

European Directories Midco S.à r. l.
Financial statements for the year ending
31 December 2014

(with the Report of the Réviseur d'Entreprises Agrée thereon)

R.C.S Luxembourg B 155418
46A avenue J.F. Kennedy
L-1855 Luxembourg
Subscribed capital: EUR 100,000

Table of contents

Financial statements for the year ending

31 December 2014

Balance sheet	3
Statement of profit and loss and other comprehensive income	4
Cash flow statement	5
Statement of changes in equity	6
Notes to the financial statements	7-21
1 Summary of significant accounting policies	
2 Use of judgements and estimates	
3 Board of Managers fees	
4 Other expenses	
5 Income taxes	
6 Investments in subsidiaries	
7 Available-for-sale investments	
8 Current and non-current receivables	
9 Capital and reserves	
10 Non-current and current financial liabilities and other liabilities	
11 Financial risk management	
12 Related parties	
13 Contingencies and commitments	
14 Events after the balance sheet date	
15 Transition to IFRS	
Report of the Réviseur d'Entreprises Agréé	22-23

Balance sheet	Note(s)	31 December 2014	31 December 2013	1 January 2013
All amounts are in Euro unless otherwise stated				
ASSETS				
Non-current assets				
Investments in subsidiaries	1.8; 6	2 043 499	2 043 499	31 501
Available-for-sale investments	1.8; 7	1 132 757	-	-
Loan receivables	1.9; 8	104 377 310	103 313 950	-
Total non-current assets		107 553 566	105 357 449	31 501
Current assets				
Accrued interest on loans and other receivables	1.9-11; 8	8 295 349	572 779	157 935
Cash and cash equivalents	1.11	36 800	399	-
Total current assets		8 332 149	573 178	157 935
Total assets		115 885 715	105 930 627	189 436
EQUITY				
Equity attributable to owners of the parent				
Share capital		100 000	100 000	100 000
Share premium		16 448 734	16 448 734	16 448 734
Other reserves		9 873	9 873	9 873
Profit (loss) brought forward		(25 526 432)	(25 965 933)	(27 579)
Profit (loss) of the year		(6 729 052)	439 501	(25 938 354)
Total equity	1.12; 9	(15 696 877)	(8 967 825)	(9 407 326)
LIABILITIES				
Non-current liabilities				
Shareholder loan and accrued interests	1.13, 10 (a), 11	118 215 487	104 205 033	-
Other financial liabilities	10 (a)	1 130 000	-	-
Total non-current liabilities		119 345 487	104 205 033	-
Current liabilities				
Accrued interest	1.13; 10 (b)	9 731	-	-
Trade and other payables	1.14; 10 (b)	12 227 374	10 693 419	9 596 762
Total current liabilities		12 237 105	10 693 419	9 596 762
Total liabilities		131 582 592	114 898 452	9 596 762
Total equity and liabilities		115 885 715	105 930 627	189 436

Statement of profit and loss and other comprehensive income	Note(s)	1 January - 31 December 2014	1 January - 31 December 2013
All amounts are in Euro unless otherwise stated			
Board fees	1.15; 3	(743 192)	(566 449)
Other expenses	4	(394 167)	(293 326)
Operating loss	1.16	(1 137 359)	(859 775)
Finance income	8	8 185 309	2 446 382
Finance costs	10	(13 771 925)	(1 144 855)
Net finance costs		(5 586 616)	1 301 527
Profit / loss before income tax		(6 723 975)	441 752
Income tax	1.18; 5	(5 077)	(2 251)
Profit (loss) for the period		(6 729 052)	439 501
Total comprehensive income		(6 729 052)	439 501

