



DADA

DOMAINS & ADVERTISING



FY 2013 Results & Strategic Outlook

2014 STAR Conference

The gateway to your digital presence

Agenda

DADA in a snapshot

Core Business Overview:
Domains & Hosting

New Business Overview:
Digital Advertising

FY 2013 Financials

DADA Group at a glance

1 Domains & Hosting

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

2 Digital Advertising

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

Simply: digital advertising solutions, managed on an exclusive basis in Italy by an external agency

Highlights

- 520k companies served in seven European countries
- More than 1.7 mn domains managed
- 35 mn monthly U.V.

Brands

 register.it  nominalia

 names.co.uk

 register365  amen

 poundhost

 moqu.adv
A DADA BRAND

 simply

Geographic Coverage



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

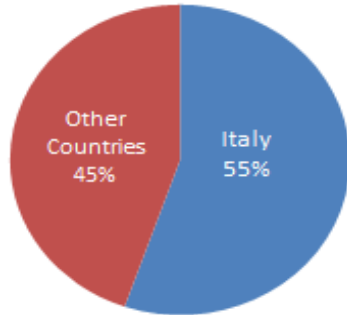
Key Financials

€ mn

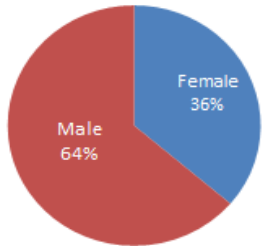
	FY 2013	FY 2012
Revenue	75.3	84.8
EBITDA	10.6	12.0
<i>Ebitda margin %</i>	14%	14%
EBIT	2.4	4.7
Net Profit	-1.3	0.9
NFP	-30.9	-26.2

About 430 FTE in 7 Countries and 11 Offices

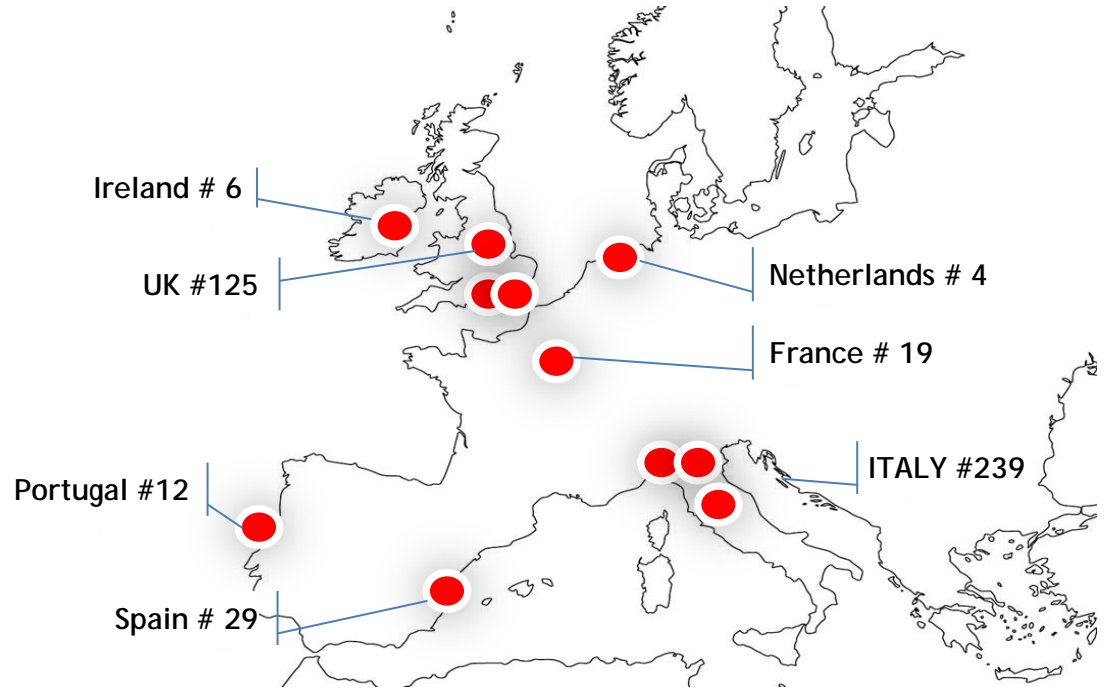
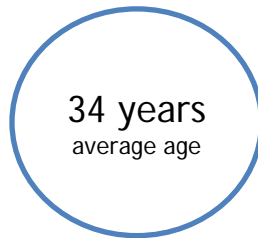
Italy vs Europe



