DADA

DOMAINS & ADVERTISING

Q1 2013 Results

DADA
DOMAINS & ADVERTISING

The gateway to your digital presence

Agenda

DADA in a snapshot

Core Business Overview:
Domains & Hosting

New Business Overview:
Digital Advertising

Financials & Outlook

DADA
DOMAINS & ADVERTISING

Who is DADA

1 **Domains & Hosting**

Professional online presence services (registration of domain names, offer of shared, dedicated and virtual hosting and online brand protection) with a strong European footprint

Simply: advanced digital advertising solutions for D&H clients

2 **Digital Advertising**

Performance Adv: web traffic monetization through internationally scalable models and vertical portals

Brands

register.it, nominalia, names.co.uk, register365, amen, poundhost, simply

peeplo, save n keep, sconti.it, OnlyTop Deals

Highlights

- **515k** companies served in **seven European countries**
- More than **1.7 mn domains** managed
- **30 mn monthly U.V.**

Geographic Coverage

- Italy
- UK
- France
- Spain
- Ireland
- Portugal
- The Netherlands

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Key Financials

€ mn

	Q1 2013	Q1 2012	YoY
Revenue	**20.6**	22.0	*-6%*
EBITDA	**3.3**	3.1	*+6%*
Ebitda margin %	*16%*	*14%*	
EBIT	**1.7**	1.5	*+12%*
Net Profit	**0.4**	0.5	*-24%*
NFP	-26.8	-26.2*	
N. Headcount	**384**	**372***	

** As of December, 31 2012*

Q1 2013 Highlights

- **Quarterly margins** rising to €3.3 million, **up by 6%** on Q1 2012 and contributing **16% of revenue** (14% in Q1 2012)

- Core Business **performance improved**:
  - More than **515,000 international clients** achieved in Europe
  - Launch of **new products**
  - **Higher recurring revenue base** with high visibility/predictability

- **Ongoing optimization** of the operating and corporate **cost structure**

- **New UK Datacenter** under construction

Agenda

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- New Business Overview: Digital Advertising
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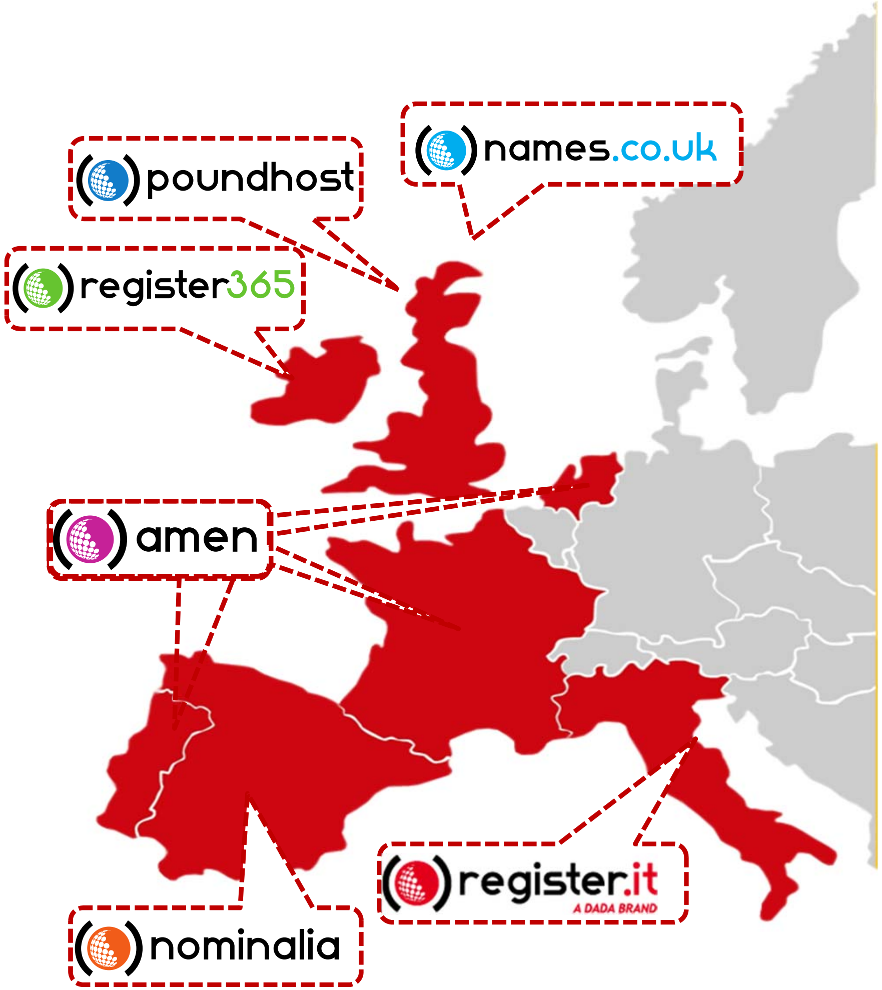
Domains & Hosting

Professional services for on-line presence

Key Financials

€ mn	Q1 2013	Q1 2012	YoY
Revenue	**16.1**	16.5	*-2%*
EBITDA	**3.1**	2.9	*+6%*
Ebitda margin %	*19%*	*18%*	

- 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 expansion through the launch of **new applications** and the optimization of **marketing initiatives**



Domains & Hosting
Current Offering

Step 1
Get a domain name to start online presence

Key Products:
- Domain name registrations
- Domain renewals and transfers

Step 2
Build a web presence

Key Products:
- Website builder
- Shared Hosting (email)
- Dedicated and virtual servers

Step 3
Increase your visibility and sell online

Key Products:
- Search Engine Optimization
- Online marketing solutions
- E-Commerce solutions

Domains & Hosting

Key Success Factors & Ranking

KEY SUCCESS FACTORS	RELEVANCE FOR DADA CLIENTS
1 Experience & Brand recognition	VERY HIGH
2 Service Execution	HIGH
3 Product	MEDIUM
4 Price	MEDIUM

