



DADA

DOMAINS & ADVERTISING



Q1 2015

Results & Strategic Outlook

Agenda

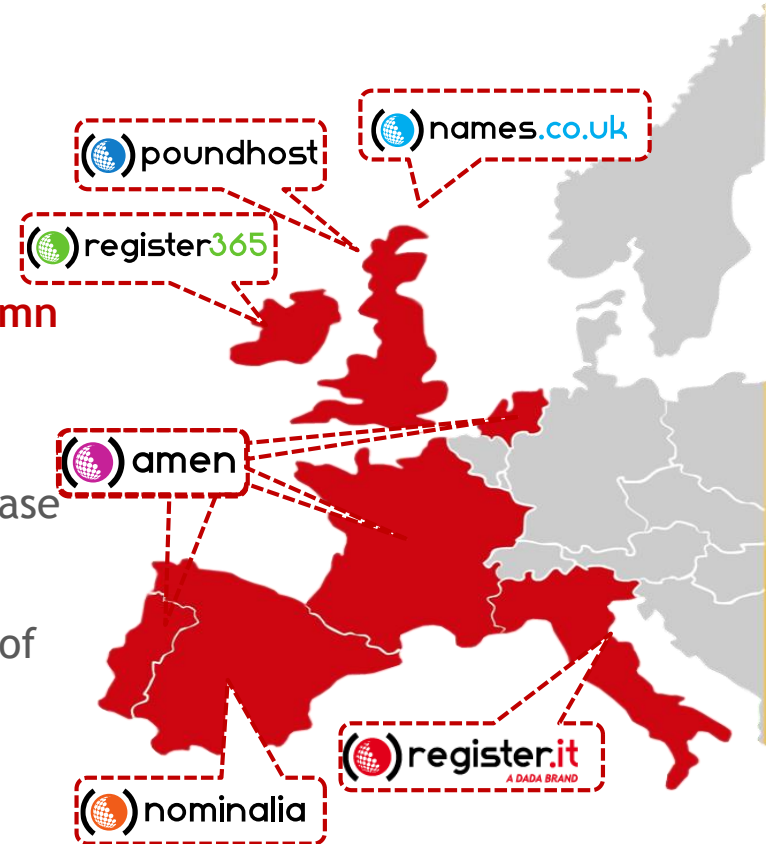
DADA in a snapshot

Q1 2015 Business Overview

Q1 2015 Financials

“The one-stop shop for your online presence”

- Targeted to **SMBs, professionals** and **high-end** customers
- Pan-European presence in **7 countries** with a high potential of scalability thanks to **unified platforms**
- Large **customer base** (**520k paying clients** for **1.7 mn** registered **domains**) upon which DADA can **up-sell** additional services
- Ongoing focus on **retaining** the existing customer base and acquiring **new customers**
- Increasing **competition** in most geographies, entry of major global **players** and **lower demand** for new registrations



Key Financials Q1 2015* vs Q1 2014

€ mn

	Q1 2015	Q1 2014	YoY
Revenue	16.01	15.97	+0,1%
EBITDA	2.8	2.3	+25%
<i>Ebitda margin %</i>	18%	14%	
EBIT	1.1	0.5	+104%
Profit (loss) from discontinued operations	-0.3	-0.1	<i>n.m.</i>
Net Profit	0.01	-0.5	<i>n.m.</i>
NFP	-26.9	-30.3	
Headcount	348	364**	

* Performance Adv (MOQU) results classified as Profit (Loss) from discontinued operations for both 2015 and 2014

**Including 25 employees from MOQU excluded from the figures at 31 March 2015 as a result of the disposal on 16 March 2015

Agenda

DADA in a snapshot

Q1 2015 Business Overview

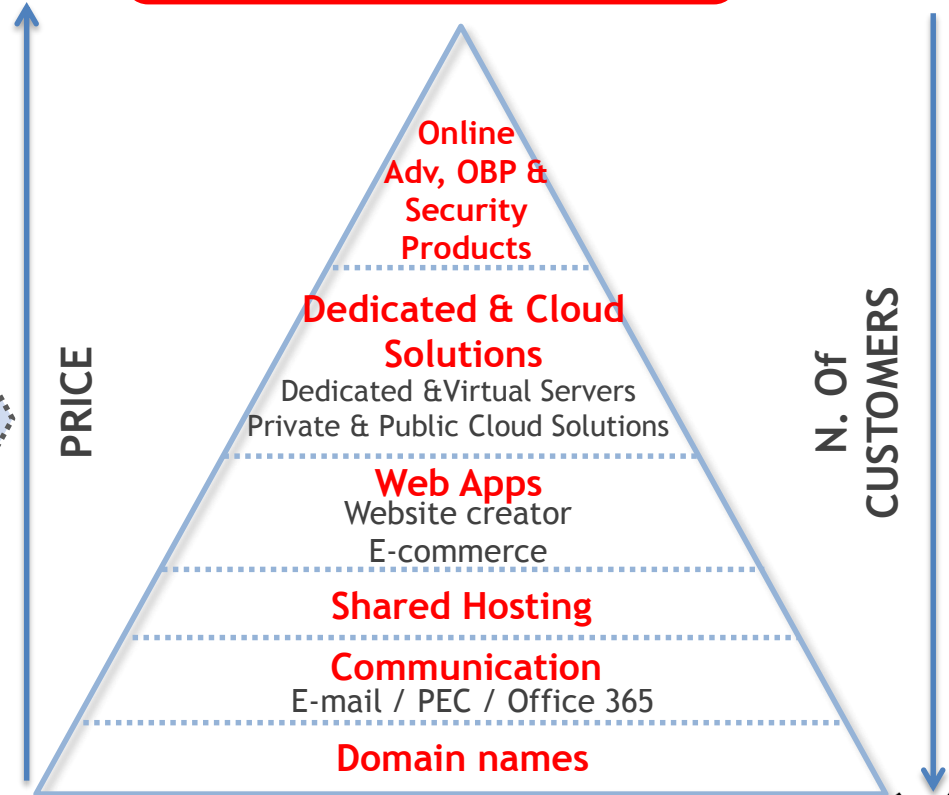
Q1 2015 Financials

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

Online solutions
are increasingly
key for SMEs

DADA'S SUITE OF SERVICES



Business Overview

What we offer...

