



Webinar:

BIA/Kelsey's Global Yellow Pages Forecast, 2011-2015

Dec. 21, 2011

Dial-In Information:

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Access Code: 399-363-077

Agenda

- Welcome and thank you for joining us
- Talking points
 - Review of our revised forecast for print and internet Yellow Pages advertising
 - Explanation of the key trends driving BIA/Kelsey's view of the global directional media marketplace.
 - Review of the global Yellow Pages forecast by region (North America, Asia Pacific, Latin America, Europe)
 - Examination of the measures required for the global directional media industry to return to growth.
 - Review of the new Global Yellow Pages Report
 - A look at upcoming BIA/Kelsey events

Presenters



**Charles
Laughlin**

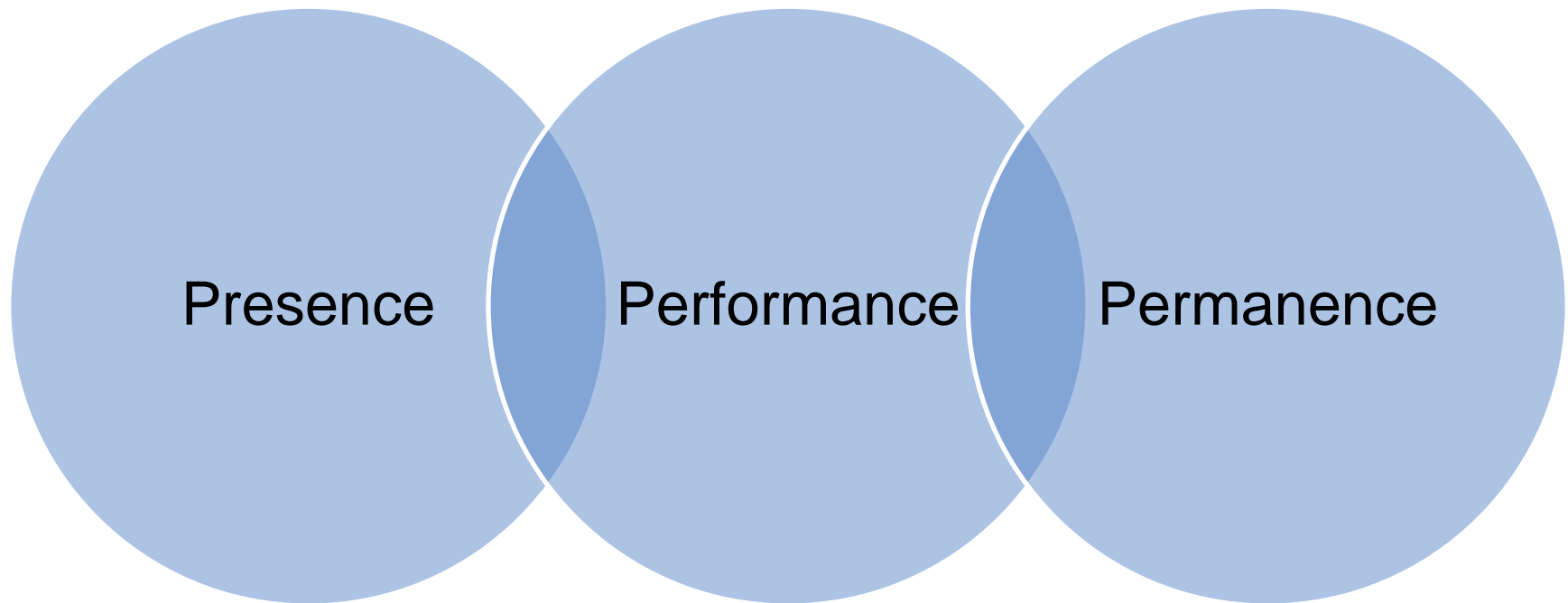
Senior VP,
BIA/Kelsey and
Program Director,
The Kelsey Report

“Old or New” – It’s All Execution

“There is value in careful planning and thoughtful preparation. However, **until there is execution, no plan is flawed**; no preparation inadequate. Execution spotlights all. Cultures can get **enamored with the preliminaries** since **there are no consequences**

