DADA

Company Presentation – Results 2015

March 2016

The gateway to your digital presence

Agenda

- DADA at a Glance
- Market & Positioning
- Business Overview
- FY2015 Financial Results & KPI’s
- Strategic Guidelines
- Investment Highlights

Leading European Player in Online Services for SMBs

WHO WE ARE

- **Leading European Player** in **Digital Services** for the **Online Presence** & **E-commerce**
- **Domains & Hosting** services targeted at **SMBs** & **SoHo**
- Broad **Suite of Solutions** from **Do It Yourself** to **We Do It For You**
- Fully Integrated **Technology Infrastructure**, Proprietary **Datacenter**, World Class **Data Driven Platform**
- Listed on the **STAR Segment** of the Milan Stock Exchange (EV € 71.7** mln)

BY THE NUMBERS

560 k
paying **Clients* (+6% yoy)**

1.8 mln
Domains* under management

Presence in **7**
European countries

€62.2 mln
Revenues FY2015 **(+4.5% yoy)**, o/w **56% International**

€10.5 mln
Ebitda FY2015 **(+14% yoy)**

400
Highly Qualified **Employees***

* Data as of 31 Dec 2015
** Data as of 29 Feb 2016, NFP as of 31 Dec 2015

Key Assets

BUSINESS & METRICS

- 560 K CUSTOMERS
- 1.8 MLN DOMAINS
- 1.6 MLN EMAILS
- 650 K HOSTINGS

BRANDS & RANKING

- #2 ITALY — register.it, etinet
- #4 UK — names.co.uk, poundhost
- #2 IRELAND — register365
- #1 PORTUGAL — amen.pt
- TOP 5 FRANCE — amen.fr
- TOP 9 SPAIN — nominalia

PLATFORM & SUPPORT

- OUTSTANDING OWNED & LOCAL CUSTOMER CARE (120 EMPLOYEES)
- PREMIER DATA DRIVEN PLATFORM & MNGT. SYSTEMS
- DATACENTER (UK) 5.000 sq.m 99.9% UPTIME SLA
- 7 PETABYTES INFRASTRUCTURE DATA STORAGE

From Local Player to European Leading Position

2005 - 2010

From a pure Italian player to a Leading Multinational

- register.it
- names.co.uk
- register365
- poundhost
- nominalia
- amen

D&H REVENUES:
5%

2011 - 2013

Focus on Core Business and DC start-up

2011 Sale 100% of Dada.net

2013 Start New UK Data Center

D&H REVENUES:
75%

2014 - 2015

Optimization and Refocusing Completed

2015 Sale 100% of:
- moqu-adv
- simply

July 2015 Acquisition of etinet

D&H REVENUES:
97%

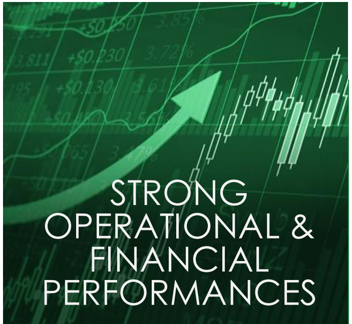
2016…

Leading European Player in Online Presence Services for SMBs

- Strongly Positioned in
- **Broad Suite of Solutions** to serve from DIY to DIFY
- Integrated **Tech Platforms** and High – Perfomance **UK Datacenter**

D&H REVENUES:
100%

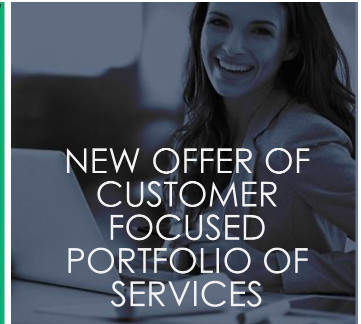
FY 2015 Highlights- Refocusing on D&H completed



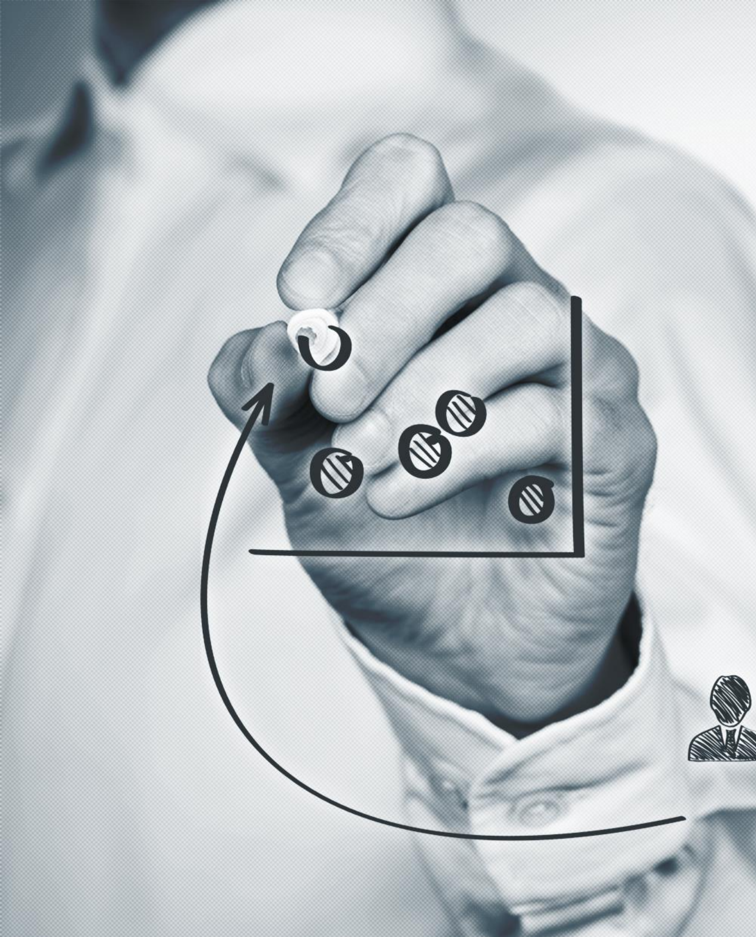
- Enhanced main **Business Metrics & Market Share**
- Strong Increase in **Operating Margins**
- Improved Net Operating **Cash Flow**

- **2011 Sale** of Dada.net
- **2015 Divestment Adv Division:**
  moqu-adv
  simply
- **2015 Acquisition** of
  etinet

- New Proprietary **Datacenter in UK completed in H1 2015** and now **fully operational**
- **120** qualified employees in **Customer Facing Support & Assistance**
- EU/UK **Platforms Integration**



- From **DIY** to **DIFY Services** to **assist and serve** the **European SMB's**
- Launch of **Integrated Suite of Services** for the **Online Presence** and **Visibility**
- Focus on Customer **Delight**



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A Large & Underserved Market

Sources: Eurostat, Forrester Research Online Retail Forecast, July 2015

European E-Commerce Market Cagr 2011-19: +14%

Global Domains Market Still Looking Positive

GLOBAL DOMAINS

299 MILLIONS Domain Names Registered Globally

5.2% INCREASE YoY from Q3 of 2014

Q3 2015 closed with approx. 299 mln domain name registrations across all top-level domanins (TLDs)

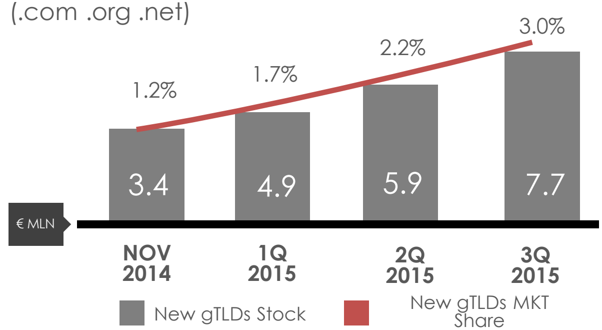
Registrations have grown by 14.8 million, or 5.2 % yoy

* Source www.centr.org, Global TLD Stat Report
Keys : cc.TLDs : .it, .fr .es - gTLDs : .com .net - New gTLDs : .sport .bio

