

European Directories Midco S.à r. l.
Financial statements for the year ending
31 December 2015

(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

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Statement of financial position

All amounts are in Euro unless otherwise stated	Note(s)	31 December 2015	31 December 2014
ASSETS			
Non-current assets			
Investments in subsidiaries	1.8; 6	2 043 499	2 043 499
Available-for-sale investments	1.8; 7	1 153 155	1 132 757
Loan receivables	1.9; 8	112 108 823	104 377 310
Total non-current assets		115 305 477	107 553 566
Current assets			
Accrued interest on loans and other receivables	1.9-11; 8	9 480 877	8 295 349
Cash and cash equivalents	1.11	-	36 800
Total current assets		9 480 877	8 332 149
Total assets		124 786 354	115 885 715
EQUITY			
Equity attributable to owners of the parent			
Share capital		100 000	100 000
Share premium		16 448 734	16 448 734
Other reserves		9 873	9 873
Profit (loss) brought forward		-32 255 484	-25 526 432
Loss of the year		-8 707 978	-6 729 052
Total equity	1.12; 9	-24 404 855	-15 696 877
LIABILITIES			
Non-current liabilities			
Shareholder loan and accrued interests	1.13, 10 (a), 11	134 781 407	118 215 487
Other financial liabilities	10 (a)	-	1 130 000
Total non-current liabilities		134 781 407	119 345 487
Current liabilities			
Other financial liabilities		1 130 000	-
Accrued interest	1.13; 10 (b)	66 231	9 731
Trade and other payables	1.14; 10 (b)	13 213 571	12 227 374
Total current liabilities		14 409 802	12 237 105
Total liabilities		149 191 209	131 582 592
Total equity and liabilities		124 786 354	115 885 715

Statement of profit and loss and other comprehensive income

All amounts are in Euro unless otherwise stated	Note	1 January - 31 December 2015	1 January - 31 December 2014
Board fees	1.15; 3	-615 876	-743 192
Other expenses	4	-214 340	-394 167
Operating loss	1.16	-830 216	-1 137 359
Finance income	8	8 756 854	8 185 309
Finance costs	10	-16 629 806	-13 771 925
Net finance costs		-7 872 952	-5 586 616
Loss before income tax		-8 703 168	-6 723 975
Income tax	1.18; 5	-4 810	-5 077
Profit (loss) for the period		-8 707 978	-6 729 052
Total comprehensive income		-8 707 978	-6 729 052

Statement of cash flows

All amounts are in Euro unless otherwise stated	Note(s)	1 January - 31 December 2015	1 January - 31 December 2014
Cash flow from operating activities			
Profit (loss) for the period		-8 707 978	-6 729 052
Adjustments for:			
Income tax		4 810	5 077
Finance income		-8 756 854	-8 185 309
Finance costs		16 629 806	13 771 925
Operating loss		-830 216	-1 137 359
Realised foreign exchange gains and losses and other finance items		-7 386	-5 212
Taxes paid		-4 810	-7 750
Operating cash flow before movements in working capital		-842 412	-1 150 321
Net change in working capital		34 924	152 767
Net cash from operating activities		-807 488	-997 554
Cash flow from investing activities			
Acquisitions of subsidiaries and businesses, net of cash acquired		-	-
Purchases of available-for-sale investments	7	-20 398	-1 132 757
Net cash used in investing activities		-20 398	-1 132 757
Cash flow before financing activities		-827 886	-2 130 311
Cash flow from financing activities			
Proceeds from current liabilities	10 (b)	1 010 028	1 395 753
Proceeds from non-current liabilities		-	1 130 000
Loans granted to related parties	8	-218 942	-359 041
Net cash used in financing activities		791 086	2 166 712
Net increase (+) / decrease (-) in cash and cash equivalents		-36 800	36 401
Cash and cash equivalents at beginning of period			
Foreign exchange differences in cash and cash equivalents		36 800	399
Cash and cash equivalents at the end of period		-	36 800

Statement of changes in equity

Equity attributable to owners of the parent

All amounts are in Euro unless otherwise stated	Note(s)	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Balance 1 January 2014	9	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	-32 255 484	-15 696 877
Total comprehensive income for the financial year 2015		-	-	-	-8 707 978	-8 707 978
Balance at 31 December 2015		100 000	16 448 734	9 873	-40 963 462	-24 404 855

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 has 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.

These separate financial statements were authorised for issue on 30 March 2016.

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

Notes to the separate financial statements (continued)

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 profit or loss and other 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 Application of new and amended IFRS standards and IFRIC interpretations

The changes in the IFRS standard effective from periods beginning 1 January 2015 included mainly improvements to current standards and did not have an effect on the financial statements.