Chip R. Bell

The Original 3 “Ps” – circa April 2009



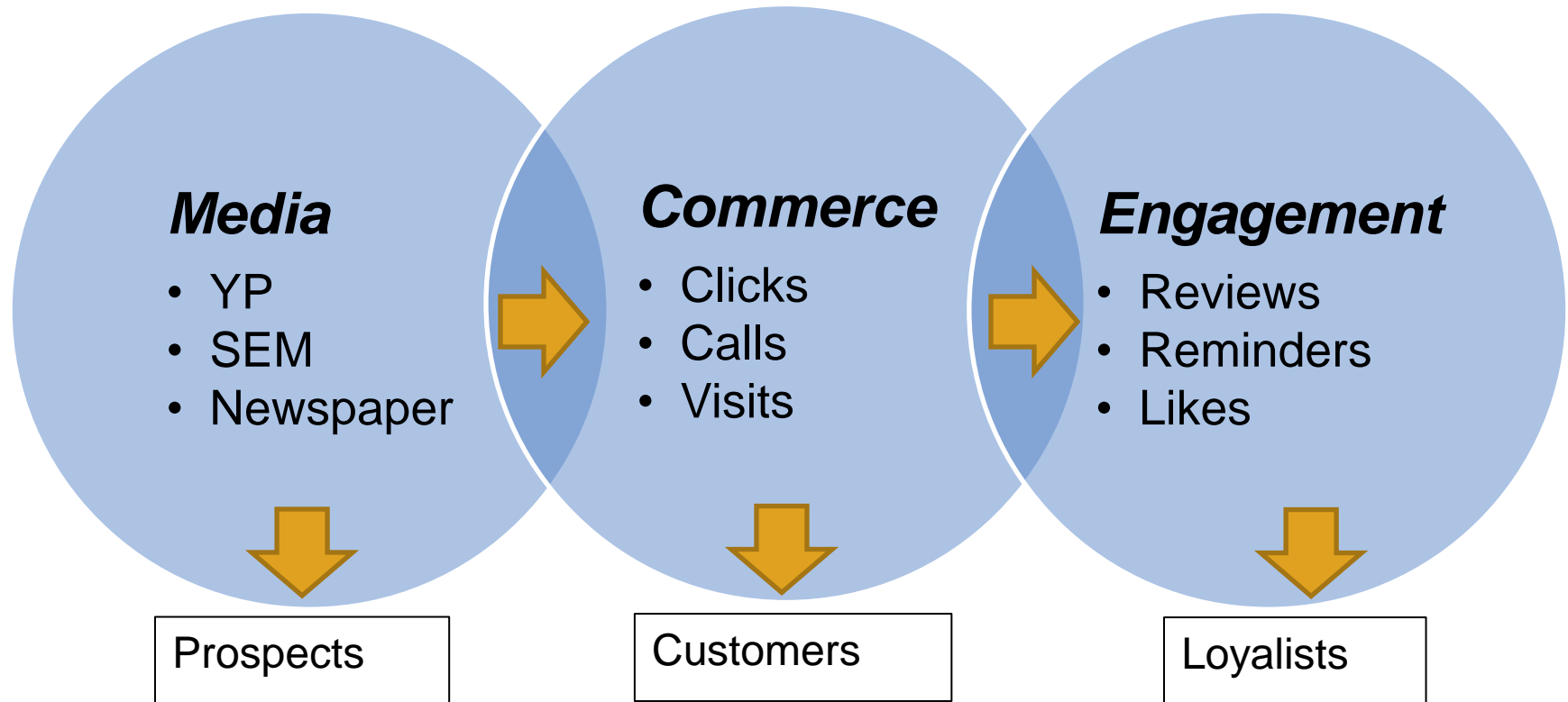
Evolving it to . . .

Presence:
Media

Performance:
Commerce

Permanence:
Engagement

Value Chain is Evolving. . .



Key Assumptions About the Future of YP

- Print Declines Will Moderate Slightly
- IYP Is Not a Key Growth Driver
- Digital Growth Comes from New Products
- Future About Services and Media
- Progress in Sales Transformation
- Winners and Losers