DADA'S POSITIONING

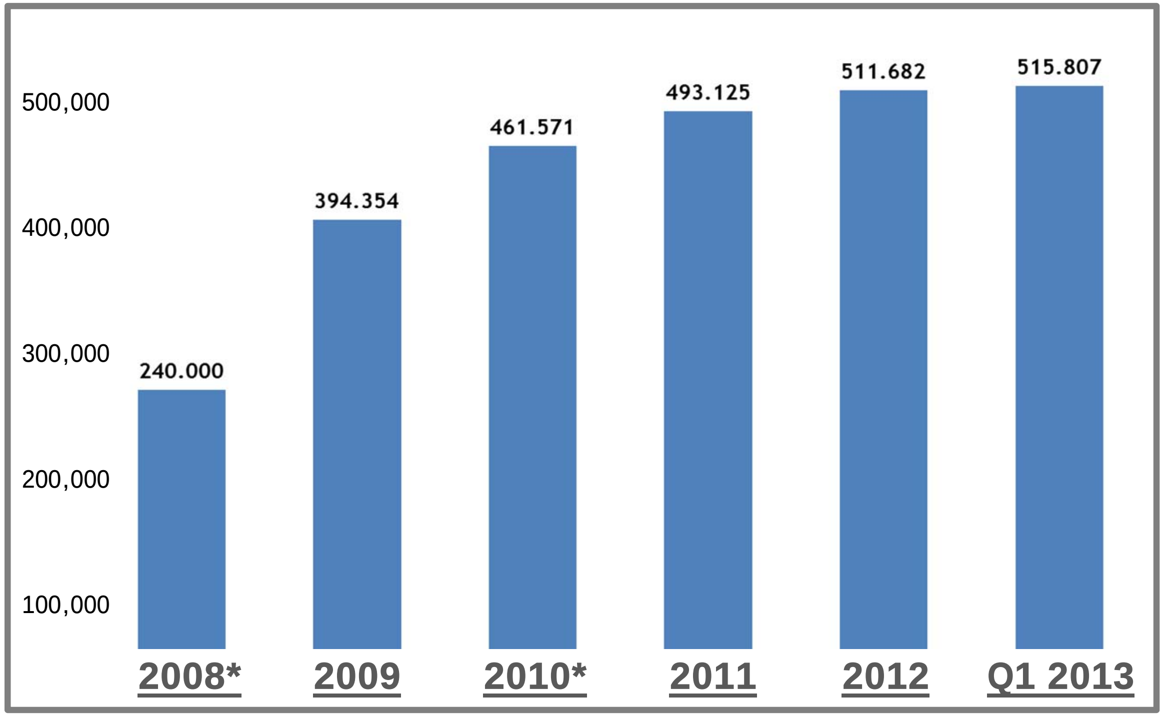
Main Countries	Dada's Ranking	Market Size
	2	
	Top 4	
	Top 5	
	Top 5	
	1	
	1	

Demonstrated ability to grow organically and via acquisition

Domains & Hosting

Long-standing and growth track record

Customer Base evolution



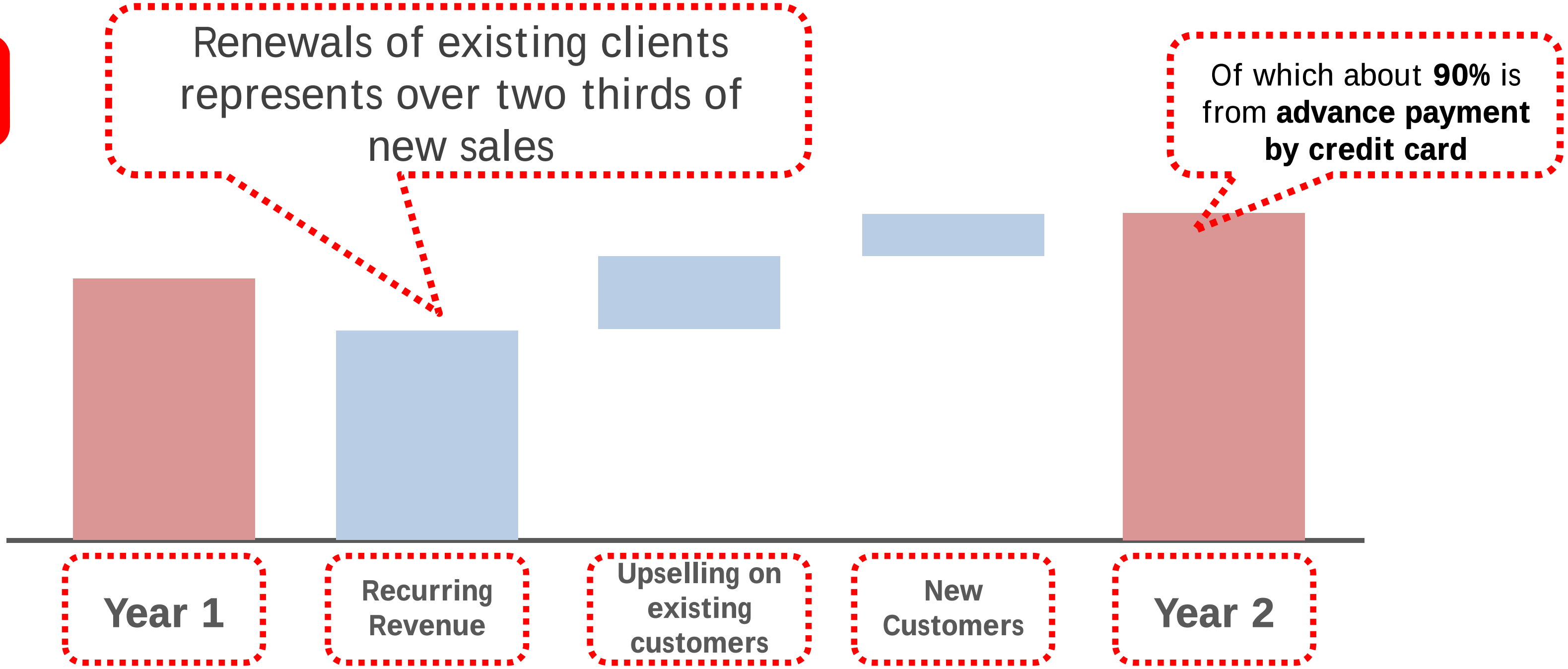
- DADA's large **customer base** covers all market segments but is concentrated on **SMEs**
- High-quality customer base with **high Customer Retention (more than 75%)**
- First **top 10 clients** represent **less than 5% of revenue**

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

Domains & Hosting

Revenue Growth Drivers & Strategy

DRIVERS



STRATEGY

Maintenance and Optimization	Marketing and Business support activities	New Products
"Corrective" and "evolutive" maintenance of systems and platforms for retention and profitability	*Marketing and technical support to enhance quality of service for retention and upselling*	*Launch of new innovative products and services for upselling on existing customers and attracting new ones*

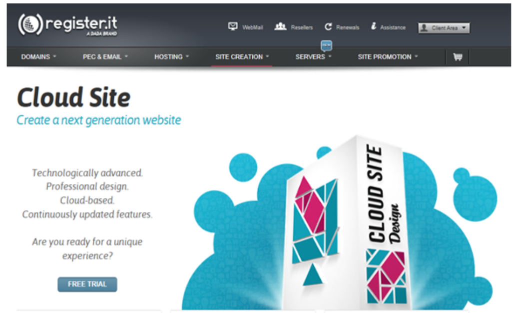
Q1 2013 Business Highlights

Brand Awareness

- DADA’s debut on TV in Italy with Register.it trough a resounding **advertising campaign blending TV and web** to reach a wider audience with the aim of raising brand awareness
- **The Register.it School**: a new business training project to support the growth and innovation of SMEs and professionals, starting from Italy and to be shortly launched internationally

