



Dada

2012
LONDON
STAR
CONFERENCE

October 2012

Agenda

The “new” Dada

Core Business Overview:
Domain & Hosting

New Business Overview:
Digital Advertising

Financials & Outlook

Key developments of the first 6 months of the year

- 6th consecutive quarter growing y/o/y in terms of Revenue and EBITDA
- H1 2012 the first in four consecutive semesters that the Group is posting both a positive EBIT and Net Profit
- Business performance improved:
 - 510,000 international clients achieved in Europe
 - more than 1,800,000 domains managed
 - average renewal rate improved overall
- Reduction of the consolidated Net Financial Position
- Ongoing optimization of the operating and corporate cost structure

Company Overview

Business Lines

% on H1 2012
Revenue

Brands

1

Core Business: Domain & Hosting

- Registration of domain names and shared, dedicated and cloud hosting
- Strong European footprint with unified technological platforms
- 510k companies served, more than 1.8 mn domains managed

75%



2

New Business: Digital Advertising

- Performance Adv: web traffic monetization through internationally scalable models and thematic portals
- 35 mn monthly U.V.

25%





Key Financials

Eu mn

	H1 2012	H1 2011	YoY
Revenue	43.6	40.2	+8%
EBITDA	6.1	4.1	+50%
<i>Ebitda margin %</i>	14%	10%	
EBIT	2.7	-2.2	<i>n.s.</i>
Net Profit	0.9	-2.3	<i>n.s.</i>
NFP	-25.6	-27.0*	-5%
Employees	366	367*	

* Figure as of 31.12.2011

Agenda

The “new” Dada

**Core Business Overview:
Domain & Hosting**

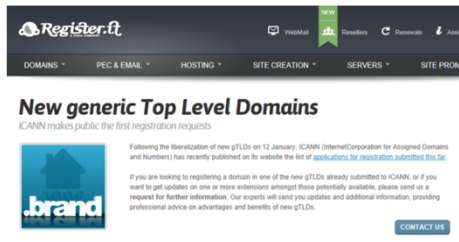
New Business Overview:
Digital Advertising

Financials & Outlook

Domain & Hosting

Professional services for on-line presence

- Targeted to **SME, professionals** and **high-end** customers
- Presence in **7 European countries** with a high potential of scalability thanks to **unified platforms**
- Large and **growing customer base** upon which Dada can **up-sell** additional services
- Continued portfolio expansion through the launch of **new applications**:



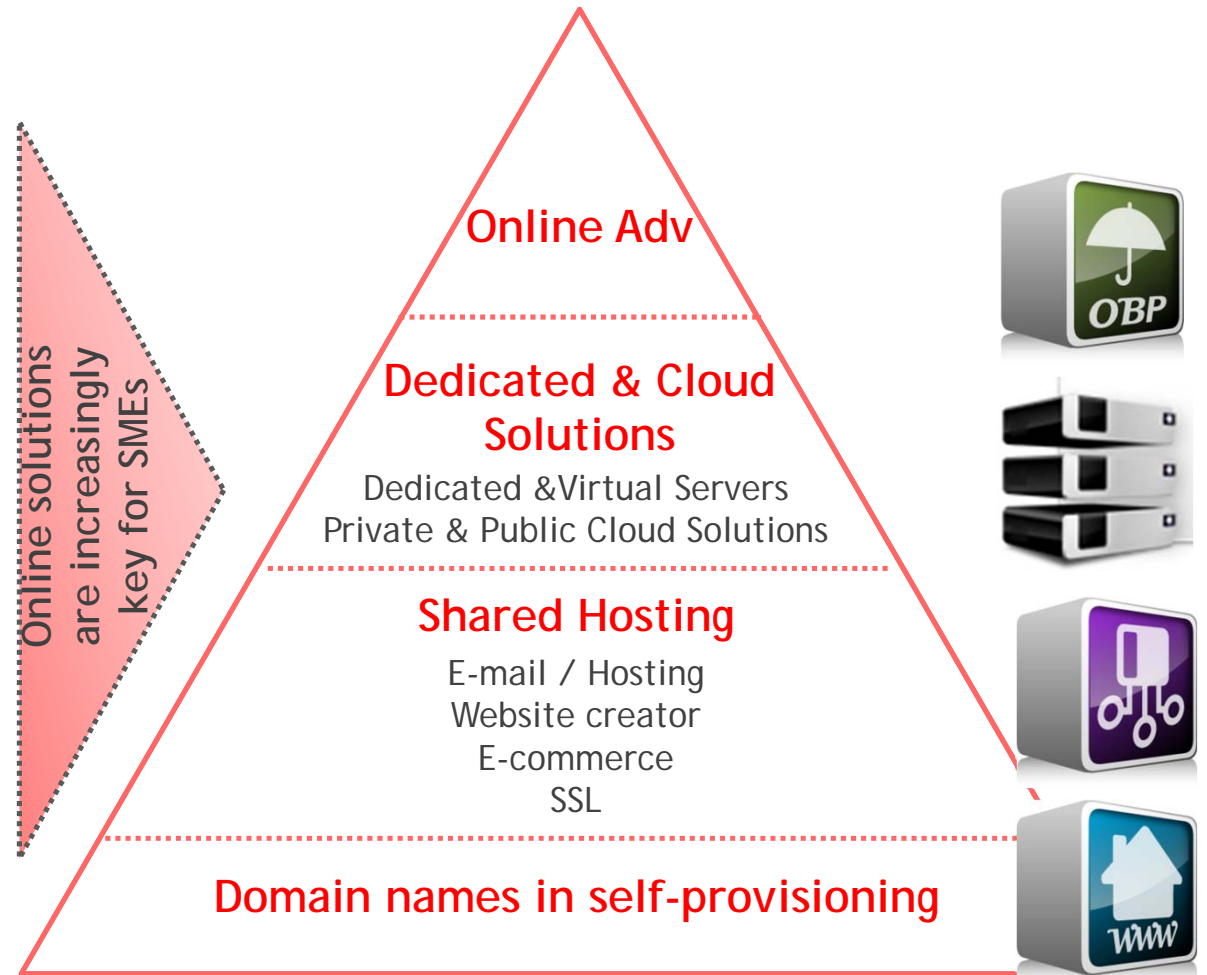
Domain & Hosting

Current Offering

CUSTOMER NEEDS

- **One-Stop-Shop to:**
 - Create online presence
 - Market and promote businesses
 - Sell and distribute products online
- **Product quality, ease-to-use:**
 - Simple way to find, purchase and use the right service

