

Lighthouse International Company S.A.

Annual accounts
as at
December 31, 2007

(with the report of the
Réviseur d'Entreprises
thereon)



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To the Shareholders of
Lighthouse International Company S.A.
11, rue Sainte Zithe
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REPORT OF THE REVISEUR D'ENTREPRISES

Report on the annual accounts

Following our appointment by the General Meeting of the Shareholders dated May 15, 2007, we have audited the accompanying annual accounts of Lighthouse International Company S.A., which comprise the balance sheet as at December 31, 2007 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Réviseur d'Entreprises

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted by the Institut des Réviseurs d'Entreprises. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgement of the Réviseur d'Entreprises, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Réviseur d'Entreprises considers internal control relevant to the entity's preparation and fair presentation of the annual accounts 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 Directors, as well as evaluating the overall presentation of the annual accounts.

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 annual accounts give a true and fair view of the financial position of Lighthouse International Company S.A. as of December 31, 2007, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Directors, is consistent with the annual accounts.

Luxembourg, May 14, 2008

KPMG Audit S.à r.l.
Réviseurs d'Entreprises



Ph. Meyer

Lighthouse International Company S.A.

Balance sheet
as at December 31, 2007
(expressed in euro)

	Notes	2007	2006
ASSETS			
Formation expenses	3	646	2,196
Fixed assets			
Tangible assets	4		
Other fixtures and fittings, tools and equipment		557	1,422
Financial assets			
Loans to undertakings with which the company is linked by virtue of participating interests	5	<u>1,300,000,000</u>	<u>1,300,000,000</u>
		1,300,000,557	1,300,001,422
Current assets			
Debtors			
Amounts owed by undertakings with which the company is linked by virtue of participating interests	6		
becoming due and payable within one year		17,375,000	17,375,000
Other debtors			
becoming due and payable within one year		112,426	76,186
Cash at bank		<u>384,254</u>	<u>352,068</u>
		17,871,680	17,803,254
Prepayments		<u>2,016</u>	<u>4,945</u>
Total assets		<u><u>1,317,874,899</u></u>	<u><u>1,317,811,817</u></u>
LIABILITIES			
Capital and reserves			
Subscribed capital	7	31,000	31,000
Legal reserve	8	3,100	3,100
Results brought forward		295,944	158,307
Profit for the financial year		<u>83,606</u>	<u>137,637</u>
		413,650	330,044
Provisions for liabilities and charges			
Provisions for taxation	9	111,364	50,134
Creditors			
Non convertible bonds	10		
becoming due and payable after more than one year		1,300,000,000	1,300,000,000
Trade creditors			
becoming due and payable within one year		16,552	98,306
Other creditors			
becoming due and payable within one year		<u>17,333,333</u>	<u>17,333,333</u>
		<u>1,317,349,885</u>	<u>1,317,431,639</u>
Total liabilities		<u><u>1,317,874,899</u></u>	<u><u>1,317,811,817</u></u>

The accompanying notes form an integral part of these annual accounts.

Lighthouse International Company S.A.

Profit and loss account
for the year ended December 31, 2007
(expressed in euro)

CHARGES	Notes	2007	2006
Other external charges		88,957	93,907
Staff costs	11		
Wages and salaries		13,097	13,517
Security social costs		3,350	1,520
Value adjustments in respect of formation expenses and tangible fixed assets		2,415	2,415
Other operating charges		-	1,122
Interest payable and similar charges	12	104,006,818	104,003,281
Tax on profit		59,642	49,080
Other taxes not shown under the above items		2,372	-
Profit for the financial year		<u>83,606</u>	<u>137,637</u>
		<u>104,260,257</u>	<u>104,302,479</u>
 INCOME			
Other operating income		-	43,742
Income from loans forming part of fixed assets	13	104,250,000	104,250,000
Other interest receivable and similar income		<u>10,257</u>	<u>8,737</u>
		<u>104,260,257</u>	<u>104,302,479</u>

The accompanying notes form an integral part of these annual accounts.

Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2007

1 General

Lighthouse International Company S.A. (the "Company") was incorporated on June 27, 2003 as a limited liability company "société anonyme".

The Company is established for an unlimited period.

The registered office of the Company is 11, rue Sainte Zithe, L-2763 Luxembourg and the Company is registered with the Register of Commerce of Luxembourg under the section B number 94.548.

The purpose of the Company is to borrow money or issue bonds or other debt securities of any description (with or without collateral) and to lend the proceeds of such borrowings or issuances to one designated company, or any other company belonging to the same group, and any of its successors or assigns, and to grant a security interest in such loans, and to do all such other things as may be considered incidental or conducive to any of the above-mentioned actions, it being understood that the Company will only enter into any such financing transactions for the benefit of one designated company, or any other company belonging to the same group, and any of its successors or assigns.

The Company's financial year begins on the first day of January and terminates on the last day of December.

2 Significant accounting policies

2.1 Basis of presentation

The annual accounts of the Company are prepared in accordance with current Luxembourg legal and regulatory requirements.

2.2 Bases of conversion for items originally expressed in foreign currency

The Company maintains its accounting records in euro ("EUR") and the balance sheet and profit and loss account are expressed in this currency.

