



Investor Presentation
Full Year & Fourth Quarter 2016



Disclaimer

This presentation contains forward-looking statements about the objectives, strategies, financial condition, results of operations and businesses of Yellow Pages Limited. These statements are considered “forward-looking” because they are based on current expectations about our business and the markets we operate in, and on various estimates and assumptions. Our actual results could be materially different from our expectations if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate.

As a result, we cannot guarantee that any forward-looking statements will materialize. Forward-looking statements do not take into account the effect that transactions or non-recurring items announced or occurring after the statements are made may have on our business.

We disclaim any intention or obligation to update any forward-looking statements, except as required by law, even if new information becomes available through future events or for any other reason.

Risks that could cause our actual results to differ materially from our current expectations are discussed in section 6 of our February 14th, 2017 Management's Discussion and Analysis.

Our Mission



We aim to champion the digital economy by offering consumers and merchants media and marketing solutions that help them interact and transact

Acting as the Chief Marketing Officer for SMEs



Establishing Your Presence



Owned & Operated
Placement Advertising



Content Syndication
Across the Most Popular
Search Sites & Apps

Boosting Your Sales & Extending Your Reach

Visibility



Website Digital Display SEO

Performance



SEM Facebook Ad

Engagement



Facebook Page Reputation Management

Managing Your Business



Online Ordering



Bookings & Reservations



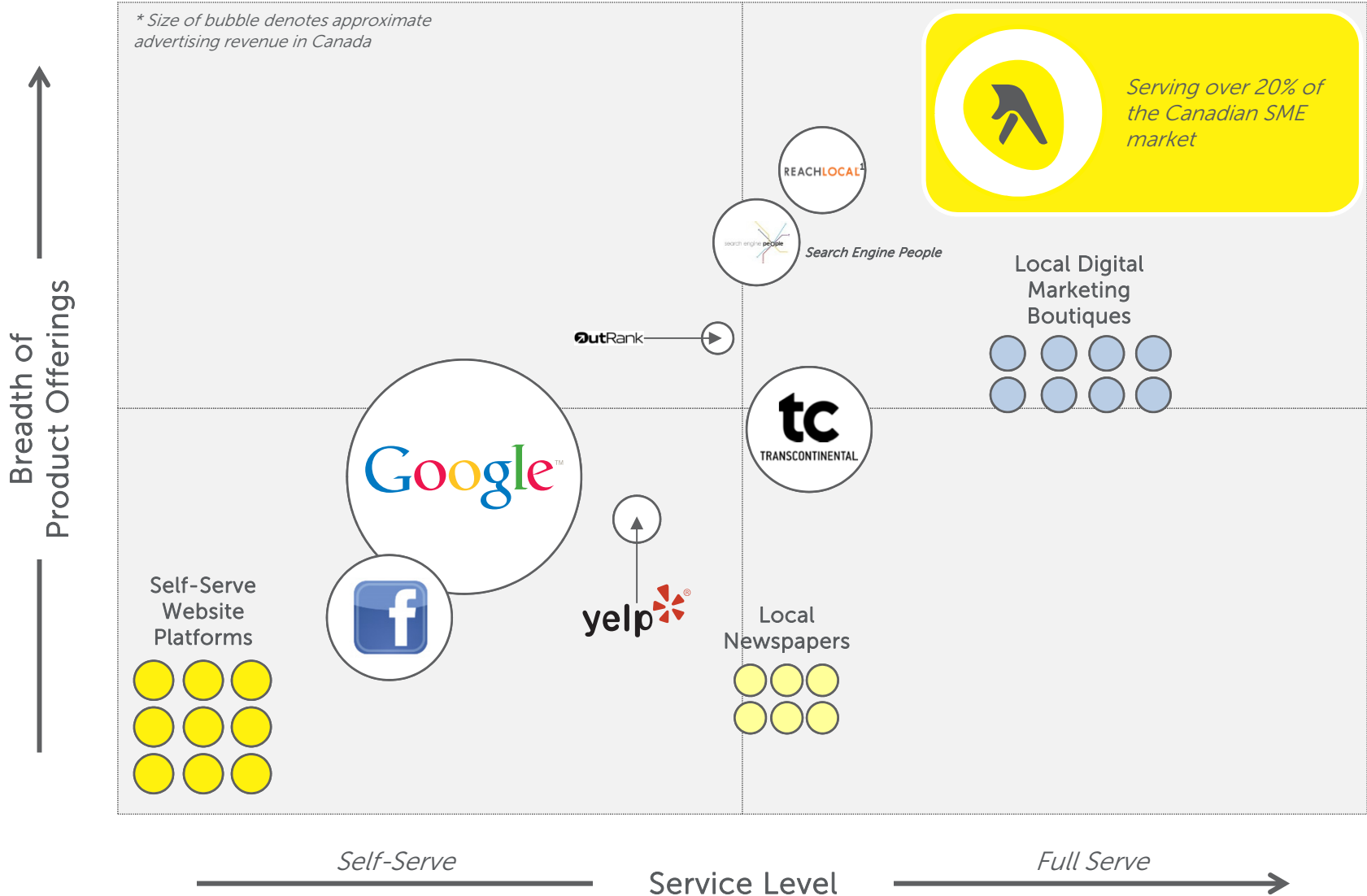
Scheduling & Customer Relationship Management

Current Offering

Near Future



Uniquely Positioned to Capture Growth in the Canadian Digital Marketing Landscape



1 ReachLocal was acquired by Gannett Co. in June 2016 and now operates as a fully-owned subsidiary

Significant Progress Made in the Digital Transformation Since 2014



Established Credible Digital Offering

- Drove mid to high single-digit annual digital revenue growth
- Generating \$556M in annual digital revenues, now representing 70% of the business
- One of Canada's leading digital property networks amassing 465M annual visits¹

Improved Operational Capabilities

- Accelerating growth in annual new customer acquisition
- Improvements in the stabilization of the customer base at 241,500 clients²
 - Annual net customer count decline of ~3,500 versus ~30,000, which was the case before the launch of the Return to Growth plan

Investments in Growth Opportunities

- Acquired ComFree / DuProprio, gaining immediate scale in the real estate vertical and complimenting our command of the home services vertical
- Acquired JUICE and repositioned Mediative, expanding our digital marketing portfolio and reach to global brands

Deleveraged Our Balance Sheet

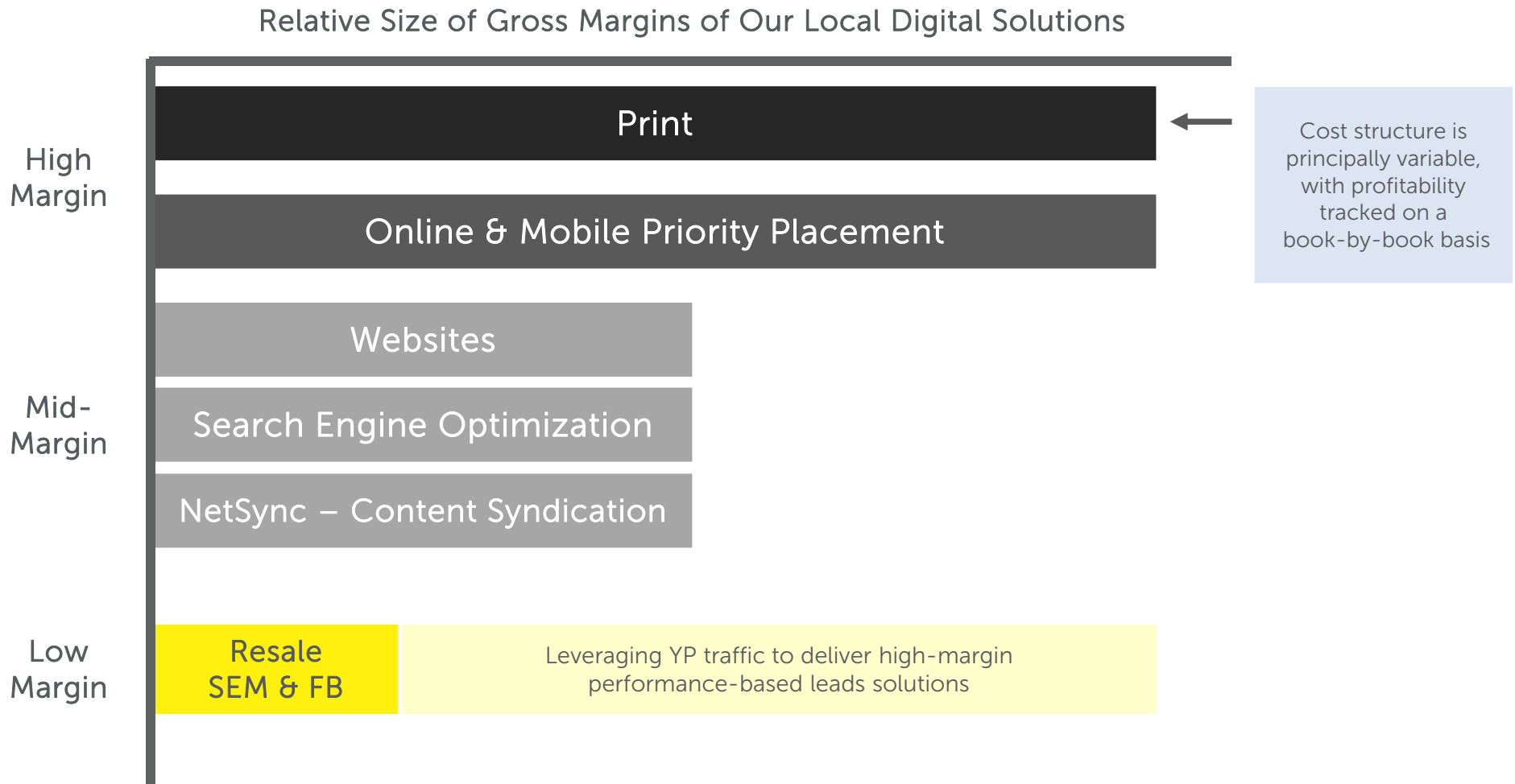
- \$490M repaid in debt since the issuance of the Senior Notes in 2012
- Ability to generate free cash flow providing financial flexibility to invest in our business operations, technologies, and product offering