DADA'S SUITE OF SERVICES



Domain & Hosting

Key Success Factors & Ranking

KEY SUCCESS FACTORS

RELEVANCE FOR DADA CLIENTS

DADA'S POSITIONING

1 Experience & Brand recognition

VERY HIGH

2 Service Execution













HIGH

3 Product

MEDIUM

4 Price

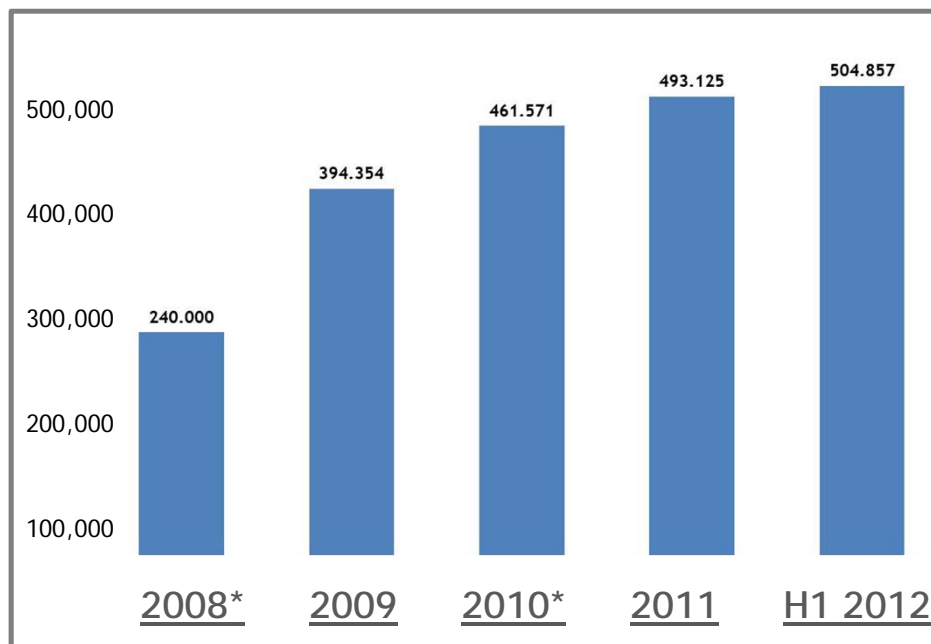
MEDIUM

Main Countries	Dada's Ranking	Market Size
	2	
	Top 4	
	Top 5	
	Top 5	
	1	
	1	

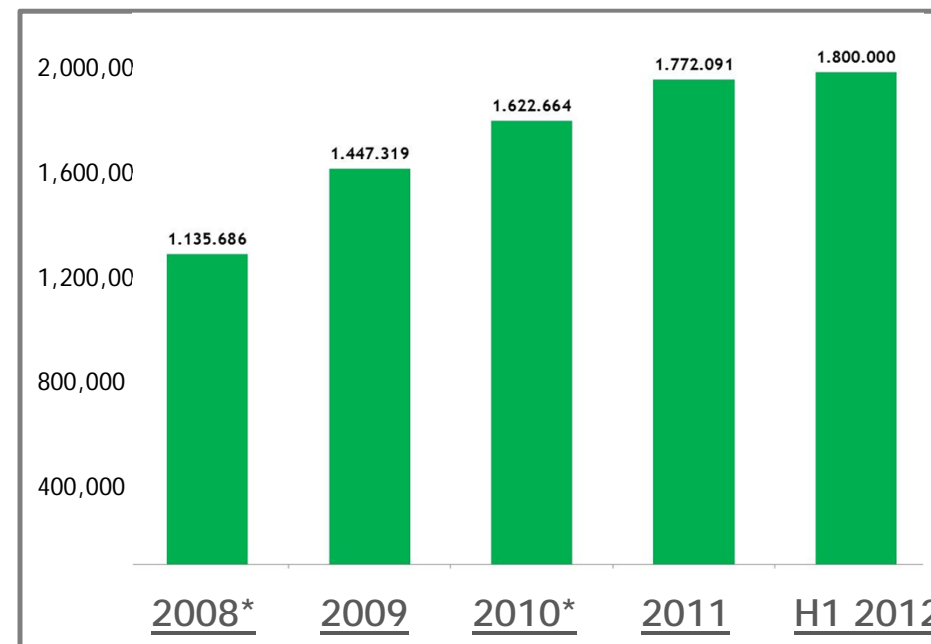
Domain & Hosting

Long-standing and growth track record

Customer Base evolution



Domains under management evolution



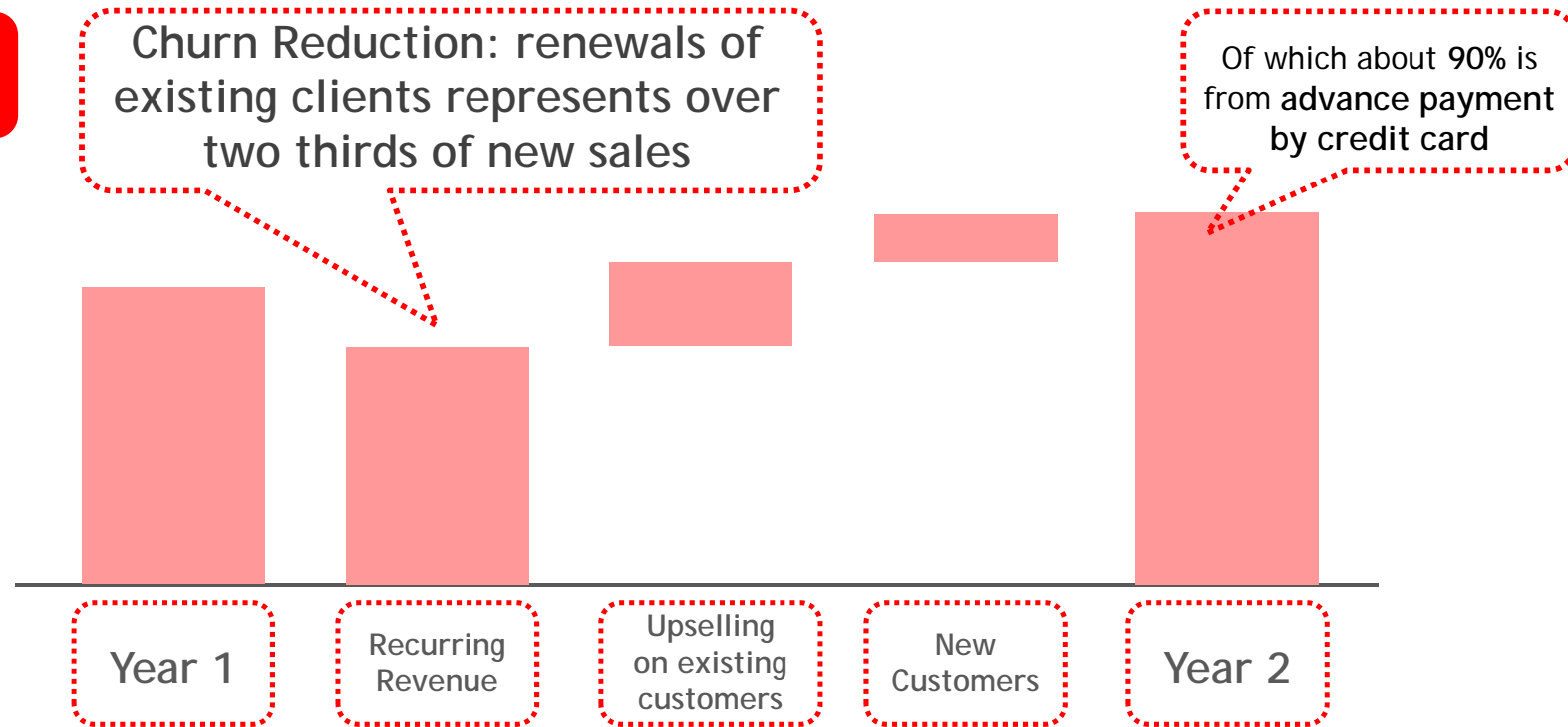
- Dada's large **customer base** covers all market segments but is concentrated on **SMEs**
- High-quality customer base with **high Customer Retention (more than 75%)**
- First **top 10 clients** represent **less than 5% of revenue**

* From July 2008, Amen Group and from January 2010 Poundhost are fully consolidated

Domain & Hosting

Revenue Growth Drivers & Strategy

DRIVERS

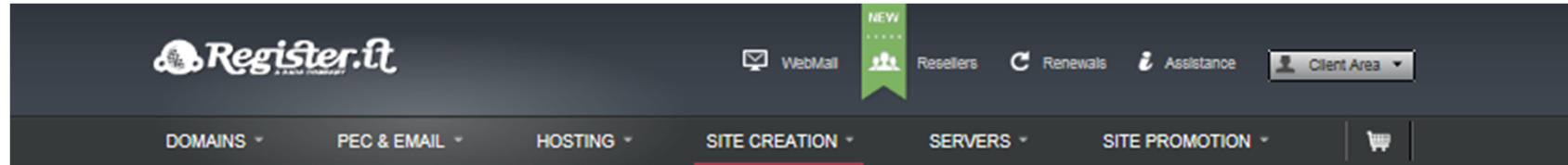


STRATEGY



Domain & Hosting

Next Product to be launched



Cloud Site

The next generation website builder is coming...

*Technologically advanced.
Professional design.
Cloud-based.
Continuously updated features.*

*Are you ready for a unique
experience?*



Create



Play



Share



Agenda

The “new” Dada

Core Business Overview:
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**New Business Overview:
Digital Advertising**

Financials & Outlook

Performance Advertising

Business Model

Main Products



A search engine specialised in blog, videoblog and every form of micropublishing search



A social bookmarking service to save, keep and manage web pages and reachable from all computers and mobile devices



Shopping services to find, search and compare desired products



A new thematic portal gathering the world's news, constantly updated in real time by specific categories



35 mn monthly U.V.:

The business model is based on traffic monetization through partnership with the most relevant search engines worldwide such as Google and Yahoo!

Performance Advertising

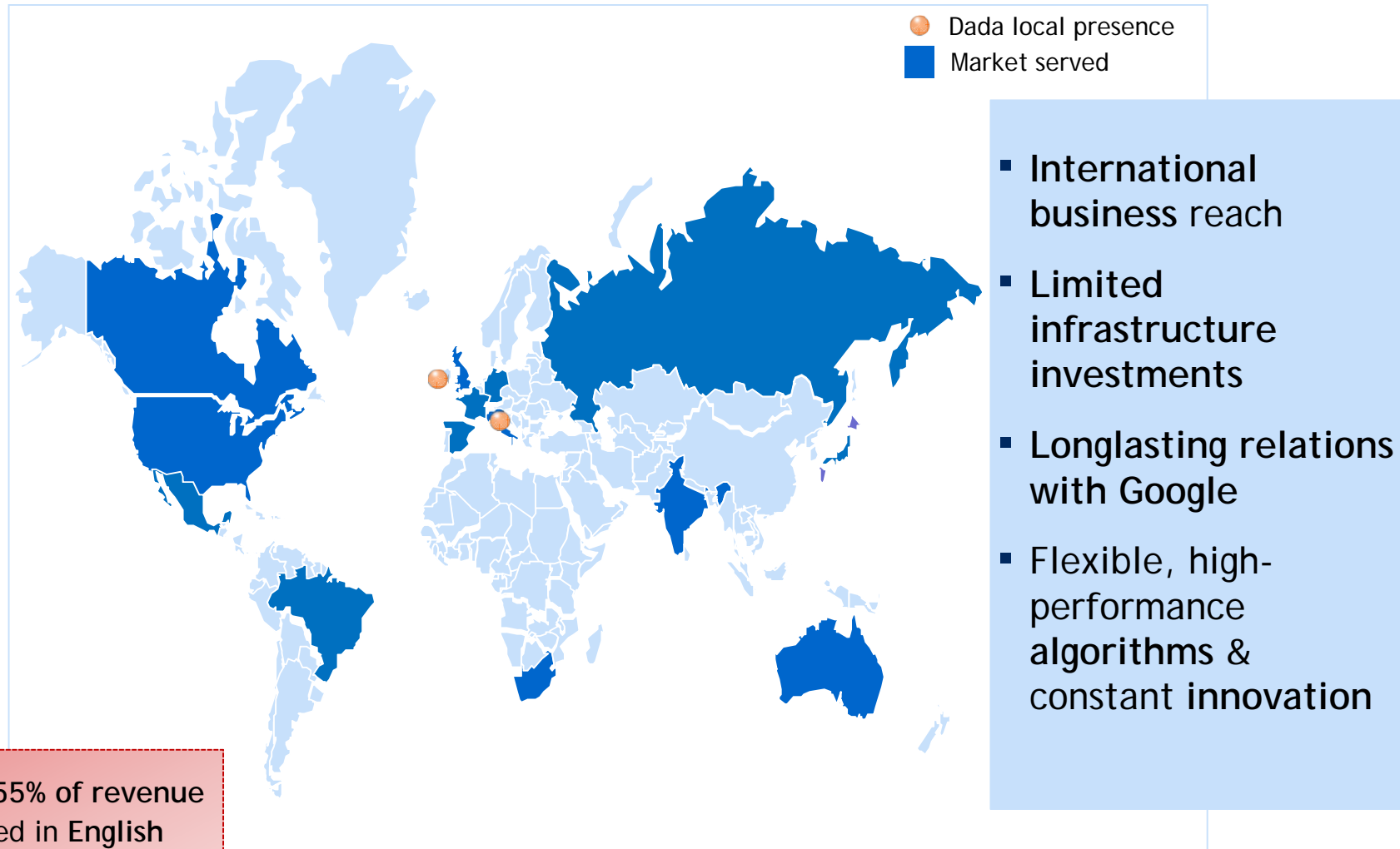
Key Success Factors

A

B

C

D



More than 55% of revenue generated in English speaking countries (i.e. USA, UK, Australia, India)