Step 1

Get a domain name to start online presence



Key Products:

- Domain name registrations
- Domain renewals and transfers
- newGtlds pre-registration
- TMCH and DPML

Step 2

Build a web presence

Site creation

All the tools you need to build your website

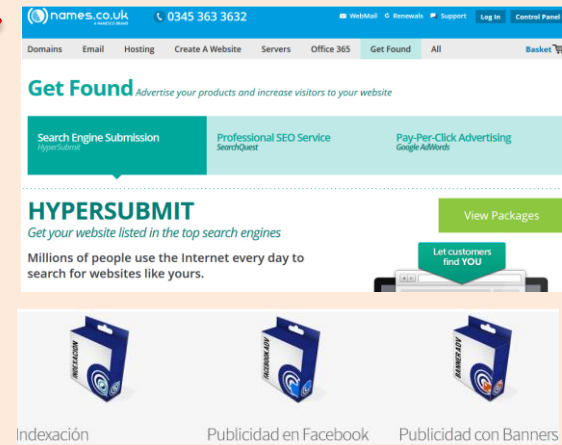


Key Products:

- Website builder
- Shared Hosting (email)
- Dedicated and virtual servers
- Turnkey products

Step 3

Increase your visibility and sell online



Key Products:

- Search Engine Optimization
- Online marketing solutions
- E-Commerce solutions

... supported by continued outstanding customer care

HOW? Dedicated Phone Assistance and Technical Support Team

POST- SALES ACTIVITIES:

Renewals:

alert deadline, payment,
credit recovery

Order intake:

cart conversion, transfer
support, starter kit

Support:

First-level support



PRE- SALES ACTIVITIES:

Commercial offers

Commercial
informations on
products

Hight value product

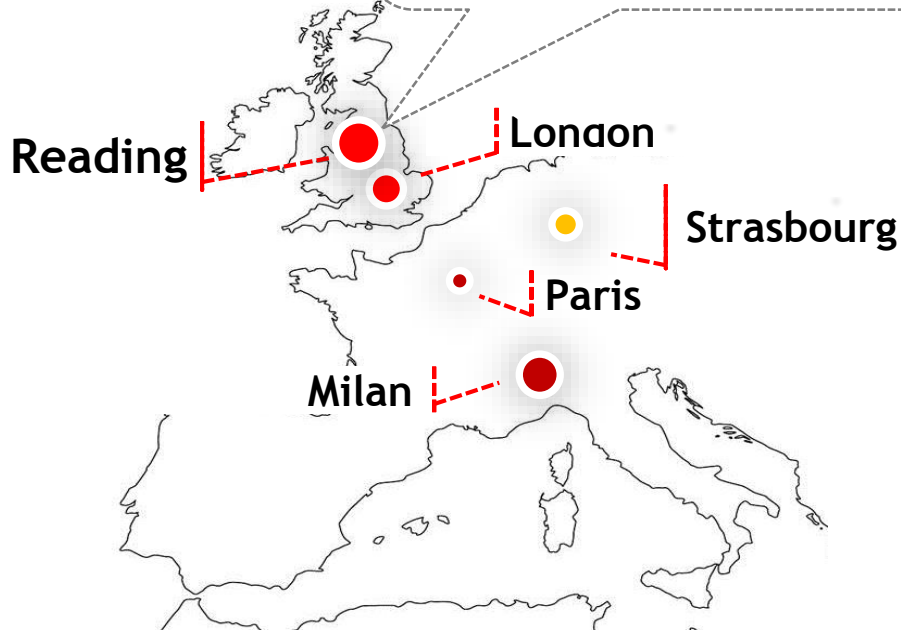
Increase the channels:

*in bound call, out bound call, e-mail, chat, webinar,
networking*



The new **UK DataCentre** site is a **50,000 square foot facility** located near to the Green Park technology area:

- *Cutting-edge specifications (TIER 4 like)*
- *Industry leading SLAs*
- *24/7 Support*



- Shared Hosting/ Network/ Other services
- Dedicated Virtual Servers
- All

Business Overview

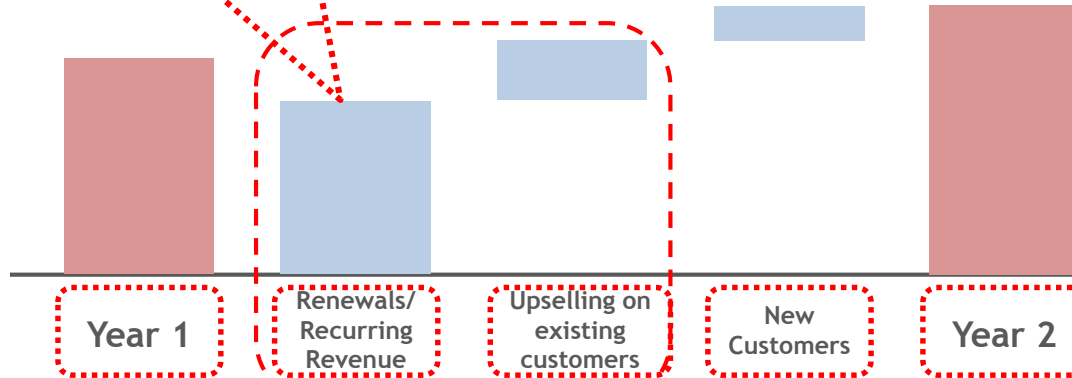
...and to the new IT Infrastructure



Business Overview

Revenue model and key drivers

Renewals of existing clients represents over two thirds of new sales on average



Of which about 90% is from advance payment by credit card

2015 DRIVERS

Customer base consolidation is key for driving long-term growth and extracting future value

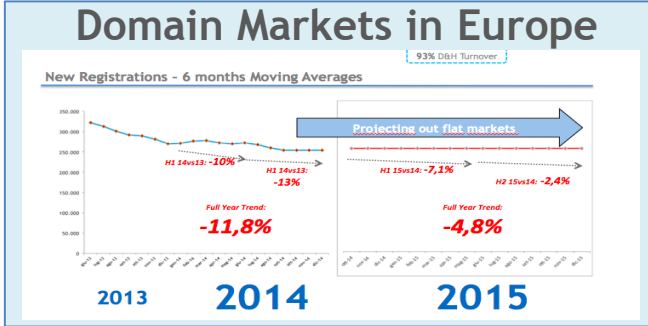
Strategic priority on:

- ✓ reducing Churn
- ✓ upselling to Current Customers
- ✓ acquiring New Customers

Working closely on **RETENTION** and on **NEW ACQUISITIONS**

Business Overview

Main Market trends of Q1 2015



➤ 1Q15 confirmed the **slow down trend** in the Domain & Hosting business in the main European markets, affecting number of **new customers**



➤ General **increase in cost of acquisition** driven by aggressive marketing policies by large competitors and consequently **risk of commoditization**

*Source: Management analysis based on available market data

Business Overview

Key pillars of Strategy

Market Scenario

Increased competition pressure

Strategy

Price reposition and local strategy

Main Goal

Success objectives

New Competitors

New large global players entering our markets (GoDaddy, Google)

Cost of acquisition

Competition leveraging on web acquisition channels and raising online **cost of acquisition**

Price War

Aggressive marketing campaigns more and more driven by **low cost offers**

Revise our **price positioning** by developing modular offer of services

Increase **product range quality** and introduce additional value to core products

Engage customers by introducing “**We do it for you**” products

Support customers extending customer services availability and contact channels

Hold renewals/
Reduce churn rates

Grow active customers

Domains & Hosting

2015 Strategic Priorities

Objective

Deliverable

Impact

1	Reduce Churn	<ul style="list-style-type: none">• Platform performance• Value add products• Enhanced user interface	<ul style="list-style-type: none">• Improved renewal rates• Lower customer attrition
2	Upsell to Base	<ul style="list-style-type: none">• Develop offline sales channel• Introduce new products• Enhanced user interface	<ul style="list-style-type: none">• Offline sales improved• New/enhanced products• Improved ARPU
3	Platform integration	<ul style="list-style-type: none">• Network infrastructure• Platform consolidation• Team integration	<ul style="list-style-type: none">• Savings delivered• Operational efficiency• Speed to market
4	New cust channels	<ul style="list-style-type: none">• New local and social products• Co-brand marketing• New market entrance	<ul style="list-style-type: none">• Growth in new customers• Operating in Indian and South American market• Acquiring without domain lead

Agenda

DADA in a snapshot

Q1 2015 Business Overview

Q1 2015 Financials

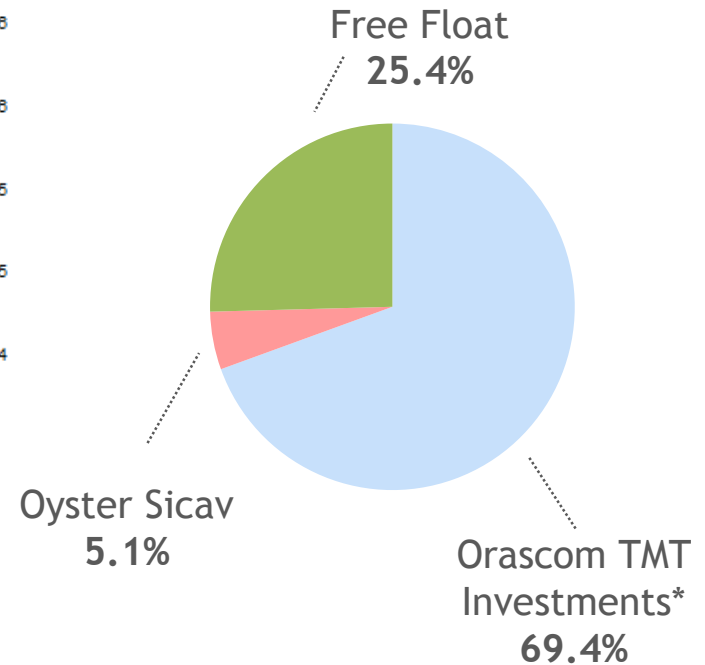
3Y Stock Performance



Share Information

Ticker	DA IM (Bloomberg), DA.MI (Reuters)
Market cap (FTSE STAR Segment)	€48.84 mn
Shares issued	16.210.069
Last 3 Month avg. daily trade	39.955

Shareholding Structure



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

Financials

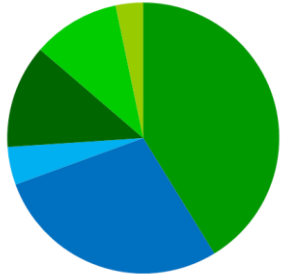
Q1 2015 - Profit & Loss

€ mn	Q1 2015	% on sales	Q1 2014	% on sales	Q/Q %
Net Revenues	16.01		15.97		0.1%
EBITDA	2.8	18%	2.3	14%	25%
EBIT	1.1	7%	0.5	3%	104%
Profit before Tax	0.6	4%	-0.2	-2%	n.m.
Group Net Profit	0.01	n.m.	-0.5	n.m.	102%