¹ Visits made across the YP, YP Shopwise, YP Dine, RedFlagDeals, Canada411, Bookenda, dine.TO properties, as well as visits made across the YP's syndication partners

² Excludes the contribution of Mediative, JUICE, 411, Yellow Pages Homes Limited, the ComFree / DuProprio and Totem



Profitability Profile of the Yellow Pages' Business Segments

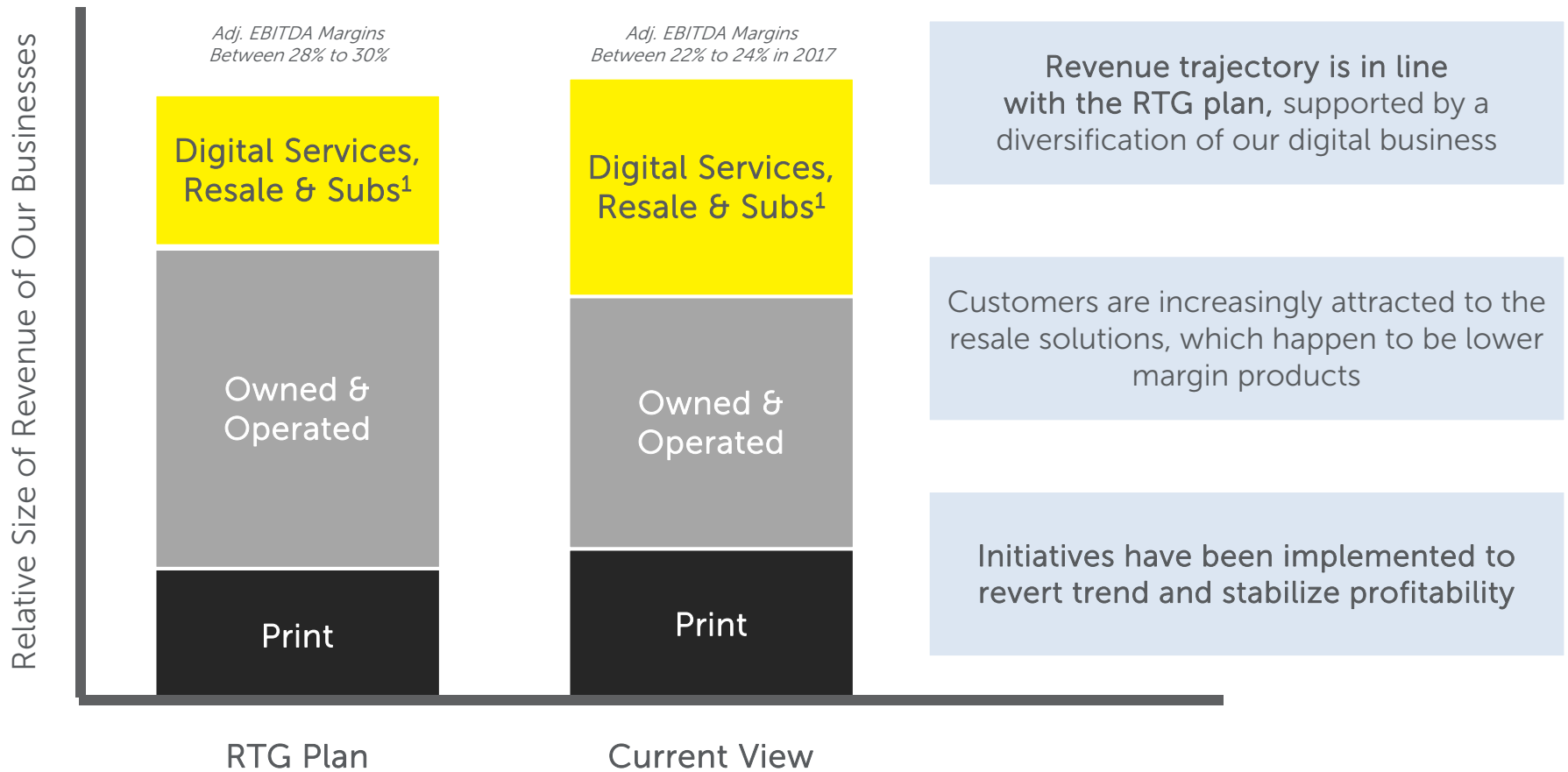


Placement solutions on Yellow Pages Owned & Operated properties, hold the highest profitability among our digital product suite

1 Excludes the contribution of Mediative, JUICE, 411, Yellow Pages Homes Limited, the ComFree / DuProprio Network and Totem



Changes in Yellow Pages' Consolidated Revenue Mix



Consolidated revenue is on track, however levels of long-term profitability have shifted due to changes in digital product mix

¹ Includes the contribution of Mediative, JUICE, 411, Yellow Pages Homes Limited, the ComFree / DuProprio Network and Totem



The Owned & Operated Digital Experience for Consumers

Business & People Search



YP
Discover everything your local neighbourhood has to offer



Canada411 & 411.ca
Network of Canada's most frequented and trusted online and mobile destinations for personal and local business information

Real Estate



ComFree / DuProprio Network
C2C marketplace offering homeowners a professional and cost effective service to market and sell their properties



YP NextHome
Provides Canadians with valuable real estate information to help them make the right buying, selling, and/or renting decision

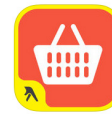
Retail



YP Shopwise
Everyday shopping app to help Canadians save time and money



RedFlagDeals & RFD Forums
Canada's leading provider of online and mobile promotions, deals, coupons and shopping tools



YP Grocery
Combs flyers and coupons to get Canadians the most savings on their grocery list

Dining



YP Dine
Discover, search for and book local restaurants based on time of day, mood and expert suggestions



Bookenda
Leading online transaction platform for users and merchants to easily interact and manage bookings

Attracting over 465 million¹ visits to our network of digital properties annually

¹ Excludes the contribution of the ComFree / DuProprio Network, which attracted 16.3 million visits during the fourth quarter of 2016



