



Press release pursuant to CONSOB Regulation 11971/1999, as subsequently amended

2015 CONSOLIDATED RESULTS APPROVED

**CONSOLIDATED REVENUE €62.2 MN, UP BY 4.5% YOY
(vs €59.5 MN IN 2014)**

**EBITDA¹ UP BY 14% TO €10.5 MN, WITH 17% MARGIN ON REVENUE
(vs €9.2 MN AND 15% MARGIN IN 2014)**

EBIT UP TO €3.2 MN (+111% vs €1.5 MN IN 2014)

NET PROFIT +€1.3 MN (vs -€2.2 MN IN 2014)

**NET FINANCIAL POSITION -€27.9 MN (FROM -€33.6 MN AT 31 DECEMBER
2014)**

**ALL KEY BUSINESS METRICS GROW:
+6% YOY CUSTOMER BASE TO 560,000, +32% YOY NEW CUSTOMERS,
+22% YOY NEW DOMAINS**

**FOCUSING PROCESS SUCCESSFULLY COMPLETED ON CORE BUSINESS OF
ONLINE PRESENCE AND VISIBILITY SERVICES FOR EUROPEAN SMEs**

SHAREHOLDERS' MEETING CONVENED TO APPROVE 2015 FINANCIAL STATEMENTS

Florence, 14 March 2016 - Today, the Board of Directors of DADA S.p.A., listed in the STAR segment of the Milan Stock Exchange, and European leader in digital services for the online presence and visibility of SMEs, approved the Dada Group's Consolidated Financial Statements and the Draft Statutory Financial Statements of DADA S.p.A. for the year ended **31 December 2015**.

NB: for the sake of clarity, changes in percentage and absolute terms appearing in this Press Release have been calculated using exact amounts.

¹ EBITDA is before impairment losses and non-recurring items



Claudio Corbetta, CEO of DADA: *“We are extremely satisfied with the results reached in 2015, a year in which the Dada Group achieved a strong improvement in all key business metrics, despite the increasing complexity of the competitive environment at the domestic and international level. In 2015, the growth in new customers (+32% yoy) and new domains (+22% yoy) has allowed the Group to improve its market share, strengthening its position among the top European players not only in the Domanin market but also in the segment of virtual & dedicated Servers and in solutions for the creation, management and visibility of web and e-commerce sites for SMBs. To conclude, the continuous improving of customer advice and consulting services and the ongoing development of the product portfolio has allowed us to increase furthermore the high level of retention of our customer base, with metrics in line or even higher than the major international players.”*

Lorenzo Lepri, General Manager & CFO of DADA: *“2015 was a good year in the history of the Group. Thanks to the efforts and talent of our resources, we have accomplished the announced goals in terms of revenues and profitability despite the high investment we have carried out in order to enhance our international customer base, and laid the foundations for further future development, to the benefit of all stakeholders. During the year, we successfully completed the Group’s focusing process on its core business of online presence and visibility services for European SMBs, a project we started some years now, that has led DADA to becoming today one of the leading Domain & Hosting players in Europe, ranking among the top groups in main advanced market in which DADA operates, including in Italy, UK, Spain, France, Portugal and Netherlands.*

REFOCUSING PROCESS ON CORE BUSINESS

Mention should be made that in 2015 the Group completed the focusing process on the core business of online presence and visibility services for SMEs. Specifically, 2015 saw the completion of the following extraordinary transactions:

- 1- On 23 March 2015, Dada S.p.A. sold to Italiaonline S.p.A. the entire share capital of Moqu Adv S.r.l.. This agreement has led to the application of accounting standard IFRS 5 “Non-current assets held for sale and discontinued operations”: as from 1 March, all of the income statement items relating to the disposed companies have been grouped on the line “Profit/(loss) from discontinued operations”. For the sake of comparison, all income statement and statement of financial position items from the prior year have been restated and reclassified, while assets and liabilities are shown on a continuing operations basis.
- 2- On 30 June 2015, the Dada Group completed the transfer of the ProAdv/Simply BU to 4w MarketPlace S.r.l., acquiring 25% of the transferee’s share capital. As of 1 July 2015, the equity investment is measured at equity, while 2H14 included the full consolidation of the assets of the transferred BU.
- 3- On 2 July 2015, through its subsidiary Register.it S.p.A., Dada signed a binding agreement for the acquisition of 100% of the share capital of Etinet S.r.l., a company



that provides web and mobile services for digital communication to SMEs. The transaction was completed on 8 July 2015. The equity investment in Etinet was fully consolidated as of 1 July 2015. Conversely, 2H14 had no financial benefit from this company.

All the following comments and analysis on income statement and cash flow figures in this press release have been made in light of the new Group structure.

As a result of the abovementioned focusing process, the Dada Group is currently organized around the single business unit falling under the "Domain and Hosting" division.

GROUP RESULTS IN 2015

The Dada Group ended 2015 with **consolidated revenue** of **€62.2** million, up by **+4.5%** versus **€59.5** million in 2014.