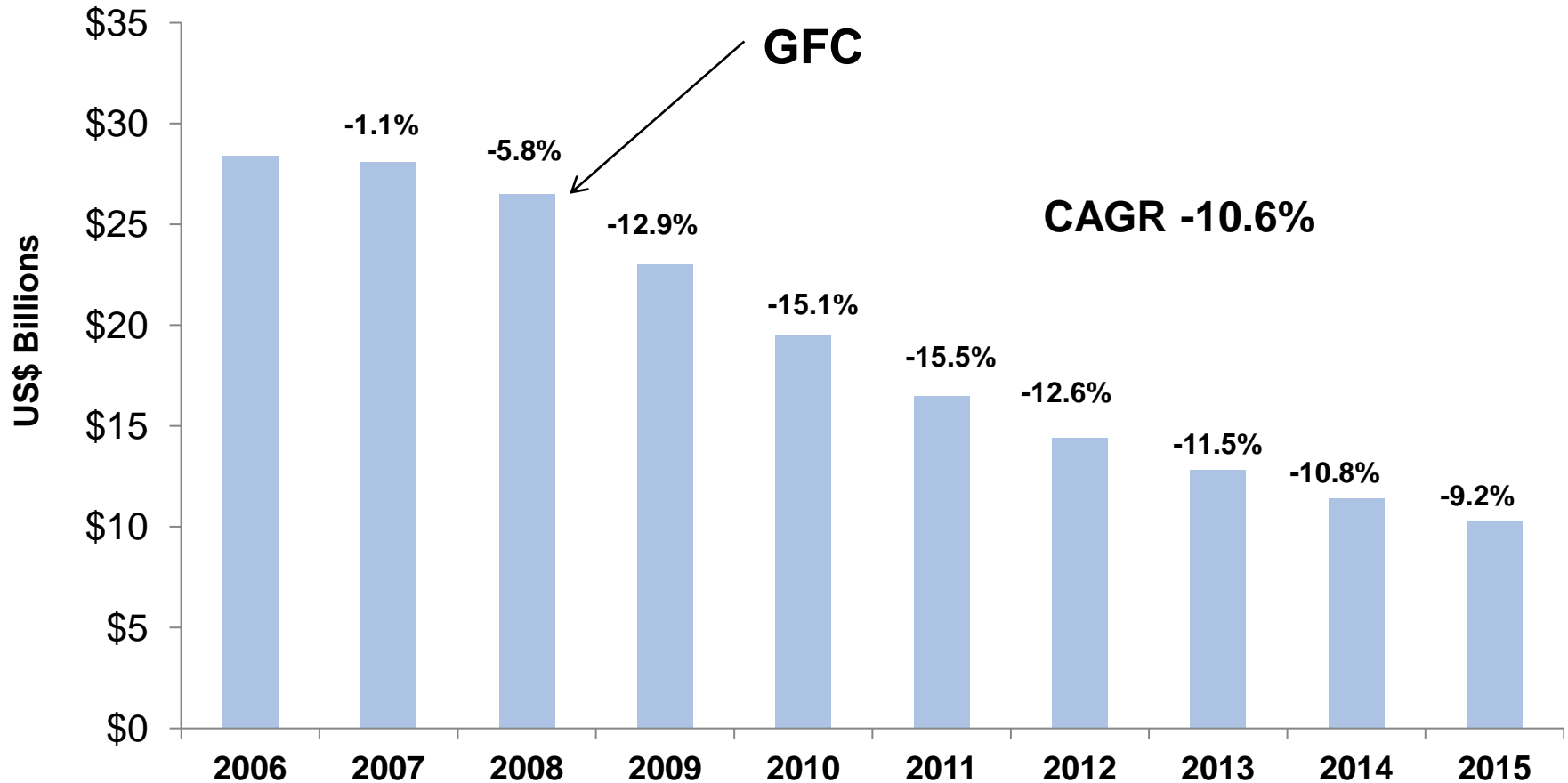
Global Yellow Pages 2011

- 2011 global Yellow Pages revenues will total US\$23.4 billion, down US\$2.2 billion.
- Rate of decline will moderate in 2011, down 8.6% (vs. 9.9% in 2010). Offline (print) revenues accelerate to -15.5% in 2011 (vs. 15.1% in 2010).
- BIA/Kelsey estimates publisher digital revenues will grow 13.5% in 2011 to US\$6.9 billion, an improvement over last year's 12.4% growth rate.
- By region, Latin America fared the best, with projected growth of 2.4%. North America again fared the worst, with a projected 13.1% decline.