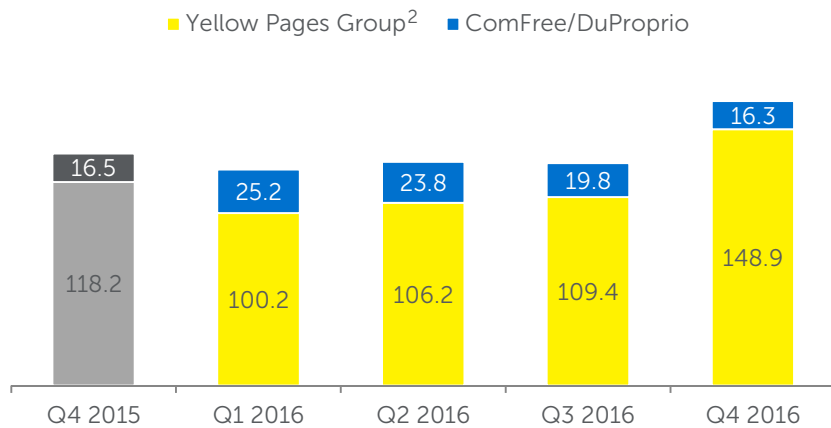
Attracting Millions of Canadians to Our Media Properties

One of Canada's Most Frequented Properties

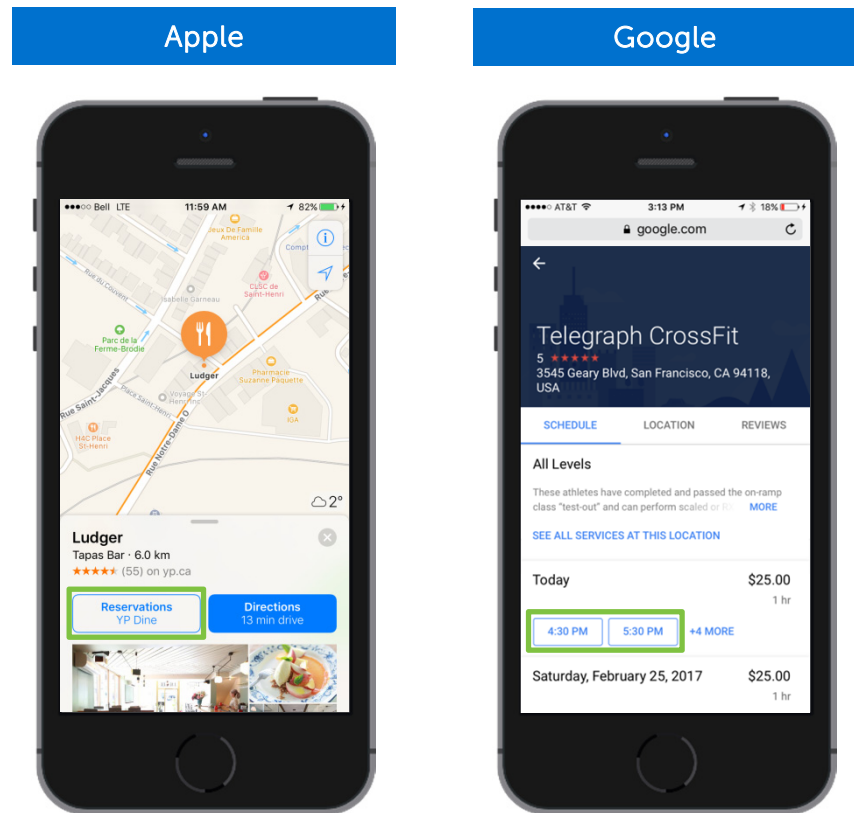
		Total Unique Visitors	Reach
1.		29 M	94%
3.		25 M	82%
5.		21 M	70%
17.		12 M	40%
25.		10 M	33%
56.		5 M	18%

With Significant TDVs Across the Network

(in millions)



Local Partner of Choice with Global Players Driven by YP's Data on Canada's Marketplace



Bookings and reservations through integration with Apple Maps & the Google Network

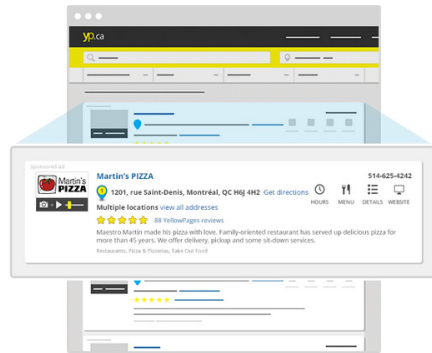
1 As per comScore Media Metrix, December 2016

2 Visits made across the YP, YP Shopwise, YP Dine, RedFlagDeals, Canada411, Bookenda, dine.TO, ComFree and DuProprio properties, as well as visits made across the YP's syndication partners



Sophisticated Digital Marketing Tools to Extend SME's Reach

Mobile & Desktop Placement Advertising Across YP Network



Content Syndication Across 25+ Search Partners



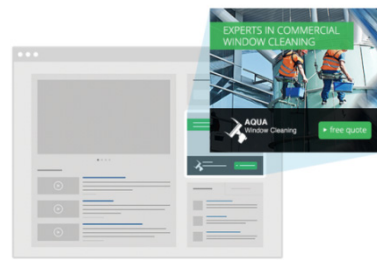
Professional Website Fulfillment & Management



Search Engine Optimization Presence on SERPs



Digital Display Advertising Solutions



Search Engine Marketing



Facebook Campaign Management

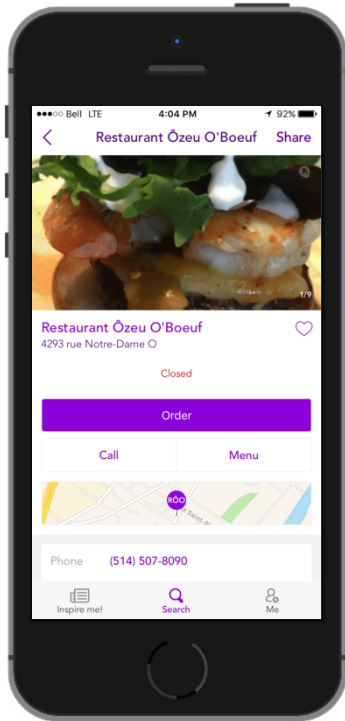




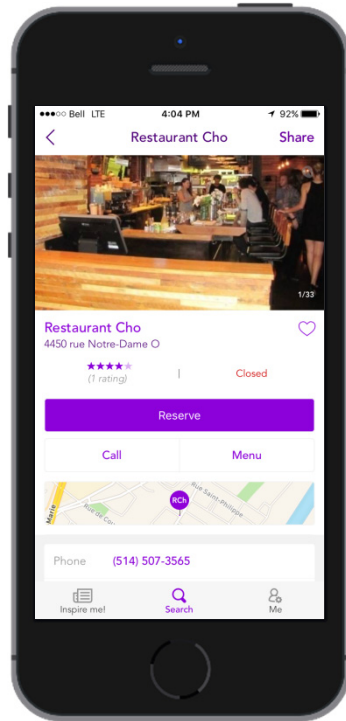
Transaction Oriented Approach to Create New Opportunities

YP Dine

Providing YP Dine Customers with Solutions to Interact & Transact with Customers



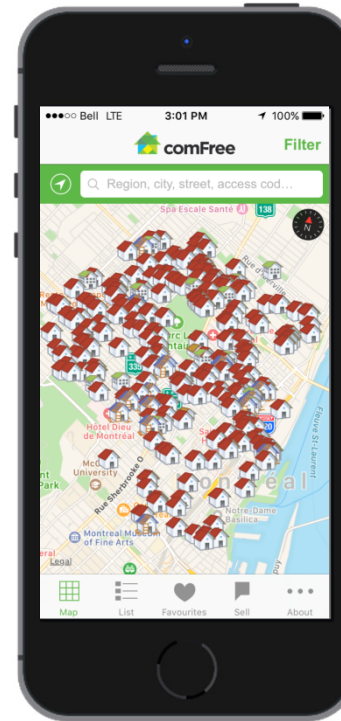
On Demand Ordering



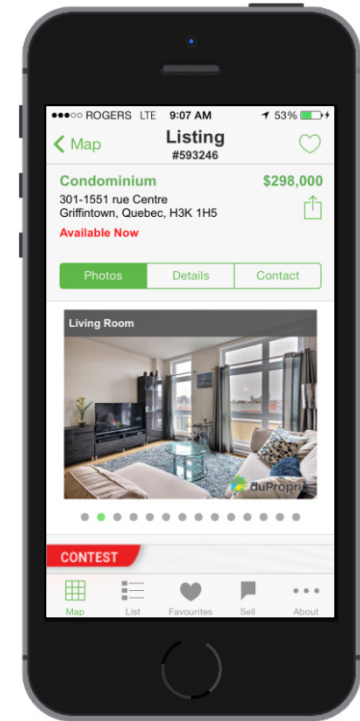
Integrated Booking Engine

ComFree / DuProprio

Access to a Proven C2C Marketplace



Connecting Buyers to Our Advertisers Directly



Growth of our customer base and through a transaction oriented approach in current and new customer segments

