



Sèvres, February 8, 2006

PagesJaunes Groupe: 2005 targets achieved, and favourable outlook for 2006

- **Consolidated revenues up 9.7% (6.0% on a like-for-like basis)**
- **Gross operating margin advances 13.6% (12.5% on a like-for-like basis)**
- **Net income of €261.7 million, a rise of 22.5% (23.0% on a like-for-like basis)**
- **Proposed dividend payment of €1.02 per share, an increase of 10% compared to the previous year**

The consolidated revenues of PagesJaunes Groupe amounted to €1,060.7 million in 2005, up 9.7%, and 6.0% on a like-for-like basis ⁽¹⁾ compared to 2004.

In 2005, 727,249 advertisers (against 682,872 in 2004) used one or more platforms of PagesJaunes Groupe as an advertising medium in France, Spain, Luxembourg, Belgium and Morocco.

The consolidated gross operating margin ⁽²⁾ reached €463.1 million in 2005, a rise of 12.5% on a like-for-like basis, and a rise of 10.3% excluding IPO costs in 2004. The consolidated operating income ⁽³⁾ rose 15.6% on a like-for-like basis to €399.0 million in 2005.

The consolidated net attributable income amounted to €261.7 million in 2005, up 23.0% compared to 2004 on a like-for-like basis and 20% excluding IPO costs in 2004.

The Board of Directors of PagesJaunes Groupe of February 7, 2006 resolved to propose to the General Meeting of Shareholders, to be held on April 19, 2006, that a dividend be paid of €1.02 per share, an increase of 10% compared to the last dividend, representing the entire net income from the operating activities of the Group.

Press Release



On the publication of the full-year results of PagesJaunes Groupe, Michel Datchary, Chief Executive Officer, said:

"In a sluggish advertising market in France, PagesJaunes Groupe met all its targets in 2005. Consolidated revenues advanced 6%, within the stated range of 5.5% to 6.5%, the gross operating margin increased 12.5%, in line with the commitment to exceed 10% growth, and QDQ Media more than halved its losses, enabling it to set its sights on operating breakeven by the end of 2006, as forecast.

On the basis of these good results and its confidence in the outlook for the Group, the Board of Directors of PagesJaunes Groupe proposes a dividend of €1.02 per share for 2005, an increase of 10% compared to 2004.

The growth in activity is expected to be sustained in 2006. The launch of the new *Annuaire*, the growth strategy of pagesjaunes.fr and the development of the 118 008 service should help ensure that the Group's organic revenue growth in 2006 exceeds that of 2005. The gross operating margin is expected to grow to a lesser extent in the first half due to the investments carried out, particularly in the 118 008 service."

PagesJaunes in France Segment: 10.5% growth in gross operating margin on revenues up 5.8%

Revenues: €956.1 million, +5.8%

The revenues of the PagesJaunes in France segment advanced 5.8% to €956.1 million in 2005.

In 2005, PagesJaunes recruited 112,912 new advertisers in France, 15% more than in the previous year (98,365 new advertisers in 2004). The average revenue per advertiser remained stable at €1,528 (€1,533 in 2004), due to the recruitment of new advertisers generating lower average revenue than those already in the portfolio.

Printed directories

Revenues from printed directories rose 3.1% to €638.2 million in 2005. Revenues from the PagesJaunes directory increased 3.8% to €524.3 million in 2005, while those of the *Annuaire* remained almost unchanged at €113.9 million.

The number of advertisers in the printed directories increased 4.5% to 575,435 in 2005, and average revenue per advertiser amounted to €1,109.

Online services

Revenues from online services advanced 12.0% to €285.0 million in 2005. This growth results from the rise in Internet revenues (pagesjaunes.fr and websites), which grew 34.3% to €227.7 million over the period, more than offsetting the sharp decline in the Minitel-based service, where revenues fell 32.6% to €57.2 million. The proportion of sales generated by online activities represented 30% of the revenues of the PagesJaunes in France segment in 2005, against 28% in 2004.



The number of advertisers on pagesjaunes.fr increased 10% in one year, to 339,553 at the end of December 2005, and average revenue per advertiser grew 23% to €631.