Gender

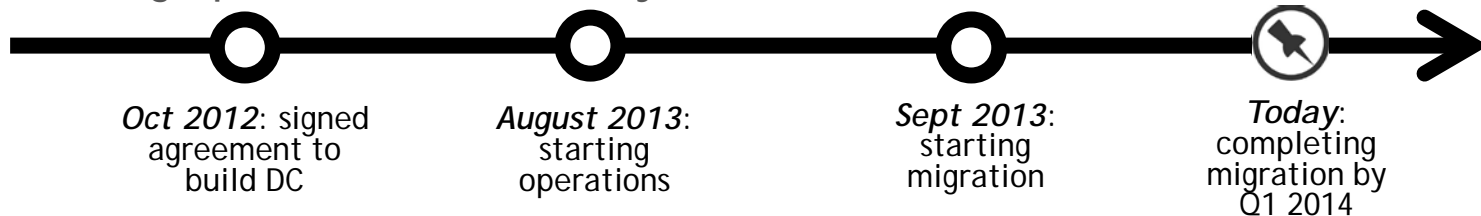


Age Average



2013 Highlights

- ❖ New ownership: **Orascom TMT Investments** is currently the main shareholder
- ❖ Core Business **performance** :
 - More than 520,000 international customers in Europe
 - Launch of new products
 - Higher recurring revenue base with high visibility/predictability
- ❖ **Optimization** of the operating and corporate **cost structure**
- ❖ **New UK Datacenter** to improve quality and support future growth while driving operational efficiency



Agenda

DADA in a snapshot

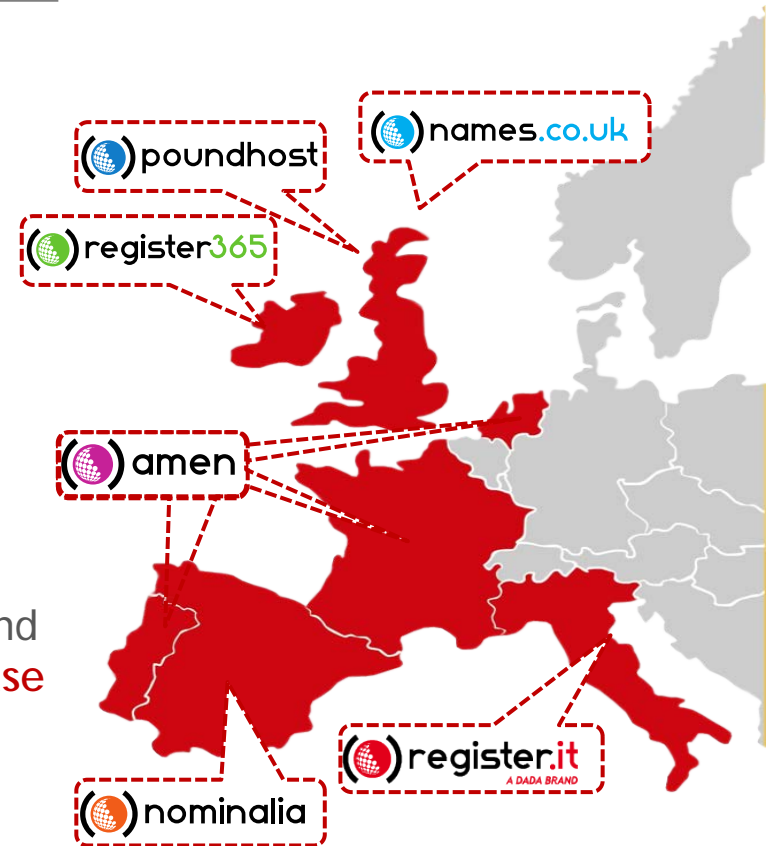
**Core Business Overview:
Domains & Hosting**

New Business Overview:
Digital Advertising

FY 2013 Financials

Professional services for on-line presence

- Targeted to **SMEs, 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 clients** for **1.7 mn** registered **domains**) upon which DADA can **up-sell** additional services
- Ongoing focus on the launch of **new applications** and the optimization of **marketing initiatives** to increase and **retain** the existing customer base