Global Yellow Pages 2012

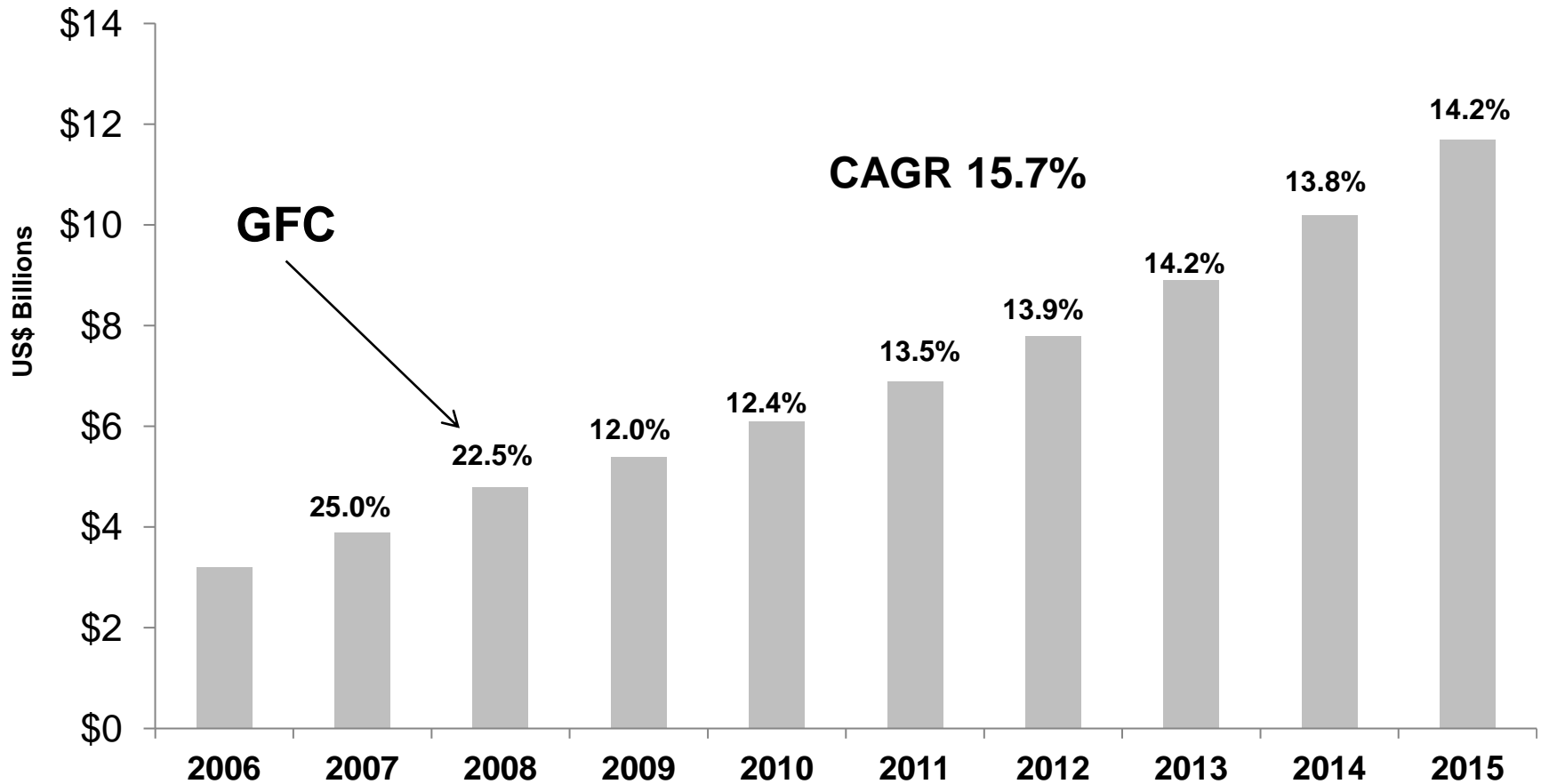
- Globally, the total revenue declines will moderate to -4.8% from -8.6% in 2011.
- Print declines will still be in the double digits, but will moderate to -12.6% compared with -15.5% in 2011.
- Online revenue growth will tick up to 13.9% from 13.5% in 2011. Early traction with new product sales, particularly SEM and websites, will drive the change.
- The share of global Yellow Pages revenue from digital sources will increase to 35%, from 29% in 2011.
- Major consolidations are possible in 2012, but are not currently built into this forecast.