The number of visits to pagesjaunes.fr rose from 383.1 million in 2004 to 538.4 million in 2005⁽⁴⁾, up 41%. With a reach rate of 36.3% in December 2005, pagesjaunes.fr ranks fifth among the most visited websites in France⁽⁵⁾.

Telephone directory enquiries

The revenues from the 118 008 service were insignificant in 2005 due to the fact that the market was only opened recently, and partially, on November 2, 2005. The French telephone directory enquiries market will only be fully liberalised from April 3, 2006.

Gross operating margin: €457.5 million, +10.5%

The gross operating margin of the PagesJaunes in France segment increased 10.5% to €457.5 million in 2005. The growth in gross operating margin amounted to 8.4% excluding IPO costs in 2004.

The growth of the gross operating margin of the PagesJaunes in France segment in 2005 results from the growth of activity (+5.8%) and good control of external expenses, which made it possible to absorb the initial launch costs of the 118 008 service.

This favourable trend also made it possible to largely offset the growth in the sales force, which resulted in an increase of 4.8% in commissions, salaries and social charges of PagesJaunes in France. The sales force of PagesJaunes in France rose to 1,829 at the end of December 2005, against 1,720 at the end of December 2004.

International & Subsidiaries segment: gross operating margin becomes positive due to 9.4% like-for-like revenue growth

Revenues: €108.9 million, +9.4% on a like-for-like basis

The revenues of the International & Subsidiaries segment amounted to €108.9 million in 2005, a rise of 9.4% on a like-for-like basis compared to 2004.

The revenues from B to C directories (QDQ Media, Editus Luxembourg, Edicom) advanced 10.2% on a like-for-like basis to €52.4 million in 2005. Revenues from the Kompass businesses increased 7.1% to €29.3 million and those generated by direct marketing and geographic services rose 10.6% to €27.1 million.

The revenues of QDQ Media rose 13.2% on a like-for-like basis to €41.3 million in 2005, due to a high revenue growth in online services (QDQ.com).



Gross operating margin becomes positive in the International & Subsidiaries segment

The gross operating margin of the International & Subsidiaries segment moved from a loss of €2.2 million in 2004 on a like-for-like basis to a positive margin of €5.5 million in 2005.

The appreciable improvement in gross operating margin on a like-for-like basis results from the rise in revenues and the recovery at QDQ Media, where the gross operating margin reached -€5.1 million in 2005 against -€13 million in the previous year.

Recent events

PagesJaunes recently acquired the *Annuaire* from France Télécom for €12 million. PagesJaunes thus becomes the publisher of the universal (alphabetical) directory with effect from January 1, 2006.

As part of its policy of enriching editorial content, pagesjaunes.fr has announced the signing of an agreement with the IGN (Institut Géographique National) covering aerial photographs, and a partnership with Allociné covering cinema listings and bookings. Other partnerships are set to expand the range of services and content of pagesjaunes.fr further in the weeks ahead.

Ghislaine Mattlinger has joined PagesJaunes Groupe in February 2006 as Financial Director, succeeding Jean-Claude Peltier, who for 30 years was one of those primarily responsible for the financial health of PagesJaunes. He is now leaving the Group. Ghislaine Mattlinger, a graduate of the HEC, aged 38, began her career in 1989 at Arthur Andersen, where for seven years she was responsible for the various consulting and audit assignments within the Banks and Financial Markets department. In 1996, she was appointed Financial Director of VIEL & Cie, one of the world leaders in brokerage of financial and non-financial products, before leaving in 2004 to take part in the formation of Aurige Finance, a firm of merger and acquisition consultants.

Financial targets

For 2006, PagesJaunes Groupe has set itself the following financial targets:

- Internal growth of consolidated revenues of 6.5% to 8.5%,
- Growth of consolidated gross operating margin of 5% to 7%, essentially in the second half due to the investment in the 118 008 service in the first half,
- Target of breakeven in gross operating margin at QDQ Media in the second half.