One of the Leading Digital Advertising Agencies for Global Brands



MEDIATIVE



One of Canada's leading national digital advertising agencies, leveraging proprietary programmatic technologies and an extensive publisher network to connect Canadians with the brands they love

Network of Brand Relationships



Extensive Publisher Network

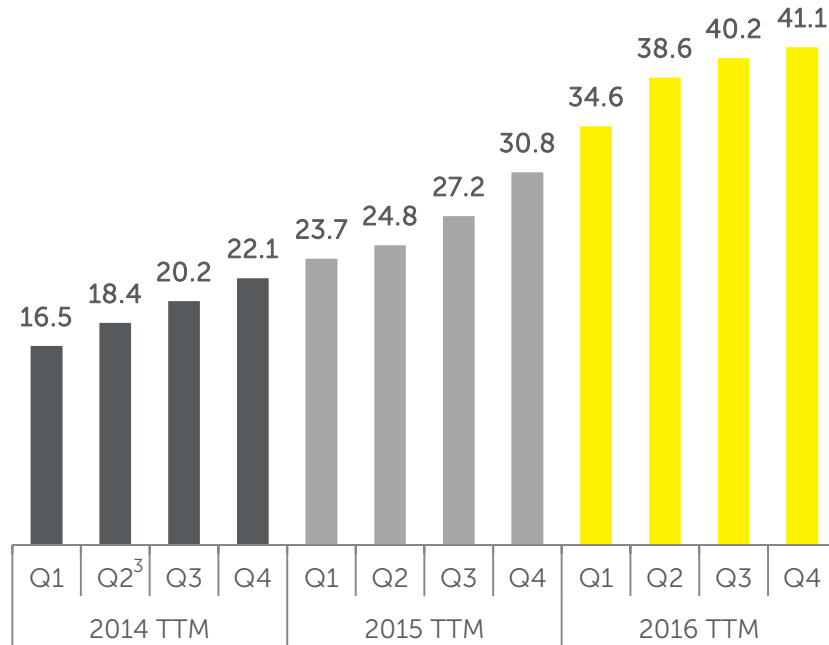




Significant Deceleration in Net Customer Count Decline

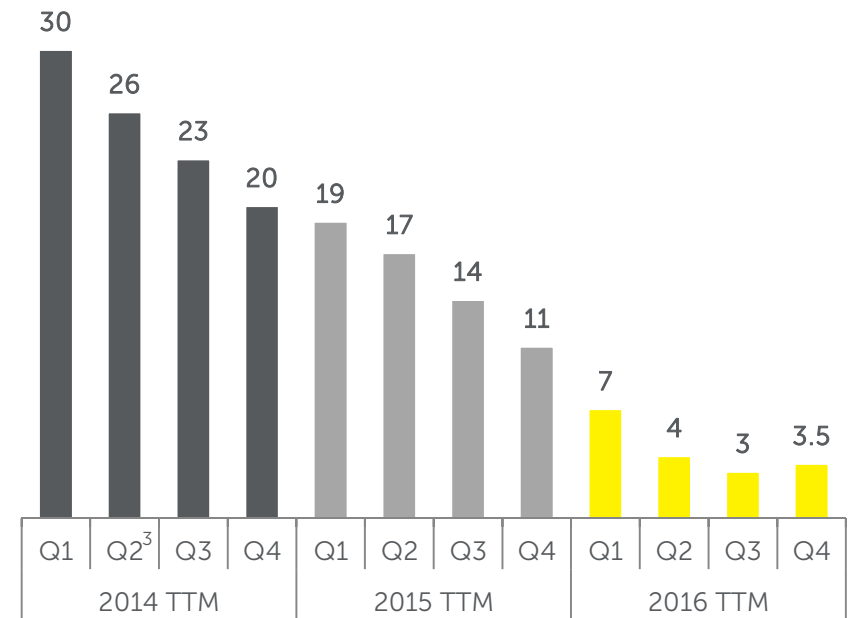
Annual Customer Acquisition¹

(in thousands)



Net Customer Count Decline^{1,2}

(in thousands)



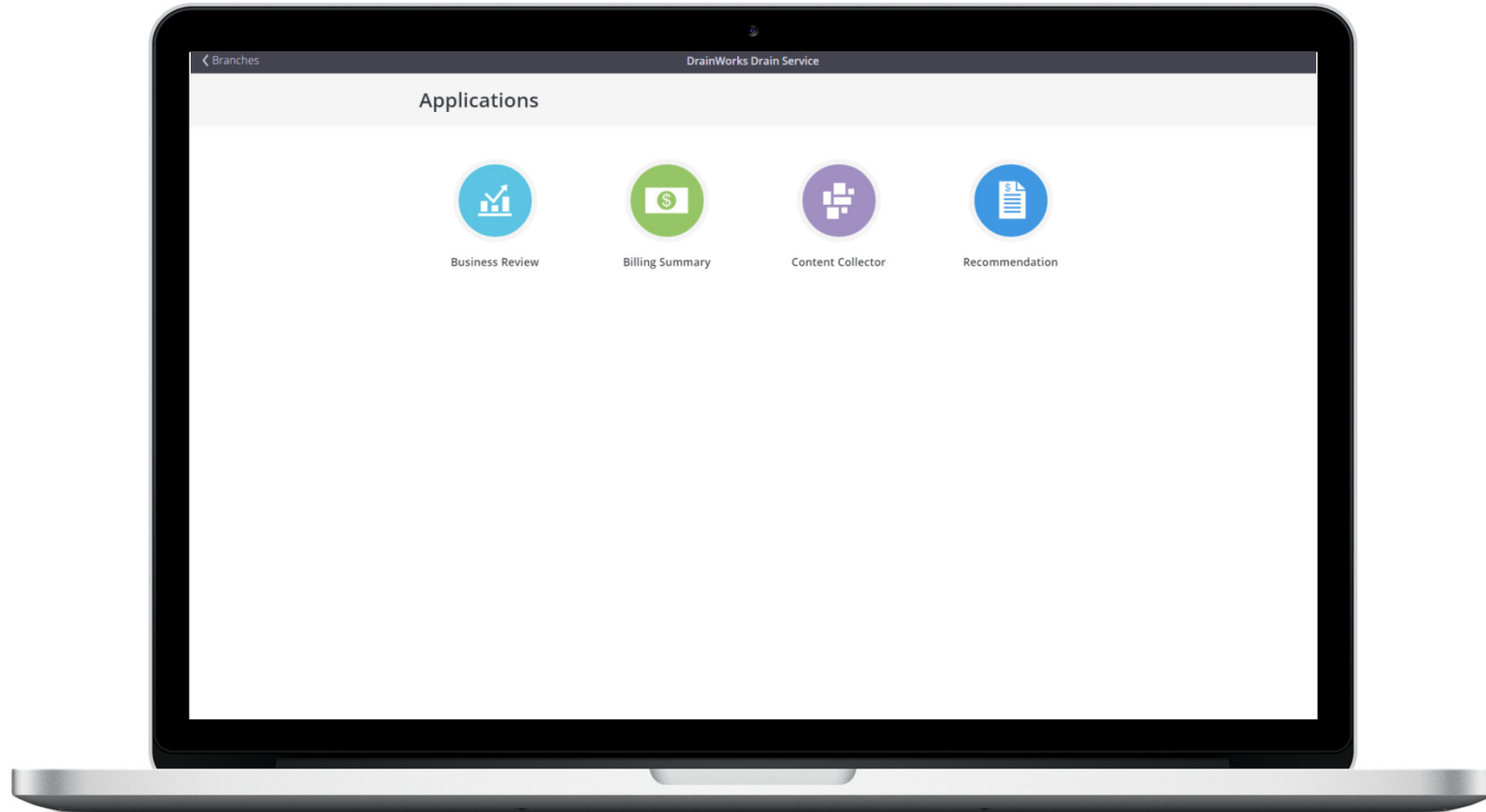
	2014 TTM				2015 TTM				2016 TTM			
	Q1	Q2 ³	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Customer Renewal	85%	85%	85%	84%	85%	85%	85%	85%	84%	83%	83%	82%
Renewers Upselling	26%	26%	27%	31%	35%	40%	44%	44%	42%	43%	44%	47%