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 2015.

- IFRS 15 Revenue recognition
- IFRS 9 Financial Instruments
- IFRS 16 Leases*

The Company intends to adopt these standards, if applicable, when they become effective (in case endorsed by EU).

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".

Notes to the separate financial statements (continued)

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.

Notes to the separate financial statements (continued)

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.

Notes to the separate financial statements (continued)

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.

Notes to the separate financial statements (continued)

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 defer 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

Notes to the separate financial statements (continued)

Note 3 Board of Managers fees

The Company had no employees during the year, as well as in the previous year.

The Company is paying remuneration to the members of the Board of Managers. Please see note 12 for details.

Note 4 Other expenses

	31 December 2015	31 December 2014
Auditor remuneration	44 753	75 536
Other administrative expenses	169 587	318 631
Total	214 340	394 167
Auditor remuneration		
Audit fees	44 753	75 536
Fees for other assurance services	-	-
Total	44 753	75 536

Note 5 Income taxes

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

	31 December 2015	31 December 2014
Current income taxes	4 810	5 077
Total	4 810	5 077

The table below explains the difference between theoretical tax cost calculated with Luxembourg nominal tax rate 29.2% (2014: 29.2%) and tax expense in the consolidated income statement.

	31 December 2015	31 December 2014
Profit (loss) before income tax	-8 703 168	-6 723 975
Taxes calculated using the Luxembourg tax rate	2 541 325	1 964 745
Tax exempt income	-	-
Current year losses for which no deferred tax asset was recognised	-2 536 515	-1 969 822
Income tax total	4 810	-5 077

Note 6 Investments in subsidiaries

	31 December 2015	31 December 2014
Balance at the beginning of the year	2 043 499	2 043 499
Changes in investments in subsidiaries	-	-
Balance at the end of the year	2 043 499	2 043 499

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%	1 685 609	-261 770
European Directories GP ("ED GP")	2C, rue Albert Borschette, L-1246 Luxembourg, R.C.S. Luxembourg	100 %	-27 378	-39 878

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 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 2015. European Directories BondCo S.C.A. has prepared its financial statements under IFRS and European Directories GP S.à r.l. under Lux GAAP.

Note 6 (continued)

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.

Note 7 Available-for-sale investments

Available-for-sale investments comprise of the investment in Bokadirekt i Stockholm AB for an amount of EUR 1,153,155 which represents 14,83% of total shares.

During the financial year the book value of the investment was increased by EUR 20,398 due to additional costs relating to the investment.

Note 8 Current and non-current receivables

Counterpart	31 December 2015	31 December 2014	Interest rate	Maturity date
Loan to European Directories BondCo S.C.A.			7,24 %	31.10.2043
Original loan amount	103 313 950	103 313 950		
Set up fee	450 845	450 845		
Interest capitalized	7 512 571	-		
Loan balance	111 277 366	103 764 795		
Loan to European Directories Parent S.A.	333 490	205 259	0,1 %	On demand
Loan to European Directories Holdco S.A.	244 496	153 785	0,1 %	On demand
Loan to Leafy S.à r.l	253 471	253 471	0,1 %	On demand
Total	112 108 823	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. As on 31 December 2015 the loan amounts to EUR 111,277,366. The loan is bearing an interest rate of 7,24% payable annually in arrears.

As of 31 December 2015 the Company has a loan receivable totalling EUR 831,457 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.

	31 December 2015	31 December 2014
Interest income on financial assets classified as loans and receivables		
Loan to European Directories BondCo S.C.A.	8 756 052	8 185 102
Loan to European Directories Parent S.A., Holdco S.A. and Leafy S.à r.l	802	207
Total interest income in the statement of profit and loss	8 756 854	8 185 309
Interest income paid during the period	-	-
Set up fee/interest capitalized during the period	-7 512 571	-450 845
Total accrued interest	9 456 633	8 212 349
Prepayments	24 244	83 000
Total accrued interest and other receivables	9 480 877	8 295 349

Other current receivables comprised prepayments made in relation with insurance contracts, recognised in the following years EUR 24,244 (2014: 83,000).

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

Notes to the separate financial statements (continued)

Note 9 Capital and reserves

	Number of shares (pcs)	Share capital	Share premium	Other reserves	Total
31 December 2014	10 000 000	100 000	16 448 734	9 873	16 558 607
31 December 2015	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	31 December 2015	31 December 2014
Shareholder loan (preferred equity certificates)	103 313 950	103 313 950
Accrued interests on Shareholder loan	31 467 457	14 901 537
Total	134 781 407	118 215 487
Long term loan from Fonecta Oy	-	1 130 000
Total non-current liabilities	134 781 407	119 345 487

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 2015 the accrued interest amounts to EUR 31,467,457 (31 Dec 2014: EUR 14,901,537).