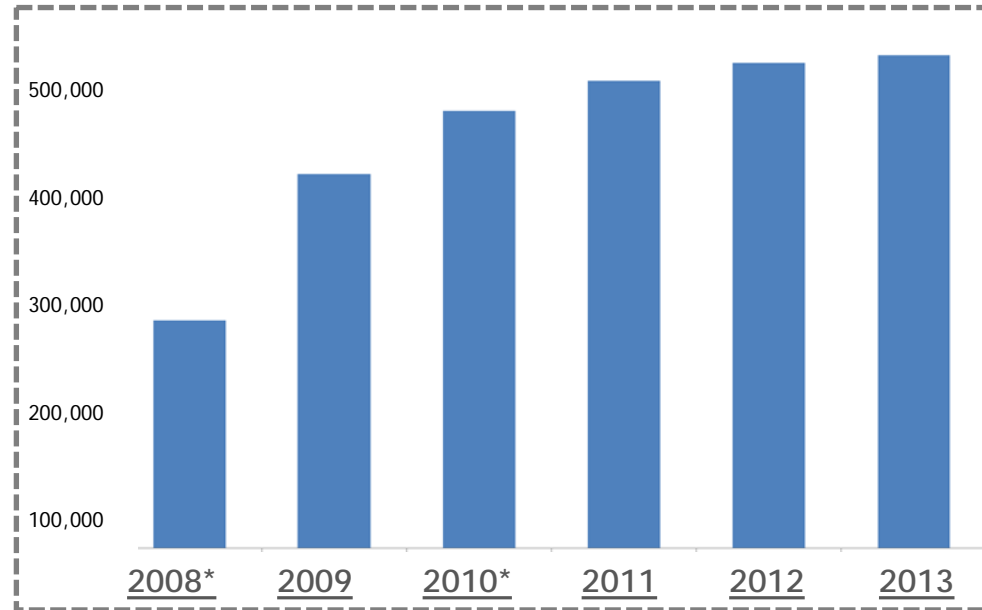


Demonstrated ability to grow organically and via acquisition

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** (almost 2/3 of active customers are SMEs)
- High-quality customer base with **high Customer Retention** (> 75% on average)
- 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