¹ YP Core only, excludes the contribution of Mediative, JUICE, 411, Yellow Pages Homes Limited and the ComFree / DuProprio Network

² Represents the year-over-year change in customer count experienced during the period

³ The Return to Growth Plan was announced on May 8th, 2014

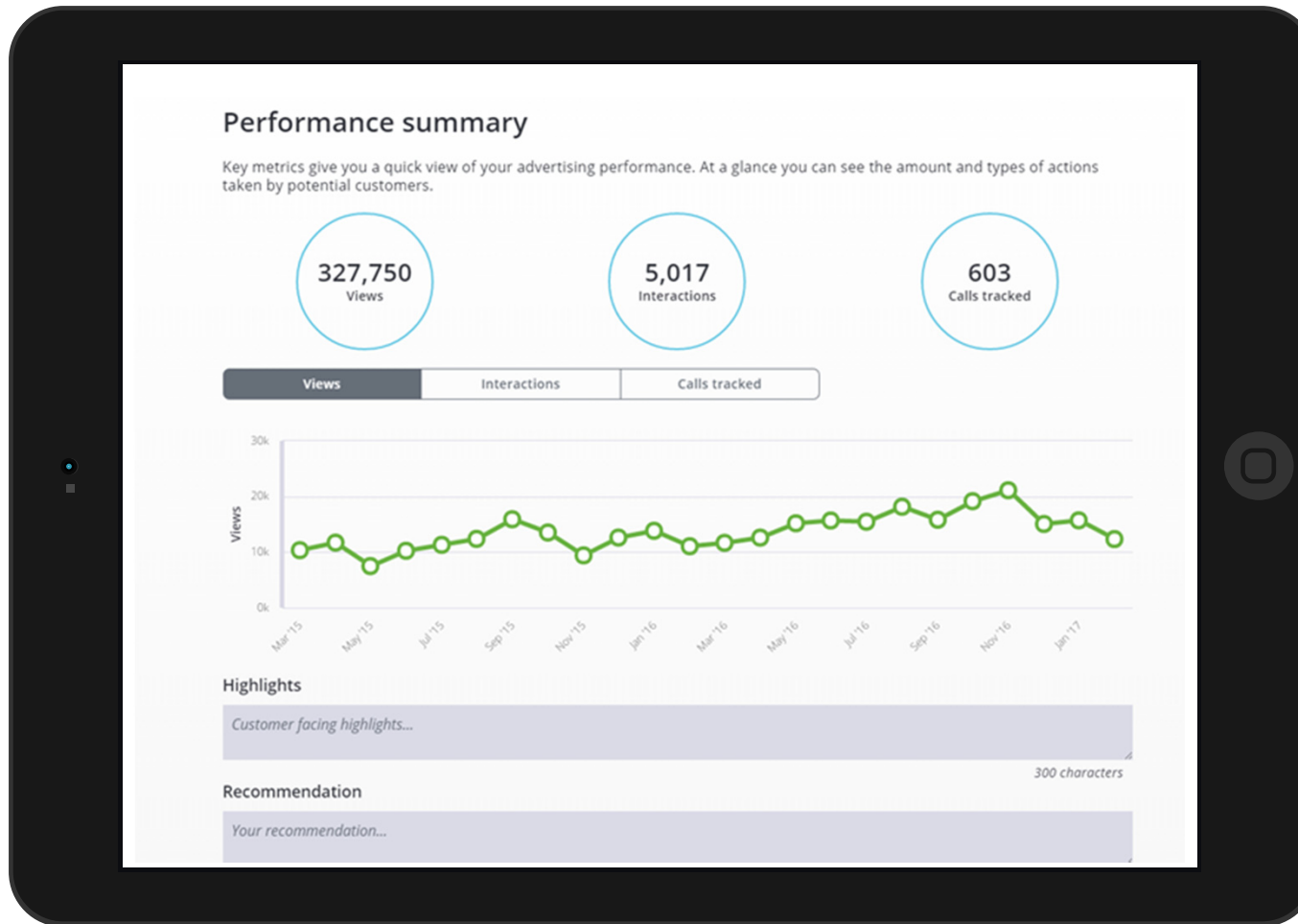
Empowering the YP Salesforce With Best-in-Class Tools



Compass, our in-house sales platform, used throughout the sales cycle to streamline the customer journey, from: Account Preparation to Sales Call to Post Sales & Support



The Compass Ecosystem: Business Review



“Business Review” provides data on advertising performance and ties spend to traction, reach and ROI. Communicating performance is instrumental in building trust with SMEs



The Compass Ecosystem: Search Landscape

Competitive landscape

See how your website is ranking on organic Google searches versus your competitors for specific keywords and locations. Enter up to 12 keywords by location to compare yourself with 9 competitors. Below the Google website rankings, you can also see the average number of searches for each specific keyword that are being made by users each month on Google and Bing. Use the results to identify what you're doing well and where your greatest opportunities exist for generating stronger performance.

Advertiser URL: Target location:

URL	plumber	plumbing contra...	drainage contrac...	plumbing repairs
www.drainworks.com	4	18	30	5
www.antaplumbing.com	6	5	8	7
www.yellowpages.ca	8	2	2	6

Metric	plumber	plumbing contra...	drainage contrac...	plumbing repairs
Avg. # of searches (monthly)	1,600	90	< 10	90

URL	waterproofing	burst pipes	clogged drains	emergency plum...
www.drainworks.com	17	> 100	1	19
www.antaplumbing.com	55	18	13	17
www.yellowpages.ca	9	20	32	43

Metric	waterproofing	burst pipes	clogged drains	emergency plum...
Avg. # of searches (monthly)	720	< 10	880	170

Total average number of searches (monthly): 3,550

“Search Landscape” provides SMEs a lay-of-the-SERP-land. The tool provides key data, such as organic rankings and keyword volumes, which help evaluate the effects of additional investments



The Compass Ecosystem: Recommendation Engine

Advertiser Dashboard | Norfolk Law Chambers LLP | (519) 426-1711 | Last 12 months

Profile Page: Norfolk Law Chambers

Website: http://norfolklawchambers.ca

Website Score: 66% (View results, Website Improvement Tips)

Content Score: 49% (Content Quick Wins, Merchant Content Collector)

Top Content Example: Profile Page

Error Score: Good news! You have a strong digital presence!

Crt. Online Products: 16,189 Views, 523 Interactions, 36 Calls (L0, L2, OBST1)

Top Performer: 51,524 Views, 1,424 Interactions, 303 Calls (GSP (7), L2 (5), MOL (2), SEMB \$1,000.00)

YP Platform: Print Advertising | Search Engine Marketing

		Current Investment			Potential Investment			Savings							
		\$144.00			\$355.00			\$53.14							
Current												Potential			
Category	Market	Map	Type	Sold & live products	Links	Crt.	Crt. Inter.	Crt. Ret. Rank	Recommendation	Alt.	Est. Inter.	New Ret. Rank	Value story	CT Studies	
Lawyers	Brantford	Dir	Dir	GSP: 3 L2: 10 L0: 6 SP: 8 L1: 1 MOS: 5 MOL: 11	yp.ca m. yellowpages.ca	OBST1 \$40.00	81	23-28	OBST1 \$40.00	81	23-28				
Lawyers	Simcoe	Dir	Dir	GSP: 3 L2: 4 L0: 1 SP: 4 L1: 1 MOS: 1 MOL: 4	yp.ca m. yellowpages.ca	L2.PRESCI \$64.00	197	8-11	BOOSTPR4 \$225.00	315	4-8				
Lawyers	Tilsonburg	Dir	Dir	GSP: 3 L2: 1 L0: 2 SP: 3 L1: 2 MOS: 3 MOL: 2	yp.ca m. yellowpages.ca	L0.PRESB \$40.00	81	10-11	MBOOST2 \$90.00	130	8-10				
Other Customers bought															
Mediation Services	Simcoe	Geo	Geo	GSP: 0 L2: 0 L0: 1 SP: 0 L1: 0 MOS: 0 MOL: 1	yp.ca m. yellowpages.ca	---	N/A	---	L0 \$18.40	N/A	1-2				
Notaries Public	Simcoe	Geo	Geo	L2: 0 L0: 0 L1: 0 MOL: 0	yp.ca m. yellowpages.ca	---	95	---	L0 \$26.30	247	1-1				