New Products

- Launch of **Cloud Site in Italy and Spain**: a ground breaking service which will allow to easily create – on the web and mobile devices – innovative, professional sites using Cloud platform technologies
- **Certified E-mail in Italy**: Register.it was recently accredited as one of the official managers of certified e-mail, a digital solution for sending documents with legal validity (as of now Register.it has 47,000 active mailboxes on its platform)



New UK Datacenter

Improving quality, supporting future growth while driving operational efficiency

- A strategic partnership was started with a highly experienced UK player who will manage the realization and management of a new facility covering about 5,000 sm
- Higher costs of approximately €1 million in 2013, but **economic benefits** of about €1 million on an annual basis starting from 2014

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Domains & Hosting

**New Business Overview:
Digital Advertising**

Financials & Outlook

Performance Advertising

Business Model

Key Financials

€ mn	Q1 2013	Q1 2012	YoY
Revenue	**4.3**	5.3	*-18%*
EBITDA	**0.5**	0.6	*-21%*
Ebitda margin %	*11%*	*11%*	

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

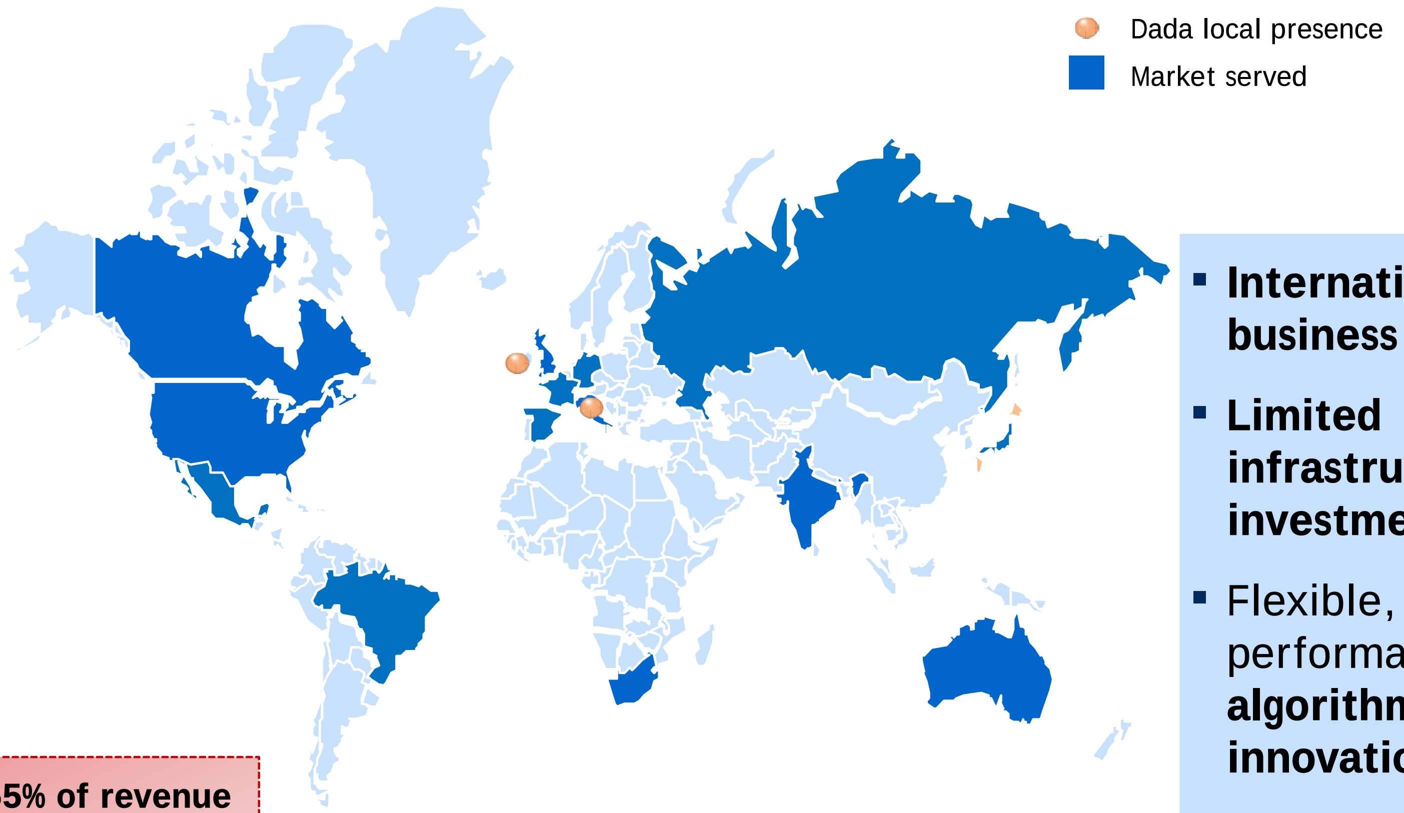
KPI

About 30 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



- **International business** reach
- **Limited infrastructure investments**
- Flexible, high-performance **algorithms** & constant **innovation**

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

Performance Advertising

Growth Strategy

Consolidation and strengthening of current business (search engines), also on the basis of the new Google global policy

Geographical expansion of the current business in **new countries/new languages** with focus on **Asian countries**

Launch of new international and scalable products in the:

- **Classified** segment (superEva.com)
- **Mobile** segment

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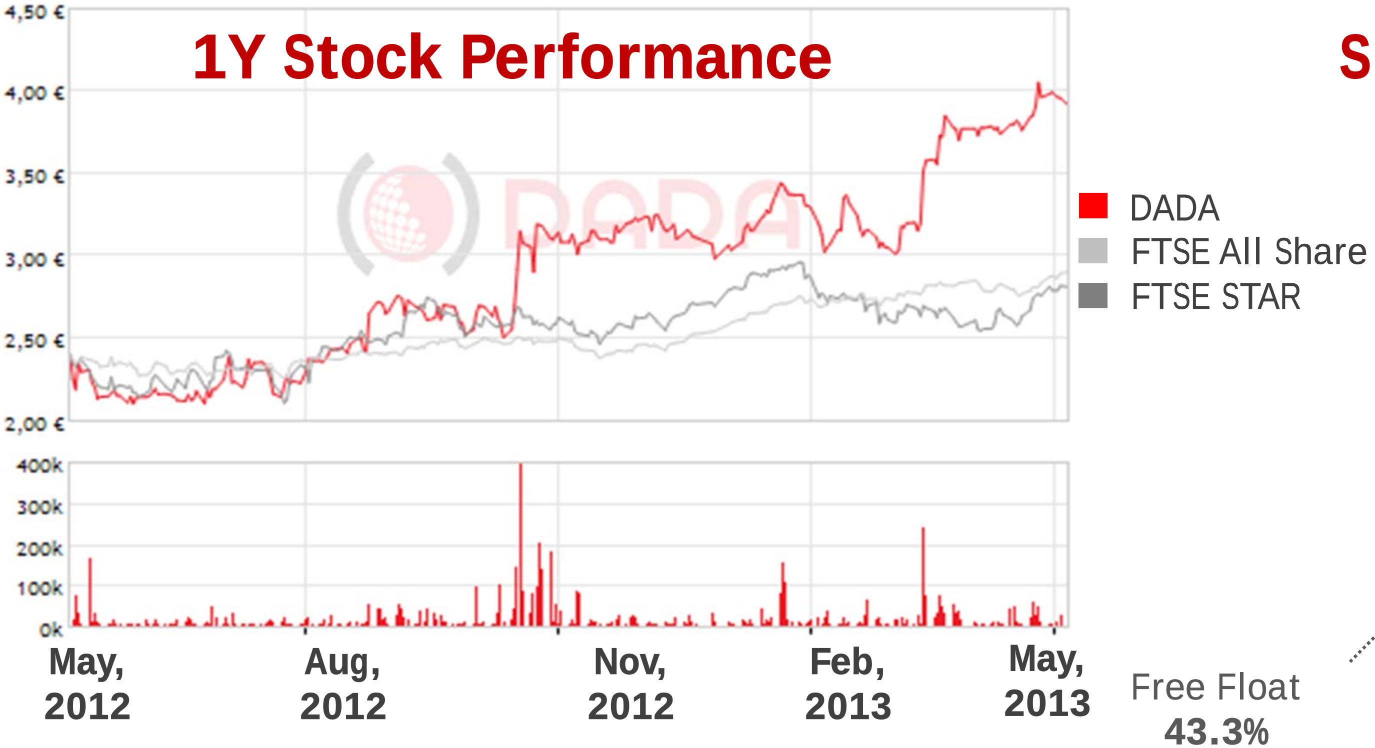
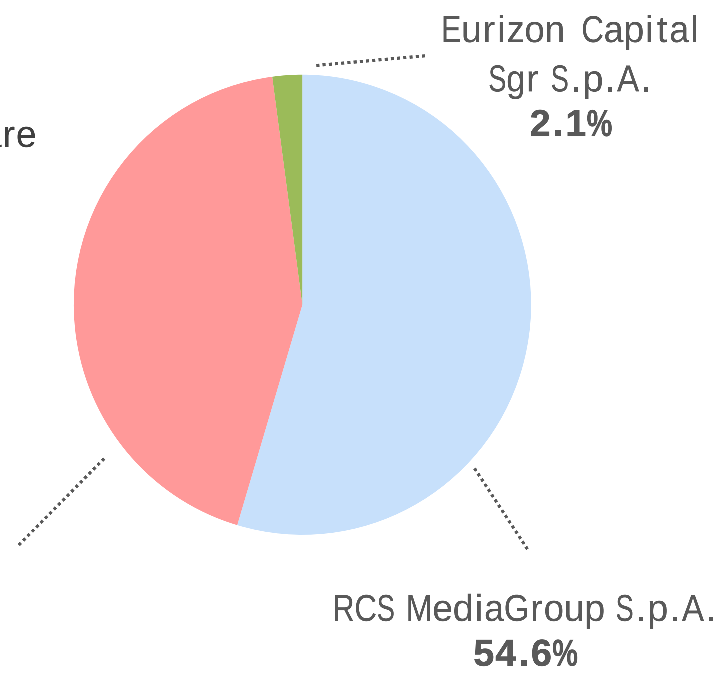
Company Profile