Global Print YP Revenues 2006-15



Source: BIA/Kelsey (2011)

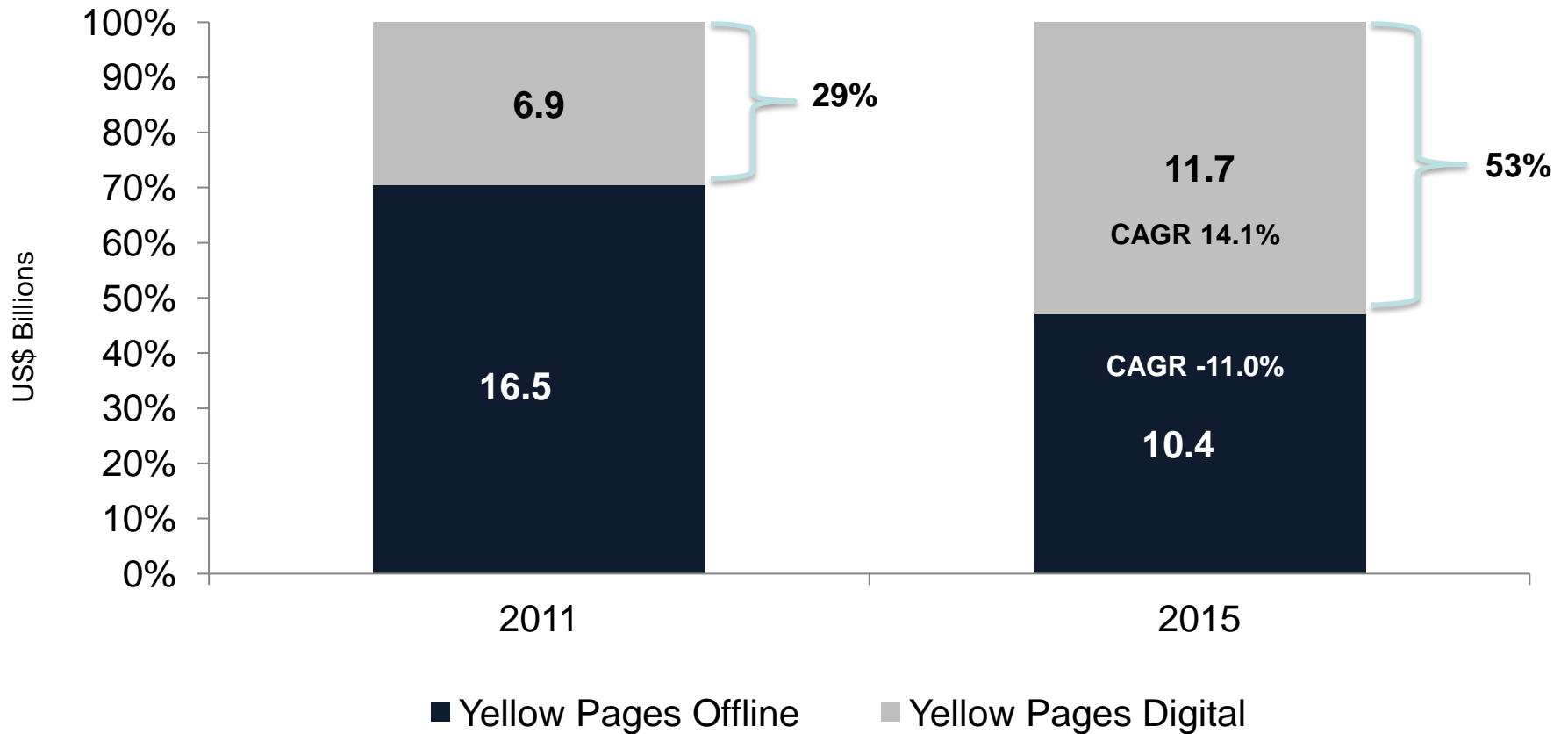
Global Digital YP Revenues 2006-15



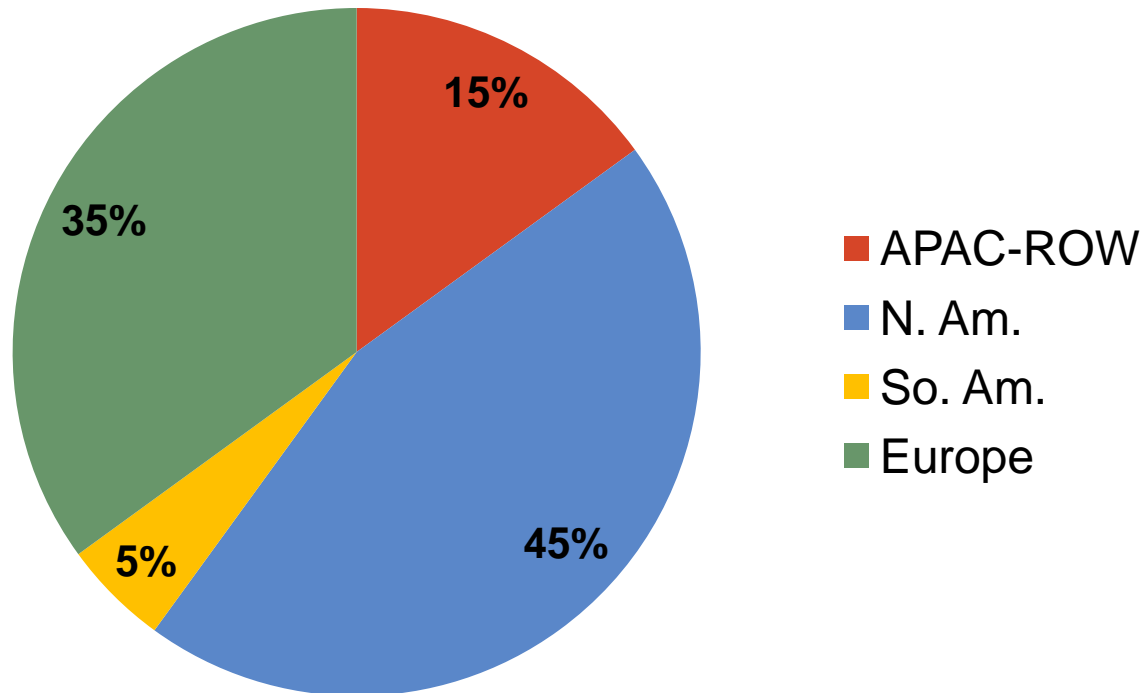
Forecast by Region 2011-15

| Publisher Revenues (Millions – US\$) | 2011 | 2015 | CAGR |
|---|---------------|---------------|---------------|
| Europe | 8,197 | 8,582 | 1.2% |
| Latin America | 1,231 | 1,373 | 2.8% |
| North America | 10,495 | 8,809 | (4.3%) |
| Asia/Pacific/ROW | 3,480 | 3,247 | (1.7%) |
| Global Total | 23,403 | 22,012 | (1.5%) |
| <i>Global Offline</i> | 16,514 | 10,354 | (11.0%) |
| <i>Global Digital</i> | 6,889 | 11,658 | 14.1% |

