note 3.

The financial year of the companies of the PagesJaunes Group runs from 1 January to 31 December. The presentation currency of the condensed consolidated financial statements and the accompanying notes is the euro.

PagesJaunes Groupe is a limited liability company listed on Euronext Paris (PAJ) – compartment A. This information was approved by the PagesJaunes Group Board of Directors at its meeting of 23 October 2012.

Note 2 - Context of publication and basis for preparation of the condensed consolidated financial statements

The consolidated financial statements of PagesJaunes Groupe for the nine-month period ending on 30 September 2012 have been prepared in accordance with standard IAS 34 – Interim Financial Reporting. Being summary financial statements, they do not contain all the information required by IFRS and should be read in conjunction with the annual consolidated financial statements of the Group for the year ending 31 December 2011 included in the reference document filed with the AMF on 26 April 2012 under the number D. 12-0442, subject to specific requirements set out for the preparation of interim accounts as described below.

The accounting principles used are unchanged with those used in the preparation of the annual consolidated financial statements for the year ending 31 December 2011, with the exception of any new standards, amendments and interpretations which are mandatory with effect from 1 January 2012, but which have no significant impact:

- Amendment IFRS 7: Disclosures - Transfers of Financial Assets, applicable to financial years commencing from 1 July 2011.

None of these new standards and interpretations has had a significant effect on the consolidated financial statements as at 30 September 2012.

Furthermore, these principles do not differ from the IFRS standards as published by the IASB insofar as there would be no significant impact from the implementation of the amendments and interpretations which are mandatory for financial years commencing from 1 January 2012, as set out in the reference framework published by the IASB, but which are not yet mandatory in the reference framework endorsed by the European Union.

Finally, the Group is not applying the following instruments, which were not adopted by the European Union as at 30 September 2012:

- IAS 27 revised: Separate Financial Statements
- IAS 28 revised: Investments in associates and joint ventures
- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint arrangements
- IFRS 12: Disclosures of Interests in other entities
- IFRS 13: Fair value measurement

- IAS19 revised: Employee benefits
- Amendment IFRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters
- Amendment IAS 12: Deferred tax: Recovery of Underlying Assets
- Amendment IAS 1: Presentation of financial statements – presentation of items of other comprehensive income
- Amendment IAS 32: Offsetting Financial Assets and Financial Liabilities
- Amendments IFRS 9 and IFRS 7: Mandatory Effective Date and Transition Disclosures
- Amendment IFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities
- Amendment IFRS 1: Government Loans
- IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine
- IFRS 9: Financial Instruments
- Transition guidance (Amendments to IFRS 10,11,12)
- Improvements to IFRSs (2009-2011):
    - IAS 1 – Presentation of Financial Statements
    - IAS 16 – Property, Plant and Equipment
    - IAS 32 – Financial Instruments : Presentation
    - IAS 34 – Interim Financial Reporting

Nonetheless, the Group is currently reviewing the practical consequences of these new instruments and the effects of their implementation on its future financial statements. At this stage of the review, the impacts on its consolidated financial statements are expected to be as follows:

IFRS 11 will replace IAS 31. Accounting for partnerships must be based on the substance of the agreements and mainly on the analysis of the resulting rights and obligations. Proportional consolidation is practically discontinued as a consolidation method. This is the method currently used for Editus Luxembourg, which could be consolidated by the equity method. This standard will be applied retrospectively. In 2011, this entity contributed €8.2 million to consolidated revenues and €2.5 million to consolidated GOM.

IFRS 12 requires the publication of very detailed information on the determination of the scope of consolidation and on the risks associated with interests in other entities (subsidiaries, joint ventures, associated entities, SPVs, non-consolidated entities).

It should be noted that the IFRS 10, IFRS 11, IFRS 12 and IAS 28 standards revised in 2011 are all required to be applied on the same date.

The main effects of the revision of IAS 19 are as follows:

- actuarial losses and gains on post-employment benefits must be recognised immediately in non-transferable equity,
- the recognition of the return on plan assets in the income statement based on an expected rate of return is eliminated (the same rate of return on first-class bonds must be used as that used for the accretion of the liability),
- the spreading of non-vested past service costs is discontinued,
- disclosures are improved by refocusing them on the characteristics of the plans and the associated risks.