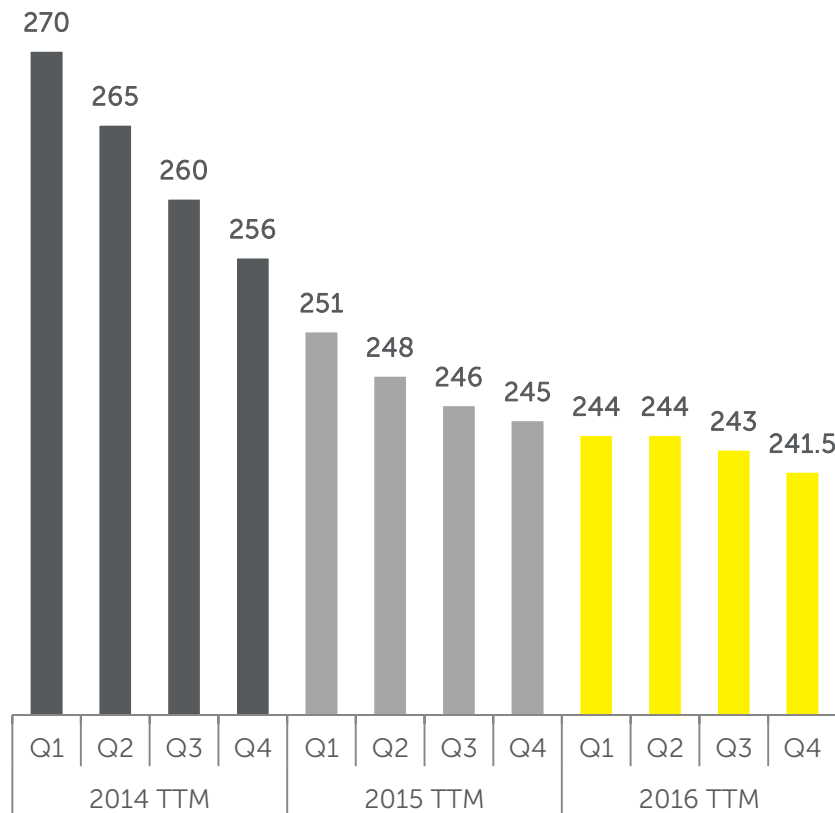
“Recommendation Engine” is the sales dashboard providing the most relevant KPIs and analyses. Such as benchmarking to peers, content score, analytics across the YP Network and product recommendations tailored to SME being serviced



Stabilization in Customers Driven by Growth in Digital Customers

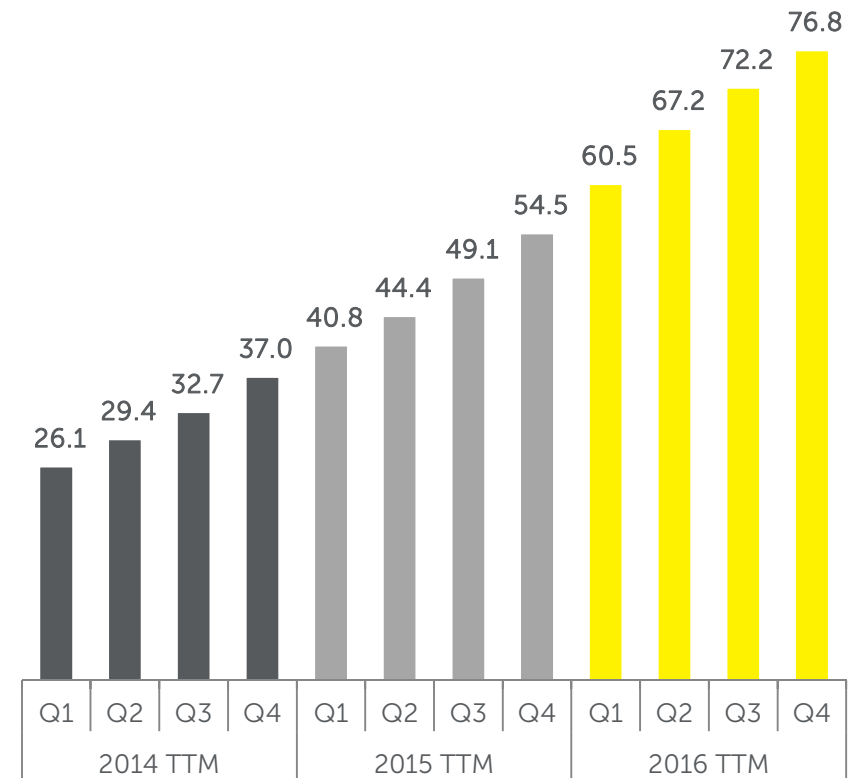
Customer Count

(in thousands)



Digital Only Customers

(in thousands)



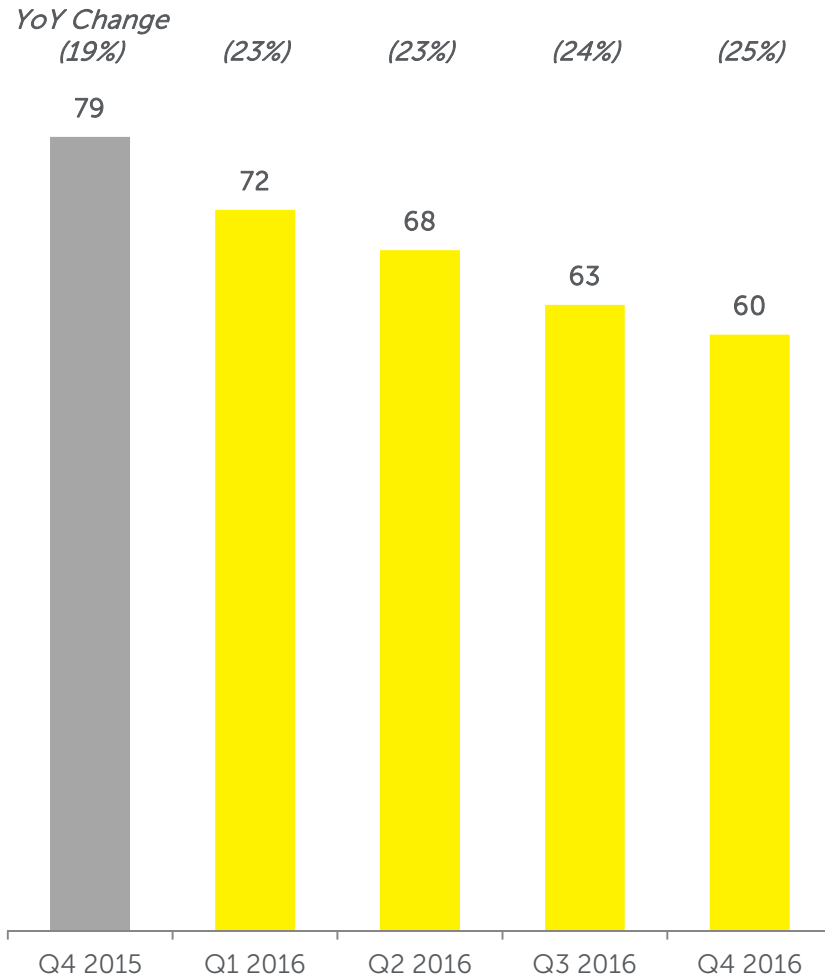
Significant progress made in becoming one of Canada's leading digital marketing companies