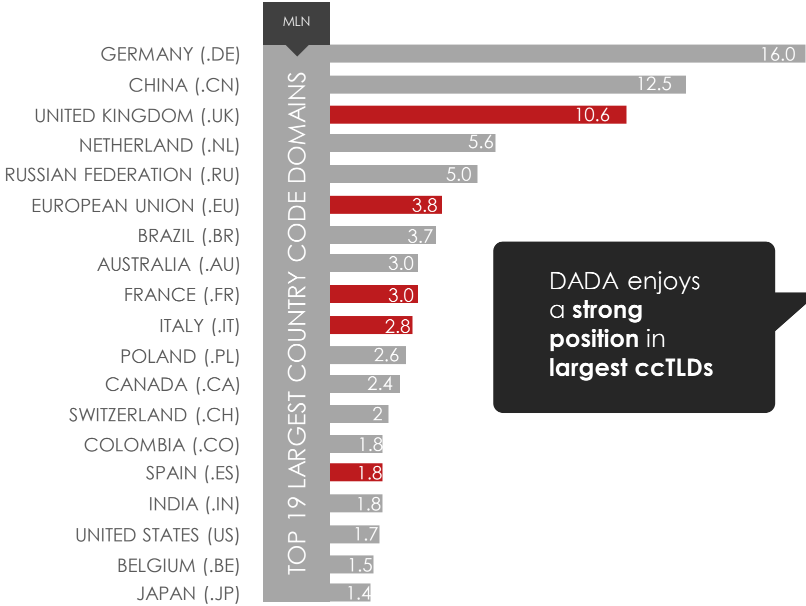
GLOBAL NEW gTLDs

Global market **opportunities arising** with **new gTLDs** which **improved** their global market share in 2015 from 1.2% **to 3.0%**

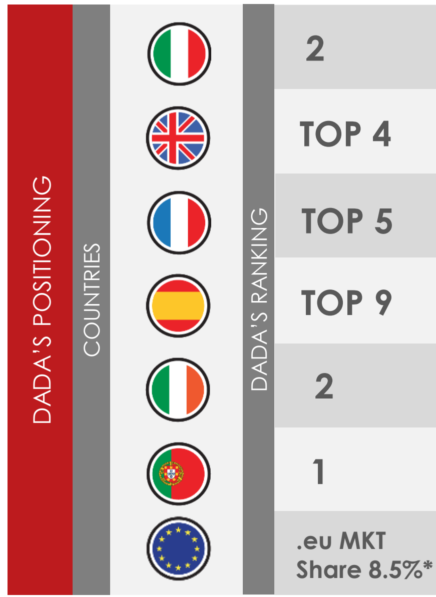
Since Jan 2014 **ICANN** started to release about **700 New gTLDs** (.bio .wine) in addition to traditional gTLDs (.com .org .net)



Top European Player with Leading Positioning in Largest ccTLDs



DADA enjoys a **strong position** in **largest ccTLDs**



* Mk share calculated on .EU TLDs in DADA core geographies

Well Positioned to Beat the Market 1/2

MARKET FEATURES AND TRENDS

- **ccTLD** Domains Markets stabilizing – Arising opportunities from **New gTLDs**
- Expected **Growth** of the **Web Presence** and **Hosting / Servers** market segment
- Increasing **Competition** to acquire new customers and **Rising COA**
- Market **Consolidation** Trend (M&A)

DADA STRATEGIC POSITIONING

- Leading Positioning in **ccTLD**, First Adopter **New gTLDs**
- Reduced Churn – **<1.2%** monthly
- Enhanced **upsell to Base** – Improved ARPU
- **New** customer **Acquisition Channels**
- Price **repositioning** – **Premium Services**

Well Positioned to Beat the Market 2/2

MARKET KEY DRIVERS

- **Quality** & **Reliability** of Services
- Complete **Range** of **Products**
- **Brand** Recognition
- From **DIY** to **DIWM/DIFY**
- **Full Support** and Premium **Consulting**

DADA'S ASSETS

- Broad **Suite of Solutions**, **Agile Dev.** Teams
- Integrated Tech. **Platforms** and **Powerful DC**
- Premier **Brands Awareness**
- Enhanced **Tailored Products (DIFY)**
- Word Class Proprietary **Customer Care**

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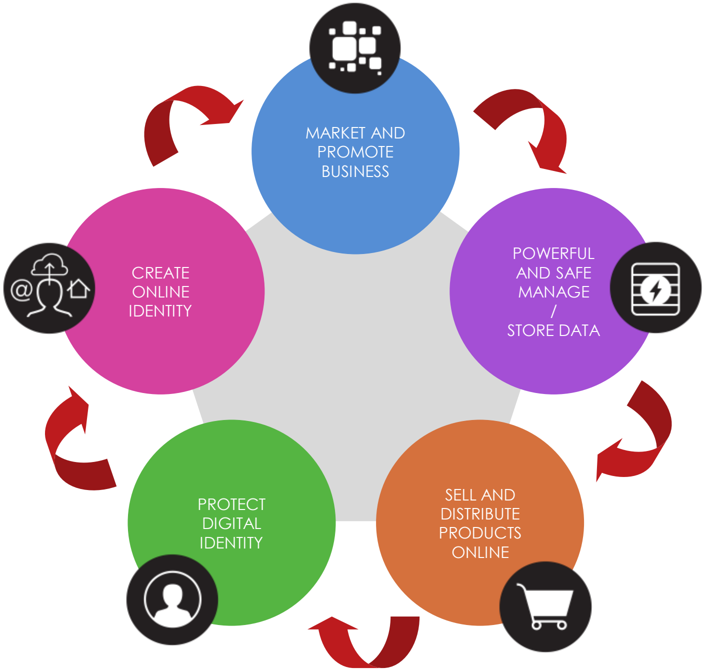
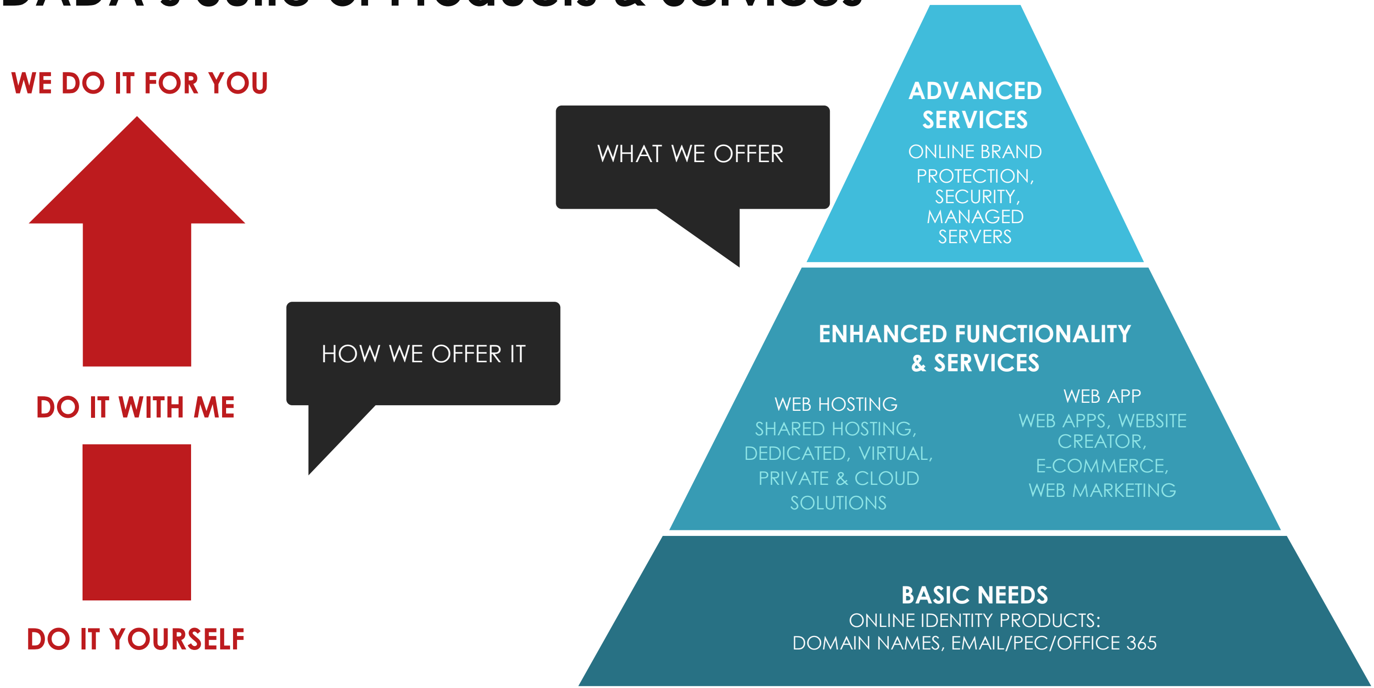
How do We Help SMBs



- Wide and complete suite of Products
- High level of Security and Reliability
- Constant Support and Consultancy
- Tailor made Solutions

DADA's Suite of Products & Services



Broad Suite of Solutions to Meet Different Customer Needs…

TECHNICAL USERS

- Dedicated
- VPS
- Backup
- Cloud
- Reseller packages
- Biz Apps
- Custom DC solutions

DIY
DO IT YOURSELF

- Domain
- Hosting
- Site Builders
- Advertising packages
- Email solutions
- Biz Apps

DIWM
DO IT WITH ME

- Customer build and manage its online presence with the help of a coach via Phone, Chat, …

DIFY
DO IT FOR YOU

- Base packages
- Build for me
- Local & Social
- Paid enhanced support
- Web agency services
- OBP

..Supported by World-Class Customer Care

SUPPORT, CONSULT AND DELIGHT OUR CUSTOMERS

CUSTOMER FACING RESOURCES
30% of Human Capital

PROPRIETARY LOCAL PRESENCE
5 Local Desks

MULTICHANNEL
Phone, Email, Chat, Webinar..