The revenue performance reflects the favourable trend of the **depreciation of the Euro** against the **British Pound**, which accounted for approximately **€2.3** million versus 2014, as well as the following changes in the scope of operations:

- the disposal of the UK ADSL business (disposed of at the end of May 2014), which contributed **€0.3** million to revenue in 2014;
- the disposal of ProAdv/Simply, the online advertising product, starting from 1 July 2015, which contributed **€1.4** million to revenue in 2H14;
- the consolidation of the results of Etinet S.r.l., starting from 1 July 2015, which contributed **€0.4** million to revenue in 2H15.

Net of these effects, consolidated revenue would have grown by **3%** versus 2014.

Foreign-based activities contributed **56%** to consolidated revenue at **31 December 2015**, basically in line with **55%** in 2014. In 2015, these activities **drove consolidated revenue**, even net of the benefits from the revaluation of the British pound against the Euro, confirming the importance of international business in the development of the Group.

In 2015, **consolidated EBITDA** of the Dada Group, before impairment losses and other non-recurring items, came to a positive **€10.5** million, reporting a **17% margin on revenue**. The 2015 figure **grew by 14%** versus **€9.2** million in 2014, which reported a **15%** margin.

Breaking down the income statement aggregate, **all main cost items are seen to decrease as a percentage on revenue**.

Specifically:

- **service costs** in absolute terms were in line with the levels in 2014, **dropping** from **59%** as a **percentage on revenue** in 2014 to **57%** in 2015. Specifically, **marketing costs rose** (up **37%** versus 2014) to support the **acquisition of new customers** in an increasingly **competitive market**, while the **depreciation of the Euro** against the **US dollar** impacted negatively on the costs to purchase domains, amounting to approximately **€1.2** million and accounting for **3%** of total service costs. These upward



changes versus the prior year were, however, countered by the **benefits** deriving from the **startup of the new Datacenter in the UK**, from the more favourable **renegotiation of the supply contract of the Datacenter in Milan**, and from the **gradual disposal of the French datacenters**, for a total reduction of €1.1 million (-21% versus 2014);

- **payroll costs** in 2015 dropped by 1% to €18.2 million versus €18.5 million in 2014, representing 29% of revenue (31% in 2014). The trend of this aggregate is mainly ascribable to the success of the efficiency measures announced last year, and to the restructuring of the operating offices in France and Holland, which resulted in a reduction in labour costs, both in absolute terms and as a percentage of revenue, despite an increase in the number of staff (398 people at 31 December 2015 versus 364 at the end of 2014);

- the item **“Increase in own work capitalized”**, amounting to €2.3 million in 2015, or 4% of consolidated revenue, and **dropping by 24%** versus €3.0 million in 2014 (5% of consolidated revenue), consists of expenses incurred for the development of the proprietary platforms needed to launch and manage the services provided by the Dada Group. This change brought less benefits to EBITDA and is mainly attributable to the gradual implementation of the investments made in service development over the past few quarters, and to the progress of the projects related to the development and integration of the proprietary technology platforms.

In 2015, the Dada Group achieved a **positive EBIT of €3.2 million (5% of consolidated revenue)**, rising sharply versus €1.5 million achieved in 2014 (3% margin).

In addition to the previous comments on EBITDA growth, EBIT’s performance reflects:

- **consolidated depreciation and amortization**, amounting to €6.9 million (11% of revenue), €3.8 million of which for tangible assets and €3.1 million for intangible assets; the overall figure **dropped (-4%)** versus 2014, due mainly to the reduction in the internal development of the platforms, now fully operational;
- **Impairment losses, provisions and other non-recurring income/charges of €0.4 million**, down versus €0.5 million in 2014. These charges include costs and expenses relating to certain extraordinary transactions (4W and Etinet), amounting to €0.2 million.

Net financial activities (the difference between financial income and charges) of the Dada Group in 2015 came to **-€2.5 million, improving** versus -€2.7 million in 2014.

The trend of this aggregate benefited in particular from the effects of **forex fluctuations**, especially those regarding the Euro/British pound exchange rate. The **trend in spreads and rates charged** on loans equally **improved**, thanks to the positive outcome of a certain number of **renegotiations** of outstanding loans.

Financial activities were impacted by: (i) interest expense on medium/long-term loans, amounting to €1.15 million (in line with 2014); (ii) other bank commissions and interest



owed on bank overdrafts amounting to €1.6 million (€1.7 million in 2014), linked to interest paid on current account overdrafts and to bank commissions on credit card payments; (iii); hedge derivative differentials (IRS and CAP) of €0.1 million, basically in line with 2014; (iv) the benefits from forex in 2015 of approximately €0.3 million, increasing versus €0.1 million in 2014.

Other income from financial activities came to €2.2 million in 2015, generated by the transfer of the ProAdv/Simply BU to 4w MarketPlace S.r.l., which resulted in a gain recorded in the income statement as the difference between the sworn appraisal of €2.2 million and the book value of the BU basically equivalent to zero.