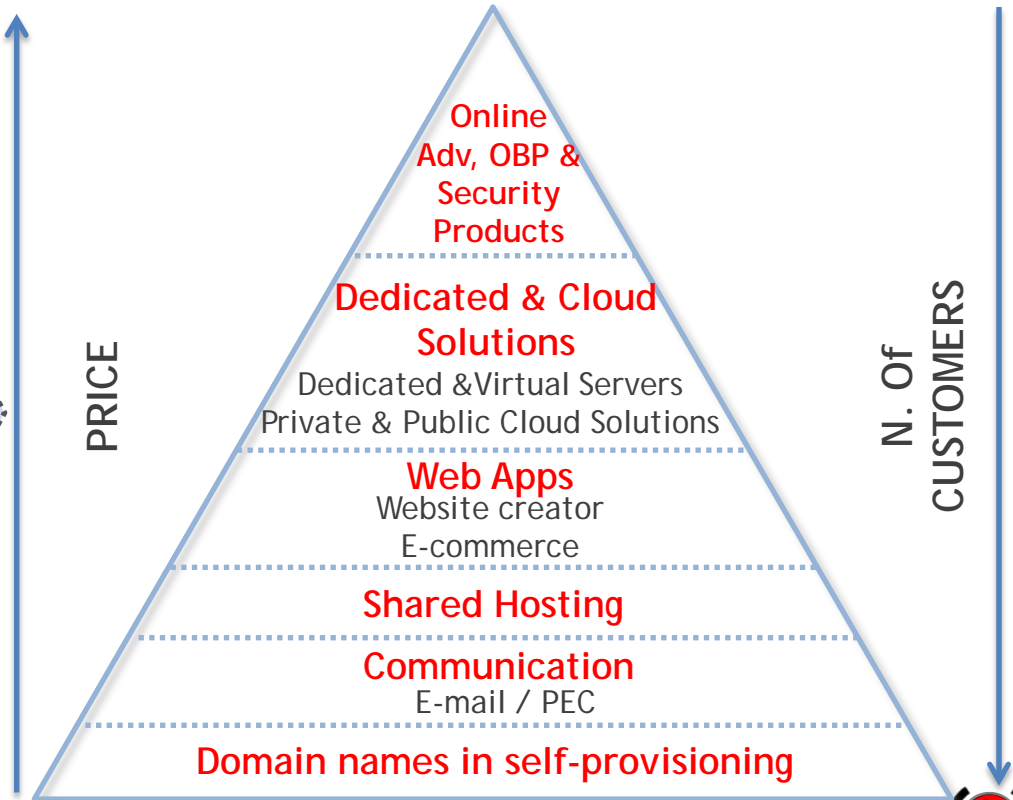
Product Offering

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

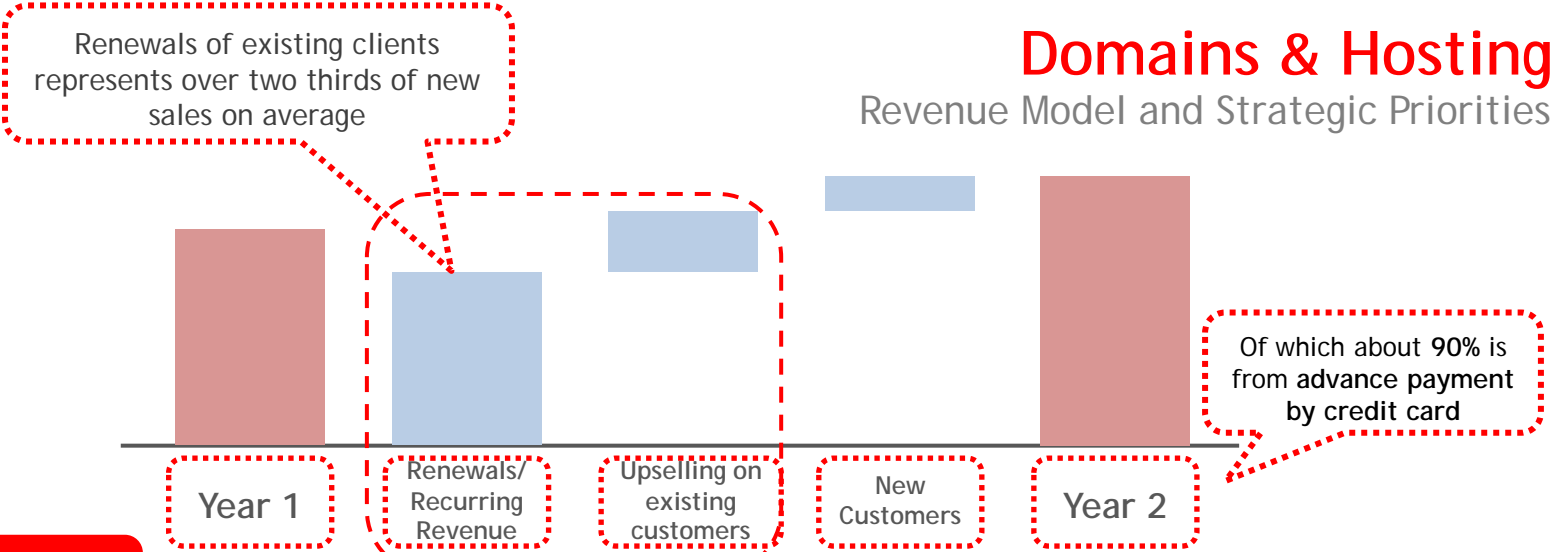
Online solutions
are increasingly
key for SMEs

DADA'S SUITE OF SERVICES



Domains & Hosting

Revenue Model and Strategic Priorities



STRATEGIC DRIVERS

Current Customers are key for driving long-term growth and extracting future value

Strategic priority on:

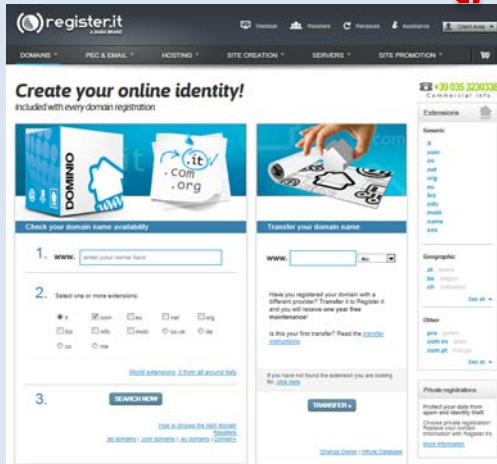
- ✓ reducing Churn
- ✓ upselling to Current Customers

Working closely on RETENTION

Domains & Hosting

What we offer...