WORD-CLASS PERFORMANCES
Top NPS based goals

AND PROMPT
85% in 30sec.
90% tickets in 4h

Pre Sales Assistance &
Post Sales Technical Support Team
For High Value Product and First Level Support

..and by a Powerful IT Infrastructure

Reading (UK)

PROPRIETARY POWERFUL & RELIABLE DATACENTER

- 5,000 sq. m Green Park Allocation
- Tier 4 like
- 4 Petabytes Data Storage
- 80+Gbps Transit Bandwidth
- 10,000+ Servers
- 24/7 customer support

Reading (DADA)+Milan (BT)

COMPLETE INFRASTRUCTURE

- Tier 4
- 7 Petabytes Data Storage
- 120 + Gbps Transit Bandwidth
- 11,000+ servers
- 24/7 customer support

All our Services are built on a fully integrated and redundant IT Infrastructure, based on best in class technologies

Data Driven Platform & Management Systems

Continuous improvement of our cutting edge Data Management Systems:

- Real time data to Support Sales and Marketing Teams
- In depth Analysis of Customer Segments and Cohorts
- Data driven Product Development

Fuelled by

- Big Data internally developed Platforms
- A.I. proprietary Algorithms
- Dedicated "Quants" Teams

In depth Data Driven understanding of Customer Base and monitoring of Business Financials

Investing in Diverse and Efficient Customer Acquisition Channels

- Investment in brand and offer of free products to create customer prospect

CO-BRANDING

- Boost brand awareness

- Pay per Click campaigns
- Banner Ads & affiliates

CUSTOMER POOL

- Acquiring basic client

- Wholly-owned and local functions, not out-sourced
- Driven cross-sell and up-sell

PRE & POST-SALES

- Commercial offers
- Renewals: alert deadline
- Orders intake

- Offline sales desks
- Web agency
- Targeting premium customer, higher ARPU

TRADITIONAL AGENCY

- Web factory with strong offline expertise

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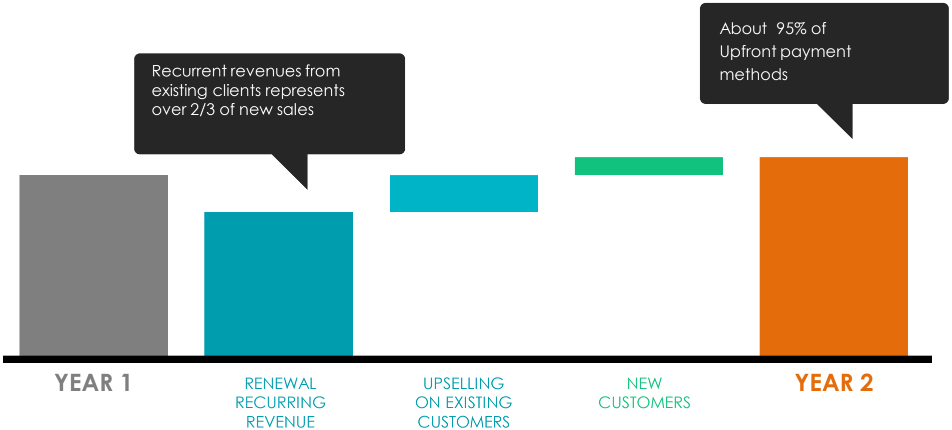
An Appealing Revenue Model..



KEY FEATURES AND INTRINSIC STRENGTHS

- ✓ High **Revenues Visibility** & **Predictability** - Customer retention **> 85%**
- ✓ **ARPU** increasing overtime – Upgrade to **Premium** Services and **Upsell**
- ✓ Low **credit risk** & **NWC** invest. - **95%** Revenues from **Upfront Payment**

.. With Powerful Retention Economics

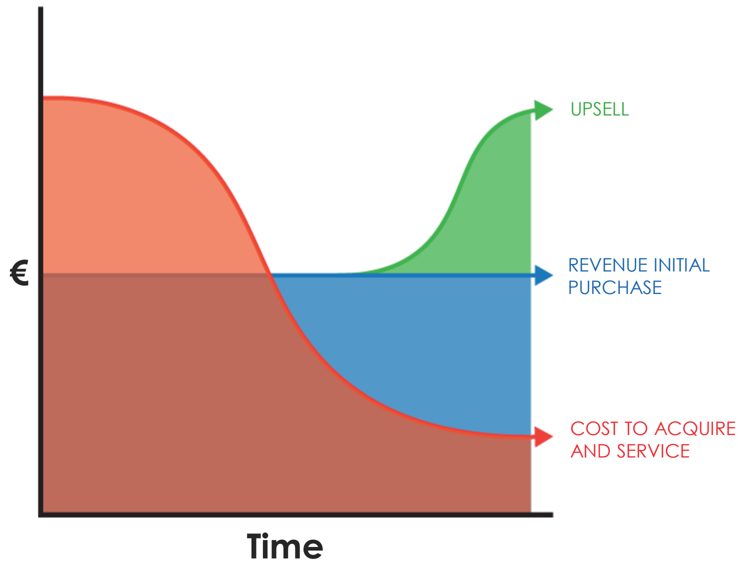
RETAIN EXISTING CUSTOMERS INCREASE ARPU & MARGINS

- ✓ Once customer is "set up" incremental margins are attractive
- ✓ Satisfied customers buy additional services (Upsell)
- ✓ Drive UP the Lifetime Value
- ✓ Increase efficiency of COA investment

FOCUS ON INCREASED RETENTION

- ✓ Investment in Customer Support - DIWM strategies
- ✓ Platform performance
- ✓ Value added products
- ✓ Enhanced user interface