Statement of cash flows	1 January - 31 December 2014	1 January - 31 December 2013
All amounts are in Euro unless otherwise stated		
Cash flow from operating activities		
Profit (loss) for the period	(6 729 052)	439 501
Adjustments for:		
Income tax	5 077	2 251
Net finance costs	5 586 616	(1 301 527)
Operating loss	(1 137 359)	(859 775)
Realised foreign exchange gains and losses and other finance items	(5 212)	-
Taxes paid	(7 750)	-
Operating cash flow before movements in working capital	(1 150 321)	(859 775)
Net change in working capital	152 767	(406 273)
Net cash from operating activities	(997 554)	(1 266 048)
Cash flow from investing activities		
Acquisitions of subsidiaries and businesses, net of cash acquired	-	(43 499)
Purchases of available-for-sale investments	(1 132 757)	-
Net cash used in investing activities	(1 132 757)	(43 499)
Cash flow before financing activities	(2 130 311)	(1 309 547)
Cash flow from financing activities		
Proceeds from current liabilities	1 395 753	1 309 788
Proceeds from non-current liabilities	1 130 000	-
Loans granted to related parties	(359 041)	-
Net cash used in financing activities	2 166 712	1 309 788
Net increase (+) / decrease (-) in cash and cash equivalents	36 401	241
Cash and cash equivalents at beginning of period	399	158
Foreign exchange differences in cash and cash equivalents	-	-
Cash and cash equivalents at the end of period	36 800	399

Statement of changes in equity

All amounts are in Euro
 unless otherwise stated

	Note(s)	Equity attributable to owners of the parent				Total equity
		Share capital	Share premium	Other reserves	Retained earnings	
Balance 1 January 2013	9	100 000	16 448 734	9 873	(25 965 933)	(9 407 326)
Impact from transition to IFRS	15	-	-	-	-	-
IFRS balance 1 January 2013		100 000	16 448 734	9 873	(25 965 933)	(9 407 326)
Total comprehensive income for the financial year 2013		-	-	-	439 501	439 501
Balance at 31 December 2013		100 000	16 448 734	9 873	(25 526 432)	(8 967 825)
Total comprehensive income for the financial year 2014		-	-	-	(6 729 052)	(6 729 052)
Balance at 31 December 2014		100 000	16 448 734	9 873	(32 255 485)	(15 696 877)

Notes to the separate financial statements

Note 1 Summary of significant accounting policies

1.1 General information

European Directories Midco S.à r.l., Luxembourg (hereafter referred to as "the Company") is the parent company of the European Directories group ("the Group" or "European Directories" or "ED Group") and has its registered address at 46A, Avenue J.F. Kennedy, L-1855 Luxembourg. The Company was incorporated on 27 August 2010 for an unlimited period, under the laws of the Grand Duchy of Luxembourg as European Directories Midco S.à r.l., Luxembourg, on 7 December 2012 it became European Directories Midco S.à r.l.

The Company is a holding company and is registered with the Luxembourg Register of Commerce under number B 155418.

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.2 Going concern

The going concern of the Company largely depends on the support of its shareholders and positive cash flow from Group operations.

The Group refinanced its external debt on 10 December 2013. The refinancing was achieved by replacing the external bank debt with bonds issued to the market by a Group company, European Directories BondCo S.C.A. and preferred equity certificates issued by European Directories Midco ("PECs"). The holder of the PECs is Leafy S.à r.l.. The maturity of the bonds is in 2018 and the maturity of the PECs is 2043.

In addition, Cash flow forecasts of the Group, for the upcoming 12 months show a positive cash flow that will enable the Group to maintain its operations for at least next 12 months. With the refinancing at the end of 2013, the Group has secured its financing position until December 2018. Consequently, and taking the current cash flow and working capital forecasts into consideration, these financial statements have been prepared on a going concern basis assuming that the Group will continue in operation for at least the 12 months following and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Board have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

Therefore the going concern basis of accounting has been adopted in preparing these financial statements.

1.3 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

For comparative purposes the financial statements for the year ended 31 December 2013, which had been prepared and published under LuxGaap, the accounting standards previously used by the Company, have been restated under IFRS as adopted by the European Union. The Company reports its financial statements under IFRS for the first time and IFRS 1 has been applied.