Performance Advertising

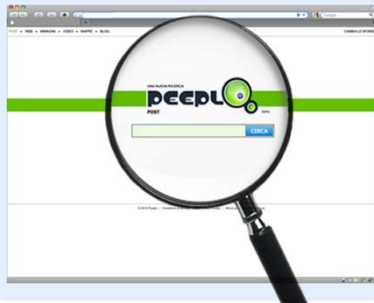
Growth Strategy

A

B

C

D



► **Consolidation and strengthening** of current business



► **Geographical expansion** of the current business in **new countries/new languages**



► **Launch of new products**

- "New travel market in English
- Mobile segment

Agenda

The “new” Dada

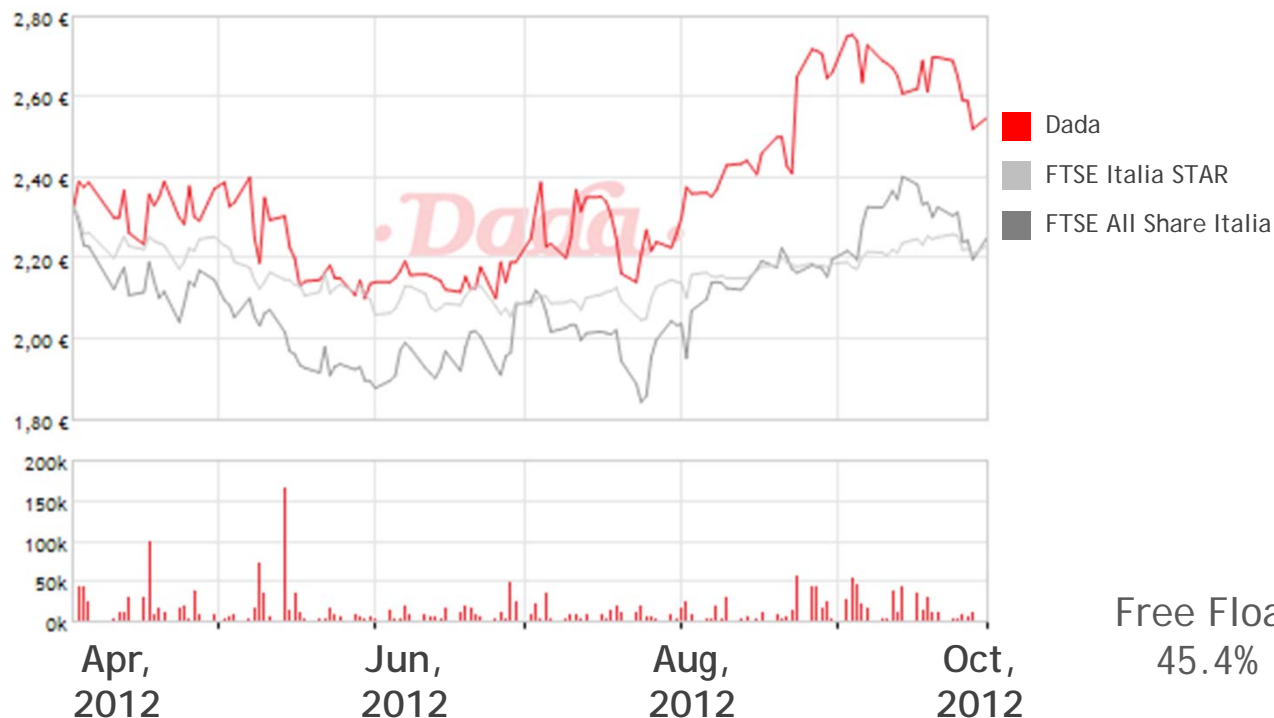
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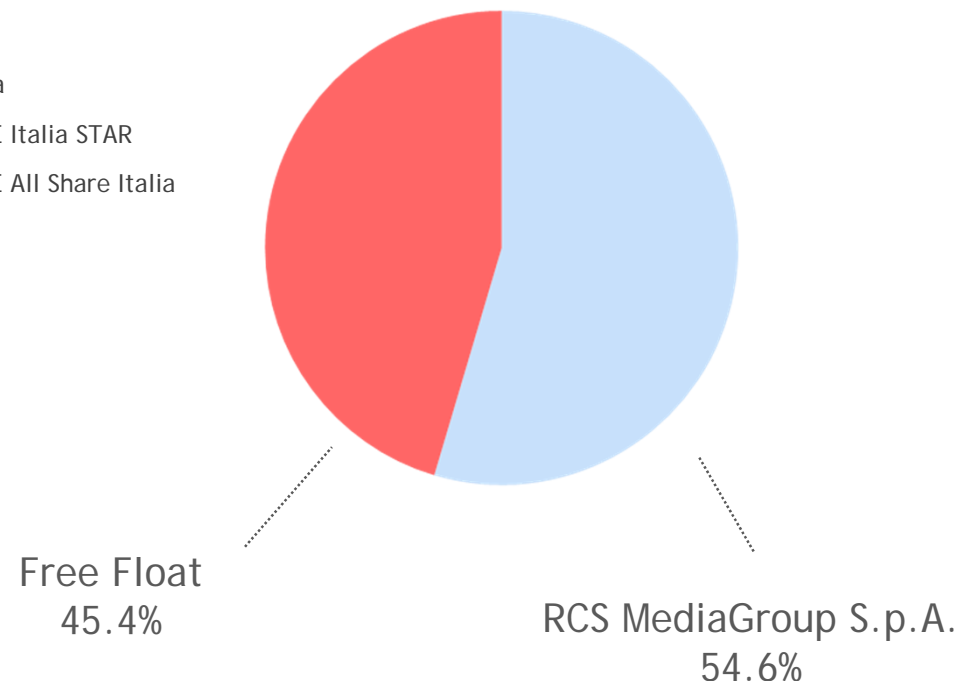
Financials & Outlook