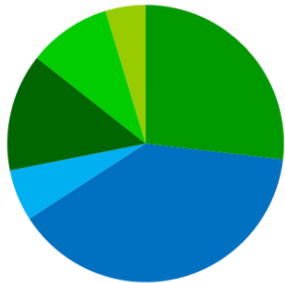
Financials

Q1 2015 - Revenue Breakdown by Country

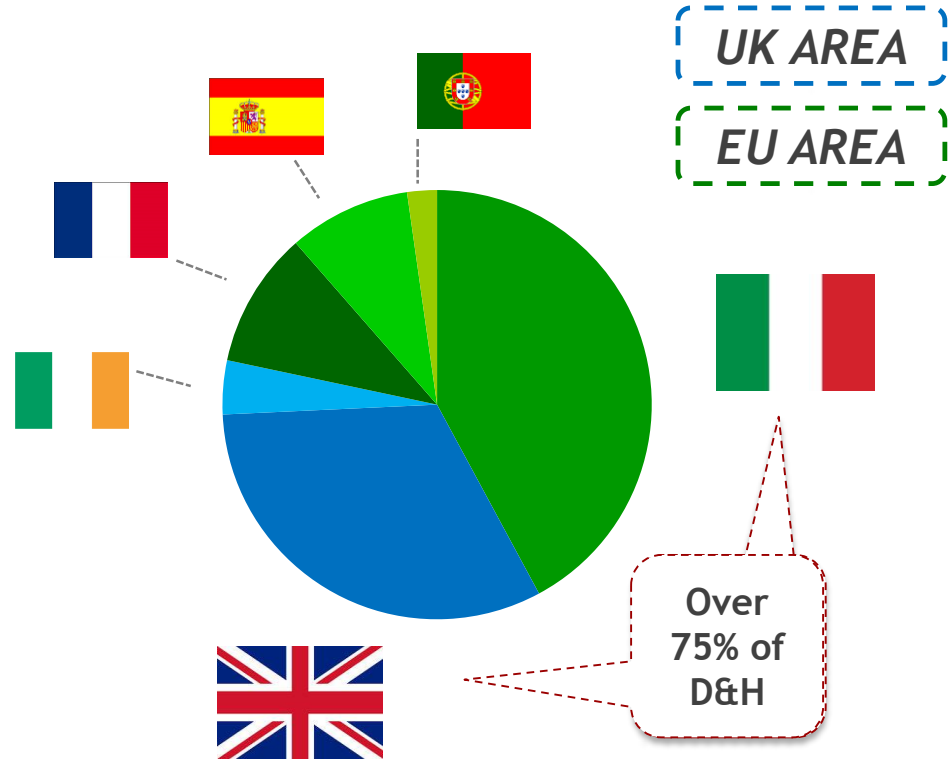
Domains Under Management



Customer Base



- Italy
- UK
- Ireland
- France
- Spain
- Portugal

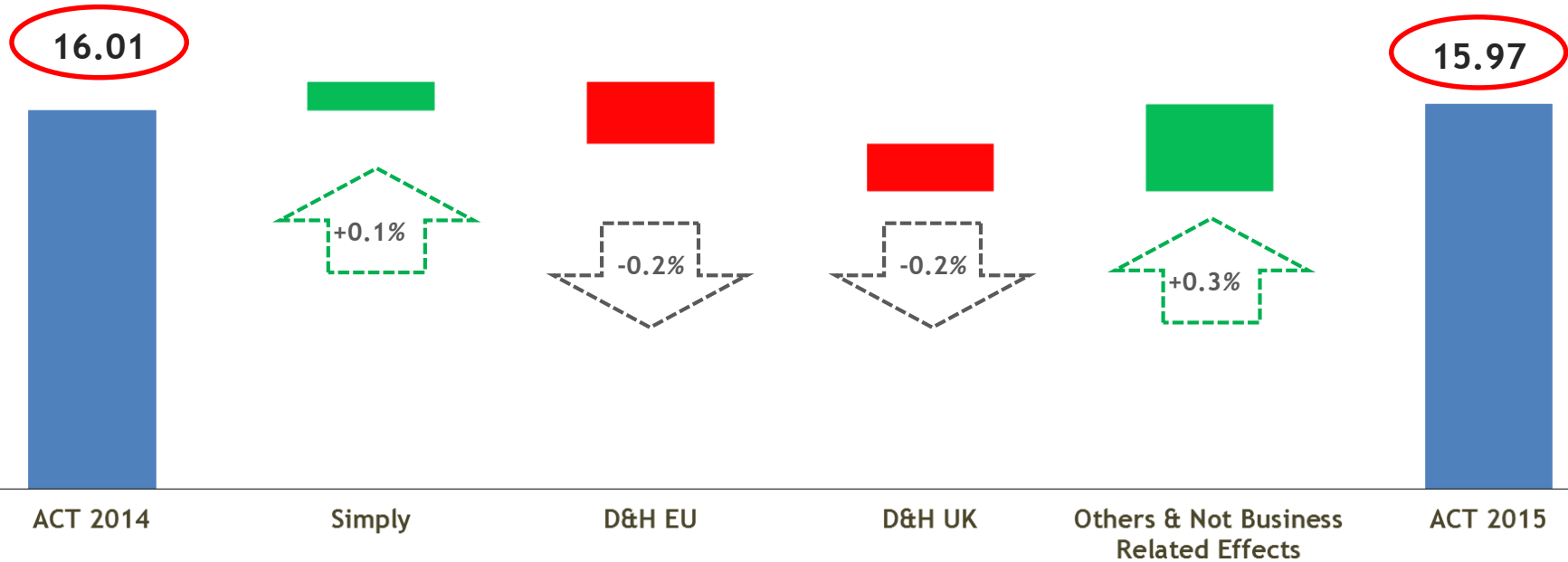


Q1 2015 Revenue = 16.01 mn (100%)

Financials

Q1 2015 - Key Revenues components

€ mn



% = Delta vs 2014

(*) Not business related effects:

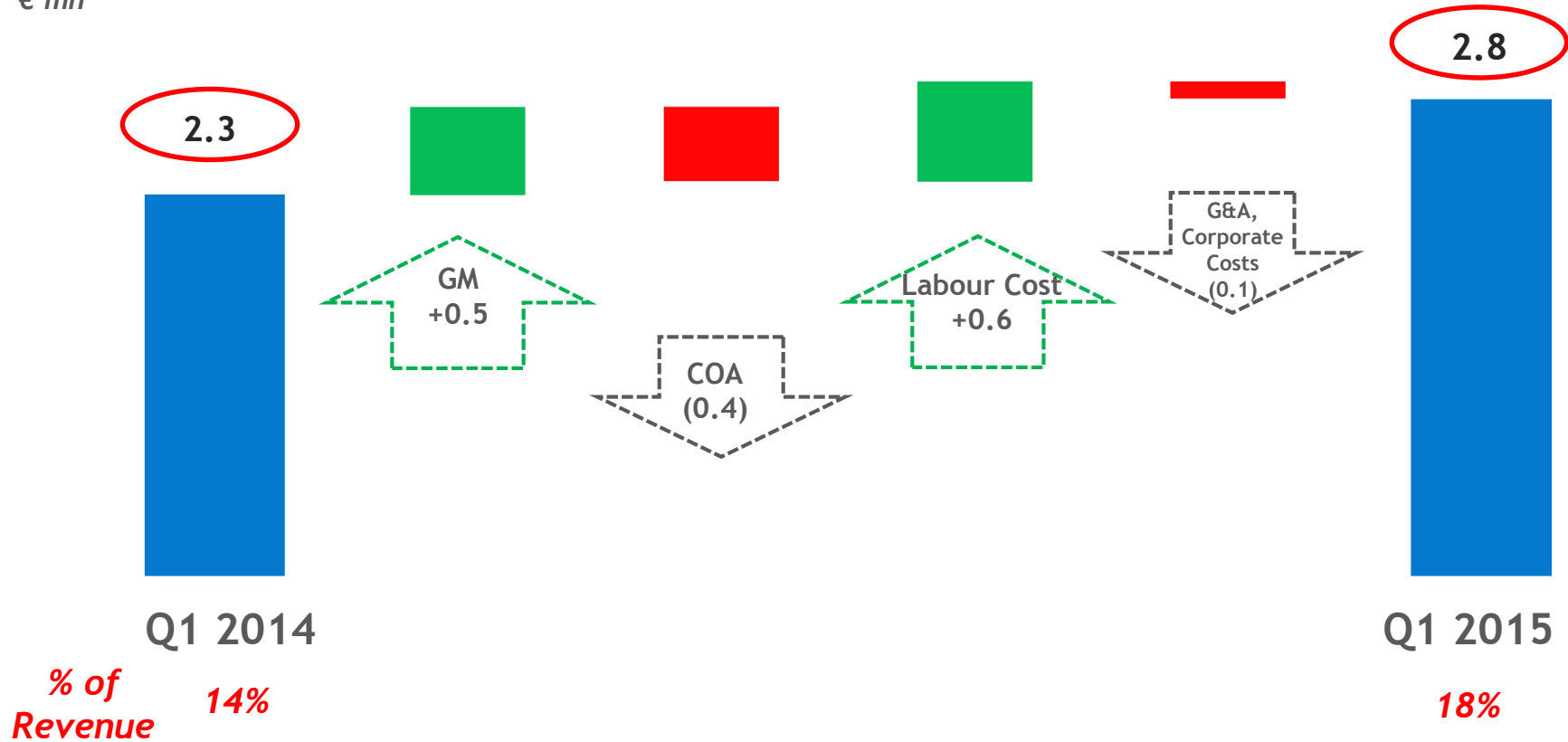
€/GBP Exchange Rate +€0.6 mn

2014 UK Adsl Revenue (Dismissed in May14) -€0.2 mn

Financials

Q1 2015 - Key EBITDA components

€ mn

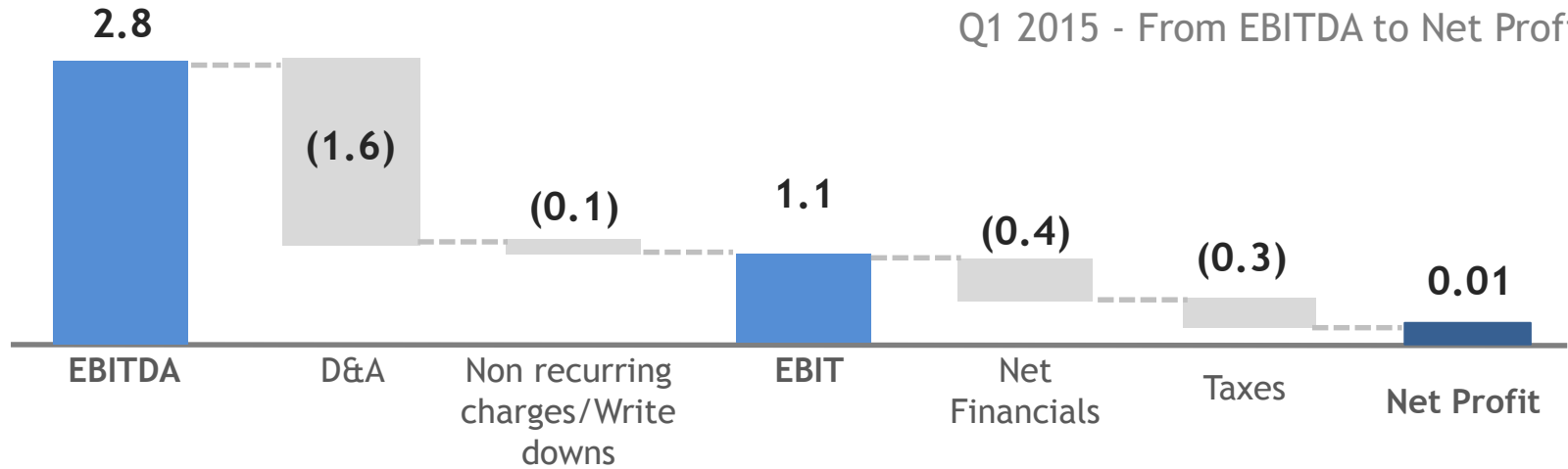


Financials

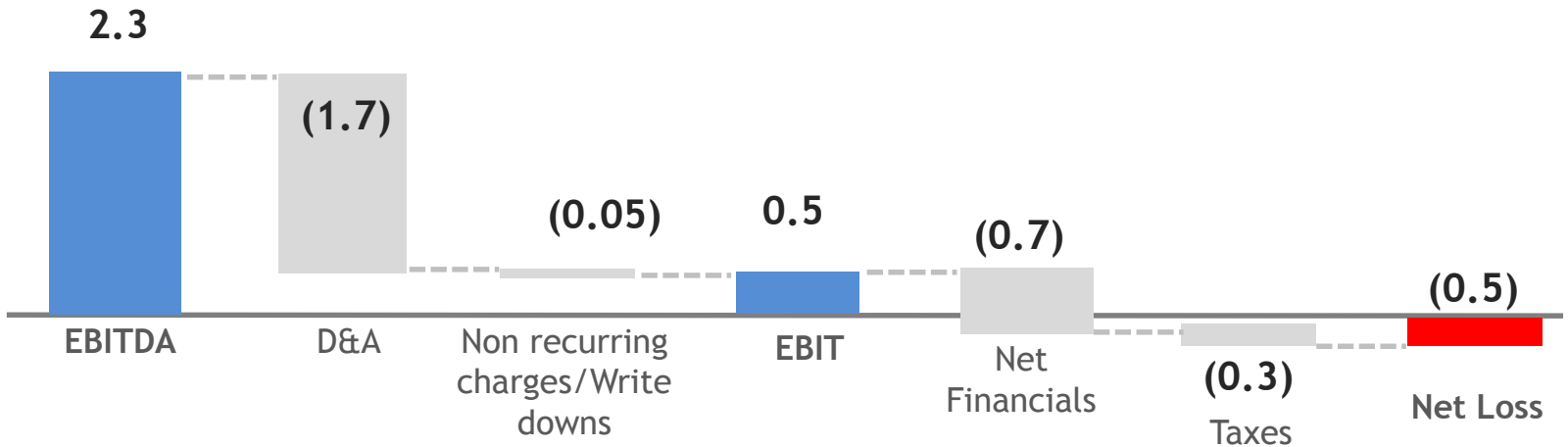
Q1 2015 - From EBITDA to Net Profit

€ mn

Q1
2015



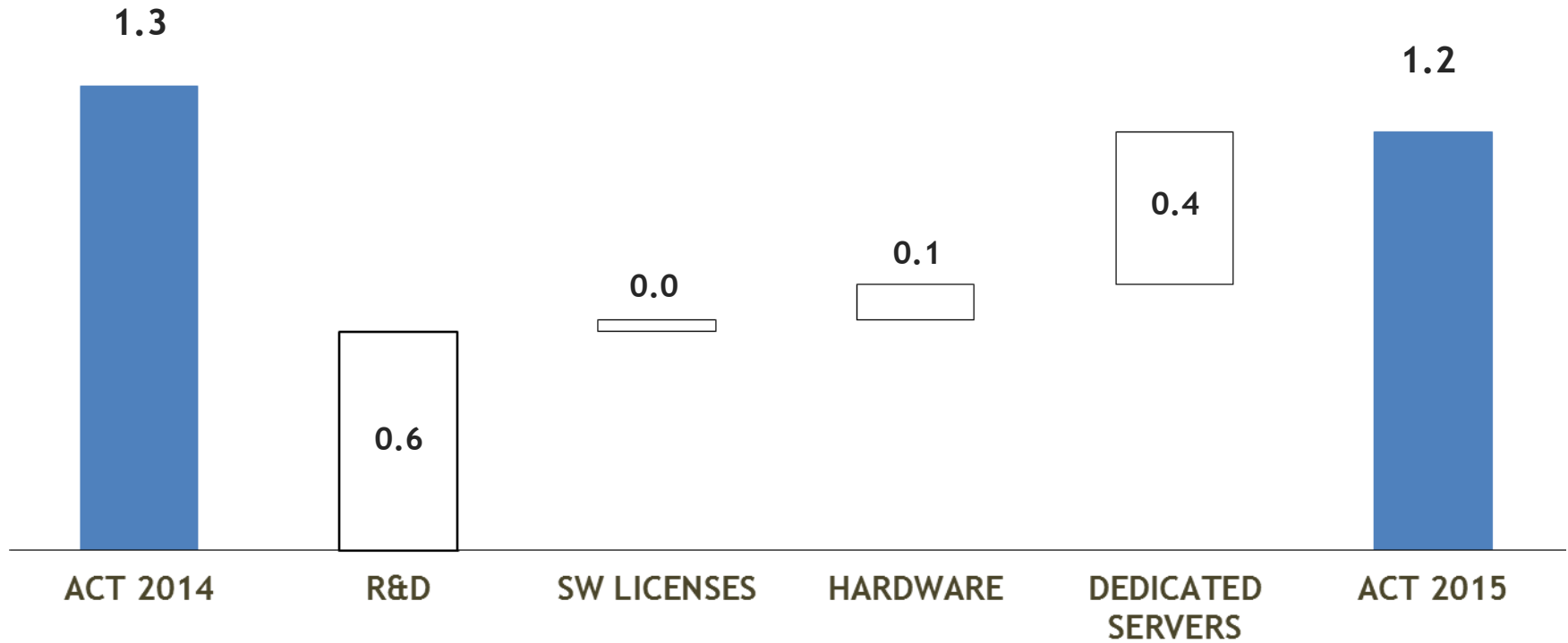
Q1
2014



Financials