It also redefines the principles of the accounting conditions for severance payments, which must be recognised when the entity is no longer able to withdraw its offer or when a restructuring liability under IAS 37 must be recognised. This standard will be the subject of limited retrospective application.
The main impact expected by the Group is the immediate recognition of actuarial losses and gains on post-employment benefits in non-transferable equity; these represented a gain of €1.0 million in 2011 and a total unrecognised liability of €15.5 million as at 31 December 2011.

All of the standards and interpretations adopted by the European Union as at 30 September 2012 are available on the website of the European Commission at the following address:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm
In order to prepare the financial statements, the Management of the Group is required to make

estimates and assumptions which have an effect on the amounts presented as assets and liabilities, the contingent liabilities at the date of preparation of the financial statements and the amounts presented as income and expenses for the financial year. The Management continuously evaluates these estimates and assessments on the basis of its past experience, as well as various other factors deemed reasonable, which combine to form the basis of its assessment of the book value of the assets and liabilities. This includes in particular goodwill, share-based payments and the valuation of pension liabilities. The actual result may differ markedly from these estimates due to different realisation conditions. Finally, where a specific transaction is not covered by any standards or interpretations, the Management of the Group applies judgment to define and apply accounting methods which will provide relevant and reliable disclosures, ensuring that the financial statements:

- present a true and fair view of the financial position, the financial performance and the cash flow of the Group,
- reflect the economic substance of transactions,
- are neutral,
- are prudent,
- and are complete in all material respects.

Seasonal variations

Although the activities of the Group are not subject to seasonal effects per se, in order to optimise costs, the dates of publication of the printed directories (which determine the recognition of income and related expenses) may vary from one quarter to the next, as each printed directory appears only once a year.

Impairment tests as at 30 September 2012

The analysis of the indication of a loss of value as at 30 June 2012 resulted in updating the impairment tests on goodwill and intangible fixed assets. The latter did not result in recognizing any loss of value. As at 30 September 2012, in the absence of any additional indication of loss of value, the impairment tests conducted on 30 June 2012 were not updated.

Note 3 – Segment information

The Group's core business activity is the provision of local information, principally in France, through the publication of printed and online directories, and the publication of editorial content to assist users in making searches and choices. Through its subsidiaries, the PagesJaunes Group conducts three complementary businesses: the provision of content and services, media and advertising representation. Its offering comprises a diversified range of products and services associated with this activity for the general public and businesses.

The Group's business model is based on that of the media: offering quality content which generates an audience and then monetising this audience, either as a whole or in segments, among businesses.

The Group's activities are organised into three segments:

- Internet
- Printed directories
- Other businesses

The table below shows a breakdown of key aggregates by business segment:

Amounts in thousands of euros	**As at 30 September 2012**	**As at 30 September 2011**	**3rd Quarter 2012**	**3rd Quarter 2011**
Revenues	**799,878**	**819,366**	**274,885**	**285,111**
- Internet	463,299	423,600	154,759	141,756
- Printed directories	316,204	368,560	113,827	135,315
- Other businesses	20,375	27,205	6,299	8,041
Gross Operating Margin	**361,754**	**380,931**	**129,612**	**135,371**
- Internet	206,196	196,158	72,080	69,510
- Printed directories	147,657	175,787	54,181	64,078
- Other businesses	7,901	8,986	3,351	1,784
Amortisation of tangible and intangible fixed assets	**(26,480)**	**(17,994)**	**(9,451)**	**(6,275)**
- Internet	(22,150)	(10,240)	(7,801)	(3,143)
- Printed directories	(3,913)	(7,125)	(1,540)	(2,976)
- Other businesses	(417)	(628)	(110)	(156)
Acquisitions of tangible and intangible fixed assets	**29,184**	**29,006**	**9,247**	**8,912**
- Internet	28,488	25,492	9,047	7,726
- Printed directories	678	3,047	217	1,020
- Other businesses	18	467	(17)	166

Note 4 – Net financial income

The financial income is made up as follows:

(Amounts in thousands of euros)	**As at 30 September 2012**	**As at 30 September 2011**	**3rd Quarter 2012**	**3rd Quarter 2011**
Interest and similar items on financial assets	482	75	394	42
Result of financial asset disposals	2,904	1,169	836	4
Change in fair value of hedging instruments	317	1,249	89	98
Dividends received	169	151	12	2
Financial income	**3,872**	**2,644**	**1,332**	**146**
Interest on financial liabilities	(68,169)	(58,106)	(21,450)	(25,315)
Income / (expenses) on hedging instruments	(20,987)	(23,306)	(7,766)	(6,734)
Change in fair value of hedging instruments	(363)	(153)	1,167	57
Amortisation of loan issue expenses	(6,753)	(10,700)	(2,308)	(2,200)
Other financial expenses & fees	(405)	(296)	(160)	(12)
Accretion cost (1)	(2,177)	(2,092)	(742)	(698)
Financial expenses	**(98,854)**	**(94,653)**	**(31,259)**	**(34,902)**
Net financial income	**(94,982)**	**(92,009)**	**(29,927)**	**(34,757)**

(1) This accretion cost represents the increase over the year in the current value of pension liabilities and the liabilities in respect of hedging instruments.

Note 5 - Corporation tax

Note 5.1 - Group tax computation

The corporation tax results from the application of the effective rate for the period to the pretax income.

The reconciliation between the notional tax calculated based on the statutory rate applicable in France and the effective tax is as follows:

Amounts in thousands of euros	**As at 30 September 2012**	**As at 30 September 2011**	**3rd Quarter 2012**	**3rd Quarter 2011**
Pretax net income from continuing businesses	227,187	258,186	84,894	89,957
Share of profit or loss of an associate	(679)	(88)	(275)	(42)
Pretax net income from continuing businesses and before Share of profit or loss of an associate	**227,866**	**258,274**	**85,169**	**89,999**
Statutory tax rate	34.43%	34.43%	34.43%	34.43%
Theoretical tax	**(78,462)**	**(88,932)**	**(29,327)**	**(31,006)**
Loss-making companies not integrated for tax	(253)	(261)	(170)	(126)
Loan and current account depreciation QDQ Media	-	-	-	-
Share-based payment	(229)	(389)	(84)	(132)
Foreign subsidiaries	(4)	202	72	4
Recognition of previously unrecognised tax losses	-	192	-	-
Corporate value added contribution (after tax)	(6,702)	(6,688)	(2,296)	(2,183)
Additional tax 5%	(3,731)	-	(1,418)	-
Other non-taxable income	1,206	3	211	311
Effective tax	**(88,175)**	**(95,874)**	**(33,011)**	**(33,132)**
of which current tax	*(89,970)*	*(89,860)*	*(34,017)*	*(32,948)*
of which deferred tax	*1,795*	*(6,014)*	*1,006*	*(184)*
Effective tax rate	**38.70%**	**37.12%**	**38.76%**	**36.81%**

Note 5.2 - Balance sheet tax

Amounts in thousands of euros	**As at 30 September 2012**	**As at 31 December 2011**	**As at 30 September 2011**
Retirement benefits	16,841	15,378	14,724
Employee profit-sharing	4,284	4,706	4,518
Non-deductible provisions	4,418	4,570	4,502
Hedging instruments	21,583	19,436	21,960
Tax loss carryforward	466	-	-
Other differences	938	1,186	889
Subtotal deferred tax assets	**48,530**	**45,276**	**46,593**
Corporate value added contribution	(108)	(165)	(189)
Loan issue costs	(9,842)	(11,641)	(14,068)
Brand 123people	(1,132)	(1,132)	(1,132)
Depreciations accounted for tax purposes	(13,276)	(13,432)	(9,082)
Subtotal deferred tax liabilities	**(24,358)**	**(26,370)**	**(24,471)**
Total net deferred tax assets / (liabilities)	**24,172**	**18,906**	**22,122**
Deferred tax assets	*25,391*	*20,182*	*23,373*
Deferred tax liabilities	*(1,219)*	*(1,276)*	*(1,251)*

No deferred tax assets relating to the tax loss carryforwards of QDQ Media have been included in the balance sheet, since this company recorded a net loss as at 30 September 2012. The amount of the deferred tax not stated in the accounts is estimated at 63.3 million euros.