1Y Stock Performance



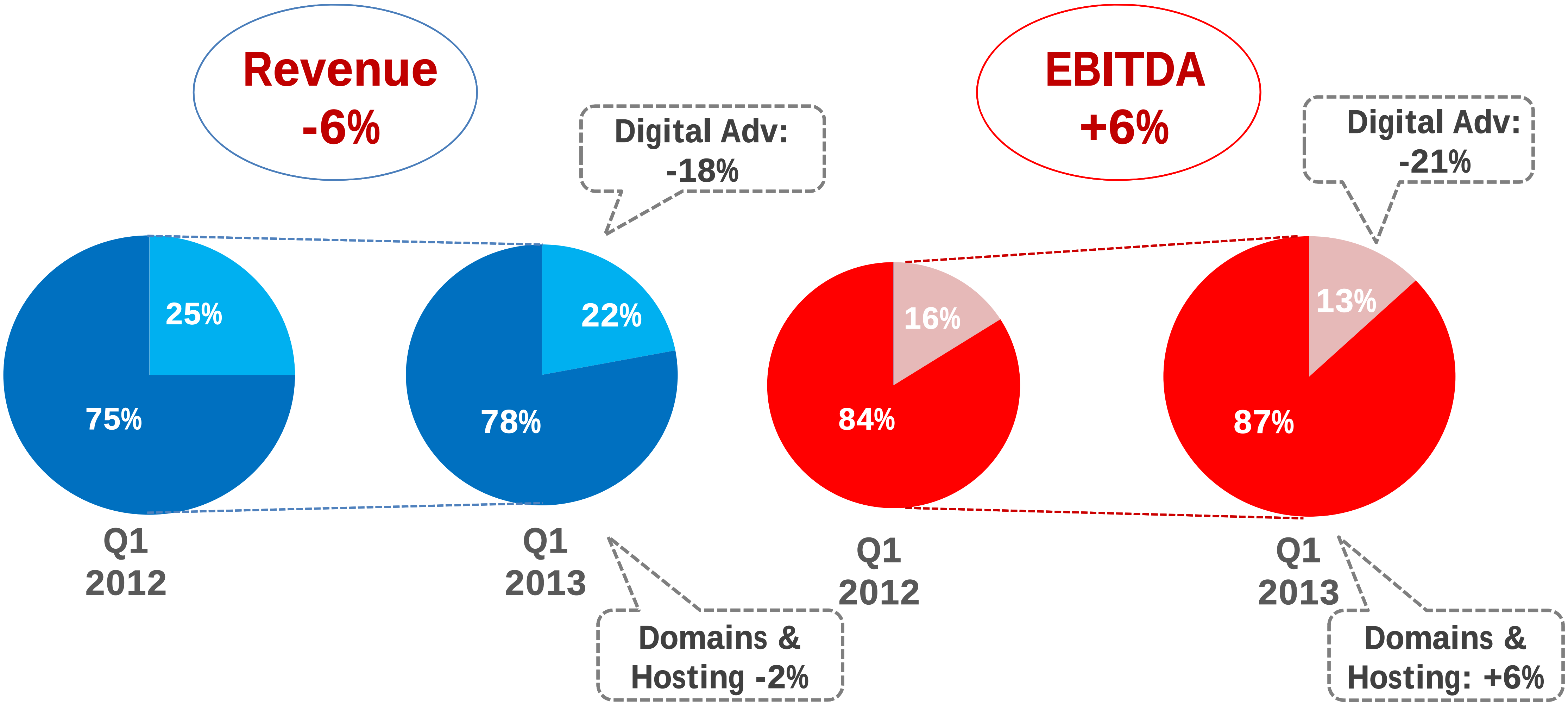
Shareholding Structure



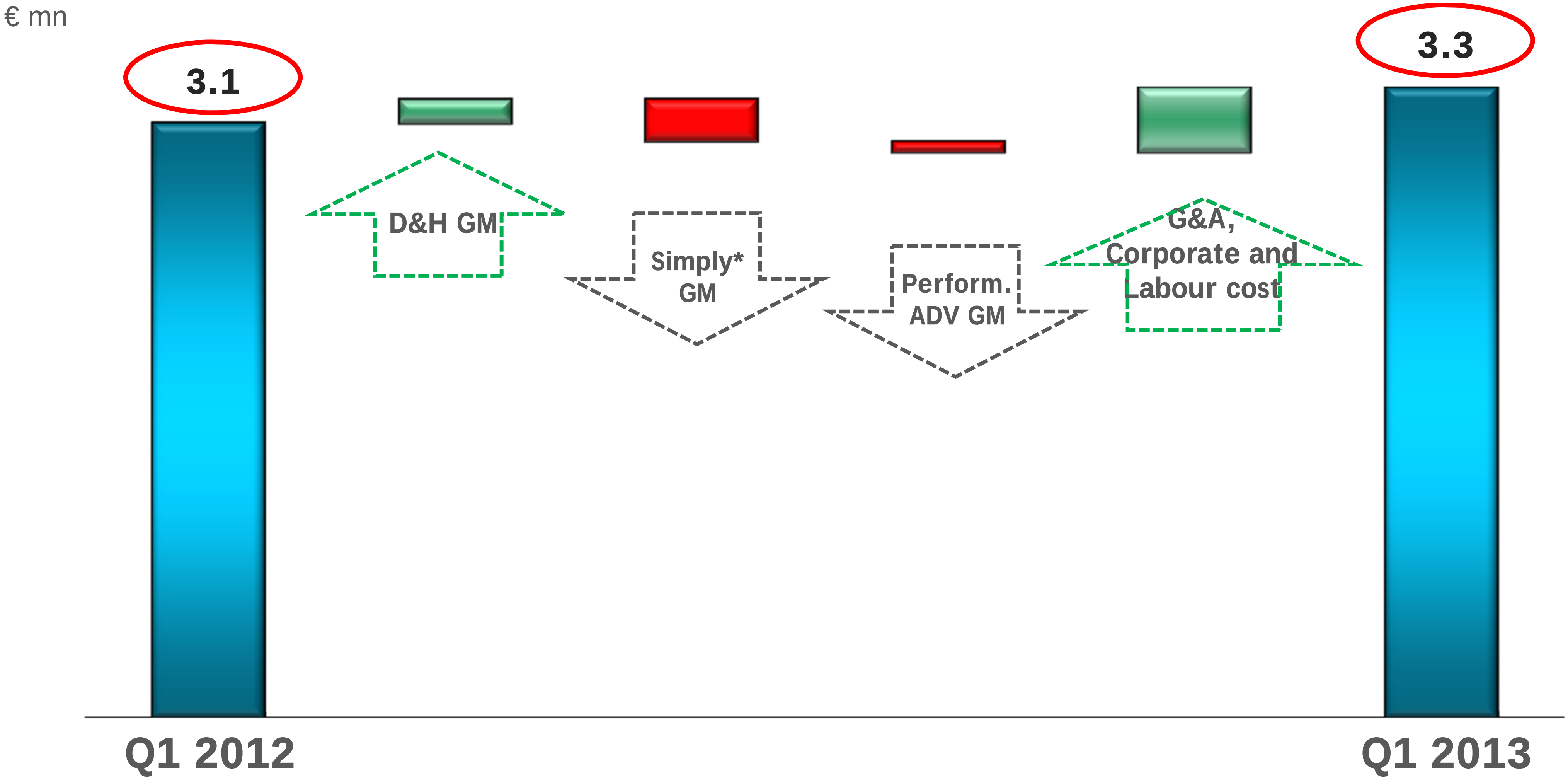
Share Information

Ticker	DA IM (Bloomberg), DA.MI (Reuters)
Market cap (FTSE STAR Segment)	€63 mn
Shares issued	16,210,069
Last 30 days avg. daily trade	16,599

