



Press release pursuant to CONSOB Regulation 11971/199, as subsequently amended

2010 RESULTS APPROVED:

CONSOLIDATED REVENUE AMOUNTS TO €151.5 MN (€155.1 mn in 2009)

EBITDA¹ AND EBIT COME IN AT €14.6 MN AND -€11.9 MN, RESPECTIVELY (€20.5 mn and €4.6 mn in 2009)

NET LOSS €17.5 MN (net profit of €6.9 mn at 31 December 2009)

ANNUAL GENERAL MEETING FOR THE APPROVAL OF THE 2010 FINANCIAL STATEMENTS CONVENED

Florence, 14 March 2011 – The Board of Directors of Dada S.p.A. today approved the Draft Statutory Financial Statements of Dada S.p.A. and the Consolidated Financial Statements of the Dada Group for the year ended 31 December 2010.

2010 Group Results

Consolidated revenue for the Dada Group in 2010 came to €151.5 million, compared with €155.1 million in the previous year.

The Dada.net Division, which incorporated the assets of Fueps as of the second quarter, provides digital music, entertainment, community and online gaming services via web and mobile and accounted for 45% of consolidated revenue for the year (gross of interdivisional revenue). The Dada.pro Division, focused on professional services for online presence and digital advertising, contributed the remaining 55% (again, gross of interdivisional revenue). Foreign operations made up 59% of consolidated revenue, in line with the previous year.

¹ EBITDA: gross of write-downs and non-recurring charges



The above figures were affected by the change in the Group's consolidation scope, as described in detail below.

More specifically, the **Dada.net** division recorded revenue of €77.9 million for the year (gross of interdivisional revenue), compared with €85.3 million in 2009. The decrease is due primarily to a gradual repositioning of traditional VAS in some mature markets such as Italy, which was only partially offset by the positive impact of the Dada Entertainment consolidation and the Group's geographical expansion. The most relevant countries for the Dada.net division in 2010 remain the United States, Spain, Brazil, Canada and Mexico.

In 2010 Dada.net, active in 16 countries around the world, continued to strengthen its international presence in the value added services sector, thanks in part to expansion in North America (Canada) and Latin America (Mexico) and to the re-launch in the French market. In Italy Dada.net has also Dada launched the improved Play.me digital music service, whose "in the cloud" music experience offers on-demand streaming, the ability to create personalized playlists and to listen to music on the go, accessible virtually anywhere, at anytime - even without a mobile connection - thanks to a catalogue which today boasts nearly 4 million MP3 tracks.

Dada.net has reinforced its presence in the satellite music market in Italy thanks to the performance of the two television channels of Giglio Group: Music Box and Live!. In the second quarter it began to distribute Live! in other countries, with positive audience figures, and in the fourth quarter in Italy it launched the digital terrestrial channel Play.me.

Lastly, Dada.net is now in charge of Fueps's activities relating to the creation, management and development of online skill and casual gaming services.

Dada.pro's contribution to consolidated revenue increased to €96.5 million (gross of interdivisional revenue), compared with €82.6 million the previous year. The consolidation of Poundhost from the first of January made a positive contribution to this result. The most significant countries in terms of contribution to division revenue in 2010 were Italy, the United Kingdom, France, Spain, Ireland and Portugal.

With regard to the professional services for domain registration and hosting, in 2010 Dada.pro further strengthened its leadership in Europe with a customer base of 466,000, for a total of 1.6 million domains under management and a top-five market ranking in Italy, the UK, France, Ireland and Portugal. During the period, Dada.pro maintained its focus on integrating its platforms, products, and the Group resources dedicated to these services in order to take advantage of cost synergies and business opportunities, as well as on upgrading marketing tools and the release of two new applications: "WebSite," a simple, flexible and comprehensive tool for the creation of professional sites, and "E-commerce"—a complete package for creating an online store, with a



view to further integrating Dada.pro's digital offer, from registration to presence building to online visibility planning.