As of 31 December 2015 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 2015 the accrued interest amounts to EUR 66,231. Loan is maturing in 2016 and is therefore presented as a current liability as of 31 December 2015.

Note 10 (continued)

	31 December 2015	31 December 2014
Interest expense on shareholder loan and other financial liabilities		
Shareholder loan	16 565 920	14 010 454
Loan from Fonecta Oy	56 500	9 731
Total interest expense	16 622 420	14 020 185
Other finance expenses	7 386	-248 260
Total finance cost in the statement of profit and loss	16 629 806	13 771 925
Accrued interest previous year		
Shareholder loan	14 901 537	891 083
Loan from Fonecta Oy	9 731	-
Total accrued interest previous year	14 911 268	891 083
Interest income paid during the year	-	-
Interest capitalized	31 467 457	14 901 537
Interest payable on borrowings		
Loan from Fonecta Oy	66 231	9 731
Total interest payable on borrowings	66 231	9 731

b.) Current liabilities	31 December 2015	31 December 2014
Other financial liabilities		
Loan from Fonecta Oy	1 130 000	-
	1 130 000	-
Amounts due to group companies		
De Telefoongids Holding B.V.	64 438	62 861
Fonecta Oy	2 186	14 030
Herold Business Data GmbH	-37 524	14 161
European Directories Corporations Oy	2 503	-
European Directories Services B.V.	-	10 931
European Directories Opholdco S.à.r.l	3 705 426	2 625 018
European Directories (Dh7) B.V.	9 341 009	9 341 009
	13 078 038	12 068 010
Current tax	601	601
Accrued expenses	133 847	157 488
Other	1 085	1 275
Total trade and other payables	13 213 571	12 227 374

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.

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 2015	31 December 2014
Due in one year	14 409 802	13 367 105
Due in more than five years	134 781 407	118 215 487
Total	149 191 209	131 582 592

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.

	Non- current assets		Current assets		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	112 108 823	-	9 480 877	-	121 589 700
Cash and cash equivalents	-	-	-	-	-
Corporate securities	-	3 196 654	-	-	3 196 654
TOTAL	112 108 823	3 196 654	9 480 877	-	124 786 354

	Non- current liabilities				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	-	-	-	13 213 571	13 213 571
Borrowings	134 781 407	-	1 196 231	-	135 977 638
TOTAL	134 781 407	-	1 196 231	13 213 571	149 191 209

Notes to the separate financial statements (continued)

Note 12 Related parties

Related parties of the Company

The Company's related party comprise the following:

- * European Directories BondCo S.C.A.
- * European Directories Parent S.A.
- * Leafy S.à r.l
- * Board of Managers
- * European Directories HoldCo S.A.

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

	31 December 2015	31 December 2014
Loan receivables	112 108 823	104 377 310
Loan payables	134 781 407	118 215 487
Interest income	8 756 854	8 185 309
Interest expenses	16 622 420	14 020 185
Accrued interest on loan receivables	9 456 633	8 212 349
Accrued interest on loan payables	66 231	9 731
Board fees*	953 876	743 192

*The Midco board is active as well at the level of the Group, therefore EUR 338,000 (2014: 0) were recognised by another European Directories Group company and EUR 615,876 (2014: 743,192) by European Directories Midco S.à r.l.

There are no commitments in respect of retirement pensions for members of the management and supervisory bodies. There are no advances, loans or commitments given on their behalf by way of guarantee of any kind granted to the members of those bodies during the year ended 31 December 2015.

Note 13 Contingencies and commitments

The Managers of the Company are not aware of any significant contingent liabilities as at 31 December 2015.

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.

Luxembourg, 30 March 2016
The Board of Managers,


Hannu Syrjänen


Peder Prahl

Marco Sodi




Björn Österloff

David Anderson



Sébastien Rimlinger



Fabrice Rota





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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 AGREÉ

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, 2015, 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.

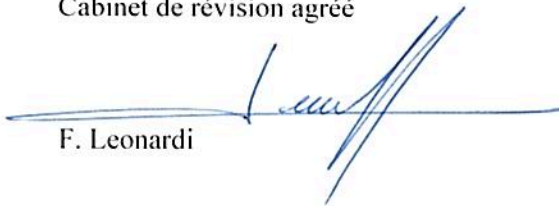
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2015, 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, March 30, 2016

KPMG Luxembourg, Société coopérative
Cabinet de révision agréé



F. Leonardi