In 2015, the consolidated **tax burden** of the Dada Group amounted to -€1.2 million, up versus -€0.8 million in 2014, and reflects: (i) current tax of -€0.5 million (-€0.6 million in 2014); the change versus 2014 is the result of the offsetting effect of the higher income taxes on certain companies that reported an increase in taxable income versus 2014, and of the sharp reduction of IRAP following the new Italian laws effective this year, (ii) deferred taxes of -€0.8 million, which impacted negatively in 2015 versus -€0.2 million in 2014. The increase versus 2014 is explained also by the additional releases to the income statement following the 2016 Stability Law, which lowers the IRES tax rate from 27.5% to 24% starting from financial year 2017.

Profit (loss) from discontinued operations, which comprises the financial results of the Performance Advertising division sold in 1Q15, with financial effects from 28 February, showed a loss of €0.3 million (-€0.2 million in 2014), €0.2 million of which attributable to non-recurring costs incurred by the Group to carry out the transaction.

The consolidated Net Profit of the Dada Group came to a **positive €1.3 million** in 2015, **improving sharply** versus the loss of €2.2 million in 2014.

GROUP BALANCE SHEET AND FINANCIAL POSITION AT 31 DECEMBER 2015

The total **Net Financial Position** at 31 December 2015 came to **-€27.9 million**, **improving** versus -€33.6 million at 31 December 2014 and -€28.4 million at 30 September 2015.

In 2015, the NFP was composed of: (i) the **positive cash flows generated by operating activities** after changes in net working capital of **€10.7 million** (€7.5 million in 2014, including the effects of discontinued operations); (ii) **investing activities** of -€2.6 million (including the benefits from the disposal of Moqu, amounting to €4.7 million, net of the financial receivable from the earn-out of €1 million) versus -€6.3 million in 2014 (€0.6 million of which from discontinued operations).

Investments totaled **€7.3 million** (€7 million of which are the financial effects in terms of cash flow), **€3.3 million of which for intangible assets** (including the increase in goodwill from the acquisition of Etinet, amounting to €0.8 million), **down** versus €3.8 million in 2014 (€0.6 million referring to discontinued operations), **€4.0 million of which for tangible investments in technology, up** versus €2.2 million in 2014, due mainly to the completion of the **investment in the Datacenter in the UK**, which amounted to €1.3 million in 2015.



Cash outlays for interest and tax came to -€3.3 million at 31 December 2015 versus -€3.9 million at 31 December 2014.

The consolidated Net Financial Position at 31 December 2015 consisted of **current debt of €11.2 million** (€18.2 million at 31 December 2014), mortgage and other **medium/long-term loans of €20.4 million** (€16.7 million at 31 December 2014) and of banks and financial assets totaling €3.7 million (€1.4 million at 31 December 2014). The lower levels of current exposure are largely attributable to the **renegotiation of the non-current loan** with Banca Intesa, and to two new loans, one with Unicredit, effective 31 March 2015, and the other with Cariparma, granted on 29 September 2015. These renegotiations allowed the Group to pursue the following main objectives: (i) **to improve pricing** in terms of spreads; (ii) **to extend the duration** of overall debt, reducing the current portion and increasing the non-current one; (iii) **to align the positive cash flows** of the Group more to the instalment payments of principal.

The Dada Group's **Net Working Capital** was -€11.5 million at 31 December 2015 versus -€10.3 million at 31 December 2014 (-€10.7 million at 30 September 2015). It should be noted that the trend of this aggregate is closely tied to the trend of revenue over the period, part of which is recognized over 12 months as deferred income on a pro-rata basis. Deferred income (€12.9 million at 31 December 2015 versus €11.9 million at 31 December 2014) is included in other payables, but will not entail future financial outlays, rather the recognition of revenue in the income statement.

The Dada Group's **Shareholders' Equity** amounted to **€59.3 million** at 31 December 2015 versus €50.2 million at 31 December 2014. The **increase** is explained by the contribution of **profit for the year** of €1.3 million, the translation of financial statements of consolidated companies denominated in GBP of €2.5 million, the recognition of the **gain of €5.2 million from the disposal of Moqu** under OPI 1, and the rest by the value of the exercise of the stock options.

BUSINESS PERFORMANCE IN 2015

As mentioned in the quarterly report at 30 September 2015, the Group **successfully completed the focusing process on the core business of digital services for online presence and visibility tailored to SMEs**, redefining the corporate scope with the disposal of the Performance Advertising BU, the transfer of the ProAdv/Simply BU to 4w Marketplace S.r.l., and the **acquisition of Etnet S.r.l.**, a company that provides web and mobile services for the digital communication of SMEs.

Over the past few years, the **Dada Group** has **focused its resources on the development of the D&H business**, investing in a **cutting-edge, integrated technology infrastructure**, which includes the new **Datacenter** in the UK, built in 2013 and completed in 2015, in the integration of the **operating platforms**, and in the development of the **product portfolio**, stepping up services in "We do it for you" mode and anticipating relevant market trends. **To date, the Dada Group** is one of the **top European players** in online presence and visibility services for SMBs.



In 2015, Dada recorded an **improvement** in all **key business metrics** at the **international level**. Its **overall customer base** topped the **560,000** mark, increasing by **+6%** versus 2014. New customers were up **+32%** versus 2014, thanks mostly to the sales strategies and **marketing investments** made in the second half of the year.