In online advertising, the division continued to implement its strategy to further improve the scalable advertising business (traffic refining and customer acquisition services for all Group companies), thanks to the constant fine-tuning of proprietary algorithms and the close relationship with the world's main Ad Networks. Through the strengthening of Peeplo.com and the launch of new, internationally scalable models such as "Save n' Keep," the new social bookmarking service via web and mobile, this business made a strong contribution to the year's division results. The technological development and the growth of the Simply network, which combines ease of management with the highest possible return on investment for the advertiser and optimized performance for the publisher, also continued.

Consolidated EBITDA for 2010 amounted to €14.6 million (€20.5 million in 2009), or 9.7% of revenue. The decrease with regard to the Dada.net division stems mainly from the lower contribution of mobile services in some geographical areas, especially in Europe; the net operating expenses of €2.9 million incurred for Play.me (less than the previous year); and the net costs incurred during the first part of the year for the launch of online poker (€2.8 million), which were reduced progressively starting in the second quarter of 2010.

EBITDA for the Dada.pro Division was essentially unchanged with respect to the prior year. In particular, scalable advertising made a greater contribution in 2010, and Simply's one also improved (even if still negative), while marginality decreased with regard to the advertising agency, which is currently being reorganized.

Service costs increased as a percentage of revenue due primarily to the change in the consolidation scope following the acquisitions completed over the last 12 months, and, in particular, to the above-mentioned costs for the online poker launch. Payroll costs, general and overhead expenses were substantially unchanged on consolidated revenue year-on-year, thanks to the control and containment actions carried out during the year.

Consolidated **EBIT** was a negative €11.9 million (€4.6 million in 2009). More in detail, the figure is primarily affected by depreciation and amortization, which rose from €11.4 million in 2009 to €13.3 million due mainly to investments in product development and fixed assets and to the change in the consolidation scope; impairment of fixed assets for a total of €8.4 million attributable to goodwill write-downs in relation to Fueps, Dada.net, Dada Entertainment and Clarence as a result of impairment testing. EBIT was also affected by other write-downs, risk provisions and non-recurring charges of €4.8 million (€4.5 million in 2009), mostly regarding personnel reorganization activities.



Net financial charges of €2.5 million (€2.1 million in 2009) reflect €4.4 million in financial charges (€4.2 million in the previous year) and a slight decrease in financial income (€1.9 vs €2.1 million in 2009) due to lower exchange gains.

Tax in the period totaled €4.0 million (€1.2 million the previous year), due mostly to the release of deferred tax assets for €2.9 million, while in 2009 the Group recognized deferred tax assets of €1.5 million. The trend in tax provisions is influenced by the Group's losses and the consequent revision of the portion of tax losses carried forward that is expected to be recovered.

After minority interests of €0.9 million (-€0.5 million in 2009), the year closed with a **consolidated net loss** of €17.5 million, compared with a profit of €6.9 million the previous year.

Group Balance Sheet and Financial Position at 31 December 2010

At the close of the year, the Group had a **net debt** of €50.6 million compared to €36.7 million at 31 December 2009. The change reflects the cash generation from operating activities (€7.1 million, versus €12.7 million in 2009), and the investments realized during the year. Investments concerned property, plant and equipment (including €1.4 million brought in by the Poundhost consolidation), intangible assets for the internal development of the processes and proprietary platforms used by the two divisions to provide services and for the purchase of licenses, brands and television rights, totaling €12.8 million (€11.7 million the previous year), as well as the acquisition of Poundhost (finalized in January 2010) and of an additional 15% of Giglio Group in February, for a total of €8.9 million.

2010 Parent Company's Financial Statements

The Parent Company Dada S.p.A., which mainly provides corporate services to other companies in the Group, recorded revenue of €8.9 million in 2010, compared to €11.3 million in the prior year.