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

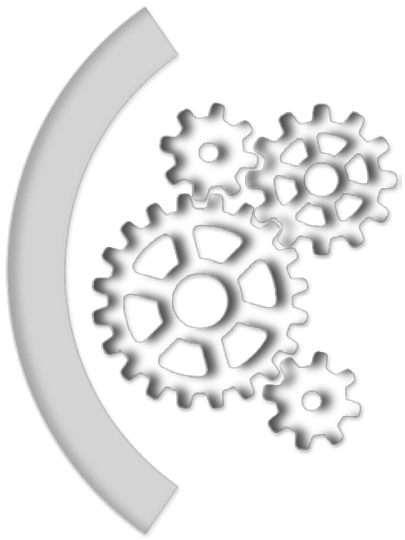


- Key Products:
- Website builder
 - Shared Hosting (email)
 - Dedicated and virtual servers

Step 3
Increase your visibility and sell online

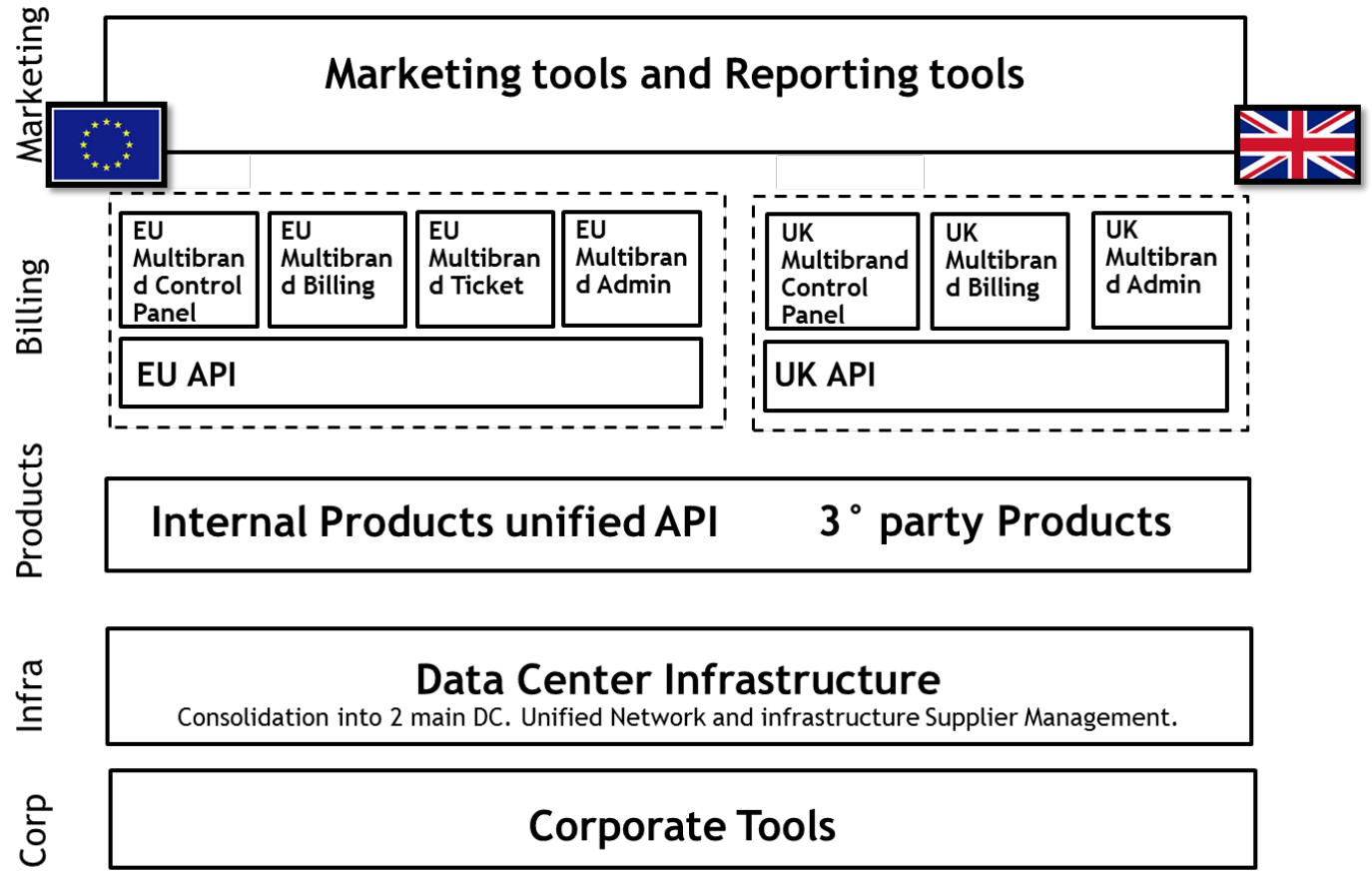


- Key Products:
- Search Engine Optimization
 - Online marketing solutions
 - E-Commerce solutions



Domains & Hosting

...thanks to our Unified Technological Backbone



Domains & Hosting

Launch of New Products ...

- Launch of **Cloud Site** in Italy, Spain and France for easily creating - on the web and mobile devices - professional sites based on Cloud technologies
- A new **dedicated servers** offer in France, Portugal and the UK
- A new **virtual servers** offer in Italy, France, Spain and Portugal
- **Certified E-mail** in Italy: in September, Register.it launched Register PEC, the new app to safely access it anytime, anywhere
- **New gTLDs**: new services to pre-register the new extensions and to offer brand protection consulting in relation to this revolution

Cloud Site

Intuitive. Quick. Complete.



Posta Elettronica Certificata

