



11 July, 2011

Yell Group plc (“Yell”)

Yell Acquires Znode Provider of eCommerce Software for Web and Mobile Stores

In advance of presenting its new strategy this Thursday, Yell today announced the agreed acquisition of Znode, a privately-owned, fast-growing pioneer and industry leader in multi-store ecommerce. Znode’s technology will serve as Yell’s ecommerce platform, an important element of Yell’s new strategy to connect small businesses with consumers on a local level. Znode will be incorporated into Yell Group as part of its new consumer division, Yell Connect.

Znode was founded in 2007 in Columbus, Ohio, and will continue operations there, serving as the development base for Yell’s ecommerce capabilities. Znode founders Vish Vishwanathan and David Chu will serve as Executive Vice President & General Manager – Yell Connect, and Senior Vice President of Technology – Yell Connect.

Mike Pocock, Chief Executive Officer of Yell Group said: “The Znode team and their innovative technology provide Yell with a platform for our digital business and enable us to provide ecommerce solutions to small businesses, connecting them more efficiently with their local consumers. Their talented workforce and technological capabilities are a great addition to Yell as we move forward into new digital marketplace opportunities.”

The total consideration for the acquisition is \$18 million in cash paid to Znode investors, plus Yell will settle Znode’s existing net debt of \$1.2 million.

Znode’s platform enables businesses to significantly expand their online footprint using innovative multi-store and online franchising strategies. Znode supports customers across a broad range of industries from technology hardware manufacturing to online payment processing.

The capabilities Znode provides customers today include:

- Extensible solutions for multi-format storefronts (eg, online, mobile, social including Facebook ecommerce sites).
- Single and multi-store ecommerce with easy self-serve interfaces for merchants.
- Flexible structure for a broad range of merchant types and customer experiences.
- Flexible architecture for third party developers.
- A scalable platform that can easily manage very large volumes of customers and traffic.
- Mobile technology that enables storefronts to be “pushed” to mobile phones and tablets in real-time.
- Turnkey mobile applications work across multiple platforms including iPhone, iPad, Android based phones and mobile browsers.

Yell will offer these digital services to its current base of 1.3 million small and medium enterprise customers globally, using its 6,400 strong sales force, as well as to new customers looking for scalable cloud-based online stores. The flexible nature of

Znode's technology will allow rapid deployment and customisation of a small business' digital presence – online, mobile, and social.

The Znode ecommerce platform will also help Yell standardise and automate its own transaction system so that performance can be tracked and measured, thereby increasing efficiency and improving customer experience.

Vish Vishwanathan, Executive Vice President and General Manager, Znode commented: "Joining Yell brings Znode an expanded customer base and additional development talent that will enable us to deploy our technology more broadly". "Additionally, Yell's infrastructure, extensive sales force and investment support makes the Znode ecommerce solution scalable for businesses of all sizes."

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About Znode

Znode® is a pioneer and industry leader in Multi-Store ecommerce. With its innovative solutions, businesses can significantly expand their online footprint using Multi-Store and Online Franchising strategies.

Its flagship product Multifront® is the industry leading .NET ecommerce software that enables retailers to quickly launch multiple web and mobile stores using a single integrated system. Marketplace™ enables your distributors, affiliates, vendors and business partners to quickly set-up turnkey stores across web, mobile and other devices. Znode's software products include rich customer experience features and enterprise class scalability. Znode's extremely flexible, standards based .NET architecture enables developers to quickly build complex custom-tailored solutions for the most demanding business requirements.

About Yell

Yell Group is a leading provider of print and digital services within the emerging local eMarketplace for consumers and SMEs across its operations in the UK, US, Spain and some countries in Latin America.

Building on its strong presence in the local market through its current digital and print portfolio, Yell is developing a broad range of digital services tailored to the converging needs of SMEs and consumers.

These address both the SME need to grow, transact and be efficient in the digital world, and the consumers' need to connect locally to the goods and services they want, in a way which saves them time and money, and moves their lives forward.

In the year ended 31 March 2011, Yell Group had 1.3 million SME advertisers.

www.yellgroup.com