Revenues and Margin per User increase over time



Organic Growth Drivers & Impact on DADA’s Metrics

Increase Customer Volumes & Gain Market Share

Increase ARPU, Reduce Churn & Expand Marginality

Leverage on Recurring Revenue & Reduce COA

By Countries & Highest Profitability Products

2015 Key Financial Highlights

KEY ACHIEVEMENTS

- **IMPROVED ALL MAIN BUSINESS METRICS**
- **STRONG GROWTH IN OPERATING MARGINS**
- **IMPROVED CASH FLOW**

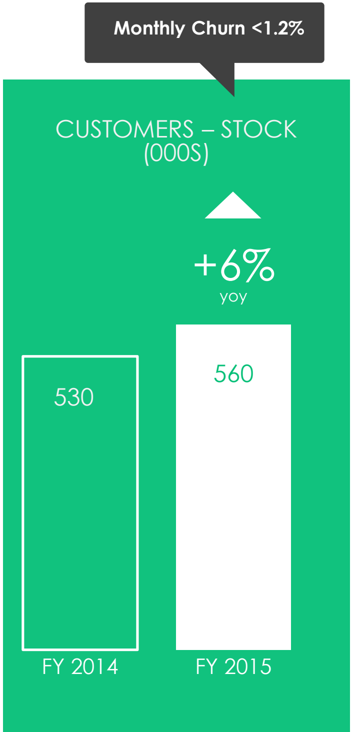
BY THE NUMBERS

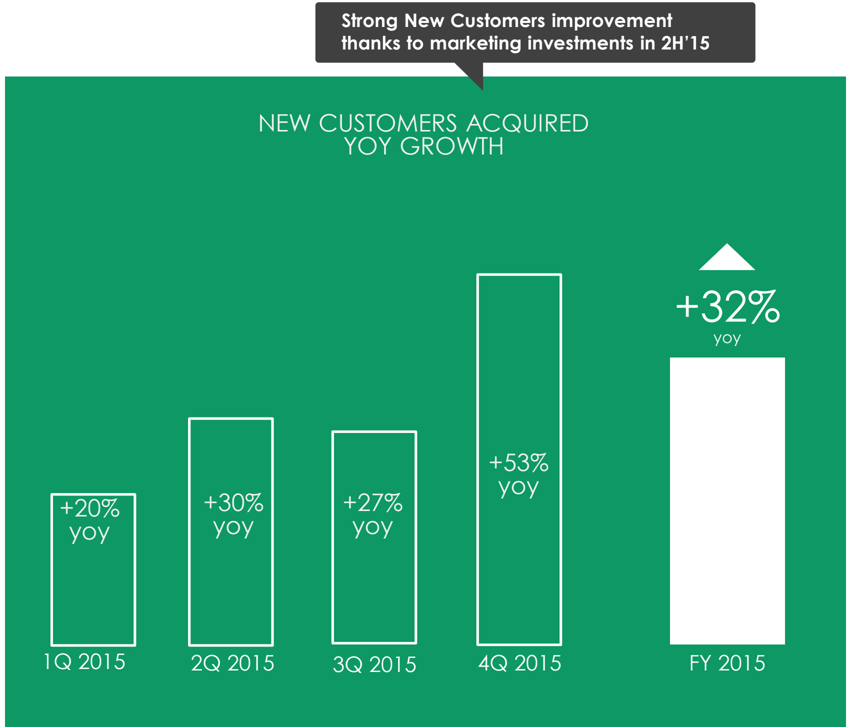
- **+ 22%** yoy New Domains
- **+ 32%** yoy New Customers acquired
- **+ 6%** yoy Customer Base

- **Ebitda +14% yoy** (+140 bps Ebitda Margin)
- **EBIT +111% yoy**

- **Net Operating Cash Flow** € 7.4 mln (+105% yoy)
- **NFP at € 27.7mln** in '15 vs € 33,6 mln in'14

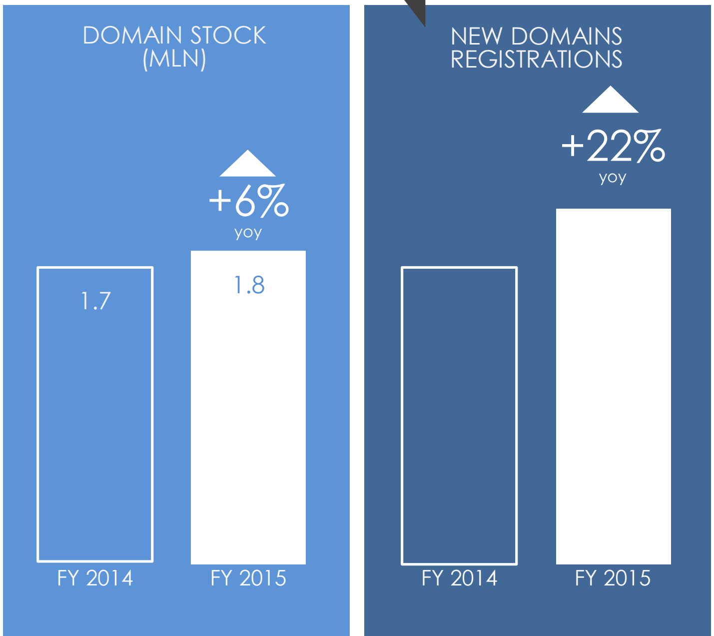
FY'15 Customers Base Increase – Investing in the future





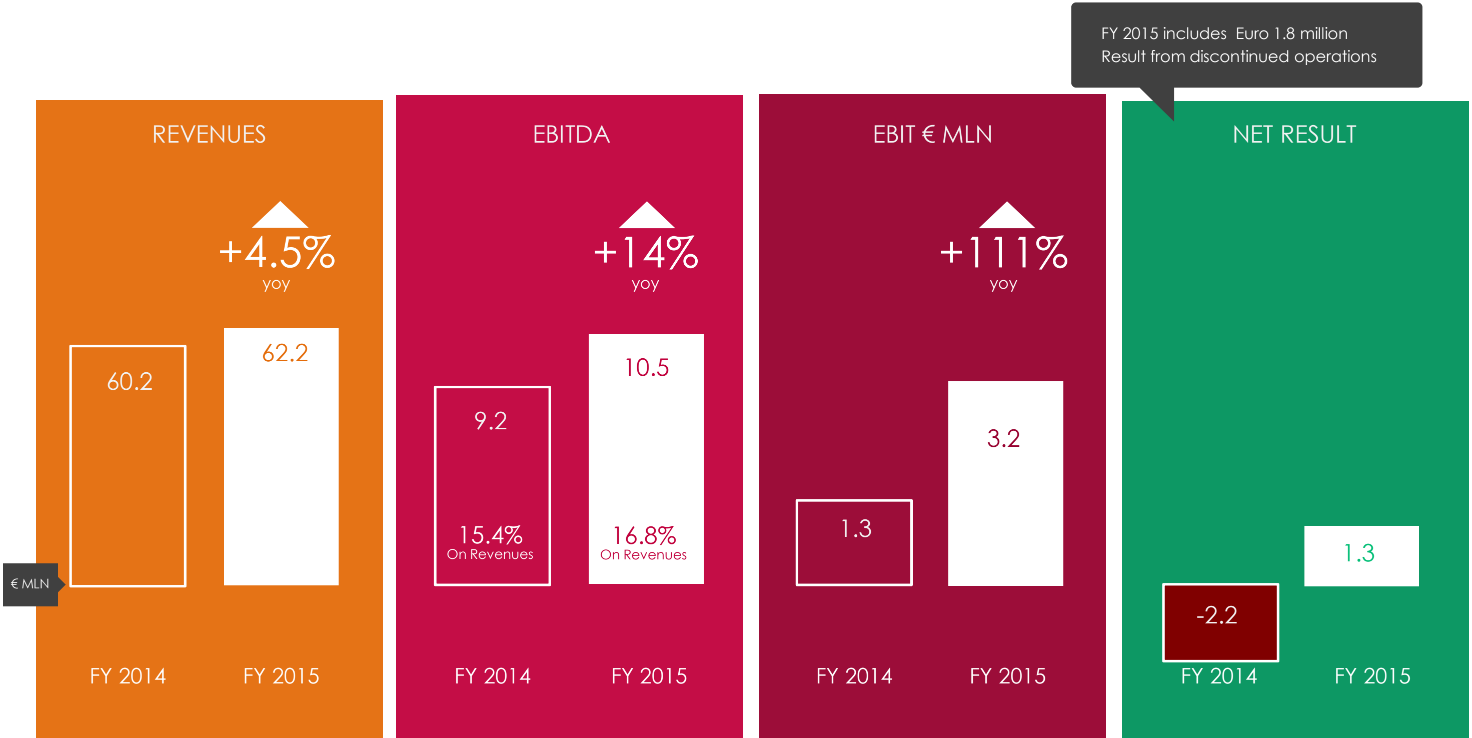
FY'15 Business Metrics - Growing Faster Than the Market