The accounting policies set out below have been applied consistently to all periods presented and in preparing an opening IFRS balance sheet as at 1 January 2014, for the purposes of the transition from LuxGaap to IFRS.

These separate financial statements were authorised for issue on 1 April 2015.

The figures in the financial statements are presented in Euro unless otherwise stated.

1.4 Basis of measurement

These separate financial statements are prepared under historical cost convention or otherwise at fair value as disclosed in accounting policies thereafter.

1.5 Functional and presentation currency

Items included in the separate financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). These separate financial statements are presented in Euro (EUR), which is the Company's functional currency.

Transactions denominated in foreign currencies are translated using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies outstanding at the balance sheet date are translated to Euro using the exchange rate quoted on the closing date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated at the functional currency at the exchange rate when the fair value is determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange rate differences are recognised in the statement of comprehensive income. Net translation differences relating to financing are presented under finance income or expenses.

The balance sheet date rate is based on the exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of each month's ending rate from the European Central Bank during the year and the ending rate of the previous year.

1.6 New accounting principles

1.6.1 New standards, amendments and interpretations issued, but not yet effective for the reporting and not early adopted

The Company has not yet adopted the following new and amended standards and interpretations already issued by the IASB. The Company will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

The Board of Managers anticipate that the adoption of the following standards, amendments and interpretations listed below in future periods will have no material financial impact on the financial statements.

* = not yet endorsed for use by the EU as of 31 December 2014.

- Amendments to IAS 27 — *Equity Method in Separate Financial Statements**
- New IFRS 9 Financial Instruments*

1.7 Presentation of current and non-current assets and liabilities

Current assets and liabilities are settled within twelve months whereas non-current assets and liabilities are settled within more than twelve months.

1.8 Investment in subsidiaries and in other shares

Shareholdings are carried at cost less impairment losses.

The carrying amount of the shares is reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated and the difference with the carrying amount is recorded as an impairment loss. For further information, see note 1.10 "Impairment of financial assets".

1.9 Loan receivables

Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market nor held by the Company for trading. Upon initial recognition loan receivables are measured at fair value, and are subsequently measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

Interest income is recognised by applying the effective interest rate, except for current receivables when the recognition of interest would be immaterial.

Transaction costs that are directly attributable to the acquisition or issue of a financial asset are deducted from the asset's carrying value. This is because financial assets are initially recognised at cost, corresponding to the fair value of the sums paid or received in exchange for the asset. The costs are subsequently amortised over the life of the asset, by the effective interest method.

The effective interest rate is the rate, which discounts estimated future cash payments up to the maturity or the nearest date of price adjustment to the market rate, to the net carrying amount of the financial liability.

The Company derecognises a financial asset when its contractual obligations are discharged, cancelled or expire.

1.10 Impairment of financial assets

A financial asset is impaired when its carrying amount exceeds its recoverable amount. The Company reviews all of its assets at each reporting date for indicators of impairment.

The carrying amount of an impaired financial asset is reduced to its estimated recoverable amount and the amount of the change in the current period provision is recognised in the statement of comprehensive income. Recoveries, write-offs and reversals of impairment are included in the statement of comprehensive income as part of change in provisions for impairment.

If in a subsequent year, the amount of the impairment on financial assets decreases, due to an event occurring after the write-offs, the amount is reversed by adjusting the impairment and is recognised in the statement of comprehensive income.

A financial asset is impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the asset the estimated future cash flows of the asset have been impacted.

The Company considers evidence of impairment at both specific and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

Objective evidence that financial assets are impaired can include default or delinquency by a borrower, restructuring of a loan or receivable by the Company on terms that the Company would not otherwise consider, indications that a borrower or issuer will enter into bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as economic conditions that correlate with defaults in the group.

1.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and short-term deposits with an original maturity of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company / Group in the management of its short-term commitments.

1.12 Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds of the share issue.

