

# FACT SHEET

FEBRUARY 2015

LEADING CANADIAN DIGITAL MEDIA AND MARKETING SOLUTIONS COMPANY THAT SUPPORTS LOCAL ECONOMIES BY HELPING NEIGHBOURHOOD BUSINESSES REACH NEW CUSTOMERS AND FOSTER STRONGER RELATIONSHIPS WITH EXISTING CLIENTS THROUGH ITS VARIOUS MEDIA AND PRODUCTS

## FULL SUITE OF DIGITAL PRODUCTS & SERVICES

 YellowPages™ | 360° Solution

## EXTENSIVE NETWORK OF ONLINE AND MOBILE PROPERTIES



## RECENT BUSINESS DEVELOPMENTS

- The Company acquired 22,100 new customers during the twelve-month period ended December 31, 2014, up from 15,200 new customers the year prior. For the twelve-month period ended December 31, 2014, YP's customer renewal rate stood at 84%.
- Total digital visits across the YP, RedFlagDeals, YP Shopwise and Canada411 desktop and mobile properties grew 6.8% year-over-year to reach 424.1 million in 2014. For the three-month period ended December 31, 2014, total digital visits amounted to 117.4 million, up 14.2% over the same period last year.
- On December 17, 2014, Yellow Pages completed the acquisitions of Bookenda and dine.TO, providing the Company with the talent and technologies required to accelerate the development of its new media properties within the dining, home services and leisure verticals.
- The Company repaid a total of \$139.6 million of its 9.25% Senior Secured Notes in 2014, exceeding the minimum mandatory redemption requirement of \$125 million for 2014 and 2015 combined.

## FINANCIAL HIGHLIGHTS

### REVENUES

(IN MILLIONS OF CANADIAN DOLLARS)

Q4 - 2013	\$238.0	
Q4 - 2014	\$215.3	↓ 10%

### DIGITAL REVENUES

(IN MILLIONS OF CANADIAN DOLLARS)

Q4 - 2013	\$107.4	
Q4 - 2014	\$116.9	↑ 9%

### EBITDA

(IN MILLIONS OF CANADIAN DOLLARS)

Q4 - 2013	\$91.3	
Q4 - 2014	\$64.8	↓ 29%

### NET DEBT

(IN MILLIONS OF CANADIAN DOLLARS)

December 31, 2013	\$533.1
December 31, 2014	\$494.1

# THE RETURN TO GROWTH PLAN

Yellow Pages continues to make significant progress on the execution of the Return to Growth Plan (the "Plan"), which is aimed at enhancing the Company's brand, media and customer value proposition. The ultimate objective of the Plan is to help Yellow Pages become a leader within Canada's local digital advertising market and return the Company to revenue and EBITDA growth in 2018.

## KEY DIGITAL PARTNERSHIPS



## OUR DIGITAL PRESENCE

256,000 CUSTOMERS

**64%** of customers purchased digital products

**37,000** digital only customers

## PENETRATION OF YELLOW PAGES™ 360° SOLUTION

**37%** of customers purchased three products or more

**61,300** customers purchased mobile products

## DIGITAL VISITS TO OUR NETWORK OF PROPERTIES

**+117M** visits made across our YP, RedFlagDeals, YP Shopwise and Canada411 online and mobile properties during Q4 2014



**YP mobile application**  
"Best New Apps of 2014" (Apple)  
"Best Apps of 2014" (Google)



**YP Shopwise**  
**Canada411**  
"Best New Apps" (Apple)

## FINANCIAL CONDITION as at December 31, 2014

### CAPITAL STRUCTURE

(IN MILLIONS OF CANADIAN DOLLARS)

Senior Secured Notes	\$	507
Exchangeable Debentures		89
Obligations Under Finance Leases		1
Cash and Cash Equivalents		(103)
<b>Net Debt</b>	<b>\$</b>	<b>494</b>
Equity Attributable to the Shareholders		684
<b>Total Capitalization</b>	<b>\$</b>	<b>1,178</b>

### RATIO

Net Debt / LTM EBITDA <sup>1</sup>	1.6x
LTM EBITDA <sup>1</sup> / Interest Charges	5.8x

### CREDIT RATINGS

**Standard and Poor's**  
B/corporate credit rating – stable outlook  
BB-/credit rating for Senior Secured Notes  
CCC+/credit rating for Exchangeable Debentures

### DBRS Limited

B (low)/issuer rating – positive trend  
B (low)/credit rating for Senior Secured Notes  
CCC/credit rating for Exchangeable Debentures

### MARKET DATA for Y as at February 11, 2015

Closing price	CAD\$16.61
Outstanding shares (M) - (Feb 11)	28.0
Market capitalization	CAD\$465M
Enterprise value	CAD\$955M
Average daily shares traded (over the last twelve months)	94,734

### TSX SYMBOLS

<b>Y</b>	Common Shares
<b>YPG.DB</b>	Senior Subordinated Unsecured Exchangeable Debentures
<b>Y.WT</b>	Warrants

<sup>1</sup> Latest twelve month income from operations before depreciation and amortization and restructuring and special charges.

This fact sheet contains forward-looking statements about the objectives, strategies, financial conditions, results of operations and businesses of the Company. These statements are forward-looking as they are based on our current expectations, as at February 12, 2015, about our business and the markets we operate in, and on various estimates and assumptions. Our actual results could materially differ from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. As a result, there is no assurance that any forward-looking statements will materialize.

## INVESTOR RELATIONS

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