Company Profile

6M Stock Performance



Shareholding Structure

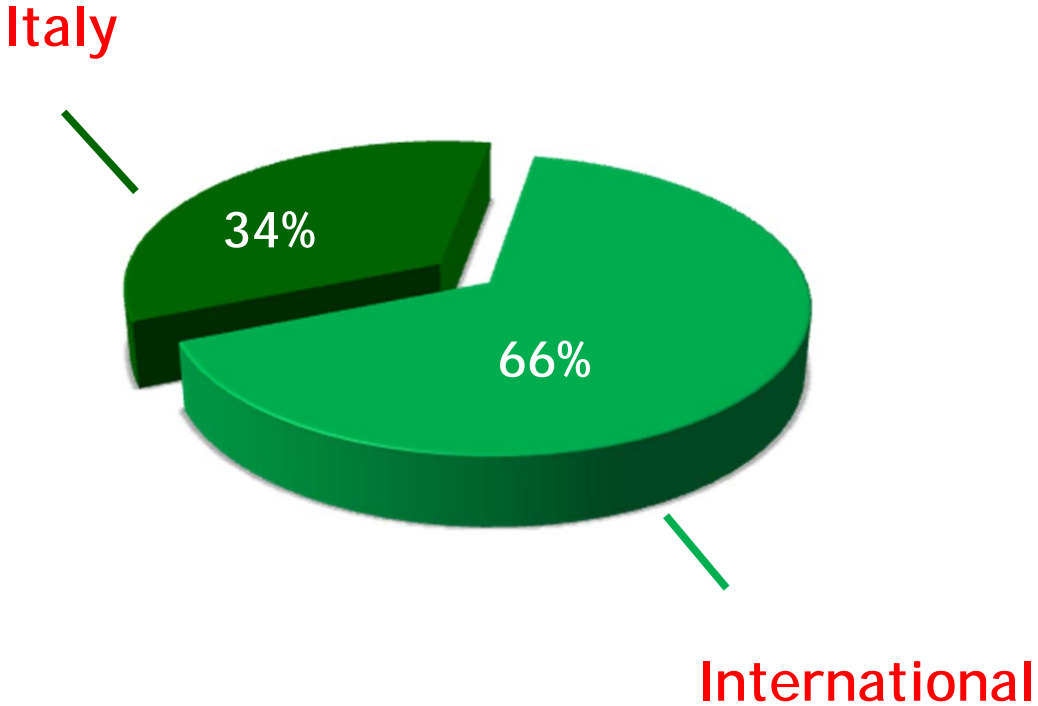


Share Information

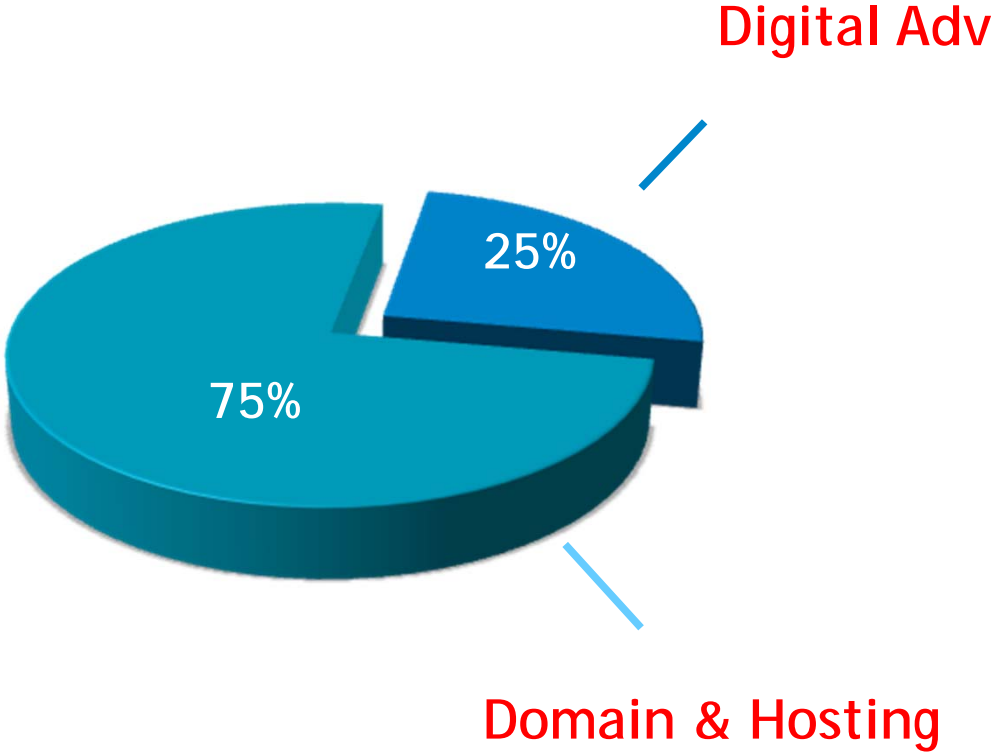
Ticker	DA IM (Bloomberg), DA.MI (Reuters)
Market cap (FTSE STAR Segment)	€44 mn
Shares issued	16,210,069
Last 30 days avg. daily trade	19,857

H1 2012 - International Revenue Growth...

Geographic Mix



Business Mix



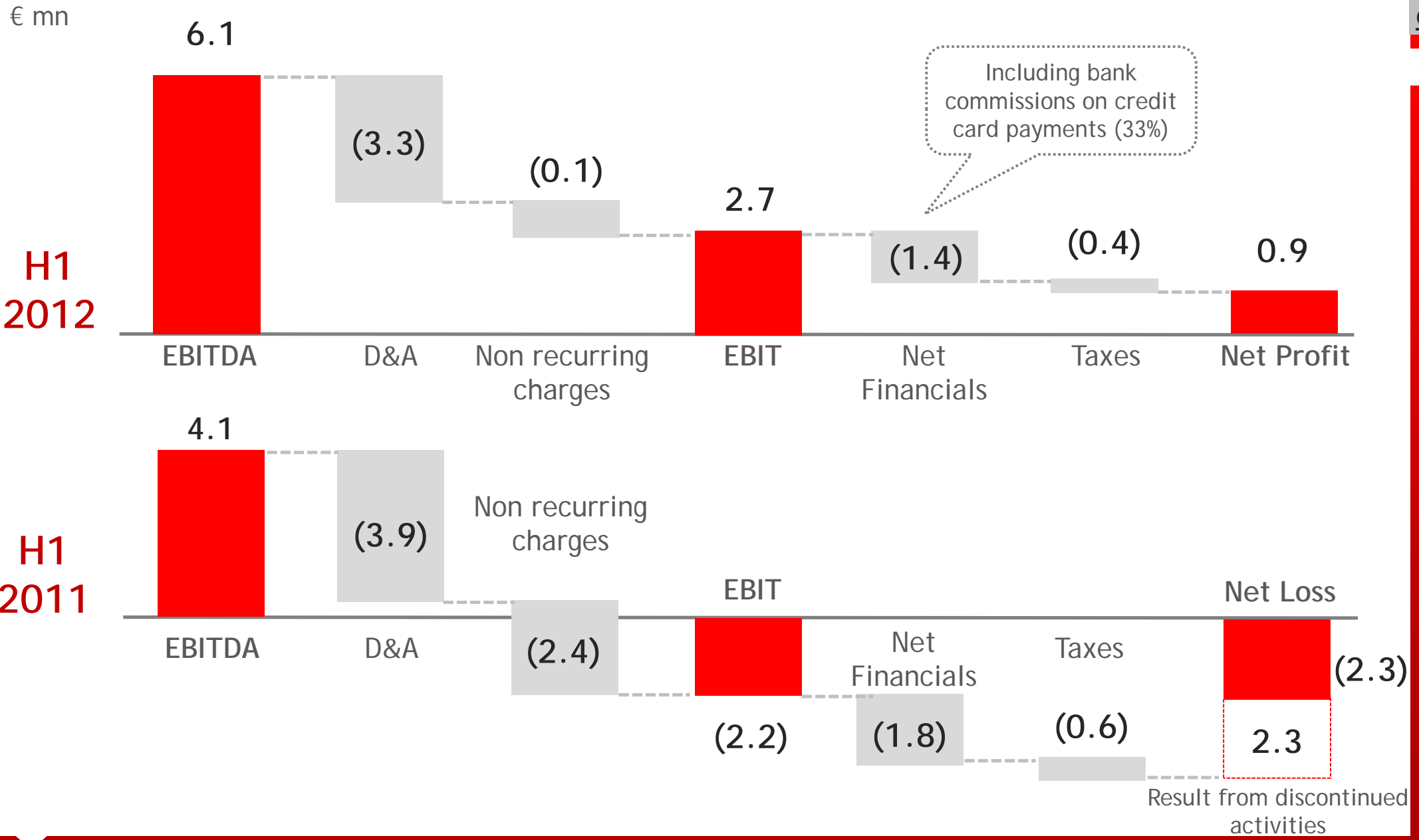
...and relevant EBITDA increase

- A
- B
- C
- D



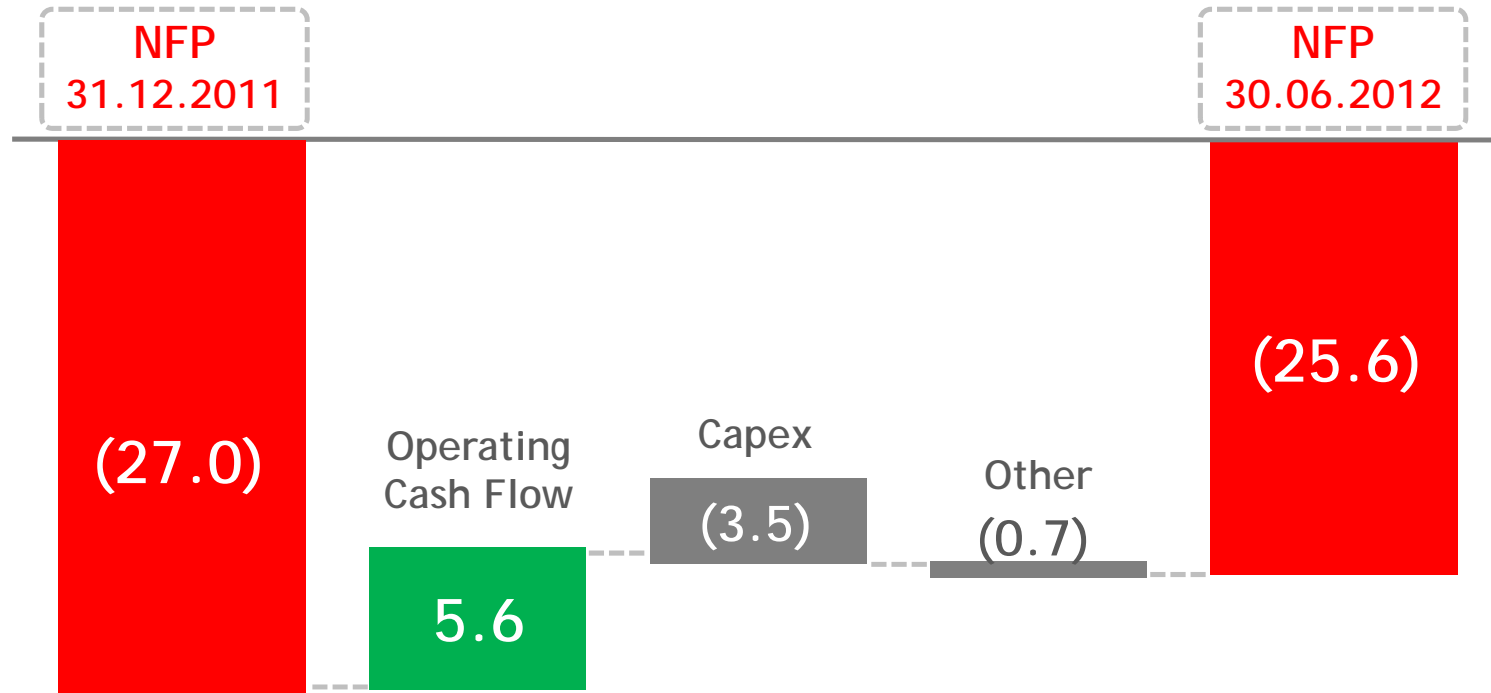
* Figures after the application of IFRS 5 relating to non-current assets sold

H1 2012 - From EBITDA to Net Profit



H1 2012 - NFP reduction

€ mn



	30.06.2012	31.12.2011
Cash and Cash Equivalents	3.8	4.3
Other Financial Assets	1.1	3.3
Financial Assets	4.9	7.6
Current Financial Liabilities	(7.8)	(16.7)
Long Term Financial Liabilities	(22.6)	(18.0)
Financial Liabilities	(30.4)	(34.7)
Net Financial Position	(25.6)	(27.0)