Dividends on ordinary shares are recognised in the financial statements in the period in which they are approved by the Company's shareholders.

1.13 Interest-bearing liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss; or other financial liabilities (financial liabilities recognized at amortised cost). Currently the Company has only financial liabilities classified in the latter category.

Interest-bearing loans and borrowings are initially recognized at fair value less transaction costs incurred. Subsequently they are stated at amortised cost with any difference between cost and redemption value being recognised as an interest expense over the period of the borrowings, using the effective interest method.

Interest-bearing loans and borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Transaction costs that are directly attributable to the acquisition or issue of a financial liability are deducted from the liability's carrying amount. This is because financial liabilities are initially recognized at cost, corresponding to the fair value of the sums paid or received in exchange for the liability. The costs are subsequently amortised over the life of the liability, by the effective interest method.

The effective interest rate is the rate, which discounts estimated future cash payments up to the maturity or the nearest date of price adjustment to the market rate, to the net carrying amount of the financial liability.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Interest-bearing loans and borrowing costs paid on the establishment of loan facilities are recognised to the extent that is probable that some or all of the facility will be drawn down. In this case, the cost is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the cost is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

1.14 Trade and other payables

Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

1.15 Management remuneration

Currently the Company's management remuneration consist of fees paid to members of the Board. Board fees are accrued in the year in which the related service is provided.

1.16 Operating result

IFRS allow the use of additional line items and subtotals in the income statement. The Company has defined operating result to be a relevant subtotal in understanding the Company's financial performance. All other items of the statement of comprehensive income are presented below the operating result.

1.17 Finance income and expenses

Finance income and expenses comprise interest receivable and payable on borrowings, loans calculated using the effective interest rate method, foreign exchange gains and losses, and gains and losses on hedging instruments that are recognized in the income statement. Currently the Company has no hedging instruments.

Finance income comprises interest receivable on the loans granted and foreign exchange gains. Interest income is recognized as it accrues, using the effective interest method. Dividend income is recognized on the date that the entity's right to receive payments is established.

Finance costs comprise interest payable on borrowings calculated using the effective interest method and foreign exchange losses.

1.18 Current and deferred Income tax

Tax expense for the period comprises current and deferred income tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. Other taxes not based on income, such as capital taxes, are included within other operating expenses.

The current income tax charge is calculated on the Company's taxable income and on the basis of the tax rates and laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Taxable profit differs from profit as reported in the separate income statement because of items of income and expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Managers periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is generally provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets are set off against deferred tax liabilities if they relate to income taxes levied by the same taxation authority.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.19 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of uncertain future events not wholly within the control of the entity. Such present obligation that probably does not require settlement of a payment obligation and the amount of which cannot be reliably measured is also considered to be a contingent liability. Contingent liabilities are disclosed in the notes to the financial statements.

Note 2 Use of judgements and estimates

The preparation of separate financial statements under IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of income and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. These estimates and assumptions are based on historical experience and other justified factors, including expectations of future events that are believed to be reasonable under the circumstances at the end of the reporting period and the time when they were made. Actual results and timing may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis and when preparing financial statements. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or more experience. Such changes are recognized in the period in which the estimate is revised.

Critical estimates and judgements as applied by the Managers in the preparation of the financial figures are periodically discussed with the Board of Managers. The major accounting estimates and judgements applied in the preparation of the underlying separate financial statements are as follows:

- Accounting for income taxes
- Accounting for provisions

By their nature, the above-mentioned items are dependent upon estimates and judgements whether the criteria for recognition have been met. Should the actual outcome differ from the estimates and judgements, revision to the recognized amounts would be required which could impact the financial position of the Company.

All amounts are in Euro unless otherwise stated

Note 3 Board of Managers fees

The Company had no employees during the year (2013: nil).

The Company is paying remuneration to the members of the Board of Managers.