Q1 2013 - Results Breakdown by Business Line



Q1 2013 - EBITDA increase

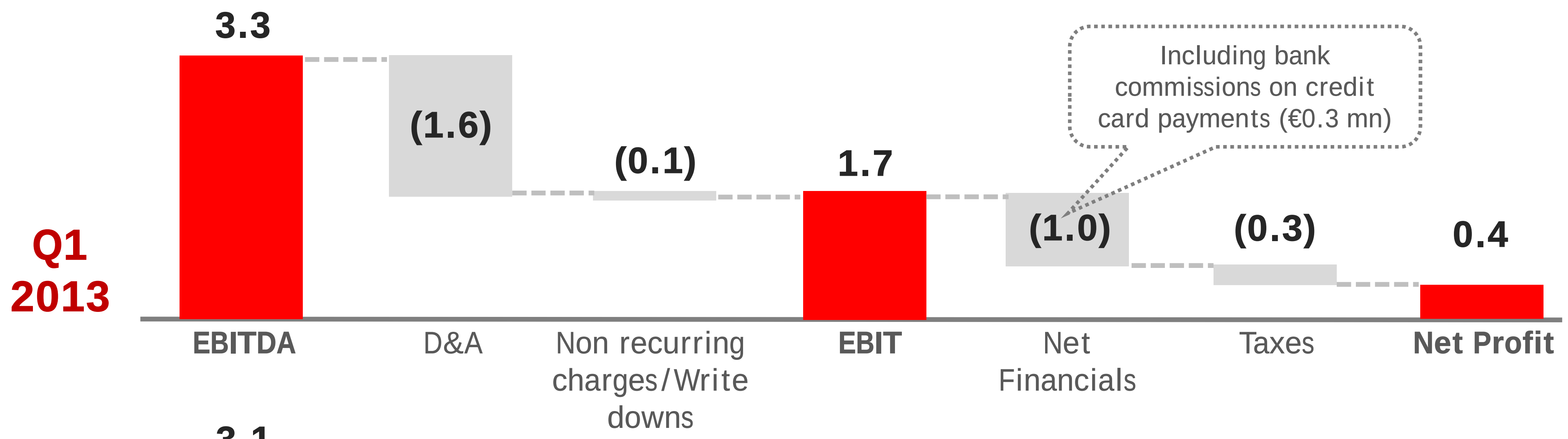


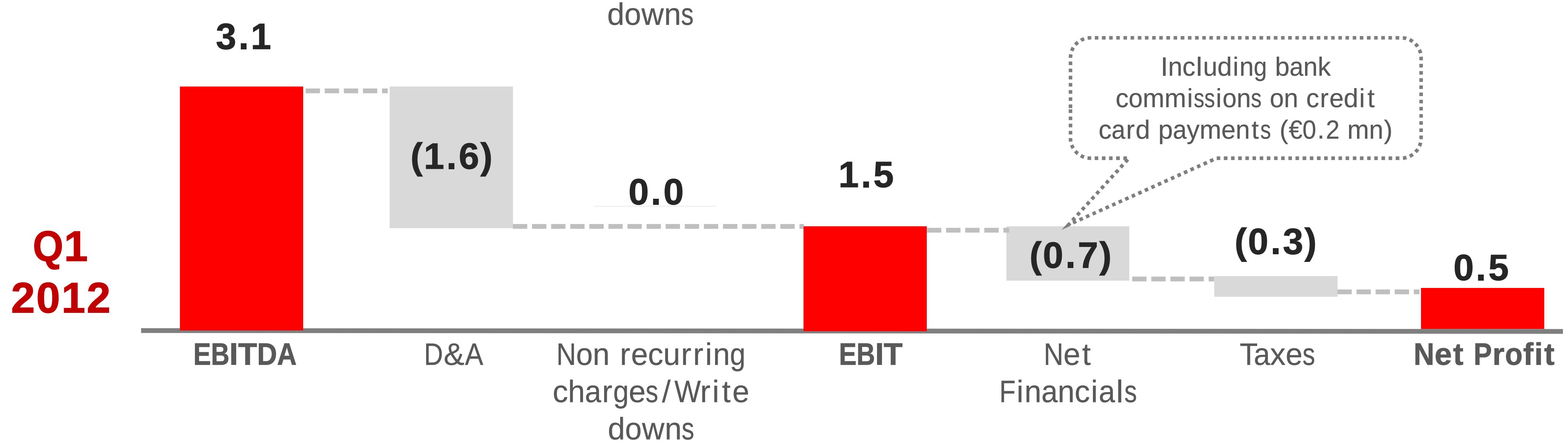
	Q1 2012	Q1 2013
% of Revenue	*14%*	*16%*

* Simply.com: an advertising network with more than 3,000 publishers managed through a proprietary Adserver which allows its clients to effectively plan their own advertising campaigns.