DADA grew vs a stagnating Mkt
grabbing Mkt Shares from competitors

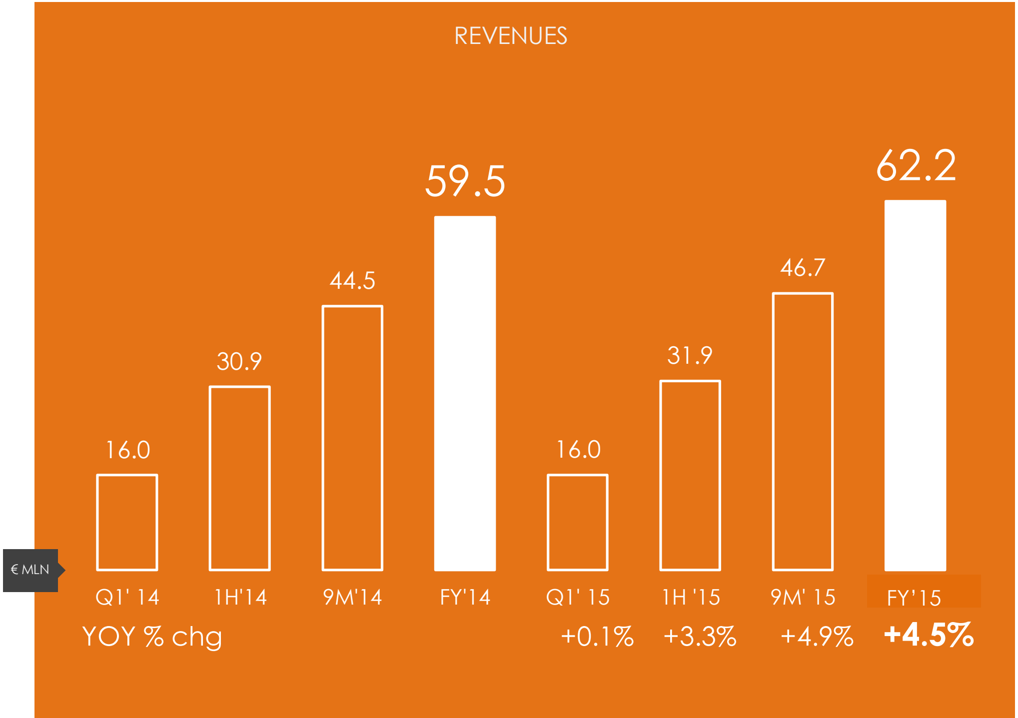


- **Strong new domain registrations growth** in 2015, grabbing market share from main competitors in a **stable market**
- Domains registrations as a **key driver to acquire new customers** , trough marketing investments
- **116** additional **new GTLDs** available on our store
- Strong **market share** in main new gTLDS:
  .wine **8% worldwide** (60% In Italy)
  .bio **18% worldwide**

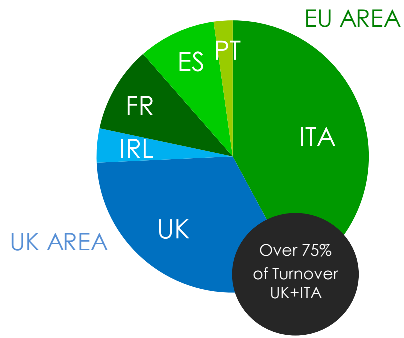
Key Financial Results FY 2015

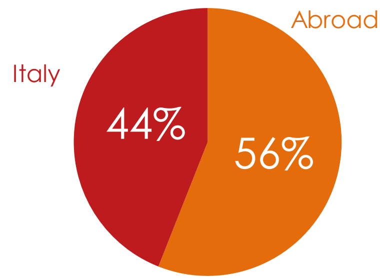


Revenues Trend by quarters & Breakdown

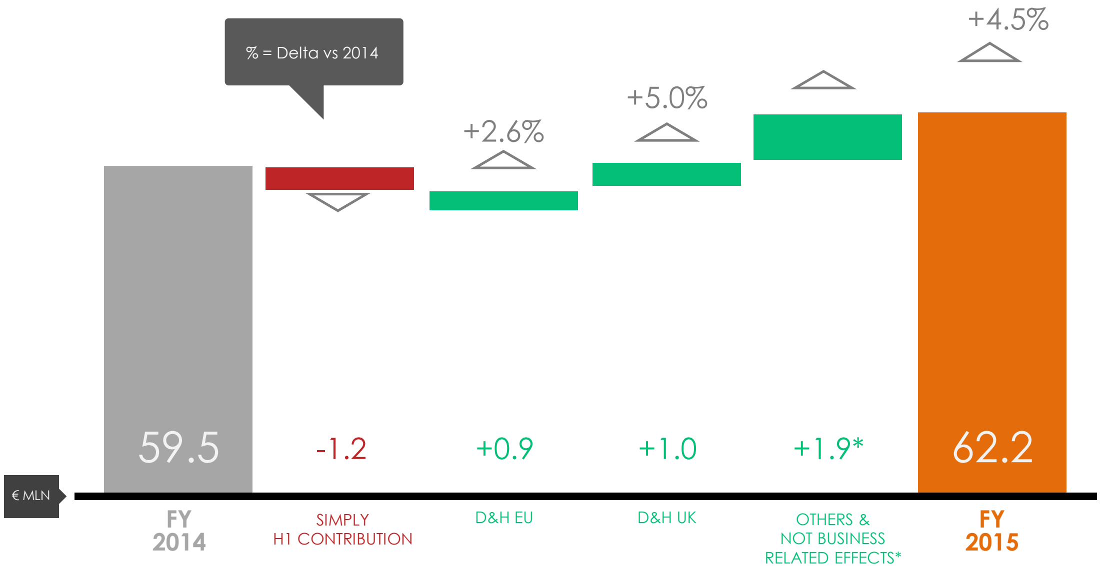


FY 2015 Revenues Breakdown





FY 2015 Revenue Bridge vs FY 2014



Revenues Growth
Like for Like + 3%

Net of :

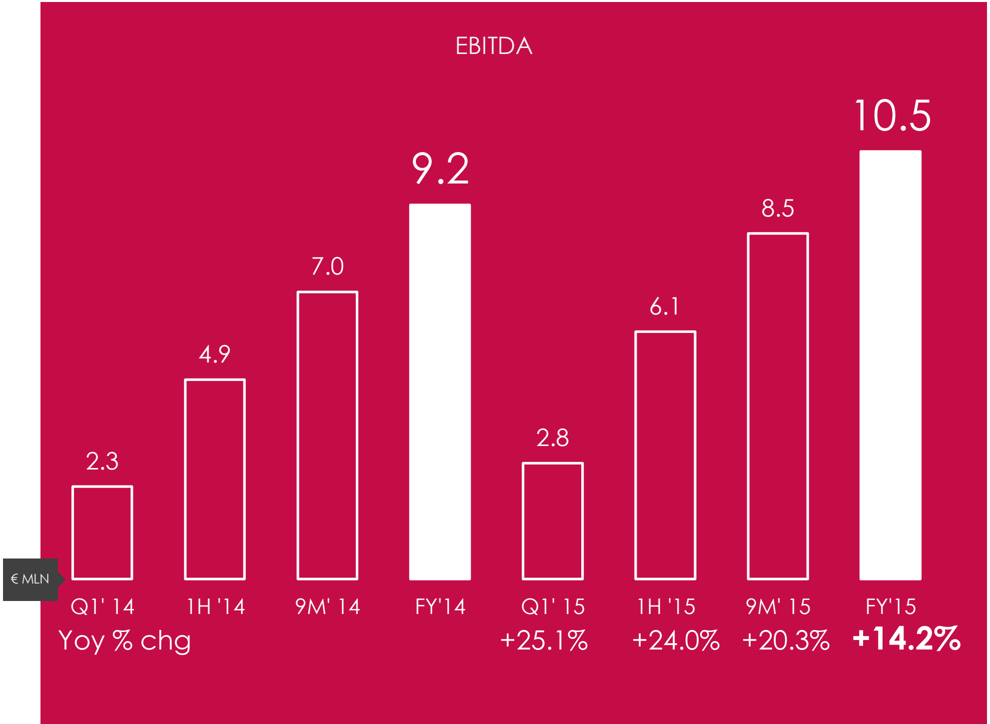
- Euro/Gbp Effects
- Changes in Perimeter

*Not business related effects:

€/GBP exchange rate	+ €2.3 mln
2014 UK ADSL revenue (dismissed in May '14)	- €0.3 mln

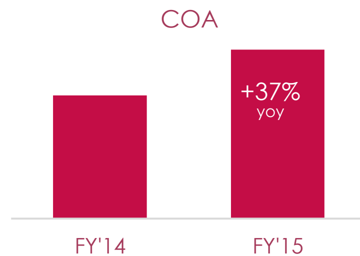
Figures excluding Performance Adv results since January 2014

