



Yellow Media Completes Recapitalization

Montréal (Québec), December 20, 2012 — Yellow Media Limited (TSX: Y) announced today that its previously announced recapitalization (the "Recapitalization") has been implemented and is now effective.

Pursuant to the Recapitalization, Yellow Media Inc.'s former securities and all entitlements relating thereto have been exchanged and cancelled for, as applicable, cash, new common shares (TSX: Y) and warrants (TSX: Y.WT) of Yellow Media Limited, the new public parent company resulting from the Recapitalization, and new senior secured notes and new senior subordinated exchangeable debentures (TSX: YPG. DB) of YPG Financing Inc., the entity previously named Yellow Media Inc. and now a wholly-owned subsidiary of Yellow Media Limited.

"The implementation of our recapitalization aligns the Company's balance sheet with its business strategy," said Marc P. Tellier, President and Chief Executive Officer of Yellow Media. "We are now well-positioned to execute our digital transformation and seize existing market opportunities to provide Canadian businesses with smarter, simpler ways to manage their digital marketing needs and grow their customer base".

Yellow Media's Recapitalization reduced the Company's debt, including preferred shares, series 1 and series 2, by approximately \$1.5 billion and provides it with the financial flexibility necessary to advance its business transformation to a digital media and marketing solutions company and enhance long-term value for stakeholders.

Further information concerning the Recapitalization is available on SEDAR (www.sedar.com) and the Company's website (www.ypq.com).

About Yellow Media

Yellow Media Limited (TSX: Y) is a leading media and marketing solutions company in Canada. The Company owns and operates some of Canada's leading properties and publications including Yellow Pages™ print directories, YellowPages.ca™, Canada411.ca and RedFlagDeals.com™. Its online destinations reach over 9 million unique visitors monthly and its mobile applications for finding local businesses and deals have been downloaded over 4 million times. Yellow Media is also a leader in national digital advertising through Mediative, a digital advertising and marketing solutions provider to national agencies and advertisers. For more information, visit www.ypq.com.

Caution Concerning Forward-Looking Statements

This press release contains forward-looking statements about the objectives, strategies, financial conditions, results of operations and businesses of Yellow Media Limited and YPG Financing Inc. These statements are forward-looking as they are based on our current expectations, as at December 20, 2012, 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. Risks that could cause our results to differ materially from our current expectations are discussed in section 7 of Yellow Media Inc.'s November 6, 2012 Management's Discussion and Analysis. We disclaim any intention or obligation to update any forward-looking statements, except as required by law, even if new information becomes available, as a result of future events or for any other reason.

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