Looking at the product portfolio, on the **domains** front, the increase in new registrations reported in the year picked up further pace in the last quarter, bringing the increase to **+22% versus 2014**, reaching a total stock of 1.8 million domains under management.

At 31 December 2015, the Group manages **1.6 million email accounts** and over **650 thousand hosting plans** in Italy, the UK and Ireland, Spain, France, Portugal and Holland, and has **increased its market share** in the segment of **virtual and dedicated Servers**, and solutions for the **creation, management and visibility of web and e-commerce sites** for European SMEs, as well as in **online brand protection services**.

As for **sales policies**, the Group's ability to **retain customers** (monthly churn **<1.2%**) increasing their **lifetime**, stems from constant effort in terms of both service performance and **customer support**. In this sense, the interaction channels and contact time of the various **local Customer Care desks** (all internalized) have been extended.

Service performance and focus on retention goals translate into an average renewal rate even higher than 90% for a number of products, while increasing opportunities for the **upselling of incremental and higher value-added services** to the established customer base, with the aim of **increasing its ARPU**. Moreover, in 2015, **price repositioning policies** were launched to **cover a wider range of potential customers**.

The **suite of products** has been further expanded to offer **growing levels of performance, security and reliability**, as well as tailor-made solutions to meet increasingly customized needs, with a view to providing a **one-stop-shop experience of digital services** for online presence and business at a European level.

Specifically, the expansion of the product portfolio regarded:

- the **new, advanced cPanel hosting solution**, released in the second part of the year and **fully managed at the proprietary Datacenter located in Reading (UK)**, which **posted positive** results in terms of volumes, confirming the keen interest of the European market in this particular product;
- the range of advanced **Cloud Hosting, Virtual and Dedicated Servers** services, highly performing and with highly flexible pricing policies, also compared to our main competitors, which have strengthened Dada's market share in this segment as well;
- **'We do it for you'** mode services delivered in all the Group's geographies of operation, which allow professionals and businesses to rely on a **team of web designers, developers and Internet communication consultants** for the creation and management of custom projects of their web and e-commerce site, including in **mobile mode**;



- the launch of dedicated services for **SMEs** and **SOHOs**, such as **online trademark registration**, **e-invoicing** in Italy or accreditation as Trade Mark Clearing House agents.

2015 PARENT STATUTORY FINANCIAL STATEMENTS

DADA S.p.A. the parent Company, ended 2015 with **revenue** of €4.6 million, down by 12% compared to 2014 (€5.3 million). Mention must be made that the parent's main activity is the provision of corporate services to Group companies. **EBITDA** came to -€0.4 million (-€0.2 million in 2014), while **EBIT** came to -€0.7 million in line with 2014. The net loss came to -€1.6 million (-€1.3 million at 31 December 2014). The **Net Short-Term Financial Position** (total position, as there are no financial payables due beyond one year) at 31 December 2015 came to a positive €7.7 million versus €2.9 million at 31 December 2014.

SIGNIFICANT EVENTS IN 2015

On 16 March 2015, Dada S.p.A. signed a binding contract with Italiaonline S.p.A. for the disposal of the 100% interest held in Moqu Adv S.r.l., which heads up the Performance Advertising business (holder, in turn, of a 100% interest in Moqu Ireland Ltd), which was a separate and independent business segment under IFRS 8.

The agreement provided for the acquisition by Italiaonline of Dada's 100% investment in the share capital of Moqu, holder in turn of a 100% investment in Moqu Adv Ireland Ltd for a cash consideration of €5 million, fully paid at Closing date, in addition to a variable part of the price ("earn-out") of a maximum of €1 million, to be recognized on the basis of the results of the Moqu Group in 2015. The price was determined on the basis of a consolidated net financial position of Moqu basically at breakeven at the date of execution of the transaction ("Closing"), and was subsequently adjusted based on the adjusted net financial position at 31 March 2015, calculated in accordance with the disposal contract.

Italiaonline has undertaken, among other things, to enhance the professional skills and experience of Moqu Group employees; no job losses are forecast. The Dada Group will continue to provide Moqu with certain IT and corporate services at arm's length until 31 December 2015, and thereafter in case of agreement between the parties.

On 23 March 2015, in execution of and in addition to the above, the disposal to Italiaonline S.p.A. of the equity investment held in Moqu Adv S.r.l. was finalized for a cash consideration of €5 million.

On 24 April 2015, a strategic agreement was signed to combine Dada's business unit named ProAdv/Simply with 4w MarketPlace S.r.l., one of the top online advertising players in Italy.

The transaction took place through contribution in kind by Register.it S.p.A. of the ProAdv BU to 4w MarketPlace, and a related capital increase of the latter reserved to Register.it equal to 25% of the share capital. This allowed the Dada Group to become the second main



shareholder of 4w MarketPlace. The value assigned to ProAdv as part of the contribution is approximately €2.1 million. Under the agreements, the Dada Group will continue to provide 4w MarketPlace, for a transitional period of at least 12 months at arm's length, with certain indirect services (IT, Corporate, etc.) in order to ensure the continuation of business.