EBITDA Trend by quarters



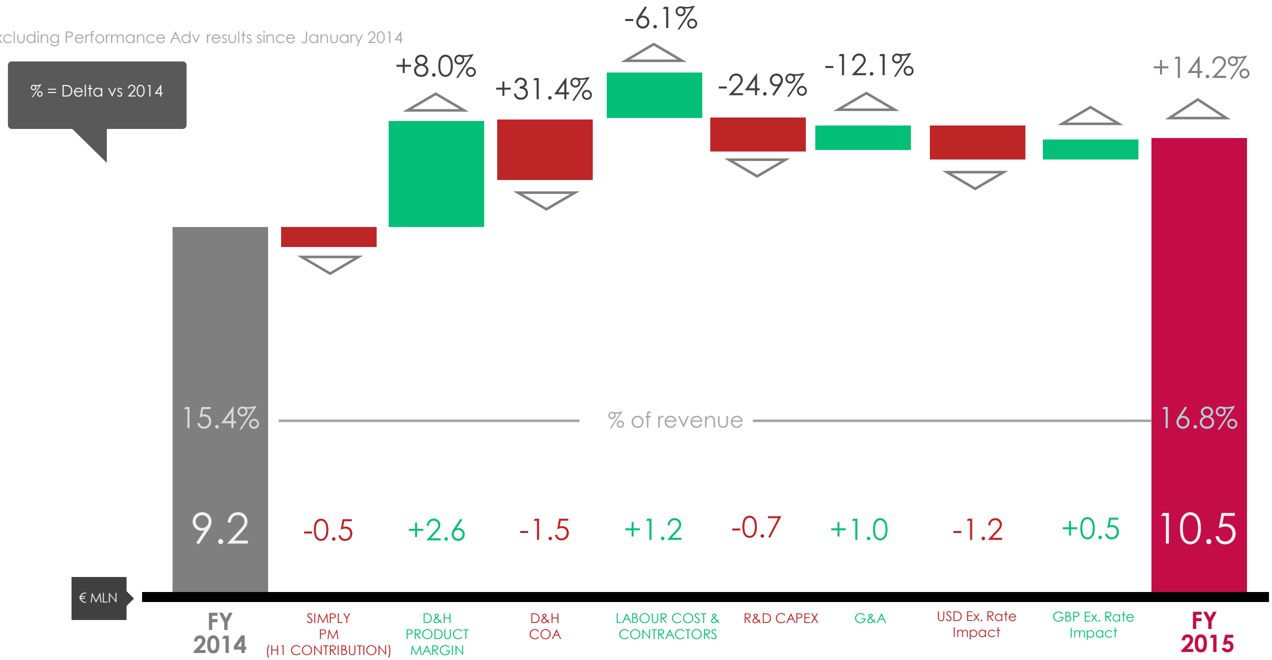
In 2015 **Ebitda** increased thanks to **PM improvement** and **Opex reduction** despite:

- **COA increase**, particularly **in Q4** (+45% yoy), aimed to **improve** acquisition of **New Customers**
- Negative impact of **USD** appreciation only partially offset by Euro/GBP effect



FY 2015 EBITDA Bridge vs FY 2014

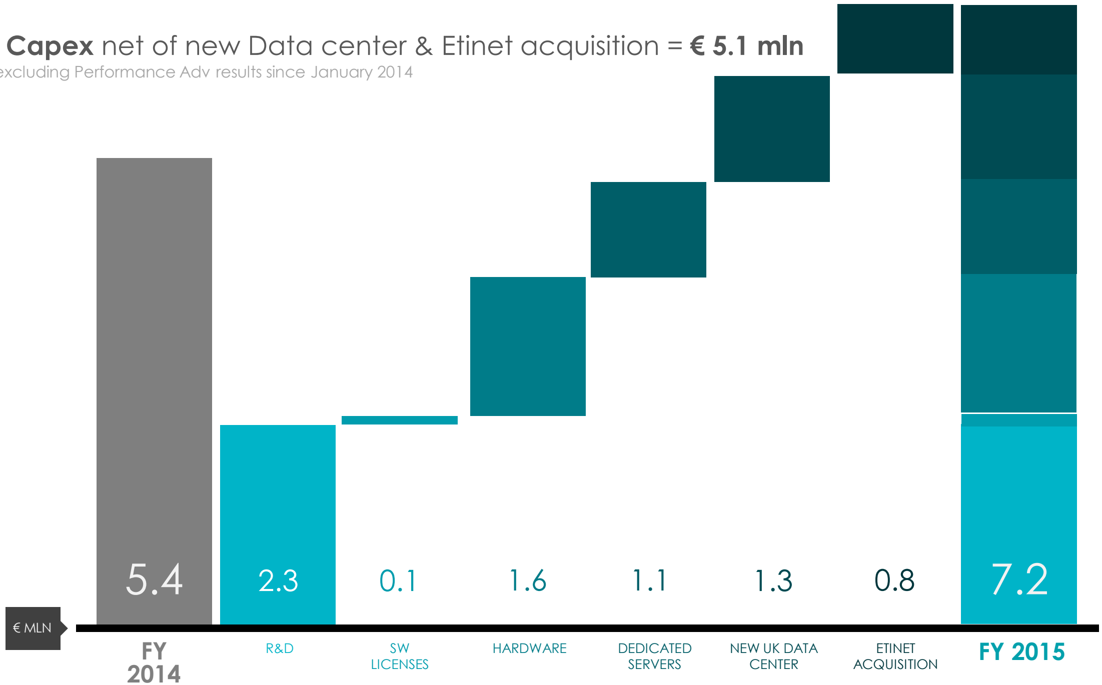
Figures excluding Performance Adv results since January 2014



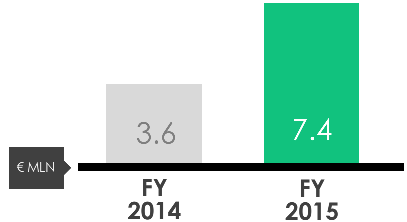
FY 2015 Capex Composition

2015 Capex net of new Data center & Etinet acquisition = **€ 5.1 mln**

Figures excluding Performance Adv results since January 2014



FY 2015 Cash Flow

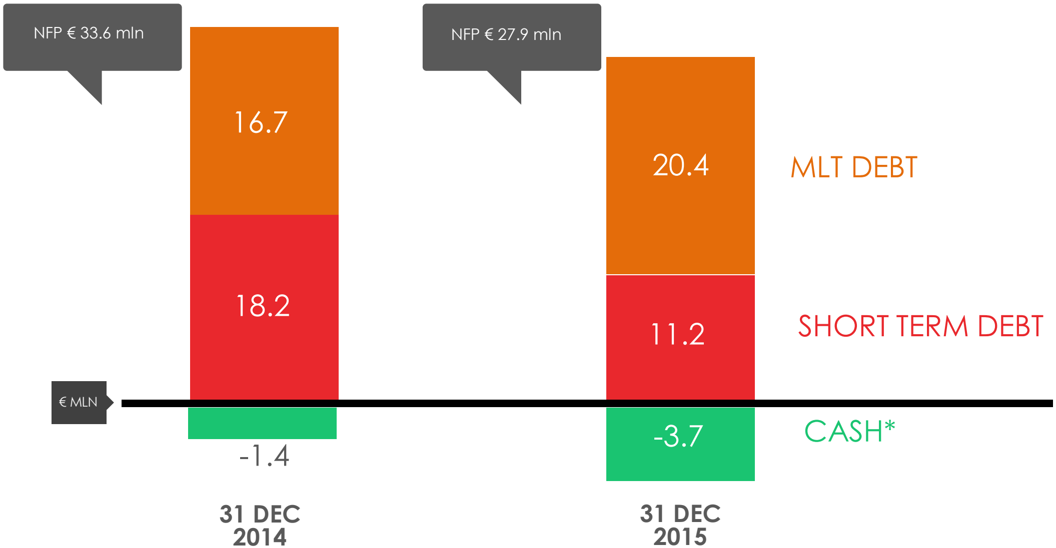


NET OPERATING CASH FLOW* IMPROVED

* Net Operating Cash Flow =
Operating Cash Flow + NWC Chg + Income Taxes + Interests Paid