Key pillars of Dada strategy

A

B

C

D

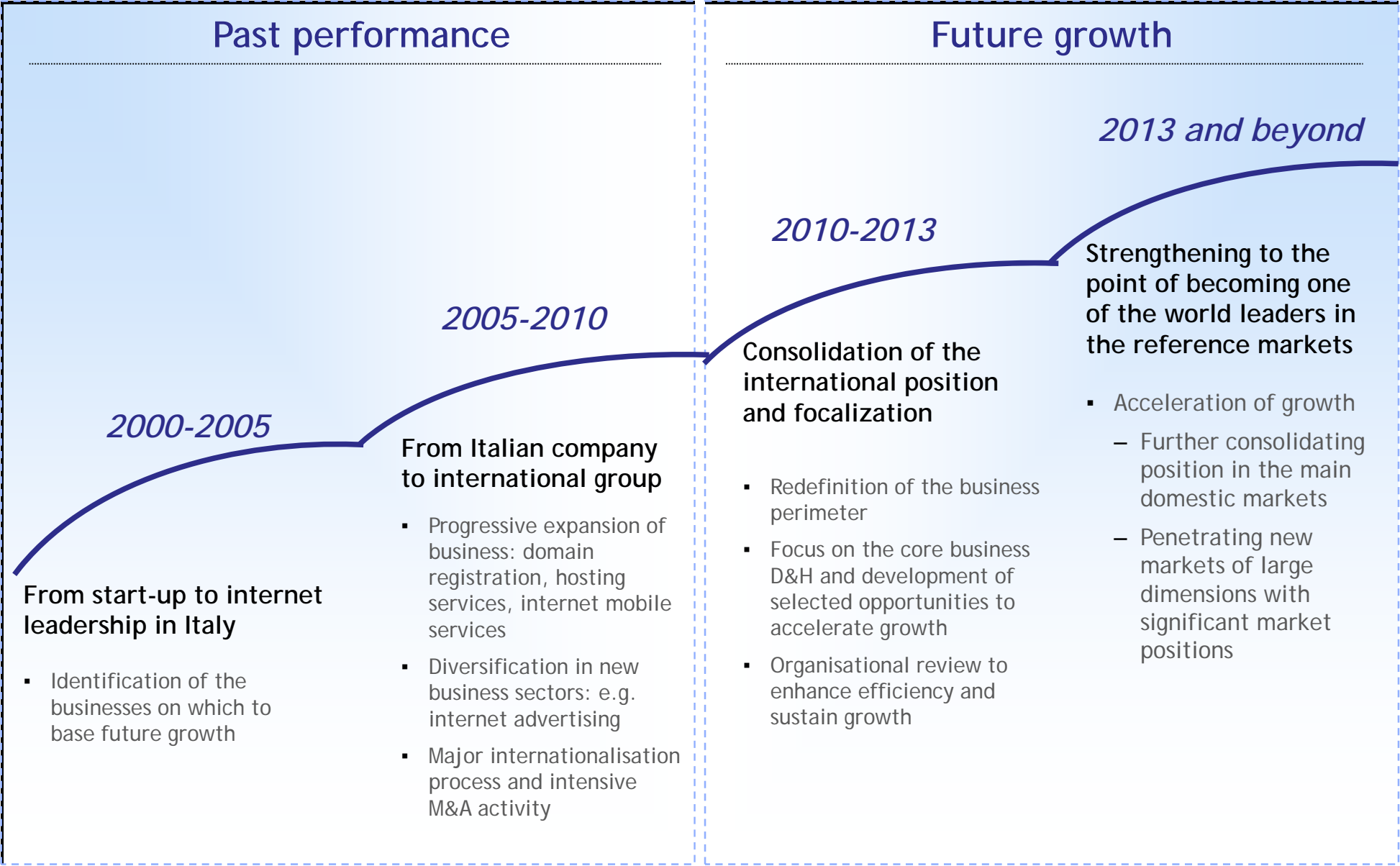
PROVIDING SMEs WITH MORE and MORE PERFORMING SOLUTIONS and STRENGTHENING CUSTOMER LOYALTY AND DELIGHT...

1. Introducing new products to the existing offer
2. Leveraging on the customer base via cross and upselling
3. Innovating marketing activities
4. Strengthening the customer service and support
5. Consolidating the technological platform

... WHILE DRIVING PROFITABILITY IMPROVEMENT

1. Optimizing G&A and structural costs
2. Increasing core business efficiency

New Dada outlook





Appendix

Dada

H1 2012 - Profit & Loss

€ mn	H1 2012	% on sales	H1 2011*	% on sales
Net Revenues	43.6		40.2	
EBITDA	6.1	14%	4.1	10%
EBIT	2.7	6%	(2.2)	<i>n.m.</i>
Profit before Tax	1.2	3%	(4.0)	<i>n.m.</i>
Profit after Tax	0.9	2%	(4.6)	<i>n.m.</i>
Profit from assets held for sale	0	0%	2.3	<i>n.m.</i>
Group Net Profit	0.9	2%	(2.3)	<i>n.m.</i>

* Figures after the application of IFRS 5 relating to non-current assets sold

H1 2012 Results - Balance Sheet

€ mn	30.06.2012	FY 2011
Net Working Capital	(12.7)	(12.0)
Fixed Assets	91.7	90.9
Severance and Other Funds	(2.6)	(3.7)
Other Payables beyond one year	(0.2)	0.0
Net Capital Employed	76.2	75.3
Assets held for sale	0.0	0.0
Net Financial Position	(25.6)	(27.0)
Total Shareholders' Equity	50.6	48.3

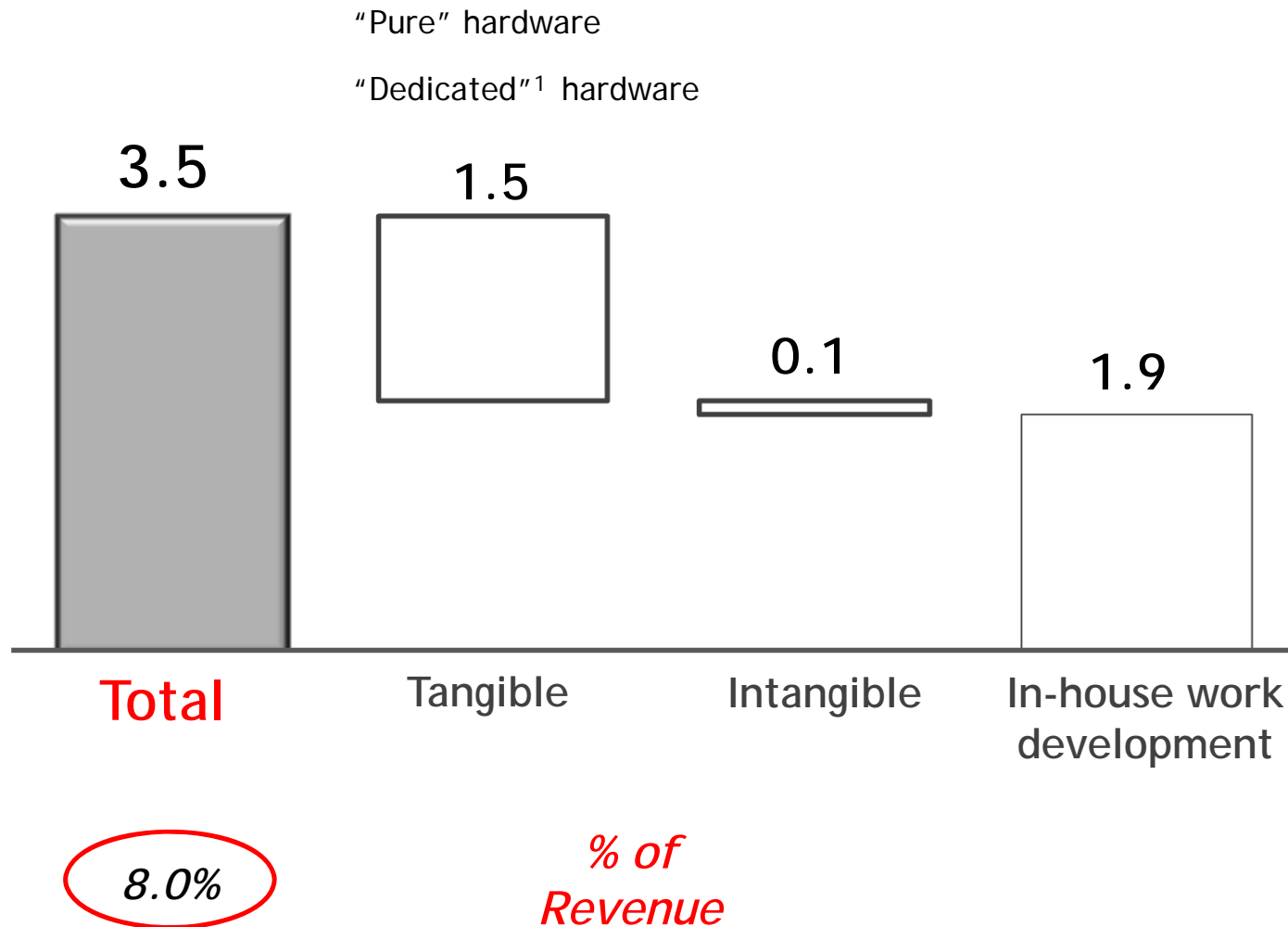
H1 2012 Results - Cash Flow Statement

€ mn	H1 2012	H1 2011
Cash and Cash Equivalents at the Beginning of Period	(8.4)	(21.0)
Group Net Profit (Loss)	0.9	(2.3)
Gross Operating Cash Flow	5.6	3.9
Income taxes and Interest paid	(1.7)	(2.1)
Net Operating Cash Flow	3.9	1.8
Capex & Investing Activities	(3.5)	23.4*
Financing Activities	4.6	(7.4)
Free Cash Flow	5.0	17.8
Cash and Cash Equivalents at the End of Period	(3.3)	(3.2)