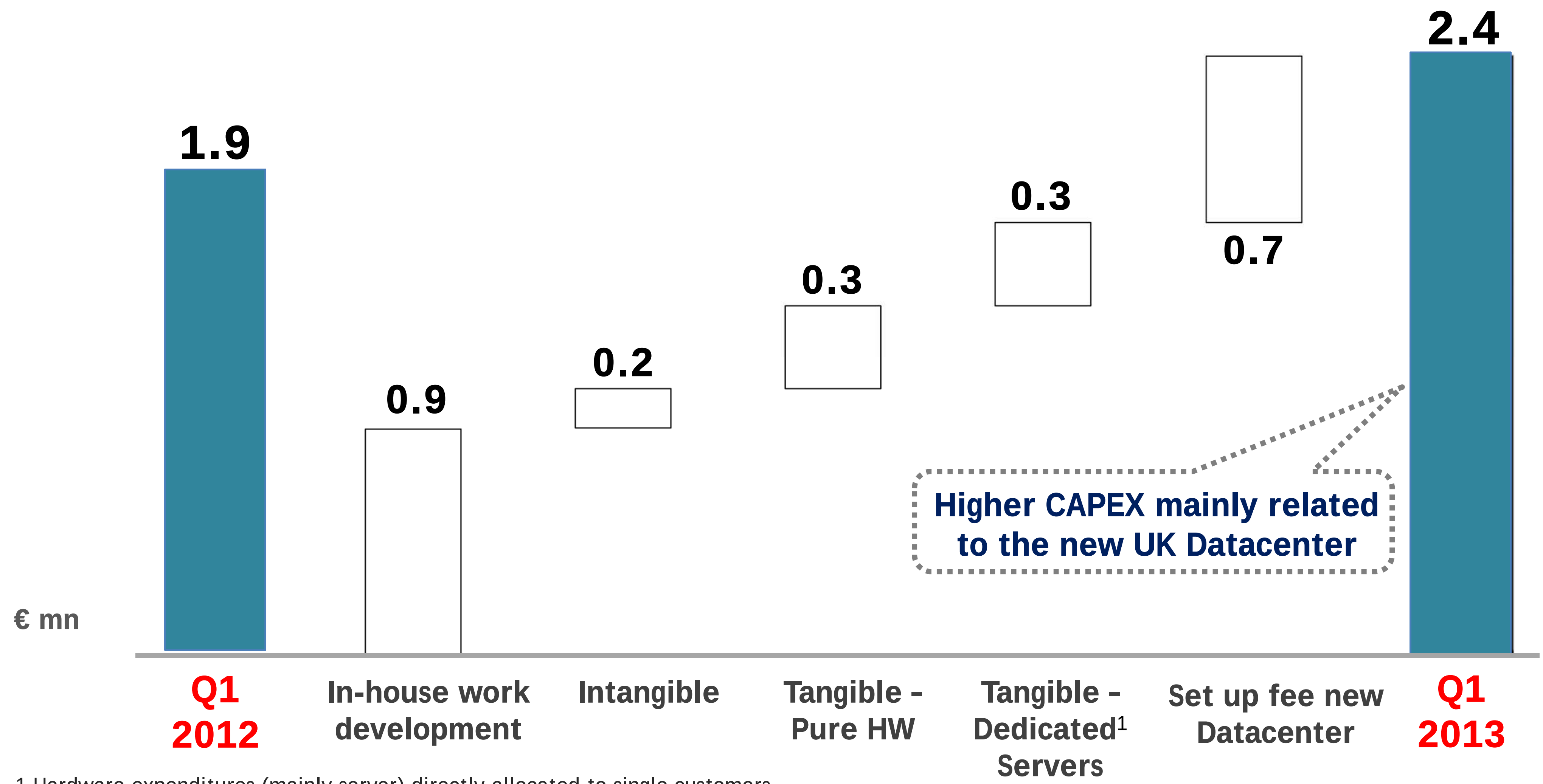
Q1 2013 - From EBITDA to Net Profit

€ mn



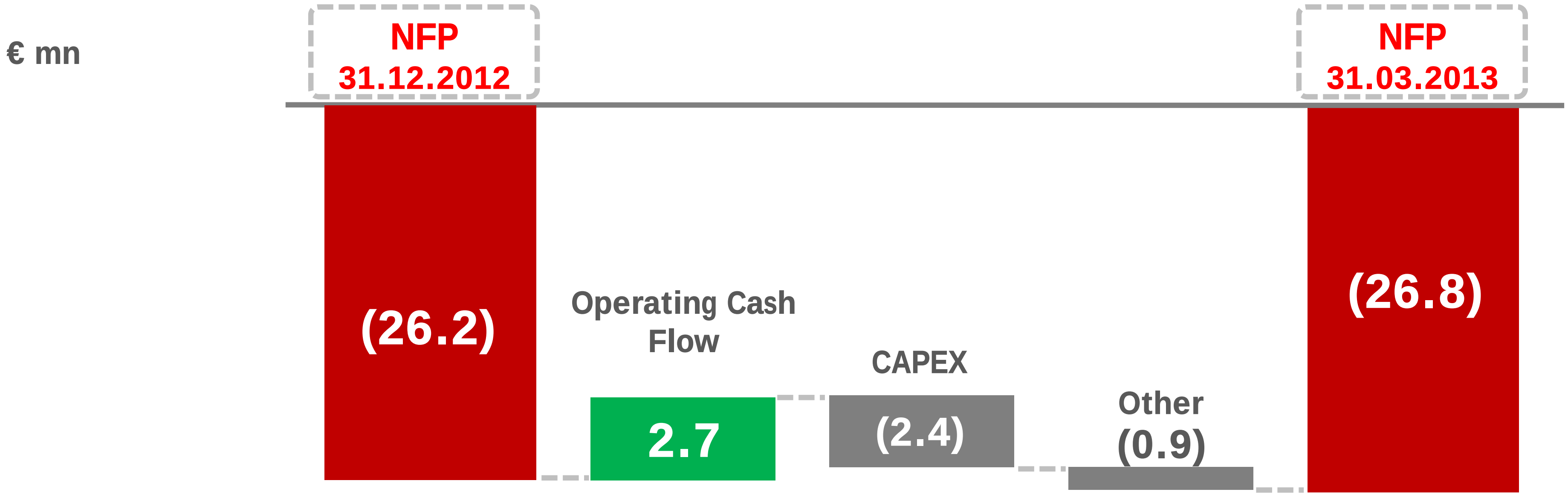


Q1 2013 - CAPEX breakdown by kind



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

Q1 2013 - NFP evolution



	31.03.2013	31.12.2012	31.12.2011
Cash and Cash Equivalents	2.8	3.0	4.3
Other Financial Assets	1.1	1.0	3.3
Financial Assets	**3.9**	**4.0**	**7.6**
Current Financial Liabilities	(11.4)	(11.5)	(16.7)
Long Term Financial Liabilities	(19.2)	(18.7)	(18.0)
Financial Liabilities	**(30.7)**	**(30.2)**	**(34.7)**
Net Financial Position	**(26.8)**	**(26.2)**	**(27.0)**
NFP/EBITDA ratio	**2.0x rolling**	**2.2x**	**2.9x**

Appendix

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Q1 2013 Results - Profit & Loss

€ mn	Q1 2013	% on sales	Q1 2012	% on sales
Net Revenues	**20.6**		**22.0**	
EBITDA	**3.3**	*16%*	**3.1**	*14%*
EBIT	**1.7**	*8%*	**1.5**	*7%*
Profit before Tax	**0.7**	*3%*	**0.8**	*3%*
Group Net Profit	**0.4**	*2%*	**0.5**	*2%*

Q1 2013 Results - Revenues & EBITDA Breakdown

€ mn		Q1 2013	EBITDA margin %	Q1 2012	EBITDA margin %
Domains & Advertising	Revenues	**16.1**	*19%*	16.5	*18%*
	EBITDA	**3.1**		2.9	
Performance Advertising	Revenues	**4.3**	*11%*	5.3	*11%*
	EBITDA	**0.5**		0.6	
Adjustments	Revenues	0.2		0.2	
	EBITDA	(0.3)		(0.4)	
DADA Group	Revenues	**20.6**	*16%*	**22.0**	*14%*
	EBITDA	**3.3**		**3.1**	