PagesJaunes Groupe aims to distribute the entire net income of the Group in respect of the 2006 financial year. It should be noted that the dividend distribution target in no way constitutes a commitment on the part of PagesJaunes Groupe. Future dividends will depend on the Group's results, its financial situation and any other factor which the Board of Directors and the shareholders of PagesJaunes Groupe deem relevant.



About PagesJaunes Groupe

PagesJaunes Groupe, a subsidiary of France Télécom, is France's leading publisher of printed directories (the PagesJaunes directory and the Annuaire) and online directories (pagesjaunes.fr, PagesJaunes 3611) for the general public, for which it also handles the sale of advertising space. The businesses of PagesJaunes Groupe also include website creation and hosting, the publication of the PagesPro BtoB directories, the publication of the QuiDonc reverse directory and the advertising representation in France for the Europages European BtoB directory.

PagesJaunes Groupe also publishes directories for the general public outside France – in Spain, Morocco, Luxembourg and Lebanon – and the Kompass directories (company databases) in France, Spain, Belgium and Luxembourg. It also provides complementary services such as the geographic services of Mappy and, in the field of relational marketing, the sale of data files and the processing of marketing databases by Wanadoo Data.

With more than 600,000 advertisers in 2005, PagesJaunes Groupe is the second largest French company in terms of advertising revenues.

Information on PagesJaunes Groupe is available at <http://www.pagesjaunesgroupe.com>.

Contacts:

PagesJaunes Press

Thomas Barbelet / Orith Tabeur
+33 (0)1 46 23 34 64
tbarbelet@pagesjaunes.fr
otabeur@pagesjaunes.fr

PagesJaunes Investors

Vincent Gouley
+33 (0)1 46 23 40 92
vgouley@pagesjaunes.fr



Appendices:

Table 1: IFRS consolidated income statement of PagesJaunes Groupe in 2005

In millions of euros	Second half			Full year (12 months)		
	2005	2004	Change 2005/2004	2005	2004	Change 2005/2004
Revenues	579.0	544.9	6.3%	1,060.7	967.2	9.7%
External purchases	(184.6)	(173.7)	6.3%	(330.4)	(317.6)	4.0%
Other operating income and expenses	20.5	16.6	24.0%	30.3	26.9	12.7%
Personnel expenses: - Salaries and charges	(155.4)	(145.8)	6.6%	(297.6)	(269.0)	10.6%
Gross operating margin (GOM) (4)	259.6	241.9	7.3%	463.1	407.5	13.6%
- Employee profit-sharing	(18.4)	(17.1)	7.8%	(32.9)	(29.9)	10.0%
- Share-based payment	(16.3)	(19.9)	-18.1%	(20.5)	(25.3)	-19.0%
Depreciation and amortisation	(5.3)	(5.2)	2.7%	(9.7)	(10.1)	-3.5%
Impairment of fixed assets	0.4	0.0	na	0.0	0.0	na
Result of asset disposals	(0.5)	0.1	na	(0.6)	0.0	na
Restructuring cost	(0.4)	0.0	na	(0.4)	0.0	na
Operating income	219.0	200.0	9.5%	399.0	342.6	16.5%
Financial result	7.5	12.8	-41.3%	11.6	20.3	-42.9%
Corporation tax	(84.9)	(89.3)	-4.9%	(148.9)	(149.3)	-0.3%
Net income	141.6	123.6	14.7%	261.7	213.6	22.5%



Table 2: IFRS consolidated revenues of PagesJaunes Groupe in 2005 on a like-for-like basis