The deferred tax assets in the balance sheet increased from 20.2 million euros as at 31 December 2011 to 25.4 million euros as at 30 September 2012.

In the balance sheet as at 30 September 2012, corporation tax represents a receivable of 0.3 million euros and a liability of 8.5 million euros. In the balance sheet as at 30 September 2011, corporation tax represents a receivable of 8.2 million euros and a liability of 0.9 million euros. The tax disbursed as at 30 September 2012 is 76.2 million euros compared to 95.7 million euros as at 30 September 2011.

Note 6 - Derivative financial instruments

PagesJaunes Groupe uses derivative financial instruments to manage the interest rate risk associated with the variable rate bank debt. PagesJaunes Groupe has implemented the procedures and documentation necessary to justify hedge accounting as defined in IAS 39.

These operations provide a cash flow hedge relating to the variable rate debt (cf. note 7). Prospective effectiveness tests performed by PagesJaunes Groupe on the inception of these operations and retrospective tests carried out on 31 December 2011 and 30 September 2012 showed that these financial instruments offered a totally effective cash flow hedge in relation to this debt.

Accounting and assets/liabilities relating to these derivative financial instruments

The value of these derivative financial instruments is as follows:

in thousands of euros	**As at 30 September 2012**	**As at 31 December 2011**	**As at 30 September 2011**
Interest rate swaps – cash flow hedge	(58,973)	(56,106)	(50,477)
Interest rate swaps – fair value hedge	(8)	(325)	(279)
Collar – cash flow hedge	(3,688)	-	(3,527)
of which intrinsic value	*(3,325)*	-	*(3,389)*
of which time value	*(363)*	-	*(138)*
Asset/(Liability)	**(62,669)**	**(56,431)**	**(54,283)**
Of which non-current	*(62,661)*	*(56,106)*	*(48,699)*
Of which current	*(8)*	*(325)*	*(5,584)*

The change in the fair value of derivative financial instruments (qualified as cash flow hedges) between 31 December 2011 and 30 September 2012, i.e. a decrease of 2.9 million euros for interest rate swaps, was stated as recyclable equity, after confirmation of deferred tax of 2.1 million euros.

The changes in the time value of the collar and of the base swap qualified as fair value hedging were stated for the collar, as financial expense for 0.4 million euros and for the swap, as financial income for 0.3 million euros (cf. note 4). Deferred tax was recorded in this respect.

No ineffectiveness was recorded with regard to cash flow hedges.

Note 7 - Cash and cash equivalents, net financial debt

Net financial debt corresponds to the total gross financial debt less or plus derivative asset and liability cash flow hedging instruments and less cash and cash equivalents.

(in thousands of euros)	As at 30 September 2012	As at 31 December 2011	As at 30 September 2011
Accrued interest not yet due	8	9	14
Cash equivalents	503,166	77,358	73,881
Cash	20,871	5,315	5,150
Gross cash	**524,045**	**82,682**	**79,045**
Bank overdrafts	(2,953)	(4,608)	(4,507)
Net cash	**521,092**	**78,074**	**74,538**
Bank loan	1,600,000	1,600,157	1,600,000
Bond loan	350,000	350,000	350,000
Revolving credit facility drawn	281,386	-	-
Loans issue expenses	(27,784)	(33,368)	(35,591)
Lease liabilities	137	91	114
Fair value of hedging instruments (cf. note 6)	62,669	56,431	54,283
Liability in respect of hedging instruments	-	-	1,866
Earn-outs	8,485	7,412	9,683
Accrued interest not yet due	14,435	9,923	16,428
Other financial liabilities	1,903	2,155	2,233
GROSS FINANCIAL DEBT	**2,291,231**	**1,992,801**	**1,999,016**
of which current	*299,032*	*11,281*	*27,354*
of which non-current	*1,992,199*	*1,981,520*	*1,971,662*
Net debt	**1,770,139**	**1,914,727**	**1,924,478**

Cash and cash equivalents

At 30 September 2012, cash equivalents amounted to 503.2 million euros and were made up of term deposits and UCITS invested in particular within the framework of the liquidity contract.
These are managed and therefore valued on the basis of their fair value.