Note 4 Other expenses	<u>31 December 2014</u>	<u>31 December 2013</u>
Auditor remuneration	75 536	268 625
Other administrative expenses	318 631	24 701
Total	<u>394 167</u>	<u>293 326</u>
Auditor remuneration		
Audit fees	75 536	222 291
Fees for other assurance services	-	46 334
	<u>75 536</u>	<u>268 625</u>

Note 5 Income taxes	<u>31 December 2014</u>	<u>31 December 2013</u>
Current income taxes	5 077	2 251
Total	<u>5 077</u>	<u>2 251</u>

The Company is subject to taxation under the Luxembourg tax regulation applicable to companies.

The table below explains the difference between theoretical tax cost calculated with Luxembourg nominal tax rate 29.2% (2013: 29.2%) and tax expense in the consolidated income statement.

	<u>31 December 2014</u>	<u>31 December 2013</u>
Profit/loss before income tax	(6 723 975)	441 752
Taxes calculated using the Luxembourg tax rate	1 964 745	(129 080)
Tax exempt income	-	575 195
Current year losses for which no deferred tax asset was recognised	(1 969 822)	(448 366)
Income tax total	<u>(5 077)</u>	<u>(2 251)</u>

Note 6 Investments in subsidiaries	<u>31 December 2014</u>	<u>31 December 2013</u>
Balance at the beginning of the year	<u>2 043 499</u>	<u>31 502</u>
Acquisition of additional newly issued share capital in BondCo at fair value	-	2 030 999
Acquisition of additional newly issued share capital in ED GP at fair value	-	12 500
Contribution of shares in European Directories Opholdco S.à r.l. at fair value	-	(31 502)
Balance at the end of the year	<u>2 043 499</u>	<u>2 043 499</u>

All amounts are in Euro unless otherwise stated

The Company has shareholdings in the following companies:

Name	Registered office	Proportion of the capital held, %	Capital and reserves	Profit (loss)
European Directories BondCo S.C.A. ("BondCo")	2C, rue Albert Borschette, L-1246 Luxembourg, R.C.S. Luxembourg	99.99%	2 031 000	(83 602)
European Directories GP ("ED GP")	2C, rue Albert Borschette, L-1246 Luxembourg, R.C.S. Luxembourg	100 %	12 500	(8 246)

On 2 December 2013 the Company contributed EUR 2,030,999 to the share capital of European Directories BondCo S.C.A. and EUR 12,500 to the share capital of European Directories GP.

The first financial period of both European Directories BondCo S.C.A. and European Directories GP S.à r.l. have ended on 31 December 2014. The amount of capital and reserves and the loss for the latest financial year of the said companies, as presented above, are based on the financial statements as at and for the period ended 31 December 2014. European Directories BondCo S.C.A. has prepared its financial statements under IFRS and European Directories GP S.à r.l. under Lux GAAP.

The Company has issued a guarantee as for its own debt for the obligations of European Directories BondCo S.C.A. under the Bonds. The Company has also pledged the shares it owns in European Directories BondCo S.C.A. and European Directories GP as well as all claims under the PIK intercompany loans as security to the Bonds.

All amounts are in Euro unless otherwise stated

Note 7 Available-for-sale investments

Available-for-sale investments comprise of the investment in Bokadirekt i Stockholm AB for an amount of EUR 1,132,757 which represents 14,83% of total shares.

Note 8 Current and non-current receivables

<u>Counterpart</u>	<u>Principal</u>	<u>Interest rate</u>	<u>Maturity date</u>
Loan to European Directories BondCo S.C.A.		7,24 %	31.10.2043
Original loan amount	103 313 950		
Set up fee	450 845		
Loan balance	103 764 795		
Loan to European Directories Parent S.A.	205 259	0,1 %	On demand
Loan to European Directories Holdco S.A.	153 785	0,1 %	On demand
Loan to Leafy S.à.r.l	253 471	0,1 %	On demand
Total	104 377 310		

On 10 December 2013, in order to facilitate the financial restructuring of its group, the Company entered into a EUR 103,313,950 loan agreement with its immediate subsidiary, European Directories Bondco S.C.A. In the beginning of 2014 a set up fee of EUR 450,845 was capitalized as a part of the loan amount. As on 31 December 2014 the loan amounts to EUR 103,764,795. The loan is bearing an interest rate of 7,24% payable annually in arrears.