FY 2015 Net Financial Position

@31 DEC 2015: **73% OF NFP MLT** VS 49% AT 31 DEC 2014

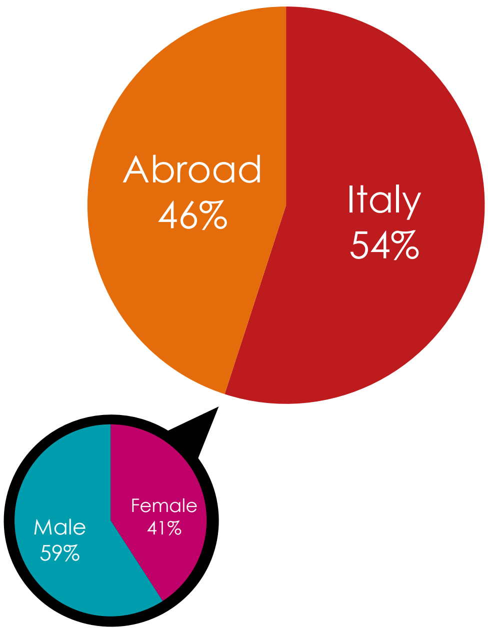


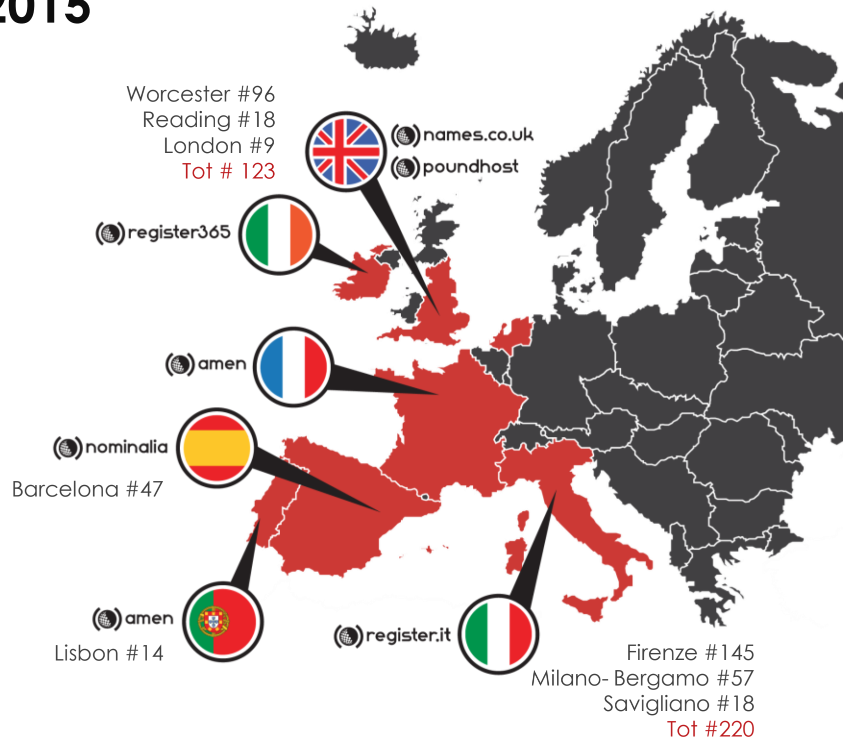
* Cash = Cash, bank and post office deposits

FY 2015 – Dada Group Consolidated P&L

€/mln	FY 2015	FY 2014	Delta vs 2014	
Revenue	**62.2**	**59.5**	**2.7**	***4.5%***
COGS	-21.7	-21.4	-0.3	*1.5%*
Product Margin	**40.5**	**38.1**	**2.3**	***6.1%***
COA	-6.4	-4.7	-1.7	*37.0%*
Gross Margin	**34.1**	**33.5**	**0.6**	***1.8%***
Labour Cost & Contractors	-18.6	-19.2	0.6	*-3.2%*
R&D CAPEX	2.3	3.0	-0.7	*-24.4%*
G&A	-7.3	-8.1	0.8	*-9.9%*
EBITDA	**10.5**	**9.2**	**1.3**	***14.2%***
Non recurring charges/Write-downs	-0.4	-0.5	0.1	*-12.8%*
D&A	-6.9	-7.2	0.3	*-4.1%*
EBIT	**3.2**	**1.5**	**1.7**	***111.2%***
Net Financials	-2.5	-2.7	0.2	*-7.9%*
Taxes	-1.2	-0.8	-0.4	*44.2%*
Profit (Loss) from Continuing Operations	**-0.5**	**-2.0**	**1.5**	***74.9%***
Profit (Loss) from Discontinued Operations + CG	1.8	-0.2	2.0	
Net Result	**1.3**	**-2.2**	**3.5**	***160.8%***

As of 31th December 2015





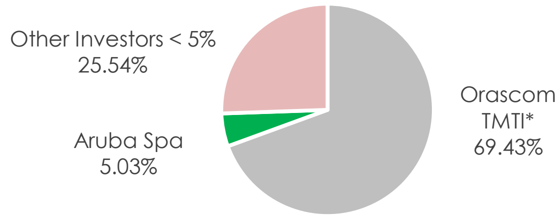
Overview

DADA AS OF FEB 29th 2016

MARKET	STAR SEGMENT – MTA
PRICE	€ 2.62
NOSH	€ 16.7 MLN
MKT CAP	€ 43.8 MLN
PERFORMANCE YTD	+25.0%
RELATIVE PERF vs STAR INDEX YTD	+34.0%
AVERAGE DAILY VOLUMES YTD	44,447

SHAREHOLDING STRUCTURE

As of 29 FEB 2016



*Through its wholly-owned subs. Libero Acquisition S.à.r.l.

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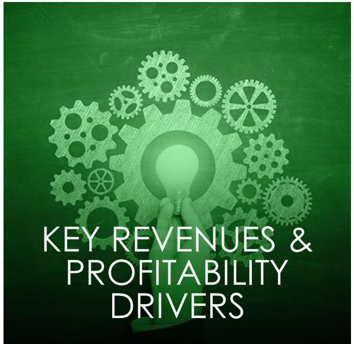
Key Pillars of Future Strategy & 2016 Guidelines

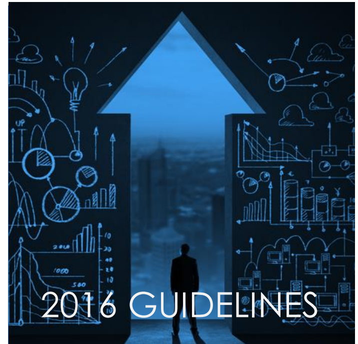
STRENGTHEN EUROPEAN LEADING POSITION & FURTHER IMPROVE FINANCIALS

- **Increase Mkt Share** in core geographies
- Broaden range of services in "**We do it for you**" mode
- Strengthen positioning in **Cloud Hosting**, **Virtual Dedicated** & **Private Servers**



- Build **Volumes** – new clients
- Enhance **Retention Rate** and **Upselling Activities** – increase ARPU
- Finalize **Platforms Integration**
- Enhance **COA** investments efficiency

- Major offline/ online push – **Organic Growth**
- **Small Portfolio** acquisition to increase mkt share / add new services



- **Mid-single digit Revenues increase** - on a like for like basis
- **Benefits** from 2H15 Investments expected **from 2H2016** with the **Ebitda improving more than revenues** starting from **3Q**

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1	Large and Underserved Addressable Market
2	Leading Position in European Core Geographies
3	Successful Business Model: Broad and High Value Suite of Products, Powerful & Proprietary Infrastructure, Owned & Local Oustanding Customer Care
4	Good Revenues Visibility & Predictability
5	Significant Economies of Scale with Volumes Growth
6	Data–Driven Understanding & Managing of Customer Base & Customer Acquisition
7	Successful Track Record in Revenue Consolidation, Cost Optimization & M&A

APPENDIX

Basic Needs: Online Identity

DOMAINS

- +700 TLDs (cc + gTLD)
- Premium Domains
- Full management from personal Control Panel
- “Basic presence pack”
- Reseller programs

COMMUNICATION TOOLS

- Professional Email Services
- Preset features or tailored offer
- PEC – Legal Mail
- Full range of Office 365 solutions

Enhanced Functionality & Services

WEB HOSTING

Shared Hosting

- C-Panel based solutions
- Reseller Hosting solution
- Linux and Windows solutions

VPS and Cloud VPS

- Based on top technology suppliers
- Flexible and scalable solutions

Dedicated Servers

- Fully dedicated to your business, top performance(99.9% LSA)

Advanced support and consulting

- SSL Certificates
- Security software

WEB APPLICATIONS

Web Site Builders

- E-Commerce solutions
- Mobile editor

Most common CMS

DIFY Solutions

Web Marketing

SEO/SEM/Social Media Advertising

Advanced Services

ONLINE BRAND PROTECTION

- Domain management and recovery
- TMCH
- Trade Mark registration

MANAGED SERVERS

- Hassle free solutions
- Consultancy for installation and monitoring and prompt intervention

FY 2015 – Balance Sheet

€ mln	31.12.2015	31.12.2014
Net Working Capital	**(11.5)***	**(10.3)**
Fixed Assets	**99.7**	**95.4**
Severance and Other Funds	(1.1)	(1.4)
Net Capital Employed	**87.2**	**83.7**
Net Financial Position	**(27.9)**	**(33.6)**
Total Shareholders' Equity	**(59.3)**	**(50.1)**