Q1 2015 - Capex Composition

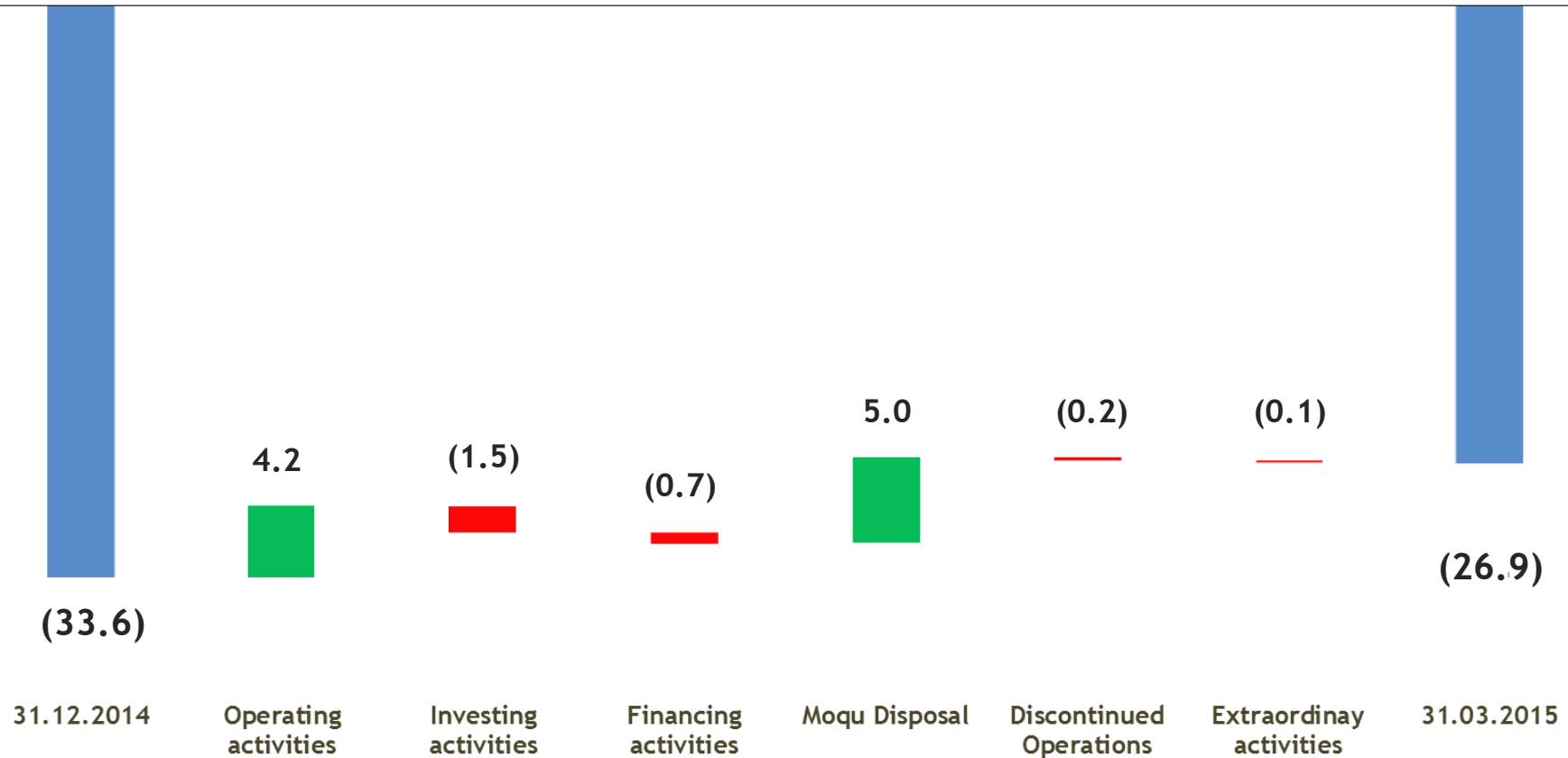
€ mn



Financials

Q1 2015 - Cash Flow Composition

€ mn



* Of which -€0.3 mn related to CC commissions

€ mn	31.03.2015	31.12.2014
Net Working Capital	(11.4)*	(10.3)
Fixed Assets	97.1	95.4
Severance and Other Funds	(1.2)	(1.4)
Other Payables beyond one year	(22)	(17)
Net Capital Employed	84.5	83.7
Net Financial Position	(26.7)	(33.6)
Total Shareholders' Equity	(57.6)	(50.1)

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

* Of which 13mn deferred revenues included

€ mn	Q1 2015	Q1 2014
Liquid and credit by back account	7.5	1.4
Credit lines, account overdrafts and current bank borrowing	(12.1)	(18.2)
Non-current bank borrowing (M/L T)	(22.2)	(16.7)
Derivatives	(0.1)	(0.1)
NPF	(26.9)	(33.6)