In millions of euros	Fourth quarter			Full year (12 months)		
	2005	2004 on a like- for-like basis	Change	2005	2004 on a like- for-like basis	Change
PagesJaunes in France	255.9	245.8	4.1%	956.1	903.9	5.8%
Printed directories	172.3	167.2	3.1%	638.2	618.9	3.1%
of which PagesJaunes	142.8	137.3	4.0%	524.3	505.2	3.8%
of which the Annuaire	29.5	29.8	-1.1%	113.9	113.8	0.1%
Online services	71.6	66.5	7.7%	285.0	254.5	12.0%
of which Internet	59.3	45.9	29.3%	227.7	169.6	34.3%
of which Minitel	12.3	20.6	-40.4%	57.2	85.0	-32.6%
Other revenues	12.0	12.1	-0.8%	33.0	30.5	8.2%
International & Subsidiaries	32.2	29.6	8.7%	108.9	99.5	9.4%
<i>on a constant publication basis</i>	<i>32.2</i>	<i>27.9</i>	<i>15.0%</i>	-	-	-
BtoC directories	14.4	14.4	-0.5%	52.4	47.6	10.2%
<i>on a constant publication basis</i>	<i>14.4</i>	<i>12.8</i>	<i>12.2%</i>	-	-	-
of which QDQ Media	11.2	11.4	-1.9%	41.3	36.5	13.2%
<i>on a constant publication basis</i>	<i>11.2</i>	<i>9.8</i>	<i>14.5%</i>	-	-	-
Kompass businesses	8.1	7.2	12.5%	29.3	27.4	7.1%
Direct marketing and geographic services	9.6	7.9	22.0%	27.1	24.5	10.6%
Inter-segment	(1.6)	(0.9)	-	(4.3)	(2.4)	-
Consolidated revenues	286.4	274.5	4.4%	1,060.7	1,001.0	6.0%
<i>On a constant publication basis ⁽⁶⁾</i>	<i>286.4</i>	<i>272.8</i>	<i>5.0%</i>	-	-	-



Table 3: IFRS consolidated income statement of PagesJaunes Groupe in 2005 on a like-for-like basis

In millions of euros	Second half			Full year (12 months)		
	2005	2004 on a like- for-like basis	Change 2005/2004	2005	2004 on a like- for-like basis	Change 2005/2004
Revenues	579.0	561.2	3.2%	1,060.7	1,001.0	6.0%
Revenues on a constant publication basis	579.0	550.6	5.2%	-	-	-
External purchases	(184.6)	(178.9)	3.2%	(330.4)	(331.9)	-0.5%
Other operating income and expenses	20.5	16.6	23.5%	30.3	26.3	15.3%
Personnel expenses: - Salaries and charges	(155.4)	(150.8)	3.1%	(297.6)	(283.7)	4.9%
Gross operating margin (GOM)	259.6	248.1	4.6%	463.1	411.7	12.5%
GOM on a constant publication basis	259.6	233.8	11.0%	-	-	-
- Employee profit-sharing	(18.4)	(17.3)	6.4%	(32.9)	(30.2)	9.1%
- Share-based payment	(16.3)	(19.9)	-18.1%	(20.5)	(25.3)	-19.1%
Depreciation and amortisation	(5.3)	(5.6)	-5.4%	(9.7)	(10.9)	-10.5%
Impairment of fixed assets	0.4	0.0	-	0.0	0.0	-
Result of asset disposals	(0.5)	0.0	-	(0.6)	(0.4)	52.8%
Restructuring cost	(0.4)	0.0	-	(0.4)	0.0	-
Operating income	219.0	205.6	6.5%	399.0	345.1	15.6%
Financial result	7.5	12.8	-41.4%	11.6	18.6	-37.6%
Corporation tax	(84.9)	(91.2)	-6.9%	(148.9)	(150.8)	-1.3%
Net income	141.6	127.2	11.3%	261.7	212.9	23.0%



Table 4: Like-for-like income statement of PagesJaunes Groupe by segment

In millions of euros	PagesJaunes in France			International & Subsidiaries		
	2005	2004	Change 2005/2004	2005	2004 on a like-for-like basis	Change 2005/2004
Revenues	956.1	903.9	5.8%	108.9	99.5	9.4%
External purchases	(287.2)	(288.4)	-0.4%	(47.4)	(45.8)	3.5%
Other operating income and expenses	31.2	29.8	4.8%	(0.9)	(3.5)	-74.7%
Personnel expenses: - Salaries and charges	(242.6)	(231.4)	4.8%	(55.0)	(52.3)	5.1%
Gross operating margin (GOM)	457.5	413.9	10.5%	5.5	(2.2)	na
- Employee profit-sharing	(32.3)	(29.4)	10.0%	(0.6)	(0.7)	-23.7%
- Share-based payment	(19.1)	(23.5)	-18.7%	(1.3)	(1.8)	-24.4%
Depreciation and amortisation	(5.9)	(6.7)	-12.0%	(3.8)	(4.2)	-8.2%
Impairment of fixed assets	0.0	0.0	-	0.0	0.0	-
Result of asset disposals	(0.5)	(0.4)	49.4%	0.0	0.0	-
Restructuring cost	0.0	0.0	-	(0.4)	0.0	na
Operating income	399.7	354.0	12.9%	(0.6)	(8.9)	na