Income and charges are translated at the exchange rates ruling at the transaction date.

Fixed assets are valued using the historical exchange rates.

Other current assets and liabilities expressed in foreign currencies are translated into euro at the rates of exchange in effect at the balance sheet date.

Realised exchange gains and losses and unrealised exchange losses are recognised in the profit and loss account.

2.3 Formation expenses

Expenses relating to the creation of the Company are recorded as formation expenses.

Formation expenses are amortised on a straight-line basis at an annual rate of 20%.

Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2007
(continued)

2.4 Tangible assets

Tangible assets are recorded at their acquisition price and are depreciated on a straight-line basis at an annual rate of 20 %.

2.5 Financial assets

Financial assets represented by a loan are stated at their nominal value less any provision for a durable impairment in value.

2.6 Debtors

Debtors are stated at their nominal value. Value adjustments are recorded at the end of the financial year if the net realizable value is lower than the book value.

2.7 Creditors

Creditors are recorded at their nominal value.

3 Formation expenses

This position developed as follows:

	Formation expenses
	EUR
Cost	
At December 31, 2006	7,750
Acquisition during the year	-
Disposal during the year	-
At December 31, 2007	<u>7,750</u>
Depreciation	
At December 31, 2006	5,554
Charge for the year 2007	1,550
At December 31, 2007	<u>7,104</u>
Net book value	
At December 31, 2006	<u>2,196</u>
At December 31, 2007	<u>646</u>

Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2007
(continued)

Tangible assets

This position developed as follows:

	Other fixtures and fittings, tools and equipment EUR
Cost	
At December 31, 2006	3,152
Acquisition during the year	-
Disposal during the year	-
At December 31, 2007	<u>3,152</u>
Depreciation	
At December 31, 2006	1,730
Charge for the year 2007	<u>865</u>
At December 31, 2007	<u>2,595</u>
Net book value	
At December 31, 2006	<u>1,422</u>
At December 31, 2007	<u>557</u>

5 Loans to undertakings with which the company is linked by virtue of participating interests

	EUR
Nominal	
At December 31, 2006	1,300,000,000
Additions during the year	-
Reimbursement during the year	-
At December 31, 2007	<u>1,300,000,000</u>

The loan towards SEAT PAGINE GIALLE S.p.A. ("SEAT"), a 25% shareholder of the Company, amounts to EUR 1,300,000,000 bearing interest of 8 % plus EUR 250,000 as at December 31, 2007.

The loan shall be repaid no later than one business day prior to the final maturity date of the Senior Notes, which is April 30, 2014. Interest is due and payable no later than one business day prior to the date on which the Senior Notes interest is payable (cf. note 7).

6 Debtors

As at December 31, 2007, debtors mainly comprise accrued interest related to the loan towards SEAT PAGINE GIALLE S.p.A., amounting to a net total of EUR 17,375,000 (2006: EUR 17,375,000).

Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2007
(continued)

7 Subscribed capital

The subscribed capital of EUR 31,000, issued and fully paid, is represented by 15,500 shares with a nominal value of EUR 2.

8 Legal reserve

Under Luxembourg law, the Company must appropriate annually at least 5 % of its statutory net profits to a legal reserve until the aggregate reserve equals 10 % of the subscribed share capital. Such reserve is not available for distribution.

9 Provisions for taxation

Provisions relate to the income taxes (ICC, IRC) and to the wealth tax of the years 2006 and 2007.

10 Creditors

As at December 31, 2007 and December 31, 2006, creditors mainly comprise Senior Notes issued on the Luxembourg Stock Exchange on April 22, 2004 representing a principal amount of EUR 1,300,000,000 (becoming due and payable after more than five years) and its related accrued interest of EUR 17,333,333 (becoming due and payable within one year).

The Senior Notes bear interest of 8 % which is payable each April 30 and October 31, beginning on October 31, 2004.

The notes will mature on April 30, 2014.

The notes are guaranteed on a senior subordinated basis by SEAT PAGINE GIALLE S.p.A..

The Company has the option to redeem the notes:

- in whole or in part at any time prior to April 30, 2009 at a redemption price equal to 100 % of the principal plus accrued and unpaid interest, if any, to the redemption date, plus the applicable premium at the redemption date;
- in whole or in part at any time on or after April 30, 2009 at the redemption price fixed to 104 % for the year 2009, 102.667 % for the year 2010, 101.333 % for the year 2011 and 100 % for the year 2012 and thereafter, plus accrued interest to the date of redemption;
- in whole, but not in part, at a price equal to 100 % of the principal amount thereof plus accrued interest to the date of redemption in the event of specified development affecting taxation.

11 Staff costs

As at December 31, 2007, the Company employed one person on a part-time basis (2006: one employee on a part-time basis).

Lighthouse International Company S.A.

Notes to the annual accounts
as at December 31, 2007
(continued)

12 Interest payable and similar charges

This amount mainly comprises of interest on the Senior Notes for EUR 104,000,000 (2006: EUR 104,000,000).

13 Income from loans forming part of the fixed assets

This amount comprises of interest on the loan granted to SEAT PAGINE GIALLE S.p.A. amounting to EUR 104,250,000 (2006: EUR 104,250,000).