On 28 April 2015, the Annual General Meeting of Shareholders of Dada S.p.A. met and resolved on:

- (i) the approval of the Separate Financial Statements of Dada S.p.A. for the year ended 31 December 2014, as proposed by the Board of Directors at the meeting held last 12 March. The Shareholders resolved to carry forward the loss for the year of €1,305,013.93. The Dada Group closed 2014 with consolidated revenue of €67.5 million, EBITDA of €9.8 million and a net loss of €2.2 million; the Net Financial Position at 31 December 2014 came to -€33.6 million.
- (ii) the appointment of the Board of Directors As a result of the natural expiry of the three-year term of the previous body, the Shareholders renewed the Board of Directors of the Company, which will remain in office for financial years 2015 - 2017, that is, until approval of the financial statements for the year ending 2017. The number of board members has been set at 13. The new Board of Directors is composed as follows: Karim Beshara, Claudio Corbetta, Lorenzo Lepri, Khaled Bishara, Antonio Converti, Maurizio Mongardi, Sophie Sursock, Philip Tohme, Ragy Soliman, Sofia Maroudia, Carolina Gianardi, Barbara Adami Lami, and Cristiano Esclapon. The appointed Directors were candidates on the majority list, which included 5 female candidates, filed by shareholder Libero Acquisition S.à. r.l., owner of 69.43% of the share capital, with the exception of Director Cristiano Esclapon, candidate on the only minority list filed by shareholders Simona Cima, Alessandra Massaini and Jacopo Marellò, who together hold 2.725% of the share capital. Directors Sofia Maroudia, Carolina Gianardi, Barbara Adami Lami, and Cristiano Esclapon declared their independence in accordance art. 148, par. 3, of Legislative Decree n. 58/1998 and with the Corporate Governance Code for Listed Companies as currently adopted by Dada S.p.A. (allowing, in this respect, compliance with the provisions on STAR segment companies and with current regulations for Italian listed companies). The Shareholders also approved the appointment of the Chairman of the Board of Directors in the person of Karim Beshara, as well as the maximum total remuneration that the Board may distribute for the position among Directors with no special duties. The Shareholders also established the exemption from the non-compete obligation for the Directors appointed today, under art. 2390 of the Italian Civil Code.
- (iii) appointment of the Board of Statutory Auditors. As a result of the natural expiry of the three-year term of the previous body, the new Board of Statutory Auditors was appointed for financial years 2015 - 2017, that is, until approval of the financial statements for the year ending 2017. The Shareholders then approved the appointment of the Chairman and of the members of the Board of Statutory Auditors as follows: Massimo Scarpelli (Chairman), Maria Stefania Sala, Massimo



Foschi (Standing Auditors) and Elisabetta Claudia De Lorenzi and Manfredi Bufalini (Alternate Auditors). The appointed statutory auditors were candidates on the majority list filed by shareholder Libero Acquisition S.à. r.l., with the exception of the Chairman of the Board of Statutory Auditors, Massimo Scarpelli, and of alternate auditor Manfredi Bufalini, candidates on the only minority list filed by shareholders Simona Cima, Alessandra Massaini and Jacopo Marelli. The Shareholders also approved the remuneration of the members of the Board of Statutory Auditors;

- (iv) the Remuneration Report in accordance with art. 123-ter of Legislative Decree 58/98.
- (v) Renewal of the authorization, after revoking the previous one granted on 28 April 2014, to purchase treasury shares for up to a maximum number of shares not exceeding one tenth of the share capital and to sell shares for a period of up to 18 months from authorization. The purpose of this authorization is to give the Company a means of strategic and operational flexibility. It will be allowed, among other things, to dispose of any treasury shares acquired and to carry out transactions such as purchases/sales, swaps and assignments. Based on the Board's proposal, treasury shares may be purchased at a price which is not less than 20% or more than 10% of the official stock price registered on the trading day prior to each purchase. The shares are to be purchased according to the laws for markets organized and operated by Borsa Italiana S.p.A., as per the procedures established by the latter which prohibit the direct matching of bid prices with predetermined ask prices. The sale of treasury shares, rather, may be done at a price or valuation which is not less than 95% of the average stock price registered for a period of thirty trading days prior to the disposal or any previous binding offers made in this regard, in accordance with the law and the applicable accounting standards.

On 30 June 2015, Dada completed the transfer of the ProAdv/Simply BU from Register.it S.p.A. to 4w Marketplace S.r.l., with a corresponding capital increase of the latter reserved to Register.it S.p.A. equal to 25% of the share capital, which allows the Dada Group to become the second main shareholder of 4w Marketplace S.r.l.. The value assigned to the ProAdv BU (on the basis of a sworn appraisal) as part of the transfer is approximately €2.2 million versus a book value basically equivalent to zero. The transaction resulted in a gain of €2.2 million recorded in the income statement. It should be noted that Dada has been recognized governance and asset rights typical of such transactions, as well as co-sale and drag-along rights/obligations in the event of disposal of the company.