* Figure comprises the cash-in deriving from the Dada.net and E-Box disposals

H1 2012 Results - CAPEX breakdown by kind

€ mn



¹ Hardware expenditures (mainly server) directly allocated to single customers

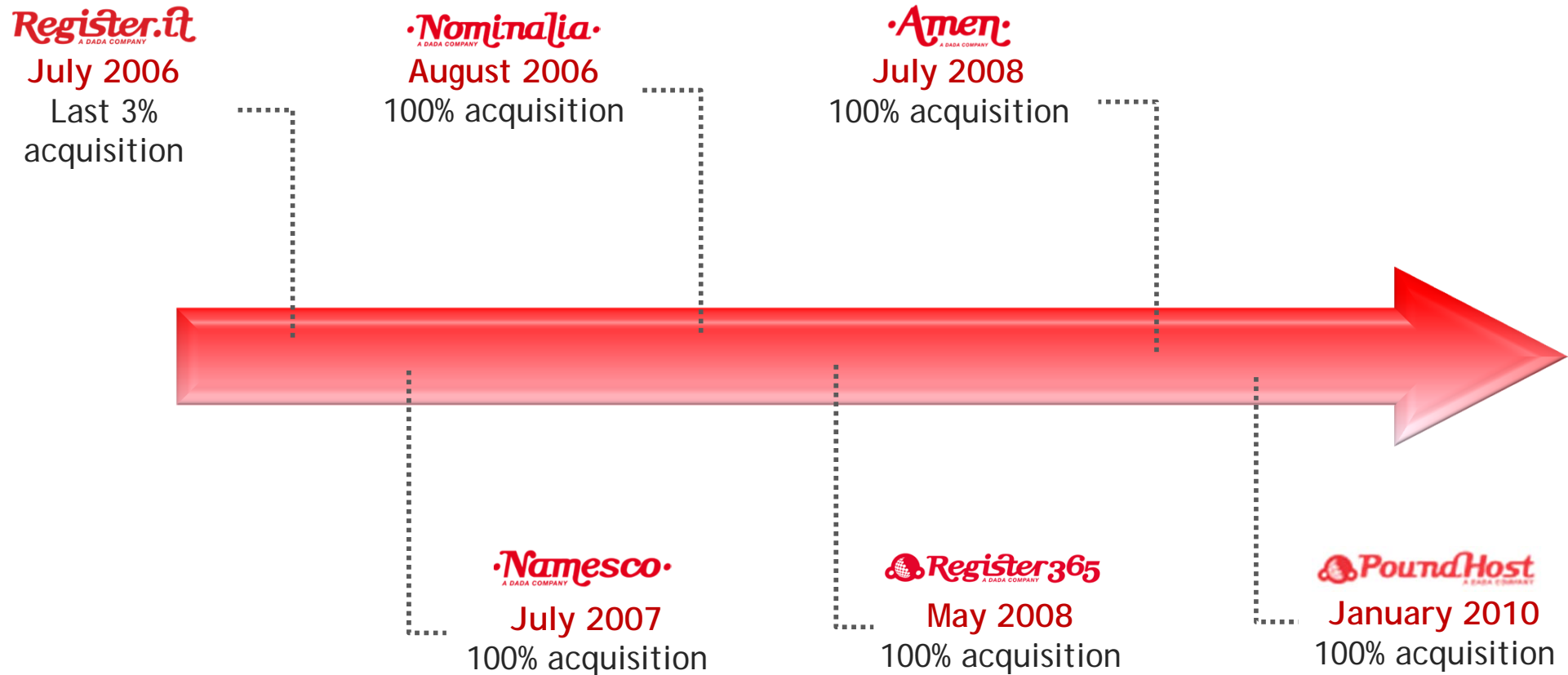
FY 2011 - Profit & Loss

€ mn	FY 2011*	% on sales	FY 2010**	% on sales
Net Revenues	80.3		73.6	
EBITDA	9.2	11%	3.2	4%
EBIT	(5.6)	<i>n.m.</i>	(9.2)	<i>n.m.</i>
Profit before Tax	(8.5)	<i>n.m.</i>	(12.0)	<i>n.m.</i>
Profit after Tax	(9.8)	<i>n.m.</i>	(9.8)	<i>n.m.</i>
Profit from assets held for sale	1.2	2%	(7.7)	<i>n.m.</i>
Group Net Profit	(8.5)	<i>n.m.</i>	(17.5)	<i>n.m.</i>

* Figures after the application of IFRS 5 relating to non-current assets sold












** For the sake of comparison, income statement items from the previous year have been reclassified according to IFRS 5

M&A activity in Domain & Hosting







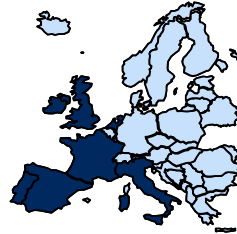
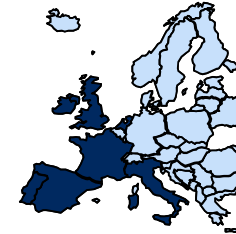






















Over time Dada has proved that it can grow in new markets both organically and by external growth

M&A history

Country	Brand	Year	Acquisition Multiple	Dada Trading Multiple
 Spain	 Nominalia <small>A DADA COMPANY</small>	2006	2.7X	12.8X
 UK	 Namesco <small>A DADA COMPANY</small>	2007	8.6X	15.1X
 Ireland	 Register365 <small>A DADA COMPANY</small>	2008	4.9X	6.7X
 France	 Amen <small>A DADA COMPANY</small>	2008	6.8X	5.6X
 Portugal				
 UK	 PoundHost <small>A DADA COMPANY</small>	2010	2.7X	4.5X

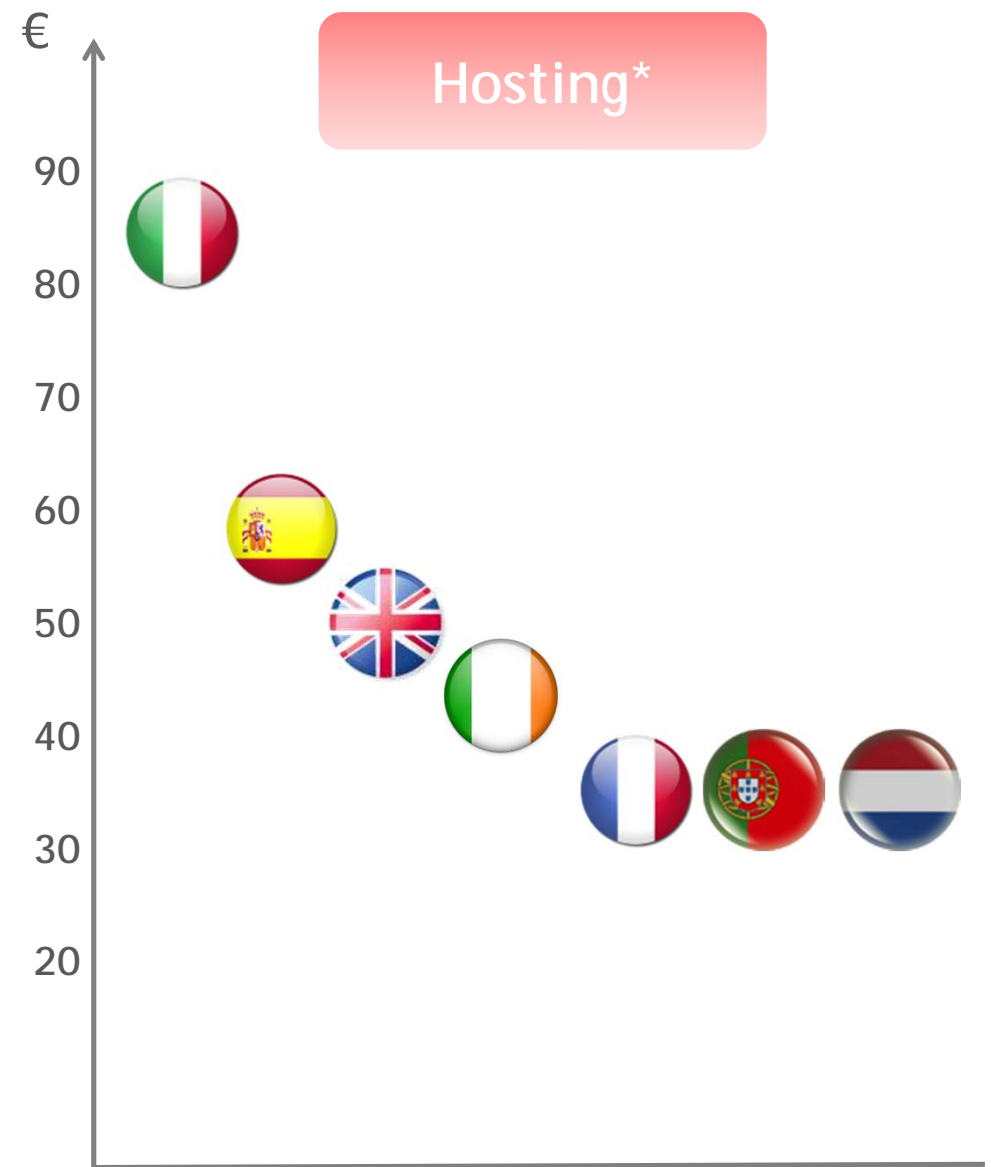
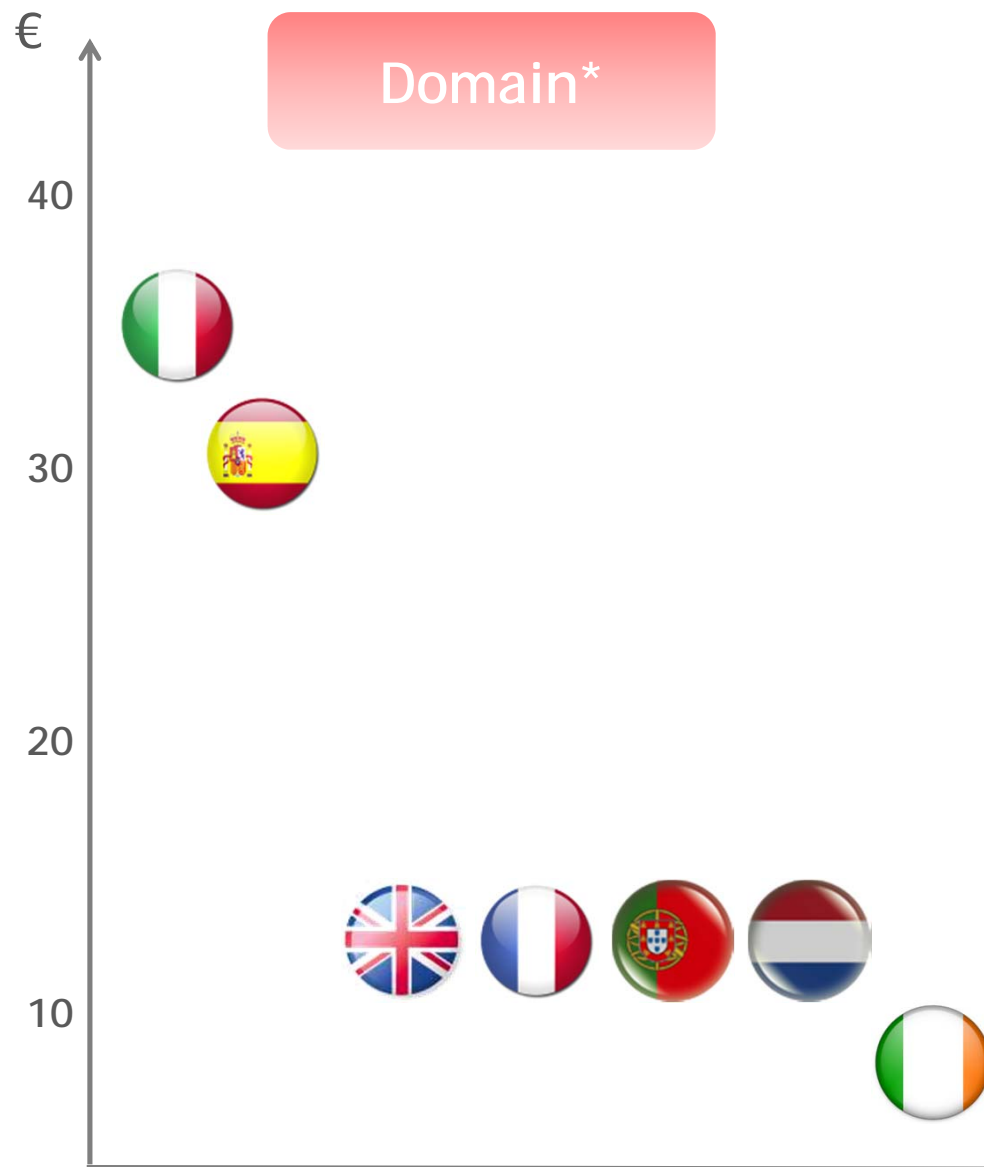
Domain & Hosting