Differences between NCE and the sum of NFP and Net Equity area due to rounding

** Of which 12.9mln deferred revenues included*

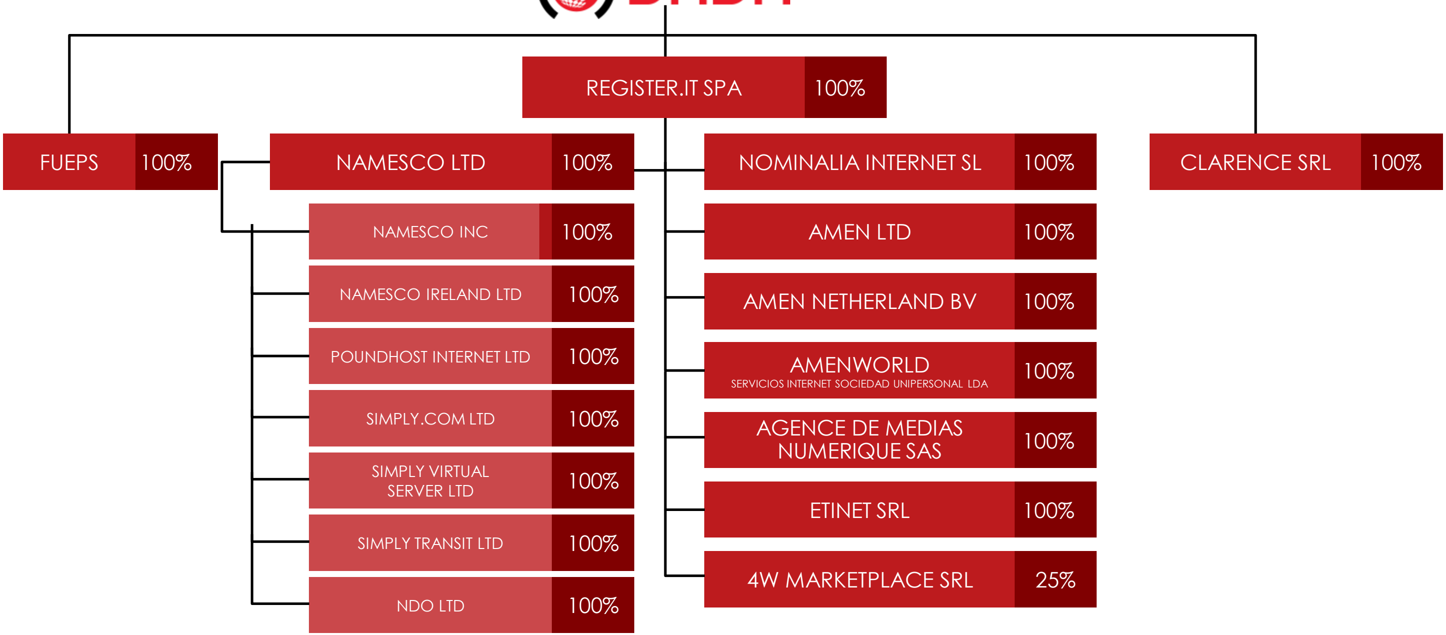
FY 2015 – NPF Breakdown

€ mln	31.12.2015	31.12.2014
Cash, bank and post office deposits	**3.7**	**1.4**
Credit lines, account overdrafts and current bank borrowings	(11.1)	(18.2)
Non-current bank borrowings (M/L T)	(20.3)	(16.7)
Derivatives	(0.1)	(0.1)
NPF	**(27.9)**	**(33.6)**

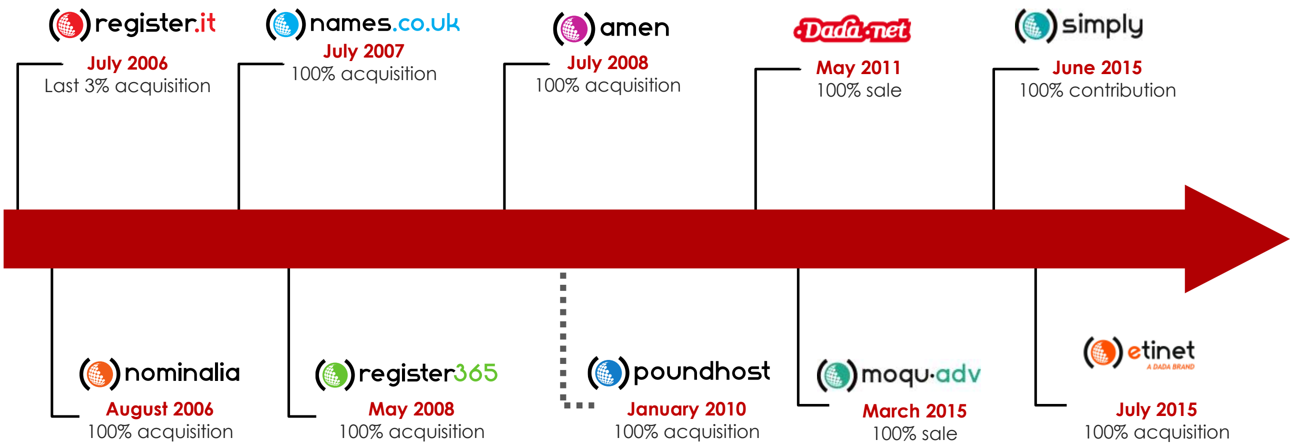
FY 2015 – Cash Flow Statement

€ mln	FY 2015	FY 2014
Cash and Cash Equivalents at the Beginning of Period	**(16.8)**	**(9.5)**
Group Net Profit (Loss)	1.3	(2.2)
Gross Operating Cash Flow	**10.2**	**9.0**
Working capital, Income taxes and Interest paid	(2.8)	(5.4)
Net Operating Cash Flow	**7.4**	**3.6**
Capex & Investing Activities	(2.6)	(6.3)
Financing Activities	3.1	(4.6)
Free Cash Flow	**7.9**	**(7.3)**
Cash and Cash Equivalents at the End of Period	**(8.8)**	**(16.8)**

Structure as of December 2015



M&A Activity


register.it
July 2006
Last 3% acquisition
nominalia
August 2006
100% acquisition
names.co.uk
July 2007
100% acquisition
register365
May 2008
100% acquisition
amen
July 2008
100% acquisition
poundhost
January 2010
100% acquisition
Dada.net
May 2011
100% sale
moqu·adv
March 2015
100% sale
simply
June 2015
100% contribution
etinet
A DADA BRAND
July 2015
100% acquisition

M&A Multiples

Country	Brand	Year	EV/Ebitda Acqu. Multiple	DADA Trading Multiple
Spain	nominalia	2006	2.7x	12.8x
UK	names.co.uk	2007	8.6x	15.1x
Ireland	register365	2008	4.9x	6.7x
France Portugal	amen	2008	6.8x	5.6x
UK	poundhost	2010	2.7x	4.5x
Italy	etinet A DADA BRAND	2015	2.6x	6.6x

From Customer Needs
To a New Acquisition Channel

FREEMIUM BUSINESS MODEL

User lead acquisition through **freemium pricing strategy:**

- ✓ **free of charge**
- ✓ **Premium Plan** for advanced features or apps

SIMPLY SELLING POINT

Create a **website** in **2 minutes** by importing **content** from **Social** Business Pages.

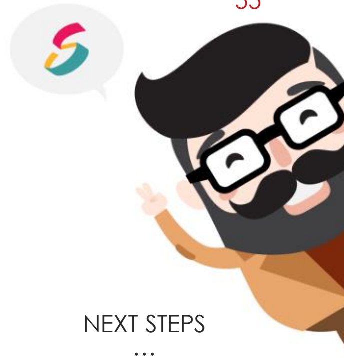
(e.g. Facebook, LinkedIn, Google Plus).

TARGET AUDIENCE

SMB with Social Page but no website:

- **Presence online**
- **No time** or **money** to invest
- Be on line **preserving domain** and **identity**

Data identified from a Consumer Research Survey that import from Social Business Pages is what SMBs and professionals are looking for in website builder tool.



NEXT STEPS
...
FOR AN EARLY STAGE BUT PROMISING PROJECT

- ✓ Become a **new simple** and **fast way** to **create** an online presence by **limiting user's effort** on creating their website.
- ✓ **Export** Simply **across Europe** and some targeted states in the **U.S.**

Many thanks!

Contacts

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