Table 5: Trend in the number of consultations of online directories ⁽⁴⁾

In millions	Sept. 2004	Dec. 2004	March 2005	June 2005	Sept. 2005	Dec. 2005
PagesJaunes 3611	18	15	14	14	13	11
Pagesjaunes.fr	37	36	44	48	50	49
Total	55	51	59	61	63	59

Table 6: Trend in the number of Internet advertisers of PagesJaunes

In thousands	Sept. 2004	Dec. 2004	March 2005	June 2005	Sept. 2005	Dec. 2005
Pagesjaunes.fr	293.0	308.0	318.9	328.7	326.4	339.6
QDQ.com	19.8	24.7	28.6	31.5	36.1	41.0
Total	312.8	332.7	347.5	360.2	362.5	380.6

Notes

(1) 2004 data on a like-for-like basis: in order to make the 2004 data comparable to the 2005 data, the 2004 data have been restated on the basis of the consolidated group in 2005. The consolidated information for full-year 2004 on a like-for-like basis reflects the consolidation of QDQ Media, Mappy, Editus Luxembourg and Kompass Belgium on 1 January 2004, e-sama on 1 February 2004 and Edicom on 1 July 2004. These structural effects only affect the International & Subsidiaries segment. The figures presented for 2004 are unaudited.

(2) Gross operating margin (GOM): revenues less external purchases, operating expenses (net of operating income) and salaries and charges. The salaries and charges included in the gross operating margin do not include employee profit-sharing or the cost of share-based payment. The consolidated gross operating margin under IFRS becomes the key indicator of the Group's operating performance, fulfilling the role previously played by the EBITDA under French GAAP.

(3) The operating income takes into account the employee profit sharing (€30.2 million in 2004 and €32.9 million in 2005). The withdrawal from the pooled profit-sharing agreement of the France Télécom Group from 31 December 2005 should enable PagesJaunes Groupe to achieve a saving of around €20 million per year before tax with effect from the 2006 financial year, with the establishment of a new, internal profit-sharing agreement.

(4) Source: Cybermétrie - Médiamétrie / eStat for the number of visits to pagesjaunes.fr and the number of requests made at the server interrogation centres of PagesJaunes 3611.

(5) Reach rate: number of Internet users visiting the site at least once in the month in question as a proportion of the actual number of active Internet users during this period - Source: Nielsen//Netratings "Home & Work" – domain ranking – June 2005.

(6) Constant publication basis: since the publication schedule of the printed directories of QDQ Media for the fourth quarter of 2004 is not comparable to that of the fourth quarter of 2005, the revenues on a constant publication basis for the fourth quarter of 2004 are obtained by applying the publication basis for printed directories of QDQ Media applicable in the fourth quarter of 2005.



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This document contains forward-looking statements. Although PagesJaunes Groupe believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: the effect of competition; PagesJaunes usage level; the success of the investments of the PagesJaunes Group in France and abroad.

A description of the risks borne by the PagesJaunes Group appears in section 4.9 "Analyse des risques du Groupe" of the "Document de Référence" of PagesJaunes Groupe filed with the French financial markets authority (AMF) under the number R. 05-034 on 30 March 2005. A description of the objectives of the PagesJaunes Group appears in chapter VII of the "Document de Référence".

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

Unless stated otherwise in this document, all the accounting data are presented on a like-for-like consolidated basis (including PagesJaunes S.A., Kompass France, QDQ Media, Mappy S.A., Wanadoo Data, Eurodirectory S.A., Editus Luxembourg, Kompass Belgium, e-sama and Edicom).