Products & Markets evolution

	2005	2006	2007	2008	2009	2010
Markets reached	 1 market	 2 markets	 3 markets	 7 markets	 7 markets	 7 markets
Brands		 	  	    	    	     
Product portfolio	<ul style="list-style-type: none"> Domain registration Website development for SMEs 	<ul style="list-style-type: none"> Domain registration E-mail on payment Shared hosting services 	<ul style="list-style-type: none"> Domain registration E-mail on payment Shared hosting services 	<ul style="list-style-type: none"> Domain registration E-mail on payment Shared hosting services Online brand protection services Dedicated and virtual hosting 	<ul style="list-style-type: none"> Domain registration E-mail on payment Shared hosting services Online brand protection services Dedicated and virtual hosting 	<ul style="list-style-type: none"> Domain registration E-mail payment Shared hosting services Online brand protection services Dedicated and virtual hosting Website builder E-commerce

Launch of new products

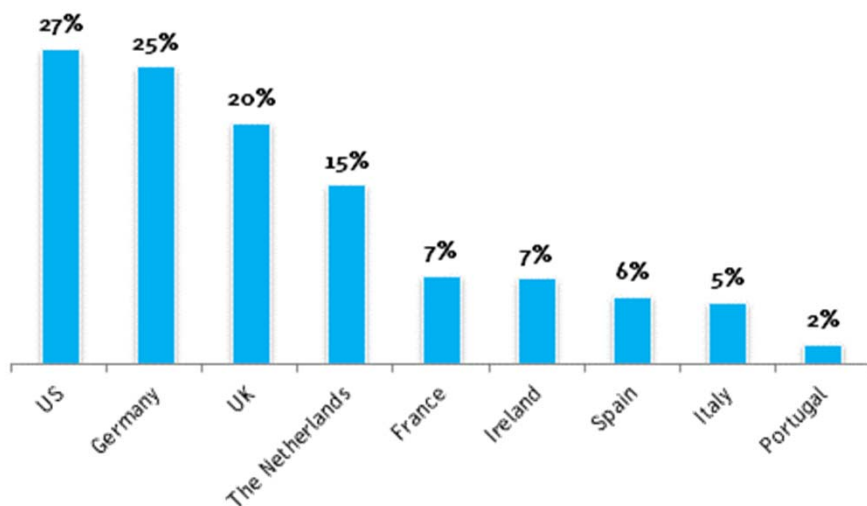
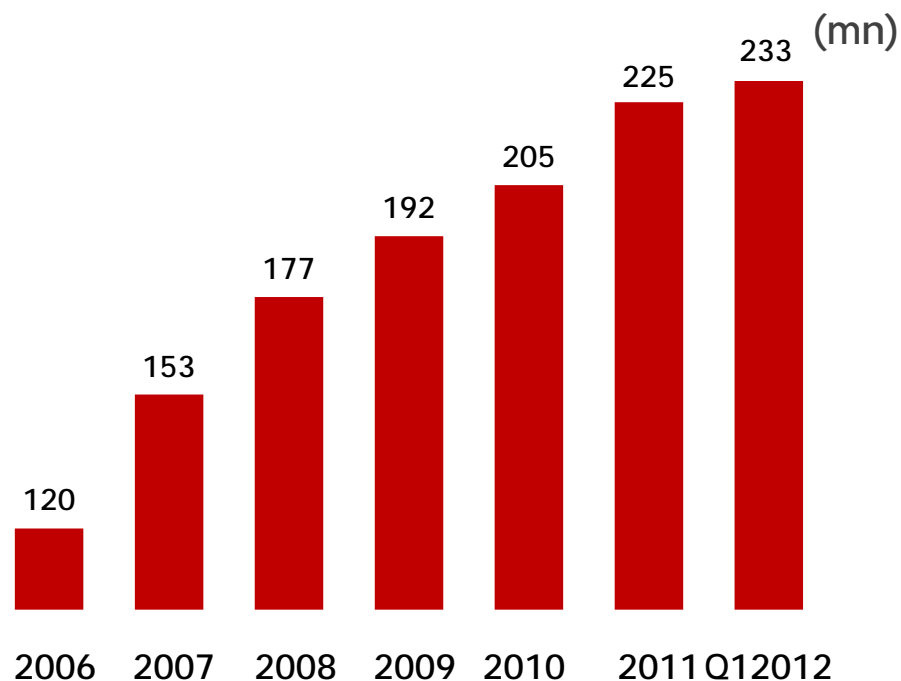
Domain & Hosting - Pricing by Country



* Comparison based on yearly basic offer

Domain & Hosting - Market Overview

- After 2011 closing of 225 million¹, the first quarter 2012 showed 233 million domain name registrations worldwide, a growth of 11% yoy;
- the .com and .net TLDs reached a combined total of 117 mn names (+8% yoy, renewal rate up to 73.9%)
- the base of ccTLDs was 95 mn names (+6% yoy) for more than 290 extensions globally



- U.S. and Germany are the first countries worldwide in terms of domain registration penetration^{1,2}: the top ten TLDs in terms of base size are .com, .de, .net, .uk, .org, .info, .tk, .nl, .ru and .eu (comprising almost 60% of all registrations)

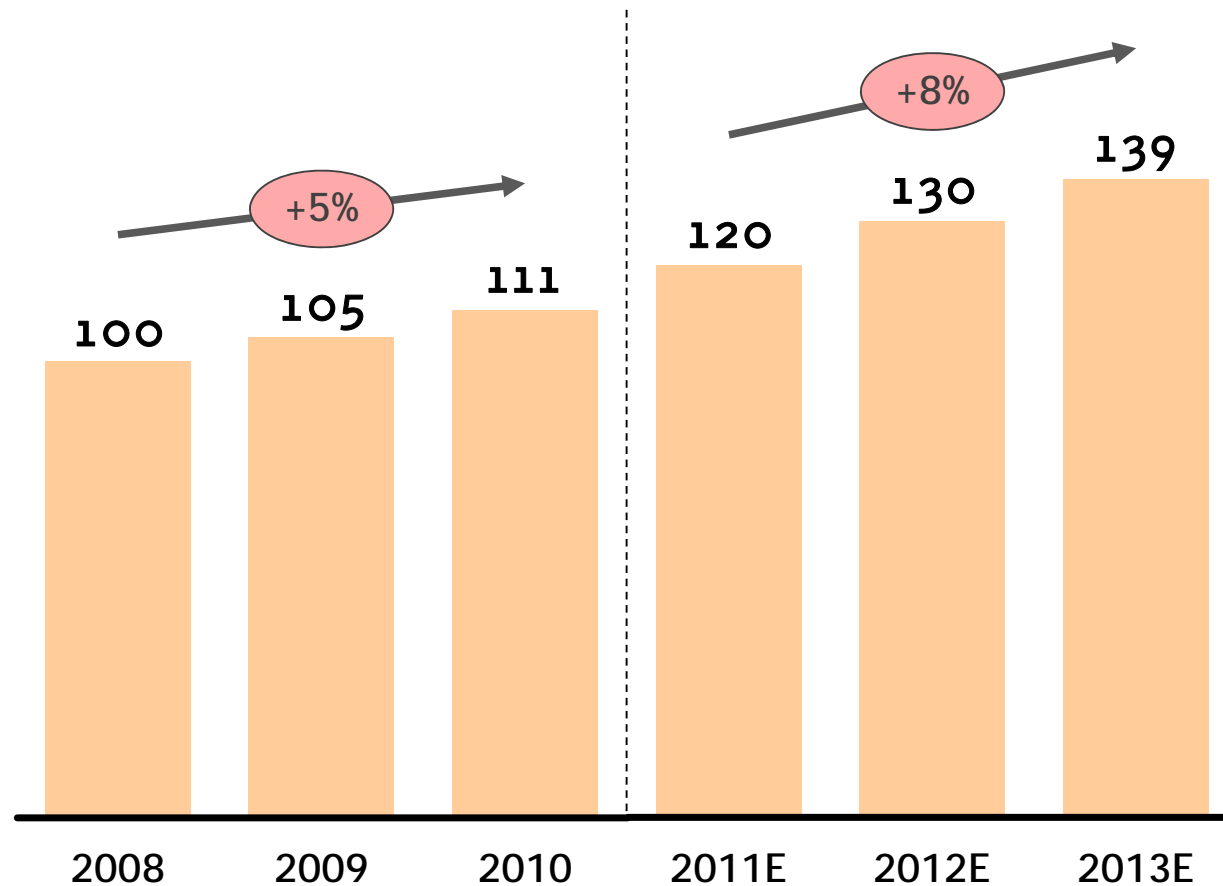
¹ "The Domain Name Industry Brief", Verisign, July 2012