EBITDA amounted to -€2.0 million (-€1.8 million the previous year) and EBIT to -€8.1 million (-€4.7 million at 31 December 2009). The year closed with a net loss of €13.1 million, compared with the previous year's loss of €4.1 million. Short-term net debt (which also represents total debt, as there are no financial payables due beyond one year) stood at €14.1 million at the close of the year, compared with €14.8 million at 31 December 2009.



2010 Consolidation Scope

In 2010, the scope of consolidation changed due to the acquisition in January of 100% of Poundhost, consolidated on a line-by-line basis since the start of the year. Please note that Dada Entertainment LLC and Fueps have been consolidated on a line-by-line basis since 1 June 2009 and 1 October 2009, respectively.

On the whole, the above-reported changes in the Dada Group's consolidation scope with respect to 2009 affected revenue by €13.9 million and EBITDA by €0.2 million.

Subsequent events

On 11 February 2011, further to the resignation of Paolo Barberis as Director and Chairman of the Board, the Board of Directors co-opted Alberto Bianchi in accordance with Art. 2386 comma of the Italian Civil Code and Art. 19 of the Company's by-laws and appointed him to act as Chairman. To replace Director Salvatore Amato, who tendered his resignation from the Compensation and Internal Control Committees on the same date, the Board of Directors also appointed independent Director Alessandro Foti to the Compensation Committee and independent Director Vincenzo Russi to the Internal Control Committee, of which Mr. Foti was appointed Chairman.

The Board of Directors, also on the basis of the results of a strategic analysis conducted with a primary consulting firm, has decided to proceed with the Dada.net division valorisation which would allow the Company to rationalize its asset portfolio and concentrate more effectively its financial and managerial resources. The Board, supported by its own financial advisor, was shown with non binding letters of interest regarding Dada.net formulated by a certain number of industrial players. The assessment of the non binding offers has been based on economic-financial considerations, as well as on analysis of the industrial project proposed, also with regard to the potential occupational impact.

The Board, therefore, granted the Chief Executive Officer a mandate to execute an exclusive agreement with Buongiorno S.p.A. for 45 days aimed at performing a due diligence process and, subject to the outcome of the due diligence, proceed with the negotiation of an agreement between the parties for the sale to Buongiorno of the equity interest in Dada.net S.p.A. and its subsidiaries.

On 16 February 2011, in line with its declared focalization strategy, Dada finalized the disposal of E-Box S.r.l. (owner of Blogio) to Populis Ltd. Based on the sales agreement, announced on 17 January 2011, a purchase price of €6 million was paid, €4.2 million of which went to the Dada



Group who owned 70% of the company (a portion was deposited in an escrow account), for an estimated capital gain of about €2 million.

Outlook for 2011

The persistent uncertainty characterizing the reference market of the Dada Group reduced the visibility of the Group's outlook for the current year. The Company has, moreover, implemented actions aimed at operating costs optimization and portfolio strategic rationalization in order to focus the Group's financial and managerial resources more effectively; the above mentioned agreement signed with Buongiorno S.p.A. related to the possible sale of Dada.net S.p.A. and its subsidiaries is fully in line with this approach. Any developments in this transaction and its possible impact on the outlook for the current year will be promptly disclosed to the market.

Convocation of the Annual General Meeting

The Board of Directors then convened the Ordinary and Straordinary Annual General Meeting of Shareholders, setting the agenda and approving the related reports, in amendment to the financial calendar already announced, at 3:00 p.m. on 21 and 22 April in first and second call, respectively, at the Company's registered office in Florence in order to :

- approve Dada S.p.A.'s Statutory Financial Statements for the year closed on 31 December 2010: with regard to the allocation of the result for the year, the Board of Directors proposed to carry forward the net loss for the year of €13,149,116.71;
- nominate two Directors and, possibly, the Company's Chairman – given the appointment by co-optation of Director Stanislao Chimenti and Chairman Alberto Bianchi, which took place during the Board of Director meetings held on 8 November 2010 and 11 February 2011, respectively;
- amend Articles 11, 13, 14, 17 and 18 of the Company's by-laws, in order to comply with several amendments to Legislative Decree 27/2010 relating to shareholder rights;
- renew the Board's authorization (after revoking the previous one) to purchase and sell treasury shares for a period of 18 months.