On 2 July 2015, Dada signed a binding agreement through its subsidiary Register.it S.p.A. to acquire 100% of the share capital of Etinet S.r.l., completed on 8 July 2015.

The consideration for 100% of the Etinet shares is €700 thousand, based on a net financial position at break-even. Part was paid at the date of completion of the transaction, and part was placed in escrow to service the standard representations and warranties. An earn-out of a maximum of €90 thousand will be paid in the first half of 2016 should pre-established goals be met; furthermore, a put option will be exercisable at the sole



discretion of Dada at the start of 2016 to resell the entire equity investment to the selling shareholders at a pre-established price of €700 thousand.

On **8 September 2015**, Khaled Bishara and Antonio Converti stepped down with immediate effect as directors of the Company. On **11 November 2015**, the Board of Directors decided on the co-optation of Youssef Mohamed Salah Abdelsalam Bassem, born in Giza, Egypt, on 15 July 1973, and of Fadi Zefer Boulos Antaki, born in Cairo, Egypt, on 23 January 1975, as new Directors of Dada S.p.A..

EVENTS AFTER 2015, STRATEGIC GUIDELINES AND BUSINESS OUTLOOK FOR THE YEAR

EVENTS AFTER 2015

There are no significant events to report after the close of the fourth quarter of 2015.

STRATEGIC GUIDELINES AND OUTLOOK FOR THE YEAR

The **strategic growth lines** of the DADA Group, today fully focused on the **Domain & Hosting** segment, aim to **strengthen its position in Europe** as a **leading player in online presence and visibility services** tailored to **SMEs**.

Specifically, the Group seeks to **increase its market share** in its **geographies of operation**, expanding the range of services in “**We do it for You**” mode and strengthening its **foothold in the cloud, and virtual & dedicated Servers** segment, placing growing attention on the quality of **customer advice and consulting services**.

Organic Revenue growth will be achieved by acquiring more and more **new customers**, building on the continuation of increasingly effective sales policies, and by further improving the retention rate, leveraging on **upselling strategies** (selling an increasing number of products to existing customers), with a resulting **increase in ARPU** (average revenue/customer) of established customers.

Profit-wise, strategic priorities will be centered on the continued **integration of the technology platforms** and full implementation of the proprietary Datacenter in the UK, as well as an ongoing commitment to **optimization of other operating costs and overheads**.

Based on market trends and on the outlined strategic directions, and in the absence of unforeseeable events at this time, an **average annual “mid-single-digit”** (like-for-like) **revenue growth** for the coming three-years period is to be reasonably confirmed, with a more than proportional **increase in operating profit** overall in the second part of the period.

“Mid-single-digit” organic growth of business volumes is equally expected in **2016**, while the **benefits** arising from **investments** made in the second part of 2015 and implemented in the opening months of 2016, will be likely felt starting from the **second half of 2016**, bringing a more than proportional **increase in operating profit** compared with revenue growth, especially from the **third quarter**



CALLING OF THE SHAREHOLDERS' MEETING

The Board of Directors has also resolved to convene the Annual General Meeting in ordinary session, by setting the agenda on 28 and 29 April 2016, in first and second call, respectively, at the Company's registered office in Florence to:

- approve the Statutory Financial Statements of DADA S.p.A. for the year ended 31 December 2013; regarding the net result for the year, the Board of Directors has proposed to carry forward loss for the year amounting to Euro 1,575,094;
- integrate the Board of Directors and the Board of Statutory Auditors, following the new Directors cooptation occurred in November 2015;
- review the Remuneration Policy pursuant to art. 123-ter of Legislative Decree 58/98;
- resolve on the request to renew the authorization, after revoking the current one, to purchase and sell treasury shares for a period of up to 18 months from the resolution date and relating implementing provisions. The purpose of this authorization, up to a maximum of shares whose par value does not exceed one tenth of the share capital, is to give the Company a tool of strategic and operational flexibility which will allow it, among other things, to dispose of treasury shares previously acquired and to carry out transactions such as purchases, swaps, and contributions, including for the purpose of acquiring equity stakes. Based on the Board's proposal, treasury shares may be purchased at a price not lower than 20% or higher than 10% of the official Stock Exchange price registered on the trading day prior to each purchase. The shares are to be purchased according to the regulations of the Italian stock markets organized and managed by Borsa Italiana S.p.A., as per the procedures established by the latter, which prohibit the direct matching of bid prices with predetermined ask prices. The Company currently holds no treasury shares in portfolio.

The notice of call of the Shareholders' Meeting and the documents relating to the items on the agenda will be made available to the public according to the legally required deadlines and procedures at the Company's registered office and at Borsa Italiana S.p.A.. Shareholders may view and obtain copy of the above documents, which will be made available within deadline required by law, also on the Company's website at www.dada.eu.