As of 31 December 2014 the Company has a loan receivable totalling EUR 612,515 from European Directories Holdco S.A., European Directories Parent S.A. and Leafy S.à.r.l. The loans are bearing an interest rate of 0,1% payable in arrears of 30 June and 30 December each year. The Company does not have the intention to ask for repayment in the next 12 months from the date of the financial statements.

	<u>31 December 2014</u>	<u>31 December 2013</u>
Interest income on financial assets classified as loans and receivables		
Loan to European Directories BondCo S.C.A.	8 185 102	477 884
Loan to European Directories Parent S.A.	54	-
Loan to European Directories Holdco S.A.	49	-
Loan to Leafy S.à.r.l	104	-
Total interest income in the statement of profit and loss	8 185 309	477 884
Interest income paid during the period	-	-
Set up fee capitalized during the period	(450 845)	-
Total accrued interest	8 212 349	477 884
Prepayments	83 000	94 895
Total accrued interest and other receivables	8 295 349	572 779

Other current receivables comprised prepayments made in relation with insurance contracts, recognised in the following years EUR 83,000 (2013: 94,895).

The Managers assessed that interest receivables approximate their carrying amounts largely due to the short-term maturities of these instruments.

All amounts are in Euro unless otherwise stated

Note 9 Capital and reserves

	Number of shares (pcs)	Share capital	Share premium	Other reserves	Total
In issue at 1 January 2013	10 000 000	100 000	16 448 734	9 873	16 558 607
31 December 2013	10 000 000	100 000	16 448 734	9 873	16 558 607
31 December 2014	10 000 000	100 000	16 448 734	9 873	16 558 607

Share capital

The issued share capital consists of 10,000,000 shares with a nominal value of EUR 0.01 each, all of which are fully paid up. The share capital is divided into three classes of shares, namely 4,990,000 class A shares, 4,010,000 class B shares and 1,000,000 class C shares. Each share entitles the holder to one vote at the Annual General Meeting. Different shares entitle their holders to a different dividend.

Other reserves

Legal reserve: In accordance with the Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

Note 10 Non-current and current financial liabilities and other liabilities

a.) Non-current financial liabilities

Shareholder loan (preferred equity certificates)	103 313 950	103 313 950
Accrued interests on Shareholder loan	14 901 537	891 083
Total	118 215 487	104 205 033
Long term loan from Fonecta Oy	1 130 000	-
	1 130 000	-
Total non-current liabilities	119 345 487	104 205 033

On 10 December 2013 the Company issued 103,313,950 preferred equity certificates ("PECs") for an aggregate amount of EUR 103,313,950 ("PECs"). Leafy S.à r.l. is the holder of all outstanding PECs.

The PECs have a maturity date of 10 December 2043. The PECs carry a fixed yield and a profit yield which can be paid in full or in part by issuing new PECs to the holders. As at 31 December 2014 the accrued interest amounts to EUR 14,901,537 (31 Dec 2013: EUR 891,083).

As of 31 December 2014 the Company has a loan payable to Fonecta Oy totalling EUR 1,130,000. The loan is bearing an interest rate of 5% payable in respect of the loan repayment date 30 June 2016. As of 31 December 2014 the accrued interest amounts to 9,731 EUR.

