



PRESS RELEASE

Boulogne-Billancourt, 3 March 2017



Success of the rights issue

- **Rights issue** of approximately **€398.48 million** (including the issue premium), at a subscription price of €1 per share :
 - **272,650,250 new shares were subscribed in cash by the shareholders on a non-reducible basis (à titre irréductible) and a reducible basis (à titre réductible)**, representing a cash subscription rate of **68.42%**, i.e. **€272.65 million**
 - **125,834,531 new shares were subscribed by the creditors**, pursuant to their backstop undertaking, for an amount of **€125.83 million** (including the issue premium), by way of set-off against receivables, representing 31.58 % of the new shares to be issued
- **80,366,971 new shares subscribed by the creditors**, pursuant to a share capital increase without preferential subscription rights, for the benefit of the creditors, for an amount of **€362.45 million** (including the issue premium)
- Issue of **9,067,200 MCBs**, for the benefit of the creditors, for a nominal amount of **€18.13 million**, granting right to **9,067,200** shares in case of conversion of all MCBs, i.e. 1.55% of the share capital of the company¹
- No **warrants** will be issued for the benefit of the creditors, due to the cash subscription rate to the rights issue

The shareholders and the new investors will hold 64.20% of the share capital post-financial restructuring, the creditors will hold 35.80%², of which 14%¹ will be held by the ad hoc group³ of creditors.

¹ Share capital of the company post-restructuring transactions.

² Before taking into account the dilution of the MCBs.

³ Group of creditors composed of the funds managed or advised by Paulson & Co., Inc., Monarch Alternative Capital (Europe) Ltd and Amber Capital UK Holdings Ltd, acting in concert vis-à-vis the company. Accordingly, on 13 December 2016, the AMF granted them derogation from the obligation to file a proposed public offer to acquire the Company's shares, if they jointly cross the threshold of 30% of the Company's share capital or voting rights.

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Jean-Pierre Remy, SoLocal Group's CEO, declared on the occasion of the announcement of the results of the rights issue: "Our rights issue is a real success and we would like to thank our shareholders and the new investors for their confidence and their support. This fundraising, which closes our financial restructuring plan, allows SoLocal to open a positive chapter in its history. The Group, thanks to a sound financial structure and the launch of its strategic conquer plan, is now able to reveal its full growth and innovation potential."

SoLocal Group (the "Company") announces today the result of its rights issue for an amount of €398,484,781 via the issue of 398,484,781 new shares at a unitary price of €1 per share. This transaction forms part of the amended financial restructuring plan which aims at reducing the Group's debt from €1,158 million to approximately €398 million and at strengthening its own funds.

At the end of the subscription period, on 24 February 2017, the total demand amounted to €272.6 million, representing a cash subscription rate on a non-reducible basis (*à titre irréductible*) and a reducible basis (*à titre réductible*) of 68.42%:

- Gross proceeds of the share capital increase, corresponding to the amount of the cash subscriptions received, thus amount to €272,650,250 (including premium), representing 272,650,250 new shares;
- Creditors will therefore subscribe for 125,834,531 new shares, i.e. an amount of €125,834,531 (including premium), by way of set-off of receivables, pursuant to their backstop undertaking.

As part of the financial restructuring plan, the following transactions will be implemented:

- A free allotment of 58,314,846 shares, on 13 March 2017, to the shareholders of the Company registered in the accounts on 10 March 2017, according to a ratio of three (3) shares for every two (2) existing shares⁴,
- A share capital increase without shareholders' preferential subscription rights for the benefit of creditors holding receivables of the Company through the issue of 80,366,971 new shares (the "Creditors Shares"), for an amount of €362.45 million (including the issue premium), by way of set-off of receivables,
- An issue of 9,067,200 subordinated bonds for the benefit of the creditors, with a conversion option and repayable in shares (the "MCBs"), for a nominal amount of €18.13 million, granting right to 9,067,200 shares in case of conversion of all MCBs, i.e. 1.55% of the share capital of the company⁵,
- The issue of bonds (the "Bonds") for a principal amount of €397.8 million by way of set-off against receivables for the benefit of the creditors,
- No warrants will be issued for the benefit of the creditors, due to the cash subscription rate to the share capital increase with preferential subscription rights.

⁴ Due to the time necessary for the settlement and delivery of the shares, a shareholder or an investor wishing to purchase shares and obtain free shares shall purchase them at the latest on 8 March 2017, in order to be registered on 10 March 2017.

⁵ Share capital of the company post-restructuring transactions.