PEC per le comunicazioni legali

PERCHÉ USARE LA PEC CARATTERISTICHE PRIVILEGI



Are you ready for the new web revolution?

The new domain names are coming. Choose the ones for you. It's free!

START NOW



Domains & Hosting

New gTLDs Outlook



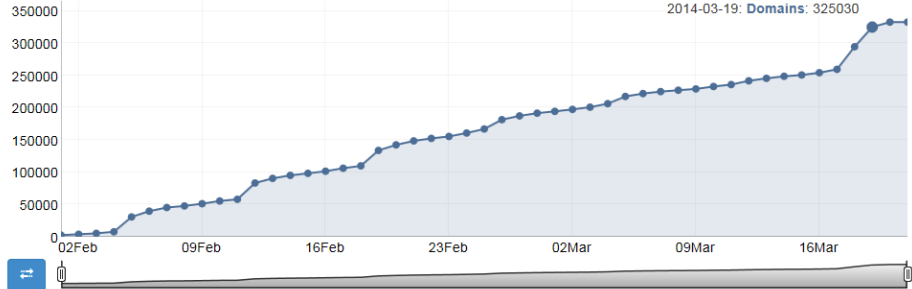
- 01 | WWW .web
- 02 | .shop
- 03 | .hotel
- 04 | .app
- 05 | .store
- 06 | .online
- 07 | .news
- 08 | .music
- 09 | .blog
- 10 | .email

Top preferred domains*

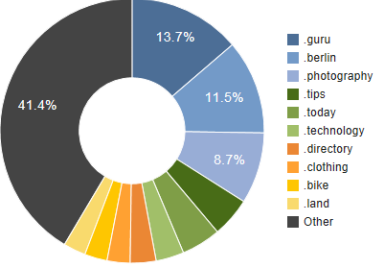
new gTLD Summary

Domains:	332,683	TLDs:	140	Registrars:	95
Last Update:	2014-03-21T11:14:26Z	Unprocessed:	23		

new gTLD Domains



new gTLD distribution



Source: <https://czdap.icann.org/en>

* According to DADA Group's watchlist

Domains & Hosting

... investing in Diverse and Efficient Customer Acquisition Channels



Online Marketing

To drive subscribers growth, cross-sell and up-sell on existing customers base



TV ADS

DADA's debut on TV in Italy and in Ireland - respectively with Register.it and Register365 - through an advertising campaign blending TV and web with the aim of raising brand awareness