All amounts are in Euro unless otherwise stated

	<u>31 December 2014</u>	<u>31 December 2013</u>
Interest income on financial assets classified as loans and receivables		
Shareholder loan	14 010 454	891 083
Loan to Fonecta Oy	9 731	-
	<u>14 020 185</u>	<u>891 083</u>
Other finance expenses	(248 260)	253 772
Total finance cost in the statement of profit and loss	<u>13 771 925</u>	<u>1 144 855</u>
Interest income paid during the period	-	-
Interest payable on borrowings	<u>14 911 268</u>	<u>891 083</u>
b.) Current liabilities		
Amounts due to group companies		
De Telefoongids Holding B.V.	62 861	5 198
Fonecta Oy	14 030	5 417
Fonecta Corporations Oy	-	3 305
Herold Business Data GmbH	14 161	19 230
European Directories Services B.V.	10 931	12 418
European Directories Opholdco S.à.r.l	2 625 018	1 287 204
European Directories (Dh7) B.V.	9 341 009	9 341 009
	<u>12 068 010</u>	<u>10 673 781</u>
Current tax	601	3 274
Accrued expenses	157 488	14 843
Other	1 275	1 521
Total trade and other payables	<u>12 227 374</u>	<u>10 693 419</u>

The Managers assessed that trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

All amounts are in Euro unless otherwise stated

Note 11 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks:

- market risk (including currency risk), fair value interest rate risk and price risk
- credit risk; and
- liquidity risk.

The Company's overall risk management programme focuses on the structure of the assets and liabilities.

Management aims in achieving risk minimisation through the use of a ("back to back") structure.

1. Market risk

Price/Interest rate risks

Market risk is the potential of suffering losses due to changes in market prices or parameters influencing market prices. It includes changes concerning illiquidity of sub-markets resulting in the inability of buying/selling positions of a special size, within a special period of time or at fair value conditions.

The interest rate risk is covered by the structure of the assets and liabilities. Through back to back structuring management consider the interest cash flow risk to be mitigated.

Sensitivity analysis

A reasonable possible change of 100 basis points in the interest rates at the reporting date is not impacting the value of assets, liability or shareholder equity in a significant way.

The back to back structure of assets and liabilities is offsetting this risk.

Currency risk

The Company has no significant currency risk as borrowings and lending contracts are denominated in Euro, the functional and presentation currency of the Company. The Company is only subject to individual insignificant transactions in foreign currency which may arise.

Sensitivity analysis

A reasonable possible strengthening (weakening) of the Euro, US dollar (USD) or Swedish Crown (SEK) against all other currencies as at reporting date would have not significantly affect the measurement of the value of assets, liabilities or shareholder equity. The back to back structure of assets and liabilities is offsetting this risk.

2. Credit risk

Credit risk is associated with potential losses arising from a business partner's (counterparty, issuer, other contractual partner) default, i.e. its inability or unwillingness to meet contractual obligations, or the deterioration of its creditworthiness, e.g. changes in the issuer credit rating.

The maximum credit risk exposure of the Company in the event of other parties failing to perform their obligations is considered to be the carrying value of the loan.

3. Liquidity risk

Liquidity risk is the risk that the ability to meet payment obligations cannot be ensured at all times. In economic terms, this is the risk resulting from the Company's exposure to an increase of liquidity premiums. As presented under Note 8 "Current and non-current receivables" and Note 10 "Non-current and current financial liabilities and other liabilities", the management ensures that liquidity risk is kept at minimum by matching the liquidity and maturity structure of assets and liabilities at all time.

A change in the interest, currency and market price movements are not impacting the liquidities of the Company at the reporting date, value of assets, liability or shareholder equity in a significant way. The back to back structure of assets and liabilities is offsetting these risks.

Maturity of financial liabilities

31 December 2014

Due in one year	12 227 374
Due in two to five years	1 139 731
Due in more than five years	118 215 487
Total	131 582 592

All amounts are in Euro unless otherwise stated

Carrying amounts and fair value

The following table shows the carrying amounts of financial instruments. All financial instruments presented are valued at amortized cost through the use of the effective interest rate method. The carrying values of the financial instruments are considered to be a good approximation of the fair value of the financial instruments.