Print and Digital Revenue Performance

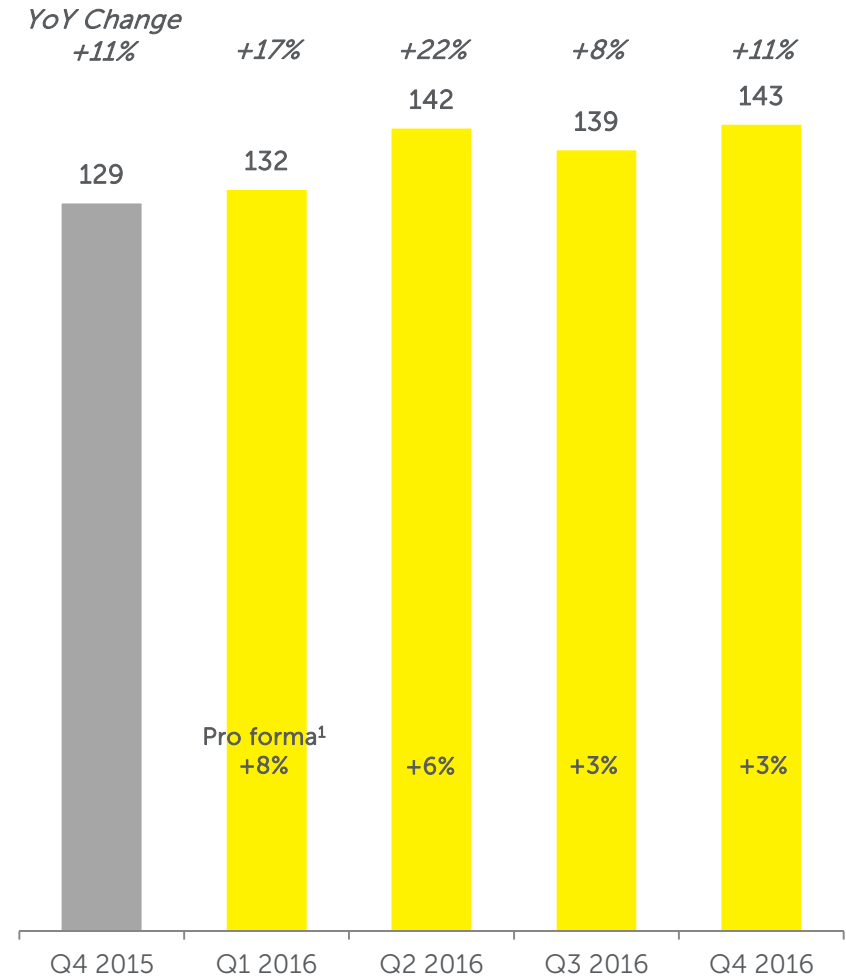
Print Revenue Performance

(in millions, unless otherwise noted)



Digital Revenue Performance

(in millions, unless otherwise noted)



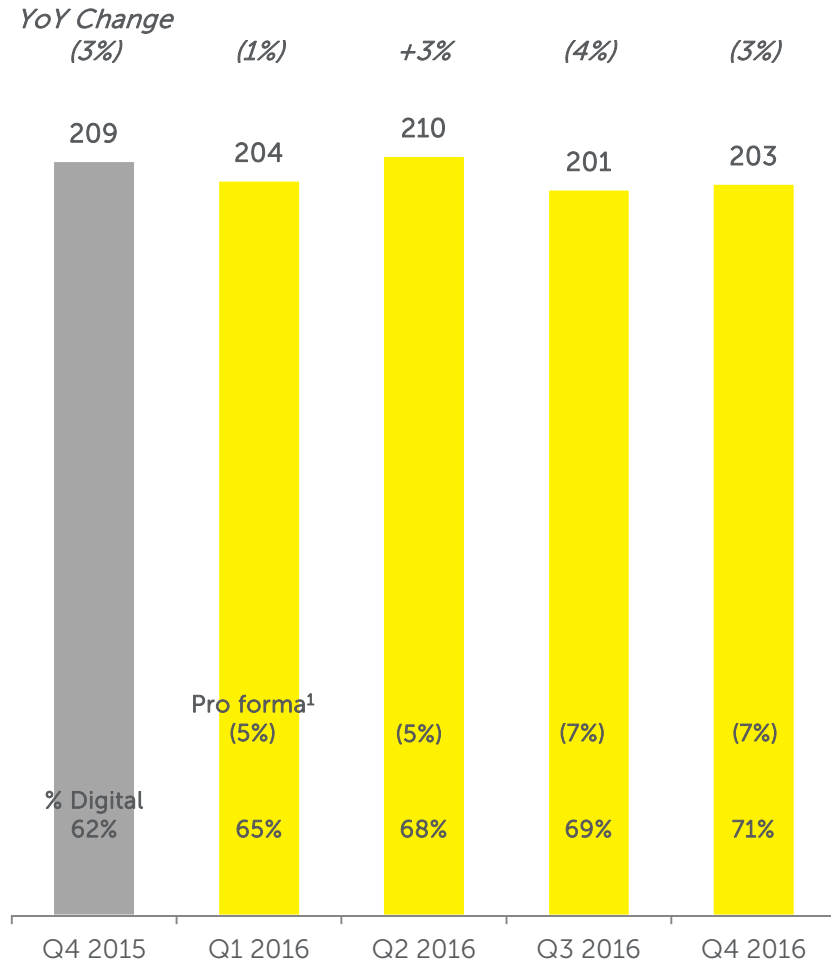
1 Pro forma digital revenue growth adjusts digital revenues for the full inclusion of the ComFree / DuProprio Network and JUICE as though they were fully owned in the current and prior year period



Revenue and Adjusted EBITDA Performance

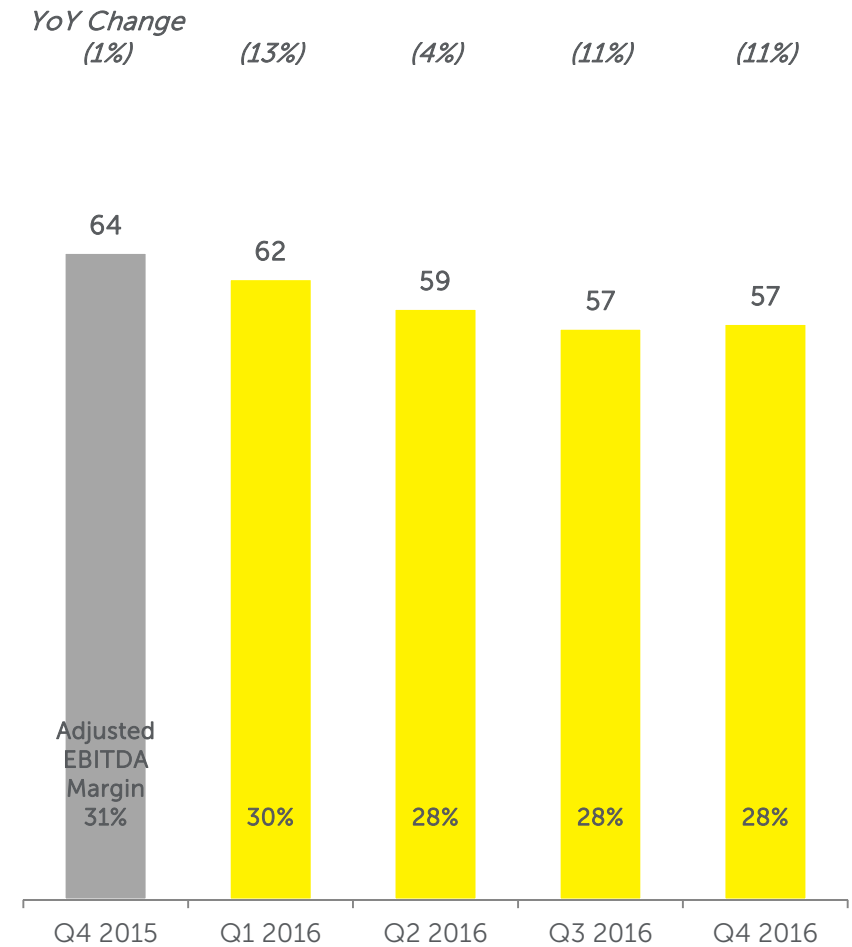
Consolidated Revenue Performance

(in millions, unless otherwise noted)



Adjusted EBITDA Performance

(in millions, unless otherwise noted)