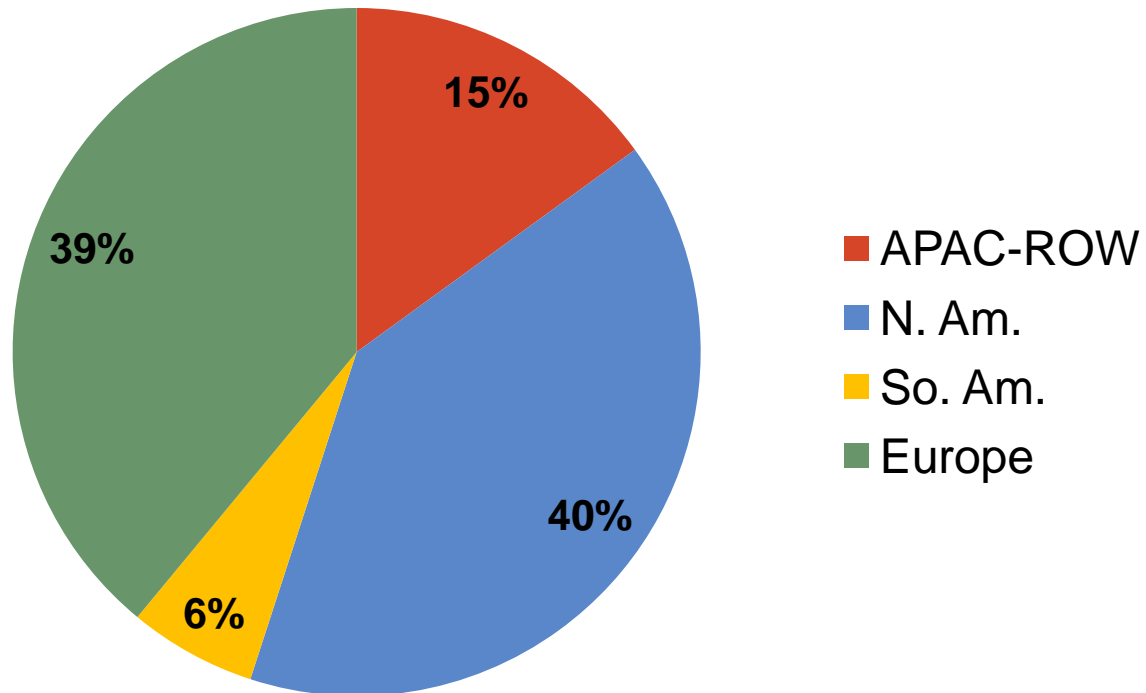
Global YP Print vs. Digital 2011-2015



Regional Distribution 2011



Regional Distribution 2015



BIA/Kelsey's Global Yellow Pages™

- **Comprehensive Report on the Global Yellow Pages Market**
 - Operational details, detailed company backgrounds
 - Context for understanding the numbers
 - Searchable Online Format
 - Based on BIA/Kelsey's deep and longstanding knowledge of the Yellow Pages industry and close relationships with many of the world's leading companies
- **Essential planning tool for evaluating:**
 - New markets
 - Existing or potential competitors
 - Key management
 - Product/sales strategies and trends that are shaping the rapidly evolving directory business

Visit:

www.biakelsey.com/GlobalYellowPages



Global Yellow Pages 2011-12



Global Key Performance Indicators

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| | 2011 Revenue (MUS\$) | | Population 2011 | Directory Rev./Capita 2011 (US\$) | GDP 2010 (MUS\$) | 2010 GDP Growth% | Yellow Pages/GDP | Total Advertising Market 2010 (MUS\$) | Online Advertising Market 2010 (MUS\$) | Directory/Ad Market 2010 | Digital Directory/Ad Market 2010 |
|---------|----------------------|---------|-----------------|-----------------------------------|------------------|------------------|------------------|---------------------------------------|--|--------------------------|----------------------------------|
| Print | \$114.9 | \$119.8 | 4.3% | 16,454,143 | \$7.28 | \$257,900 | 5.3% | 0.05% | \$1,232 | \$57 | 9.3% |
| Digital | \$104.2 | \$107.3 | 3.0% | | | | | | | | |
| Total | \$10.7 | \$12.5 | 16.8% | | | | | | | | |



Largest Global Yellow Pages Publishers 2010

| Rank | Publisher | HQ Country | Est. 2010 Total Directory Revenues (US\$M) | Est. 2010 Offline Revenue | Est. 2010 Online Revenue | Employees | Revenue/Employee | Print Titles |
|------|----------------------------|------------|--|---------------------------|--------------------------|-----------|------------------|--------------|
| 1 | AT&T Advertising Solutions | U.S. | \$ 3,939,964,992 | \$ 2,974,672,094 | \$ 965,292,897 | 10,000 | \$ 393,996 | 1,171 |
| 2 | Supermedia | U.S. | \$ 1,973,815,494 | \$ 1,694,563,944 | \$ 279,251,550 | 4,400 | \$ 448,594 | 1,096 |

Global Yellow Pages 2011-2012



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Global Yellow Pages 2011-12, Market by Market Forecast

Updated 11/1/11

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| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | CAGR 2009-2014 | CAGR 2010-2015 | CAGR 2011-2016 |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------|----------------|----------------|
| Total So. Am. | \$1,101.7 | \$1,207.6 | \$1,199.9 | \$1,172.8 | \$1,211.6 | \$1,221.2 | \$1,245.3 | \$1,273.5 | \$1,301.0 | \$1,340.9 | \$1,389.8 | 2.1% | 2.6% | 2.8% |
| Traditional | \$1,005.6 | \$1,087.7 | \$1,059.8 | \$1,013.6 | \$1,026.1 | \$1,009.3 | \$1,021.2 | \$1,048.5 | \$1,075.8 | \$1,103.1 | \$1,130.4 | 2.1% | 2.6% | 2.8% |

Norway

| Total Revenue (NOK) | 2010 | 2011 | 2012 | 2013 |
|---------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Eniro | kr 1,216,500,000 | kr 1,136,000,000 | kr 1,175,000,000 | kr 1,222,000,000 |
| Other | kr 97,150,000 | kr 107,000,000 | kr 119,000,000 | kr 135,500,000 |
| Total | kr 1,313,600,000 | kr 1,243,000,000 | kr 1,294,500,000 | kr 1,357,000,000 |
| Eniro share | 92.6% | 91.4% | 90.8% | 90.1% |
| Other share | 7.4% | 8.6% | 9.2% | 10.0% |