Bank overdraft

The Group has authorized overdrafts totalling 20 million euros granted by a number of its banks.

Bank loan

PagesJaunes Groupe has bank financing for a total amount of 1,900 million euros at a variable rate.
It includes, on the one hand, a medium term loan of 1,600 million euros, comprised of two tranches:

- Tranche A1: nominal 638 million euros repayable in full in November 2013;
- Tranche A3: nominal 962 million euros repayable in full in September 2015;

and on the other hand, the revolving credit line of about 300 million euros payable in full in November 2013. It is intended to finance the Group's treasury requirements (working capital, investments or refinancing) in the context of its operating activities and is available in particular in the form of drawings, letters of credit or bilateral lines.

The reference rate is Euribor or Libor plus a margin of 175 basis points for tranche A1 and the revolving credit line, or 150 basis points in the event that the financial leverage ratio falls below 3.50 times an aggregate close to the GOM. This margin is 350 basis points in the case of tranche A3.

As at 30 September 2012, the revolving credit line was fully drawn, the funds collected as such amount to 281.4 million euros.

The bank financing agreement notably includes default and prepayment clauses, as well as progressive financial covenants, which have been revised as follows:

- the ratio of consolidated net debt to an aggregate close to the consolidated GOM must be less than or equal to 4.30 until 30 September 2012, 4.00 from 31 December 2012 to 30 September 2013 and 3.75 thereafter (GOM and consolidated net debt as defined in the agreement with the financial institutions);
- the ratio of an aggregate close to the consolidated GOM to the consolidated net interest expense must be greater than or equal to 3.00 over the residual term of the agreement (GOM and consolidated net debt as defined in the agreement with the financial institutions).

As at 30 September 2012, these financial covenants were met and there are no grounds for reclassifying non-current debt as current.

It also includes a compulsory early repayment clause in the event of a change of control of the Company.

Bond loan

Moreover, PagesJaunes Groupe has a bond loan amounting to 350 million euros through PagesJaunes Finance & Co SCA. This loan has a fixed rate of 8.875% and is repayable on 1 June 2018.

Earn outs on acquisition of securities

As part of the acquisitions completed in 2010 and 2011, earn-outs (price supplements) totalling an estimated 8.5 million euros may be paid between 2012 and 2014 if certain operating performance conditions are fulfilled.

Other financial liabilities

Other financial liabilities primarily comprise a debit current account with PagesJaunes Outre-mer, a wholly owned non-consolidated subsidiary of PagesJaunes Groupe.

Note 8 - Shareholders’ equity

Through the liquidity contract, the Company held 1,374,655 of its own shares as at 30 September 2012 (1,203,500 at 31 December 2011), stated as a deduction from shareholders’ equity, and 1.7 million euros in liquid assets recorded in the item “Cash and cash equivalents”.
PagesJaunes Groupe also repurchased 2,000,000 of its own shares outside the liquidity contract in 2011 for a total of 6.0 million euros stated as a deduction from shareholders’ equity.

As at 30 September 2012, PagesJaunes Groupe consequently held 3,374,655 of its own shares.

PagesJaunes Groupe is a subsidiary of Médiannuaire, which controls 54.68% of the capital and voting rights.

Note 9 – Changes in the scope of consolidation

The scope of consolidation did not change over the first nine months of 2012.

Note 10 - Information on related parties

There were no new transactions or significant developments affecting related parties in the first nine months of 2012.

Note 11 – Contingent liabilities

There were no new significant commitments during the first nine months of 2012.

Note 12 - Disputes and litigation

In the ordinary course of business, the Group entities may be involved in a number of legal, arbitration and administrative proceedings. Provisions are only constituted for expenses that may result from such proceedings where they are considered likely and their amount can be either quantified or estimated within a reasonable range. The amount of the provisions is based on an assessment of the risk on a case-by-case basis and largely depends on factors other than the particular stage of proceedings, although events occurring during the proceedings may call for a reassessment of this risk.
With the exception of the proceedings described below, the entities of the Group are not party to any lawsuit or arbitration procedure which the Management believes could reasonably have a material adverse effect on its earnings, operations or consolidated financial position.