Statement by the Manager responsible for preparing the Company's Financial Reports

Mr. Federico Bronzi, the Manager responsible for preparing the Company's financial reports, declares pursuant to art. 154 bis (2) of the Uniform 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 the 2015 Statutory Financial Statements and the Consolidated Financial Statements, along with the Reports of the Board of Directors, Board of Statutory Auditors and the Independent Auditors, will be made available to the public at the Company's registered office and on the Company's website www.dada.eu within the time limits of law. The external auditors are currently completing their audit and their report has not been issued yet. The report will be made available in accordance with the current regulations.

**

RESULTS PRESENTATION TO THE FINANCIAL COMMUNITY

The Company will present the results at 31 December 2015 to the financial community on Wednesday, 16 March 2016 at Borsa Italiana S.p.A. in Milan, during the STAR Conference. The supporting material will be available on the www.dada.eu website in the Investor Relations/Financial Presentations section.

This press release is also available on www.dada.eu in the Investor relations/Financial Press Releases section.

DADA S.p.A. - listed on the STAR segment of the Italian Stock Exchange - is an international leader in online presence and visibility services (domains, hosting, servers, online brand protection) for European SMBs. With over 560 thousand business clients and 1.8 million domains under management, and 1.6 million email accounts and 650 thousand active hosting plans, Dada is one of the leading names in the European Domain & Hosting segment and is a key player in its markets of operation: in Italy through its established brand Register.it, as well as in the UK, Ireland, Spain, France, Portugal and the Netherlands under the Namesco, PoundHost, Register365, Nominalia and Amen brands, respectively.

For further information:

www.dada.eu

Chiara Locati
Investor Relations DADA
Mob: +39 349 8636553
chiara.locati@dada.eu

Cinzia Trezzi
Press Office
Burson-Marsteller
Tel. (+39) 02 72143813
cinzia.trezzi@bm.com



ANNEX

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2015

EUR/000	31 Dec.-15 12 months		31 Dec.-14 12 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	62,167	100%	59,504	100%	2,663	4%
Increase in own work capitalized	2,269	4%	3,004	5%	-735	-24%
Service costs and other operating expenses	-35,732	-57%	-34,889	-59%	-843	2%
Payroll costs	-18,238	-29%	-18,457	-31%	219	-1%
EBITDA	10,466	17%	9,162	15%	1,304	14%
Depreciation and amortization	-6,866	-11%	-7,162	-12%	296	-4%
Non-recurring income/(charges)	-203	0%	-411	-1%	207	-50%
Impairment of fixed assets	-	-	-23	-	23	-100%
Impairment losses and other provisions	-235	-	-70	-	-166	238%
EBIT	3,162	5%	1,497	3%	1,665	111%
Financial income	538	1%	563	1%	-24	-4%
Financial charges	-3,022	-5%	-3,244	-5%	223	-7%
Other income/charges from financial assets and liabilities	2,184	-	-	-	-	-
Share of profit/loss of companies valued at equity	13	-	-	-	-	-
Comprehensive profit/(loss) before taxes	2,876	5%	-1,185	-2%	4,061	-343%
Income taxes	-1,196	-2%	-829	-1%	-367	44%
Comprehensive profit/(loss) from continuing operations	1,680	3%	-2,014	-3%	3,694	-183%
Profit/(loss) from discontinuing and discontinued operations	-346	-1%	-178	0%	-169	95%
Group net profit (loss)	1,333	2%	-2,192	-4%	3,526	-161%



RECLASSIFIED CONSOLIDATED INCOME STATEMENT 4rd QUARTER 2015

EUR/000	4th quarter 2015		4th quarter 2014		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	15,507	100%	15,017	100%	489	3%
Increase in own work capitalized	580	4%	675	4%	-94	-14%
Service costs and other operating expenses	-9,249	-60%	-8,852	-59%	-397	4%
Payroll costs	-4,830	-31%	-4,708	-31%	-122	3%
EBITDA	2,008	13%	2,132	14%	-124	-6%
Depreciation and amortization	-1,795	-12%	-1,915	-13%	120	-6%
Non-recurring income/(charges)	-58	-	-264	-2%	207	-78%
Impairment losses and other provisions	-30	-	260	2%	-290	-112%
EBIT	125	1%	213	1%	-88	-41%
Financial income	-88	-1%	35	0%	-122	-352%
Financial charges	-512	-3%	-724	-5%	212	-29%
Share of profit/loss of companies valued at equity	10	-	-	-	10	-
Comprehensive profit/(loss) before taxes	-465	-3%	-477	-3%	12	-3%
Income taxes	-480	-3%	-117	-1%	-362	309%
Comprehensive profit/(loss) from continuing operations	-944	-6%	-594	-4%	-350	59%
Profit/(loss) from discontinuing and discontinued operations	-1	-	-216	-1%	215	-100%
Group net profit/(loss)	-945	-6%	-810	-5%	-135	17%



NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 31 DECEMBRE 2015

EUR/000	31 Dec.-15	31 Dec.-14	DIFFERENCE	
			Absolute	%
Fixed assets	99,745	95,364	4,381	5%
Current operating assets	13,652	17,585	-3,934	-22%
Current operating liabilities	-25,113	-27,851	2,738	-10%
Net working capital	-11,461	-10,266	-1,195	12%
Provision for termination indemnities	-667	-815	148	-18%
Provision for risks and charges	-392	-544	151	-28%
Other payables due beyond one year	-	-17	17	-100%
Net capital employed	87,225	83,723	3,502	4%
Medium/long-term financial payables and long-term derivatives	-20,382	-16,674	-3,708	22%
Shareholders' equity	-59,335	-50,150	-9,185	18%
Current bank debt	-11,038	-18,183	7,146	-39%
Current financial receivables and derivatives	1,500	-	1,500	n.m.
Current financial payables and derivatives	-177	-107	-70	65%
Cash and cash equivalents	2,206	1,391	815	59%
Net short-term financial position	-7,508	-16,899	9,391	-56%
Total net financial position	-27,890	-33,573	5,683	-17%



HIGHLIGHTS ON CONSOLIDATED RESULTS BY GEOGRAPHY

Description	31/12/2015 (12 months)		31/12/2014 (12 months)	
	Amount	% of total	Amount	% of total
Revenue - Italy	27,159	44%	27,049	45%
Revenue - abroad	35,008	56%	32,454	55%
Total	62,167		59,504	



CONSOLIDATED CASH FLOW STATEMENT AT 31 DECEMBER 2015

EUR/000	31 December 2015	31 December 2014
Cash flow from operating activities before changes in working capital	10,212	9,032
(Increase)/decrease in inventories	4	-
(Increase)/decrease in receivables	710	539
Increase / (decrease) in payables	-261	-768
Change in working capital on assets held for sale		-1,265
Cash flow from operating activities	10,665	7,537
Income taxes paid	-533	-890
Interest (paid)/received	-2,748	-2,698
Change in tax and interest paid on assets held for sale		-342
Net cash flow from operating activities	7,384	3,608
Investing activities		
Sale of subsidiaries and associates	4,758	-
Transfer of business units	-82	-
Financial effect of discontinued operations	-206	-
Acquisition of subsidiaries and associates	-705	-
Financial effect of acquired operations	-10	-
Purchase of property, plant and equipment	-3,883	-2,591
Other changes in fixed assets	4	45
Purchase of intangible assets	-163	-184
Product development costs	-2,273	-3,004
Investing activities from assets held for sale		-581
Net cash flow used in investing activities	-2,561	-6,314
Financing activities		
Change in loans	3,638	-4,628
Other changes	-500	66
Financing activities from assets held for sale	-	-10
Net cash flow from/(used in) financing activities	3,138	-4,573
Net increase/(decrease) in cash and cash equivalents	7,961	-7,279
Cash and cash equivalents at beginning of period	-16,792	-9,514
Cash and cash equivalents at end of period	-8,831	-16,792



DADA S.P.A.: STATUTORY FINANCIAL STATEMENTS

DADA S.p.A. RECLASSIFIED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

EUR/000	31 Dec.-15 12 months		31 Dec.-14 12 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	4,645	100%	5,286	100%	-641	-12%
Increase in own work capitalized	-	-	-	-	-	-
Service costs and other operating expenses	-2,700	-58%	-2,935	-56%	235	-8%
Payroll costs	-2,314	-50%	-2,597	-49%	283	-11%
EBITDA*	-369	-8%	-246	-5%	-123	-50%
Depreciation and amortization	-252	-5%	-428	-8%	176	-41%
Non-recurring income/(charges)	-114	-2%	-	-	-114	-
Impairment of fixed assets	-	-	-	-	-	-
Reversal/provisions and impairment	54	1%	2	0%	51	n.a.
EBIT	-681	-15%	-672	-13%	-9	-1%
Investment income and dividends	72	2%	36	1%	37	103%
Financial income/ (charges) and impairment of equity investments	-481	-10%	-647	-12%	166	-26%
Gains from equity investments	-	-	-	-	-	-
Comprehensive profit/(loss) before taxes	-1,090	-23%	-1,283	-24%	193	15%
Income taxes	-485	-10%	-22	-	-463	n.a.
Comprehensive net income (loss)	-1,575	-34%	-1,305	-25%	-270	-21%

DADA S.p.A. NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 31 DECEMBER 2015

EUR/000	31 Dec.-15	31 Dec.-14	DIFFERENCE	
			Absolute	%
Fixed assets	30,535	30,877	-342	-1%
Current operating assets	22,993	23,234	-241	-1%
Current operating liabilities	-2,441	-2,211	-230	10%
Net working capital	20,552	21,023	-470	-2%
Provision for termination indemnities	-202	-224	22	-10%
Provision for risks and charges	-259	-394	135	-34%
Net capital employed	50,626	51,282	-656	-1%
Non-current payables	-	-677	677	-
Shareholders' equity	-58,307	-54,155	-4,152	8%
Current bank debt	-4,466	-12,151	7,685	-63%
Net income/(charges) from cash pooling	11,006	15,494	-4,488	-29%
Other current financial receivables	1,000	-	1,000	-
Cash and cash equivalents	142	207	-65	-31%
Net short-term financial position	7,681	3,550	4,132	116%
Total net financial position	7,681	2,873	4,809	167%