Global Yellow Pages 2011-12



BIA/KELSEY GLOBAL YELLOW PAGES 2011-12

Company Profile: Golden Pages

| | |
|----------------------|--|
| Headquarters address | 23 Aba Hillel Road, Ramat Gan 52522 Israel |
| Main telephone | 972-3-753-2222 |
| Corporate website | www.d.co.il |
| Ownership | |

Company Leadership

| | |
|----------------------|-----------------|
| CEO | Nir Lempert |
| CFO | Carina Litman |
| VP - Marketing | Alon Raz |
| VP - Operations & IT | Gabi Rotem |
| Head of Sales | Maor Davidovich |

| | |
|------------|-----|
| Employees | 600 |
| Sales Reps | 150 |

Financial Summary

| U.S. Dollars | 2006 | 2007 | 2008 | 2009 |
|-----------------|----------------|---------------|---------------|---------------|
| Offline Revenue | \$ 80,000,000 | \$ 64,000,000 | \$ 45,700,000 | \$ 32,700,000 |
| Digital Revenue | \$ 21,100,000 | \$ 2,850,000 | \$ 38,500,000 | \$ 44,300,000 |
| Total Revenue | \$ 101,100,000 | \$ 92,500,000 | \$ 84,200,000 | \$ 76,900,000 |
| EBITDA | N/A | N/A | N/A | N/A |
| EBITDA % | N/A | N/A | N/A | N/A |

| U.S. Dollars | 2010 | 2011 | 2012 | 2013 |
|-----------------|---------------|---------------|---------------|----------------|
| Offline Revenue | \$ 24,200,000 | \$ 22,000,000 | \$ 20,000,000 | \$ 18,200,000 |
| Digital Revenue | \$ 50,900,000 | \$ 63,600,000 | \$ 79,600,000 | \$ 99,400,000 |
| Total Revenue | \$ 75,100,000 | \$ 85,600,000 | \$ 99,500,000 | \$ 117,600,000 |
| EBITDA | N/A | N/A | N/A | N/A |
| EBITDA % | N/A | N/A | N/A | N/A |

Source: Company reports, BIA/Kelsey estimates (2011)



| Printed Directories | No. of Titles | Distribution | Comments |
|-------------------------|---------------|--------------|----------|
| Yellow Pages | | | |
| White Pages | | | |
| Combined Yellow & White | | | |
| Business to business | | | |
| Specialty/other | | | |
| Totals | 77 | 5,000,000 | |

Advertisers

| | |
|-------------------|---------|
| Total Advertisers | 260,000 |
|-------------------|---------|

Key Performance Indicators

| | |
|--|------------|
| Average revenue per advertiser (ARPA) | \$ 289 |
| Average Revenue per Sales Representative | \$ 500,667 |
| Average Revenue per Print Directory | \$ 314,286 |
| Average Revenue per Distributed Copy | \$ 4.84 |

Brands

| | |
|----------------------------|--|
| Yellow Pages | Golden Pages |
| White Pages | |
| Local directories | |
| Internet Yellow Pages | www.d.co.il , ZAP |
| Search/Local search | |
| Search engine marketing | |
| Search engine optimization | |
| Vertical search | Rest, Madas, Weekend, zap.co.il, kamash.co.il, doctors.co.il, mishpati, adiria.co.il, timundim.co.il, mitchatnim, no problem, ozeret4u.co.il, beglenu, wisebuy.co.il |
| Mobile web | |
| Mobile apps | |
| Group buying | |
| Online Dating | |
| InteractiveTV | |
| Social | |
| Deals | |

Key Partners

| | |
|--------------------------|------------|
| SEM/SEO | Google |
| IYP/Search | Amdocs |
| Mobile | |
| Reputation management | |
| Website creation/hosting | websplanet |
| Group buying | |
| Direct mail | |

2012 Events

save the date



Interactive Local Media East

March 26-28, 2012

Boston, Massachusetts



SMB Digital Marketing 2012

Sept. 17-19, 2012

Chicago, Illinois



LSA 2012 Annual Conference

April 21 - 24, 2012

Boca Raton, Florida



Interactive Local Media West

Dec. 4-6, 2012

Los Angeles, California





Questions and comments:

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