	<u>Non- current assets</u>		<u>Current assets</u>		Total
	Trade and other receivables	Investments	Trade and other receivables	Cash and cash equivalents	
Financial assets not measured at fair value					
Trade and other receivables	104 377 310	-	8 295 349	-	112 672 659
Cash and cash equivalents	-	-	-	36 800	36 800
Corporate securities	-	3 176 256	-	-	3 176 256
TOTAL	104 377 310	3 176 256	8 295 349	36 800	115 885 715

	<u>Non- current liabilities</u>		<u>Current liabilities</u>		Total
	Interest bearing loans and borrowings		Interest bearing loans and borrowings	Trade and other payables	
Financial assets not measured at fair value					
Trade and other payables	-		-	12 227 374	12 227 374
Borrowings	119 345 487		9 731	-	119 355 218
TOTAL	119 345 487		9 731	12 227 374	131 582 592

All amounts are in Euro unless otherwise stated

Note 12 Related parties

Related parties of the Company

The Company's related party comprise the following:

- * European Directories Bondco S.A.
- * European Directories Parent S.A.
- * Leafy S.à.r.l
- * Board of Managers.

Key management personnel of the Company consist of the Board of Managers ("the Managers").

Ownership structure

European Directories Midco S.à r.l. is the parent company of the European Directories Group. Triton Fund, majority through Leafy S.à r.l., holds at the balance sheet date 86.7 % of the shares in European Directories Midco S.à r.l.

European Directories Midco S.à r.l. has shareholdings in two subsidiaries, European Directories Bondco S.C.A., and European Directories GP. For further information, see Note 6 "Investment in subsidiaries".

Related party transactions

No transactions with the Managers of the Company or other related parties have occurred during the period, besides the ones disclosed in the notes to the financial statements.

Note 13 Contingencies and commitments

The Managers of the Company are not aware of any significant contingent liabilities as at 31 December 2014.

European Directories Midco S.à r.l. is a guarantor for the obligations of European Directories BondCo S.C.A. under the Bond. European Directories Midco S.à r.l. and European Directories BondCo S.C.A. have provided security for certain assets (loan receivables and accounts) to secure the obligations of European Directories BondCo S.C.A. under the finance documents.

Note 14 Events after the balance sheet date

No subsequent events have occurred at the date these financial statements were available for issuance that would have a material impact on the result or financial position the Company.

Note 15 Transition to IFRS

The accounting policies set out in Notes 1.1 to 1.19 have been applied in preparing the financial statements for the year ended 31 December 2014, the comparative information for the year ended 31 December 2013 and in the preparation of an opening IFRS balance sheet at 1 January 2014 (the date of transition).

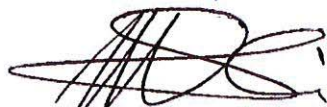
There were no significant effects of transition to IFRS on opening IFRS balance sheet, statement of comprehensive income, statement of cash flow or statement of changes in equity.

All amounts are in Euro unless otherwise stated

Luxembourg, 1 April 2014
The Board of Managers,



Hannu Syrjäne



Marco Sodi



David Anderson



SR Fabrice Rota



Hendricus Huijgen



Timo Leino



Nadia Meier-Kirner



Sébastien Rimlinger



Gerhard Sund



KPMG Luxembourg, Société coopérative
39, Avenue John F. Kennedy
L-1855 Luxembourg

Tel.: +352 22 51 51 1
Fax: +352 22 51 71
Email: info@kpmg.lu
Internet: www.kpmg.lu

To the Partners of
European Directories Midco S.à r.l.
46A, Avenue John F. Kennedy
L-1855 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

We have audited the accompanying financial statements of European Directories Midco S.à r.l., which comprise the statement of financial position as at December 31, 2014, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Managers' responsibility for the financial statements

The Board of Managers is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises agréé

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the Réviseur d'Entreprises agréé, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises agréé considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Managers, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of European Directories Midco S.à r.l. as of December 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Luxembourg, April 1, 2015

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé

F. Leonardi