At the beginning of 2002, PagesJaunes implemented a commercial development plan, including, notably, the modification of the employment contracts of 930 commercial advisors. The purpose of this modification was to adapt these contracts to a new competitive environment. Approximately 100 employees refused to sign the proposed new contract and were made redundant during the second quarter of 2002. Almost all these employees commenced legal proceedings against PagesJaunes to contest the validity of the reason for the redundancies. The Cour de Cassation, in two judgements handed down on 11 January 2006, approved the commercial development plan. The Cour de Cassation ruled that economic redundancy following a reorganization implemented to prevent future economic difficulties associated with technological developments was justified. In a further judgement on 14 February 2007, the Cour de Cassation confirmed the validity of the plan implemented by PagesJaunes.
With regard to cases before administrative courts, the Conseil d'Etat, as court of last resort, issued eight judgements unfavourable to PagesJaunes on 12 January 2011, setting aside rulings issued by the Cour Administrative d'Appel of Paris in 2009 and hence the Minister's authorization of the redundancies. The Conseil de Prud'hommes of Dijon handed down on 2 July 2012 five rulings in favour of PagesJaunes concerning the quantum of the compensation due to employees. These rulings are being appealed with the Cour d'Appel de Dijon, and proceedings are currently in progress. An industrial tribunal proceeding is currently in progress including claims for compensation for the financial consequences of cancelled redundancy authorizations.
The 7.3 million euro provision recognized at the end of 2002 in respect of this risk has been the subject of several writebacks since 2006 in view of the favourable progress of these cases and amounted to 1.9 million euros as at 30 September 2012.

Actions were brought against PagesJaunes by eleven advertising agencies at the Tribunal de Commerce of Nanterre for abuse of a dominant position (particularly for withdrawing the 5% trade discount granted to advertisers using advertising agencies for the Internet and 118 008 platforms), discriminatory practices and unfair competition. In a judgement on 26 January 2011, the Tribunal de

Commerce of Nanterre declined jurisdiction in favour of the Tribunal de Commerce of Paris.
These same agencies referred the same facts to the French Competition Authority as those brought before the Tribunal de commerce of Nanterre (cf. above) requesting the pronouncement of interim measures based on article L.464-1 of the Commercial Code.
In a judgement on 22 December 2010, the French Competition Authority dismissed the application for interim measures and referred the proceedings back on the merits.

In addition, in common with the other companies in the sector, the Company is frequently the subject of court proceedings brought in relation to errors in the publication of directories and other media. Generally the financial risk represented by each of these proceedings is relatively limited. However, an increase in their number may constitute a significant risk for the Company. The number these proceedings is stable. As at 30 September 2012, there were 13, representing total claims for damages of 0.9 million euros. In these proceedings, the Group entities endeavour to negotiate out-of-court compensation, which significantly reduces the final total cost of these proceedings. However, no guarantee can be given that these proceedings will not have an adverse impact on the Group's financial position.

In 2010, PagesJaunes SA was the subject of an inspection by the French social security agency URSSAF in respect of the 2007, 2008 and 2009 financial years. The company was notified of an adjustment amounting to 2.2 million euros, and the risk was fully provisioned as at 31 December 2010. PagesJaunes SA is contesting the adjustment and has referred it to the URSSAF arbitration committee to defend its position.

To the Company's knowledge, there is no other government, judicial or arbitration procedure, whether pending or threatened, that is liable to have, or having had in the last 12 months, a significant impact on the financial position or profitability of the Company and/or the Group.

Note 13 - Events subsequent to the closing date of 30 September 2012

On 1 October 2012, PagesJaunes Groupe sold 38.92% of the capital of Editus Luxembourg to P&TLuxembourg, leading operator of postal and telecommunications services in Luxembourg, who until now was already a shareholder at 51%. Following this sale, PagesJaunes Groupe remains a shareholder of Editus for 10.08% through its subsidiary Euro Directory.