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The following tables illustrate the characteristics and the dilutive effect of the restructuring transactions and the shareholding projections following their implementation, for an amount of cash subscriptions for the rights issue of €272.6 million.

Table summarizing the main terms of the Amended Plan project

Free Shares	Conversion of Debt into Equity ⁽¹⁾		Issue of Lenders Shares		Number of shares issued through conversion of the MCBs and subscription price for the MCBs	
	Number of shares (m)	Amount (€ millions)	Issue Price	Amount (€ millions)	Issue Price	Number of shares issued through conversion of the MCBs
58	126	€1.00	362	€4.51	9	€2.00

(1) As a result of the implementation of the creditors' backstop

Number (in millions) of shares issued, total number of shares and percentage of capital ownership between the shareholders and the creditors after conversion of the MCBs

Number of shares existing before the transactions (A)	Number of Free Shares (B)	Number of shares subscribed in cash (C)	Number of New Shares issued under the backstop by way of set-off of receivables for the benefit of creditors (D)	Number of Lenders Shares issued (E)	Number of shares issued through conversion of the MCBs (F)	Total number of shares (A+B+C+D+E+F)
39	58	273	126	80	9	585

Situation of shareholders following the transactions and after conversion of the MCBs		Situation of creditors following the transactions and after conversion of the MCBs	
Number of shares held by shareholders	Percentage of capital ownership of shareholders	Number of shares held by creditors	Percentage of capital ownership of creditors
370	63.21 %	215	36.79 %

In addition, the judicial procedures initiated by Mr. Benjamin Jayet, as described in particular in chapter 2 "Risk factors" of the securities note forming part of the prospectus which was granted visa no. 17-056 on 8 February 2017 by the *Autorité des Marchés Financiers*, are continuing as of the date hereof.

Settlement and delivery

The settlement and delivery and the admission to trading on the Euronext regulated market in Paris of the new shares, the Lenders Shares and the MCBs are expected on 13 March 2017. The settlement and delivery of the Bonds is expected on 14 March 2017.

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The new shares will carry dividend rights. They will be fully fungible with SoLocal Group's existing shares and will be traded on the same trading line as the existing shares under ISIN code FR0012938884.

Following the rights issue, the granting of the Free Shares and the issue of Lenders Shares, the Company's share capital will be composed of 576,043,136 shares and will amount to €576,043,136.

Information available to the public

The prospectus, which was granted visa no. 17-056 on 8 February 2017 by the *Autorité des Marchés Financiers* ("AMF"), is composed of the reference document of SoLocal Group filed with the AMF on 29 April 2016 under number D.16-0438 (the "Reference Document"), the updates to the Reference Document of the Company filed with the AMF on 17 October 2016 under number D. 16-0438-A01 (the "First Update to the Reference Document"), on 1st December 2016 under number D. 16-0438-A02 (the "Second Update to the Reference Document") and 8 February 2017 under number D. 17-0438-A03 (the "Third Update to the Reference Document", together the "Updates"), a securities note and the summary of the prospectus (included in the securities note) (together, the "Prospectus").

Copies of the Prospectus may be obtained free of charge from the SoLocal Group's registered office (204, Rond-Point du Pont de Sèvres – 92649 Boulogne-Billancourt Cedex), on the website of the Company (www.solocalgroup.com) as well as on the website of the AMF (www.amf-france.org).

SoLocal Group draws the public's attention to the risk factors included in Chapter 4 of the Reference Document, in Chapter 4 of the Updates and in Chapter 2 of the securities note.

About SoLocal Group

SoLocal Group, European leader in local online communication, reveals local know-how, and boosts local revenues of businesses. The Internet activities of the Group are structured around two business lines: Local Search and Digital Marketing. With Local Search, the Group offers digital services and solutions to clients which enable them to enhance their visibility and develop their local contacts. Thanks to its expertise, SoLocal Group earned the trust of some 490,000 clients of those services and over 2.4 billions of visits via its 4 flagship brands (PagesJaunes, Mappy, Ooreka and A Vendre A Louer) but also through its partnerships. With Digital Marketing, SoLocal Group creates and provides the best local and customised content about professionals. With over 4,400 employees, including a new orders force of 1,900 local communication advisors specialised in five verticals (Home, Services, Retail, Health & Public, BtoB) and Internationally (France, Spain, Austria, United Kingdom), the Group generated in 2016 revenues of 812 millions euros, of which 80% on Internet and ranks amongst the first European players in terms of Internet advertising revenues. SoLocal Group is listed on Euronext Paris (LOCAL). More information may be obtained at www.solocalgroup.com.

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