This authorisation, up to a maximum number of ordinary shares representing one-tenth of the share capital, in order to give the Company a tool of strategic and operational flexibility which allows the Company to have treasury shares at its disposal and to carry out purchase/sale, share swaps and conferment operations and also to acquire investments.

According to the Board's proposal, the purchase price of Company shares shall not be less than 20% and more than 10% of the official Stock Exchange price of the share on the day



before each purchase, and the acquisitions will be executed under the laws and regulations of the Italian Stock Exchange managed by Borsa Italiana S.p.A., for which the regulator does not allow the direct transaction between the predetermined proposal to sell and the predetermined proposal to buy. The Company at present does not hold any treasury shares in portfolio.

Declaration by the Financial Reporting Officer

The Financial Reporting Officer of Dada S.p.A., Mr. Federico Bronzi, declares pursuant to Art. 154 *bis* paragraph 2 of the Consolidated Finance Act (*Testo Unico della Finanza* or TUF) that the financial information contained in this press release corresponds to the Company's records, ledgers and accounting entries.

The Draft of 2010 Statutory Financial Statements and Consolidated Financial Statements, with the related reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, will be made available to the public at the Company's registered office and via the electronic Network Information System (NIS) of *Borsa Italiana* within the applicable legal terms, and on the website www.dada.dada.net. Please note that the report of the External Auditors has not been released yet.

Dada S.p.A. (dada.dada.net) is an international leader in web and mobile based Digital Music, Entertainment & On-line Gaming services, as well as professional services for online presence and advertising. Dada has 2 business divisions - Dada.net (Digital Music, Entertainment & On-line Gaming), Dada.pro (domain and hosting services and advanced online advertising solutions) – and is listed on the Star segment of the Italian Stock Exchange (DA.MI).

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ATTACHMENTS

RECLASSIFIED CONSOLIDATED INCOME STATEMENT FOR 2010*						
Amounts in Euro/thousand	2010		2009		DIFFERENCE	
	Amount	% of total	Amount	% of total	Absolute	%
Net Revenues	151,485	100%	155,101	100%	-3,616	-2%
Changes in inventory and internal work	5,477	4%	5,229	3%	248	5%
Service costs and other operating costs	-112,923	-75%	-110,278	-71%	-2,645	2%
Labour costs	-29,394	-19%	-29,579	-19%	185	-1%
Ebitda **	14,645	10%	20,473	13%	-5,828	-28%
Amortisation & depreciation	-13,324	-9%	-11,362	-7%	-1,962	17%
Non-recurring income (charges)	-3,992	-3%	-3,159	-2%	-833	26%
Write-down of assets	-8,421	-6%	0	0%	-8,421	
Write-downs & provisions	-800	-1%	-1,363	-1%	563	-41%
Ebit	-11,892	-8%	4,589	3%	-16,481	-359%
Financial income	1,929	1%	2,095	1%	-166	-8%
Financial charges	-4,445	-3%	-4,241	-3%	-204	5%
Share of associates	0	0%	-535	0%	535	-100%
Gain from revaluation	0	0%	6,654	4%	-6,654	-100%
Profit before taxes	-14,408	-10%	8,562	6%	-22,970	-268%
Income taxes	-3,986	-3%	-1,205	-1%	-2,781	231%
Net profit	-18,394	-12%	7,357	5%	-25,751	-350%
Minority interest profit	895	1%	-451	0%	1,346	-298%
Group net profit	-17,499	-12%	6,906	5%	-24,405	-353%