² webhosting.info, local registers

Domain & Hosting - Market Forecast

Western Europe Domain & Hosting market forecast¹

In such an economic environment, our market is still expected to grow



Growth driven by:

- Gradual spread of broad band
- The large number of businesses (SMEs) that still do not have a website (36% of the SMEs in Europe²)
- Gradual spread of e-commerce
- Hosting infrastructure services can provide savings potential and flexibility to customers

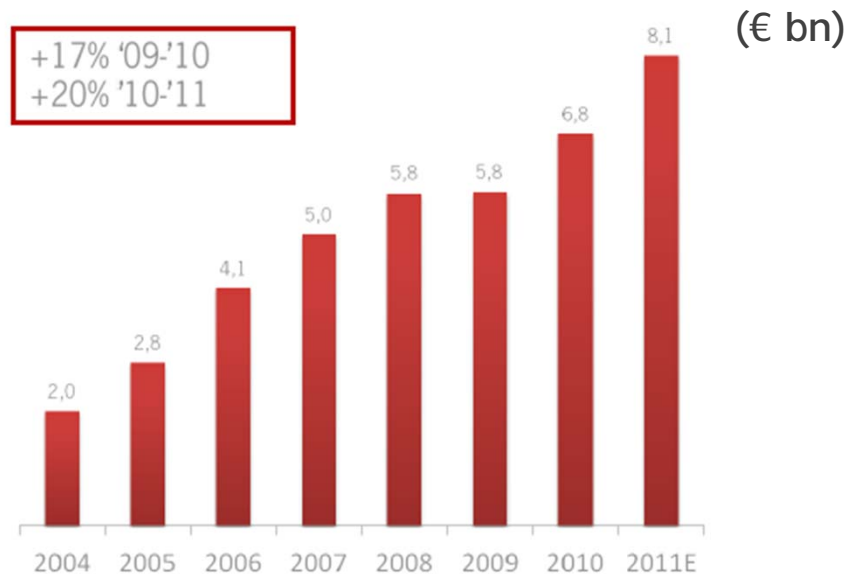
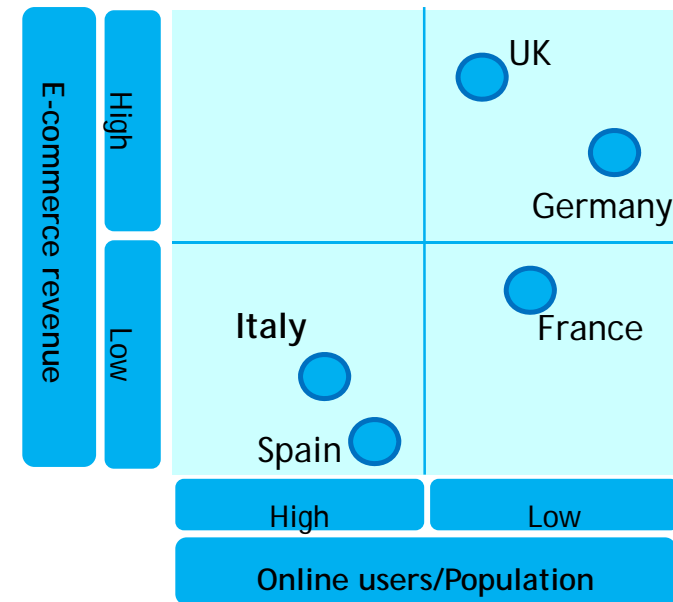
¹ Index 100, Estimate based on Hosting market data (including housing and connectivity services)

² More than 10 employees

Source: IDC, 2009

E-commerce - Market Forecast

- Only about 25% of all Italian companies have a website; the percentage drops to only 20% for businesses with under 10 employees ¹
- A recent in-house study shows that the number of users who set-up virtual shops in Italy has more than tripled since 2010 and of these more than 67% were SMEs
- Only 4% of Italian companies are currently selling online



- E-commerce sales in Italy recorded a +20% growth in 2011²
- The European e-commerce market is expected to grow overall between 2010 and 2015 by an average annual rate of 10% approx. (Italy by 13%)³

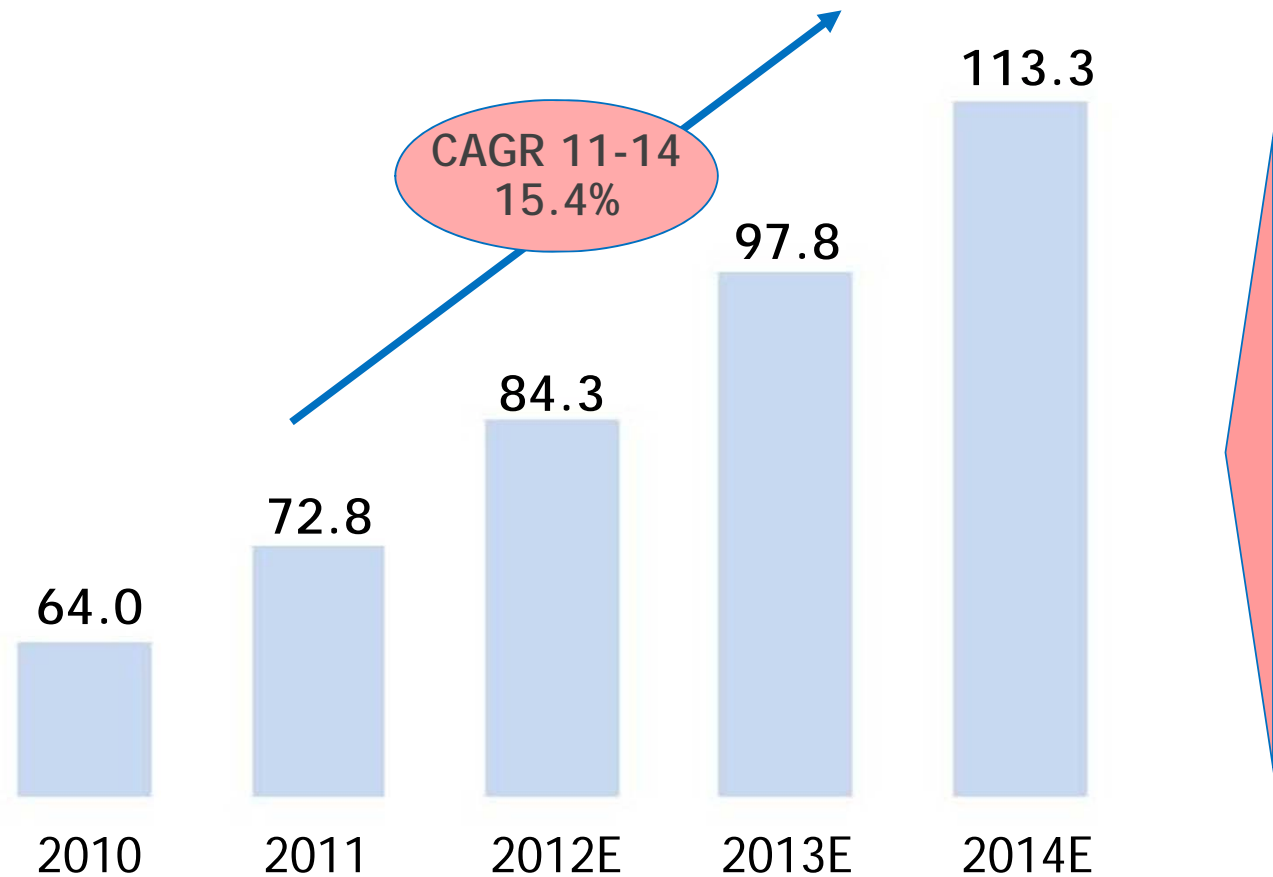
1 "Fattore Internet" - The Boston Consulting Group, 2011

2. Source: MIP and Netcomm

3 "Online Retail Forecast" - Forrester Research, 2010

Online Advertising - Market Forecast

Worldwide Market Forecast 2011-2014 (\$bn)



- In the G-20 countries, adv online will grow by 8-10% per year
- The emerging markets are expected to grow by about 18% per year
- In Europe: growth percentage will be 12% in Italy, 11% in UK, 8% in Germany
- In USA growth percentage will be 7%

Paid search represents about the 50% of the total market and is forecast to grow by almost 15% per year

Thank you!

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