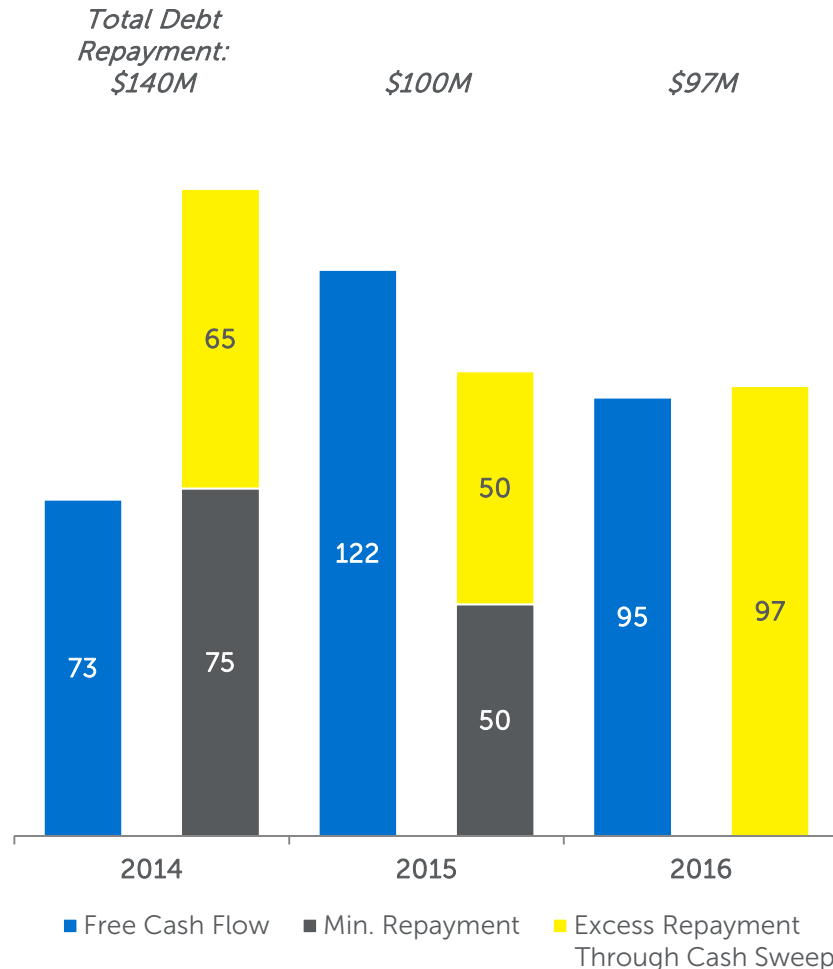
¹ Pro forma consolidated revenue growth adjusts revenues for the full inclusion of the ComFree / DuProprio Network and JUICE as though they were fully owned in the current and prior year period



Strong Free Cash Flow to Deleverage the Balance Sheet

Free Cash Flow Relative to Debt Repayment

(in thousands, unless otherwise noted)



Overview of Debt Instruments

Senior Secured Notes

\$309.7M Outstanding
 Description 9.25% per annum, payable quarterly
 Senior to all other obligations of the Issuer

Issue/
Maturity Date Dec. 20, 2012 / Nov. 30, 2018

Credit Rating S&P: BB-
DBRS: BB (low)

Cash Sweep Feature 75% of the Excess Free Cash Flow¹ for the preceding six-months ended March 31 and Sept. 30, subject to a minimum cash balance of \$75M

Prepayment Option 105% of the principal prior to May 31, 2017
100% of the principal after May 31, 2017

Exchangeable Debentures

\$107.1M Outstanding
 Description 8.0% per annum, payable semi-annually¹
 Subordinated unsecured obligations

Issue/
Maturity Date Dec. 20, 2012 / Nov. 30, 2022

Credit Rating S&P: CCC+
DBRS: B (low)

Conversion Feature Exchangeable into common shares at any time at an exchange price equal to \$19.04²

Prepayment Option 110% of the principal prior to May 31, 2021
 100% of the principal after May 31, 2021

¹ Or 12% per annum if the payment is made in kind

² Representing an exchange ratio of approximately 52.5210 common shares for each \$1,000 principal amount of debentures

Note: The Company has in place a \$50 million Asset-Based Loan expiring in August 2018, which may be used for general corporate purposes



Overview of Capital Structure and Net Debt

<i>(in millions, unless otherwise noted)</i>	Dec. 31, 2012	Dec. 31, 2015	Dec. 31, 2016
Senior Secured Notes ¹	800	407	310
Exchangeable Debentures ²	87	90	92
Obligations Under Finance Leases	2	1	0
Total Debt	888	498	402
Cash and Cash Equivalents	107	67	17
Total Net Debt	782	431	385
Total Equity	286	760	369
Net Debt / Adjusted EBITDA	1.4x	1.7x	1.6x
Trailing 12 Months Free Cash Flow	198	122	95

\$490 million in Senior Notes has been repaid since issuance

¹ 9.25% Senior Secured Notes due November 30, 2018

² 8.0% (or 12.0% paid in kind) Subordinated Unsecured Exchangeable Debentures due November 30, 2022

Note: The Company has in place a \$50 million Asset-Based Loan expiring in August 2018, which may be used for general corporate purposes

Full Year 2017 Operational & Financial Guidance



Stabilization of the Customer Base Via 45,000 New Acquisition Target

Year-over-year Total Digital Revenue Growth Between 4% to 7%

Adjusted EBITDA Margin of 22% to 24%¹

Stabilization of Adjusted EBITDA in the Short to Mid-term, Post-2017

¹ Includes non-recurring investments related to addressing the product mix effect

APPENDIX



Overview of ComFree and DuProprio (“CF / DP”)

- Online C2C marketplace to help Canadians sell their homes
- Offers fee-based à la carte solutions and expertise, which eliminates agents to save money
- One of Canada’s most trafficked real-estate properties (Ranked Top 4 in Canada¹)
- Provided an entry point to transaction-based offering

Changing of the Guard in Canadian Real Estate

	<u>Traditional Brokerage</u>	<u>ComFree DuProprio</u>
Control of Sales Process	Realtor	Home Owner
Real Estate Expertise	Generalist	Team of Experts
Customer Experience	Ad-hoc & highly varied	Consistent & owner-centric
Fee	~5% of property value	\$300 to \$2,500
Principal Benefactor	Realtor	Home Owner

À la Carte Services & Solutions

Getting Started	<ul style="list-style-type: none"> • In-home introductory appointment & consulting • Custom high-quality photos • Pricing assistance and market data driven by internal database of listings and historic transactions
Marketing Your Property	<ul style="list-style-type: none"> • Listing, presence and preferred placement on the ComFree / DuProprio digital network and apps • Custom lawn and directional signs and printable feature sheets and custom booklets
Selling With Support	<ul style="list-style-type: none"> • Customer support available 7 days a week • Sales and marketing coaching from seasoned real estate professionals and notaries • Detailed guides and access to all the legal documents required to finalize the transaction

Overview of JUICE

- Pioneer in mobile programmatic (direct & RTB) advertising
- Ad-tech company driving innovation in mobile targeting, placement, and creative
- Expands YP’s customer base to serve national brands and provides data on habits of brands and consumers

JUICE’s Proprietary Mobile Ad Platforms



Swarm is a mobile first demand-side real-time bidding platform. It enables advertising to purchase unique behavioral audience segments with fine-grain location targeting at scale



Nectar is the only Programmatic Direct-platform built for mobile. It plugs directly into a publisher’s ad server for a first look at premium inventory availability. It introduces the efficiency of automation to the process of booking guaranteed inventory with premium publishers, at scale, in one platform.

JUICE’s Publisher Network



Overview of Mediative

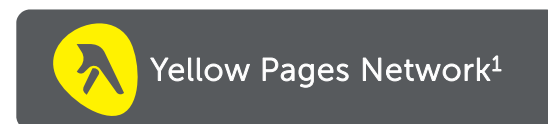
- Offshoot of Yellow Pages formed in 2011 as full-service marketing agency
- Acts as the exclusive manager to several mainstream publisher ad networks, including Walmart Canada and the Yellow Pages Network
- Expands YP’s customer base to serve national brands and provides data on habits of brands and consumers

Digital Marketing Solutions & Services

A Display Network & Digital Media	Advertise across Mediative’s extensive ad network
B Location-based Marketing	Target the exact type of consumers through hyper-local advertising, search and social
C Search & Performance	Make sense of your analytics to invigorate your brand online using tools like SEM and SEO
D Creative Services	Leverage Mediative’s premier creative to deliver user-centric designs and engaging content

Mediative’s Publisher Ad Network

Reaching Over 16.8 Million Consumers a Month



¹ The Yellow Pages Network consists of YP, YP Shopwise, RedFlagDeals, YP Grocery, YP Dine, Bookenda, dine.TO, Canada411, 411.ca, YP NextHome, ComFree / DuProprio and Totem