*Unaudited

**EBITDA: before write-downs and extraordinary items

WORKING CAPITAL AND NET FINANCIAL POSITION OF THE DADA GROUP AT DECEMBER 31, 2010*				
Amounts in Euro/thousand	Dec, 31, 10	Dec, 31, 09	DIFFERENCE	
			Absolute	%
Fixed assets (A)	128,078	129,733	-1,655	-1%
Current assets (B)	45,430	56,350	-10,920	-19%
Current liabilities (C)	-56,027	-65,013	8,986	-14%
Net working capital (D) = (B)-(C)	-10,597	-8,663	-1,934	22%
Employee leaving indemnity provision (E)	-1,315	-1,210	-105	9%
Provision for risks and charges (F)	-4,141	-2,350	-1,791	76%
Other Payables beyond one year	-8,000	-8,000	0	
Net capital employed (A+D+E+F)	104,025	109,510	-5,485	-5%
Medium-long term payables	-28,541	-30,861	2,320	-8%
Shareholders' equity	-56,709	-72,844	16,135	-22%
Assets held for sale	3,329		3,329	
Short-term bank debt	-27,549	-12,996	-14,553	112%
Short-term financial receivables and securities	110	50	60	120%
Short-term payables	-1,219	-1,020	-199	20%
Cash and cash equivalents	6,554	8,161	-1,607	-20%
Short-term net financial position	-22,104	-5,805	-16,299	281%
Total net financial position	-50,645	-36,666	-13,979	38%

*Unaudited



DADA S.p.A. RECLASSIFIED INCOME STATEMENT FOR 2010*

Amounts in Euro/thousand	2010		2009		DIFFERENCE	
	Amount	% of total	Amount	% of total	Amount	% of total
Net Revenues	8,905	100%	11,273	100%	-2,368	-21%
Changes in inventory and internal work	0	0%	0	0%	0	
Service costs and other operating costs	-7,456	-84%	-9,251	-104%	1,795	-19%
Labour costs	-3,406	-38%	-3,845	-43%	439	-11%
Ebitda **	-1,957	-22%	-1,823	-20%	-134	7%
Amortisation & depreciation	-2,264	-25%	-2,454	-28%	190	-8%
Non-recurring income (charges)	-256	-3%	-154	-2%	-102	66%
Revaluations/(Write-downs)	-3,585	-40%	-228	-3%	-3,357	1472%
Ebit	-8,062	-91%	-4,659	-52%	-3,403	73%
Investment income	69	1%	143	2%	-74	-52%
Financial income/(charges)	-7,598	-85%	-325	-4%	-7,273	2238%
Profit/(loss) before taxes	-15,591	-175%	-4,841	-54%	-10,750	
Income taxes	2,442	27%	755	8%	1,687	223%
Net profit/(loss)	-13,149	-148%	-4,086	-46%	-9,063	222%

*Unaudited

**EBITDA: before write-downs and extraordinary items



WORKING CAPITAL AND NET FINANCIAL POSITION OF DADA S.p.A. AS AT December 31, 2010*

Amounts in Euro/thousand	Dec 31, 10	Dec 31, 09	DIFFERENCE	
			Absolute	%
Fixed assets (A)	51,887	61,584	-9,697	-16%
Current assets (B)	8,486	12,658	-4,172	-33%
Current liabilities (C)	-4,531	-5,584	1,053	-19%
Net working capital (D) = (B)-(C)	3,955	7,074	-3,119	-44%
Employee leaving indemnity provision (E)	-225	-219	-6	3%
Provision for risks and charges (F)	-3,577	-186	-3,391	1823%
Net capital employed (A+D+E+F)	52,040	68,253	-16,213	-24%
Medium-long term payables	0	0	0	
Shareholders' equity	-40,300	-53,449	13,149	-25%
Assets held for sale	2,405		2,405	
Short-term bank debt	-10,173	0	-10,173	
Short-term financial receivables and securities	-380	-368	-12	3%
Treasury management cash pooling	-3,605	-16,462	12,857	-78%
Cash and cash equivalents	13	2,026	-2,013	-99%
Short-term net financial position	-14,145	-14,804	659	-4%

*Unaudited

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