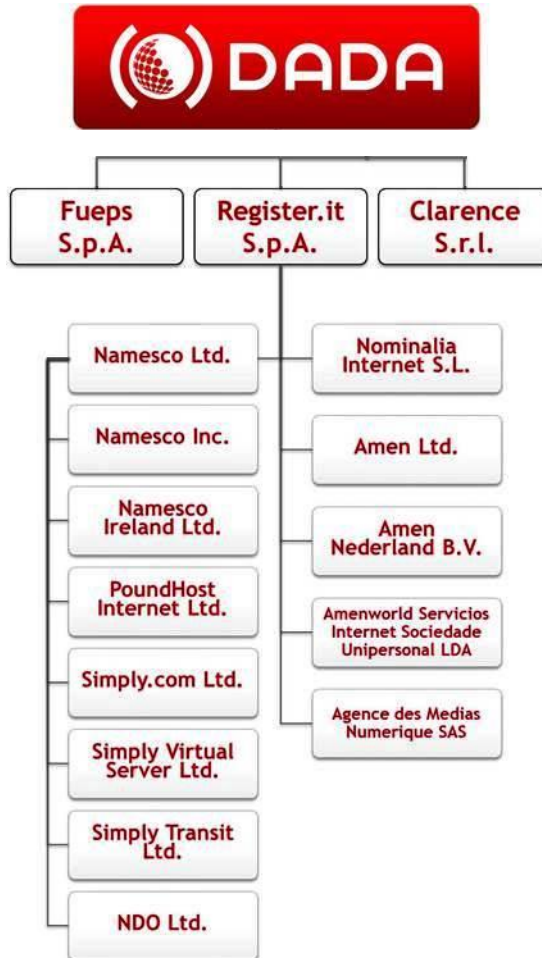


DADA

DOMAINS & ADVERTISING

Appendix

Group Corporate Structure as of April 2015

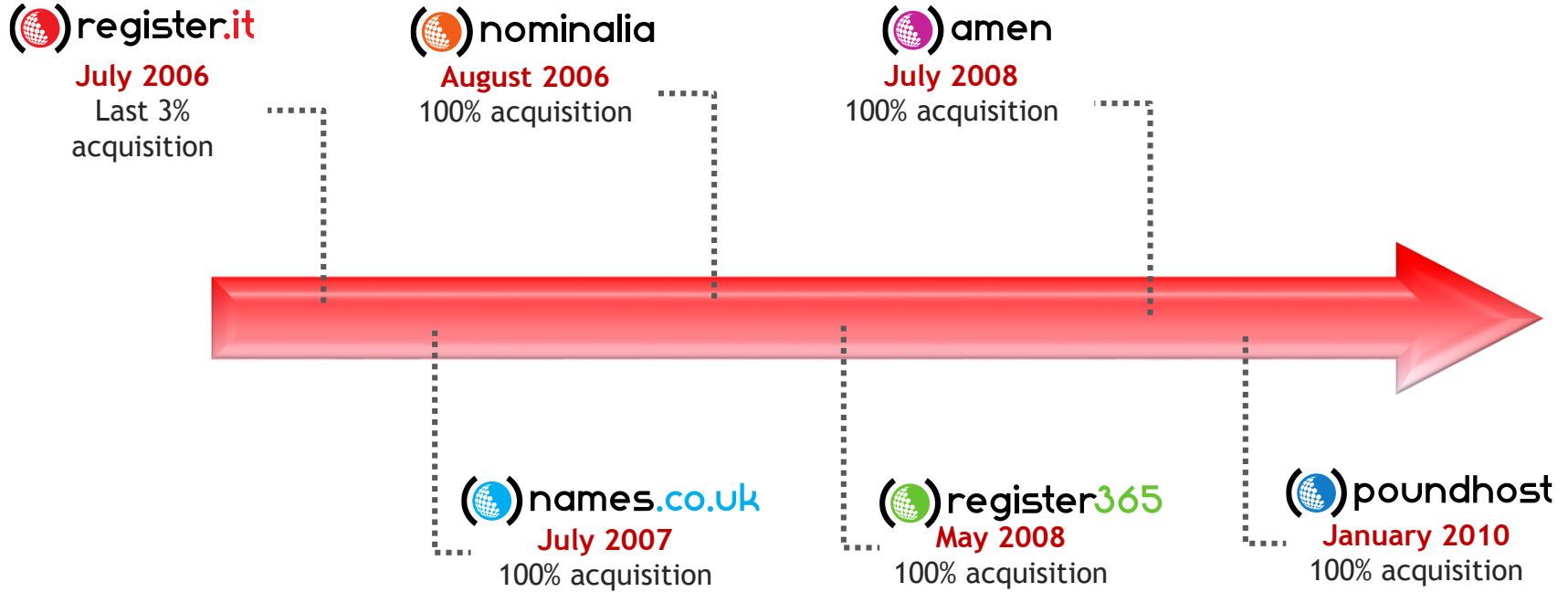


Q1 2015 - Dada Group Consolidated P&L

€/mn	ACT 2015	ACT 2014	Delta vs 2014	
Revenue	16,0	16,0	0,0	0,1%
COGS	-5,7	-6,2	0,5	
Product Margin	10,3	9,8	0,5	5,3%
COA	-1,7	-1,2	-0,4	
Gross Margin	8,7	8,6	0,1	0,9%
Labour Cost & Contractors	-4,7	-5,3	0,6	
R&D CAPEX	0,6	0,8	-0,2	
G&A	-1,8	-1,9	0,1	
EBITDA	2,8	2,3	0,6	25,0%
Receivables write-downs	-0,1	-0,1	-0,1	
Non recurring charges	0,0	0,0	0,0	
D&A	-1,7	-1,7	0,0	
EBIT	1,1	0,5	0,5	103,9%
Net Financials	-0,4	-0,8	0,4	
Taxes	-0,3	-0,2	-0,1	
Profit (Loss) from Continuing Operatio	0,3	-0,5	0,8	n.m.
Profit (Loss) from discontinued operations	-0,3	-0,1	-0,3	
Net Result	0,0	-0,5	0,5	n.m.












* 2015 Positive Result for €11k

M&A activity in Domains & Hosting



Over time DADA has proved that it can grow also by external growth

M&A history

Country	Brand	Year	Acquisition 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	 amen	2008	6.8x	5.6x
 Portugal				
 UK	 poundhost	2010	2.7X	4.5X

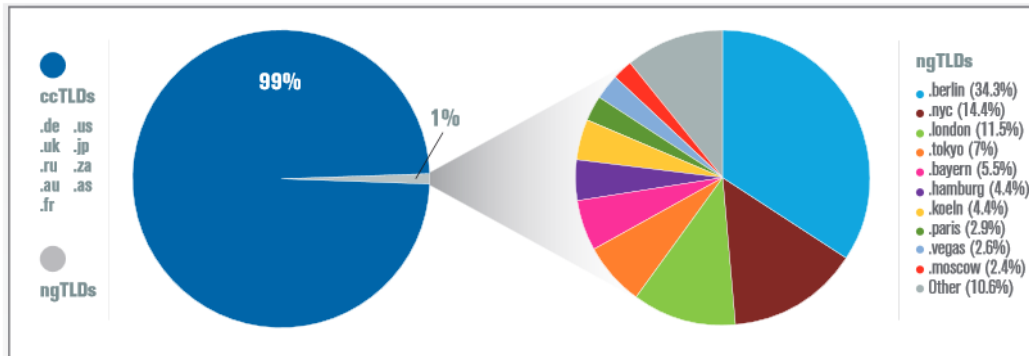
Domain & Hosting - Market Overview

The fourth quarter of 2014¹ showed 288 million domain name registrations worldwide, a growth of 6.2% yoy:

- the .com and .net TLDs reached a combined total of 130.6 mn names (+2.7% yoy)
- At the end of the fourth quarter of 2014, 478 new gTLDs were delegated into the root. New gTLD registrations totaled 3.6 million (+2.3% of total gTLD registrations)
- the base of ccTLDs was 134 mn names (+8.7% yoy) for more than 285 extensions globally



CCTLDS/NEWTGLDS DOMAINS PENETRATION



New Gtlds registration totaled 3,6 mln, on 2,3% on total gtlds registrations

¹ "The Domain Name Industry Brief", Verisign, March. 2015

² Zooknic, local registries

Domains & Hosting

Key pillars of Future Strategy figure from FY2014 Presentation

STRENGTHENING CUSTOMERS BASE FOCUSING ON THE BUSINESS SEGMENT OF SMEs...

1. Strengthening Email and Social collaboration tools, Hosting and related value-added products
2. Expanding the offer of virtual and dedicated servers, also in fully managed mode
3. Improving on- and off-line customer service, for customer delight and further increasing retention and ARPU rates

... WHILE DRIVING PROFITABILITY IMPROVEMENT

1. Integrating technology platforms
2. Capitalize the rationalization of the Data Centers structure started in 2014
3. Ensuring tight operating cost control to increase overall efficiency

2015 - 2016

TOPLINE:

Mid-single digit

CAGR*

(with a higher rate from the second part of the period)

PROFITABILITY:

**More than proportional
increase vs Rev growth**

FY 2014 Results - Cash Flow Statement

€ mn	Q1 2015	Q1 2014
Cash and Cash Equivalents at the Beginning of Period	(16.8)	(9.5)
Group Net Profit (Loss)	2.8	2.3
Gross Operating Cash Flow	3.8	3.0
Working capital, Income taxes and Interest paid	(0.5)	(0.5)
Net Operating Cash Flow	3.3	2.5
Capex & Investing Activities	3.4	(1.9)
Financing Activities	5.5	0.0
Free Cash Flow	12.2	0.7
Cash and Cash Equivalents at the End of Period	(4.6)	(8.9)

Many thanks!

All forecasts included in this document are subject to risks and uncertainties of DADA itself and of Internet, media and Telco markets.

All forecasts are based on currently available information and reflect DADA Group management expectations.

All forecasts reflect market parameters, assumptions and other fundamentals which could change and therefore influence the future results.

All the forecasts are based on an hypothesis of organic growth and commercial and regulatory stability, particularly in the mobile market.

This document does not constitute solicitation of public saving.

Contacts

Investor Relations DADA

Tel: +39 055 200211

investor.relator@dada.eu