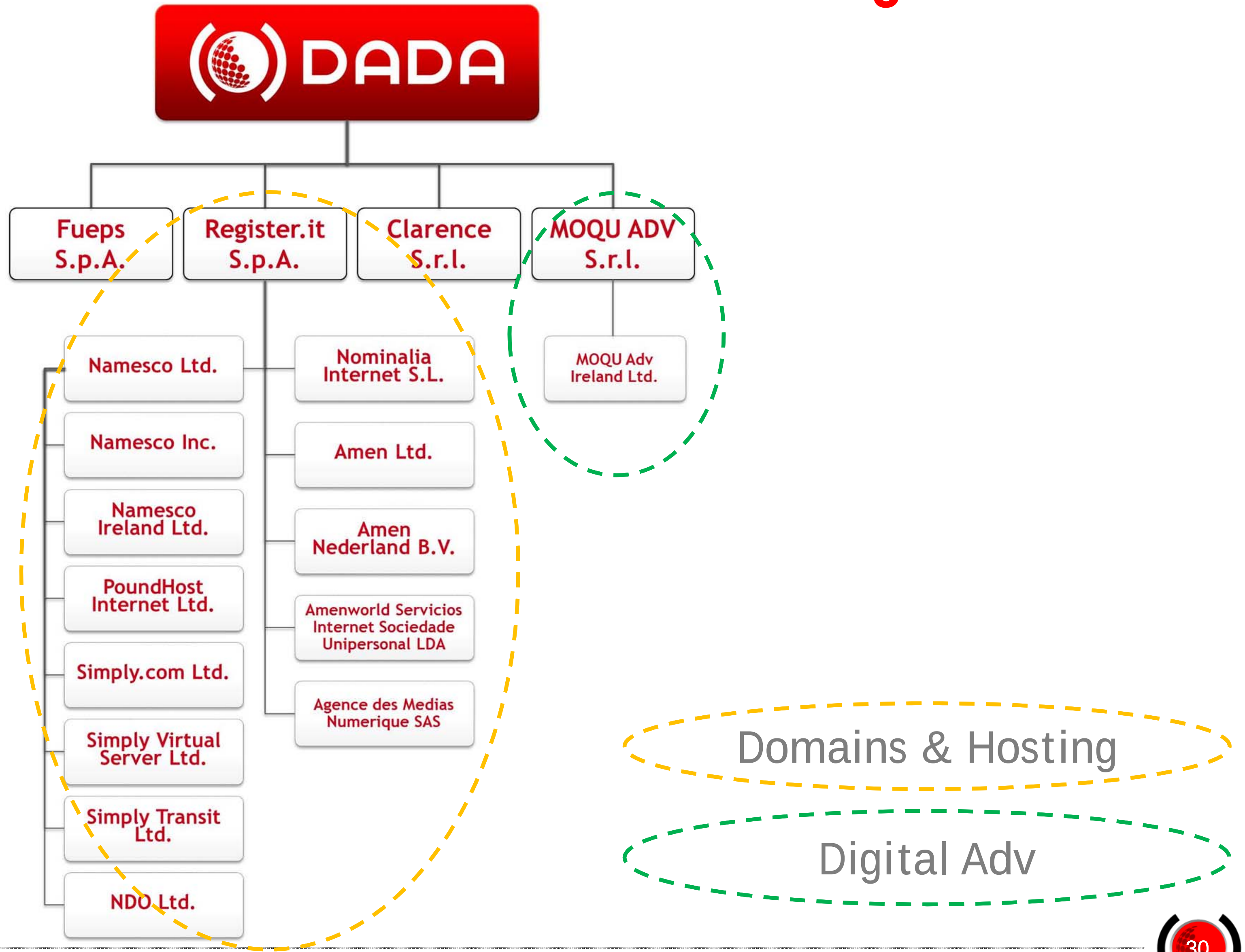
Q1 2013 Results - Balance Sheet

€ mn	31.03.2013	31.12.2012
Net Working Capital	**(12.5)**	**(12.8)**
Fixed Assets	**91.0**	**91.9**
Severance and Other Funds	(2.1)	(2.3)
Other Payables beyond one year	(0.2)	(0.2)
Net Capital Employed	**76.2**	**76.6**
Net Financial Position	**(26.8)**	**(26.2)**
Total Shareholders’ Equity	**(49.5)**	**(50.4)**

Q1 2013 Results - Cash Flow Statement

€ mn	Q1 2013	Q1 2012
Cash and Cash Equivalents at the Beginning of Period	**(7.7)**	**(8.4)**
Group Net Profit (Loss)	0.4	0.5
Gross Operating Cash Flow	**3.2**	**2.9**
Working capital, Income taxes and Interest paid	(1.4)	0.6
Net Operating Cash Flow	**1.8**	**3.5**
Capex & Investing Activities	(2.4)	(1.9)
Financing Activities	(0.1)	4.8
Free Cash Flow	**(0.7)**	**6.4**
Cash and Cash Equivalents at the End of Period	**(8.4)**	**(2.0)**

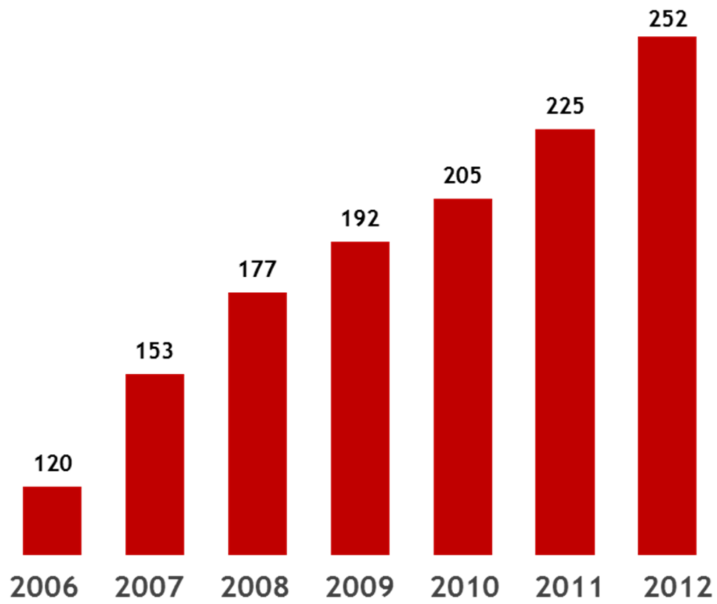
New Group Structure in line with the New Organization

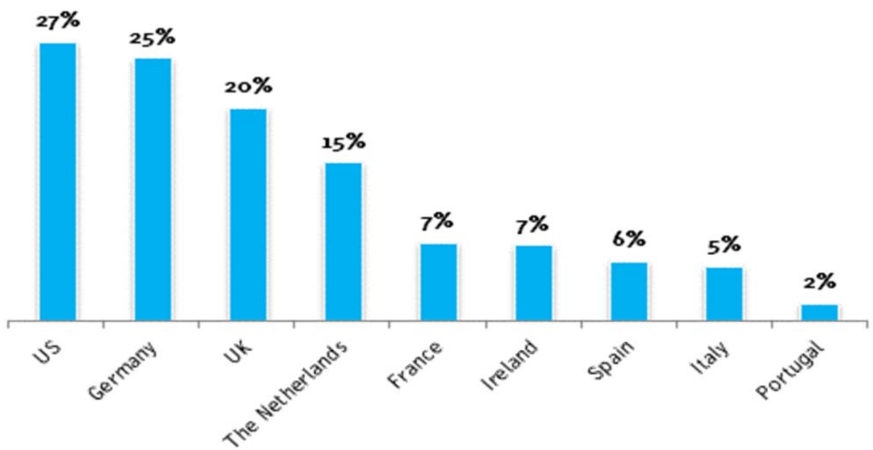


Domains & Hosting - Market Overview

2012[1] **showed 252 million** domain name registrations worldwide, a growth of **11.8% yoy**:

- the **.com and .net** TLDs reached a combined total of **121.1 mn** names (+6.4% yoy, renewal rate up to 72.9%)
- the base of **ccTLDs** was **110.2 mn** names for more than **280 extensions** globally, +21.6% yoy driven by China, Tokelau, India and Russia





U.S. and **Germany** are the first countries worldwide in terms of **domain registration** penetration1[2]: the top ten TLDs in terms of base size are .com, .de, .net, .tk, .uk, .org, .cn, .info, .nl, .ru and .eu (comprising almost 63% of all registrations)

1 "The Domain Name Industry Brief", Verisign, Mar 2013
2 webhosting.info, local registers

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.

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