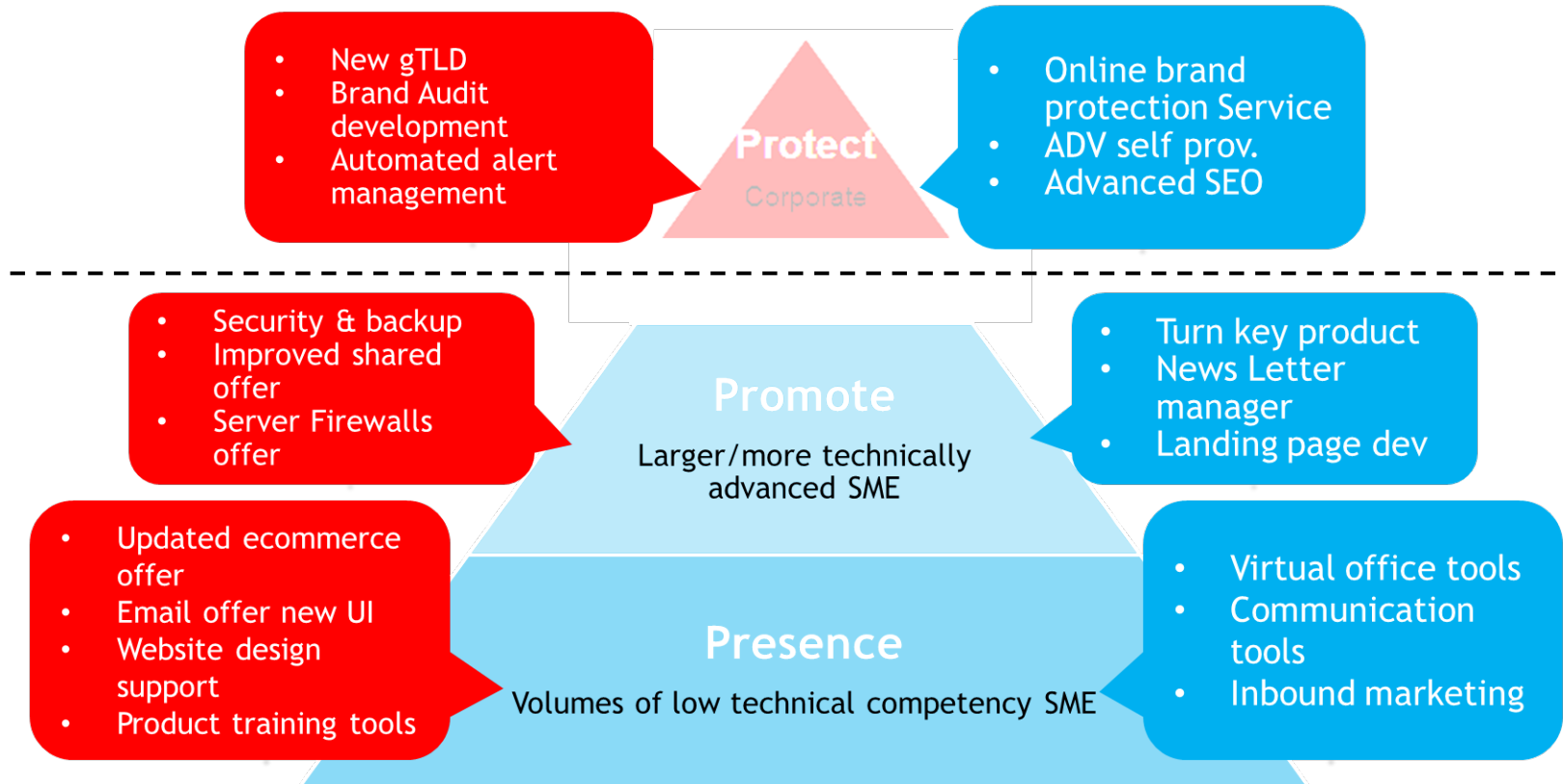


FREE Online Business Training

A new business training project to support the growth and innovation of SMEs and professionals, starting from Italy and then launched internationally

Core D & H Development

Product Diversification



Domains & Hosting

... 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*

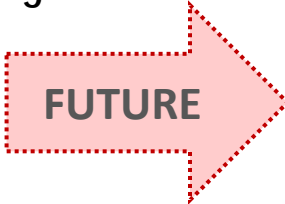
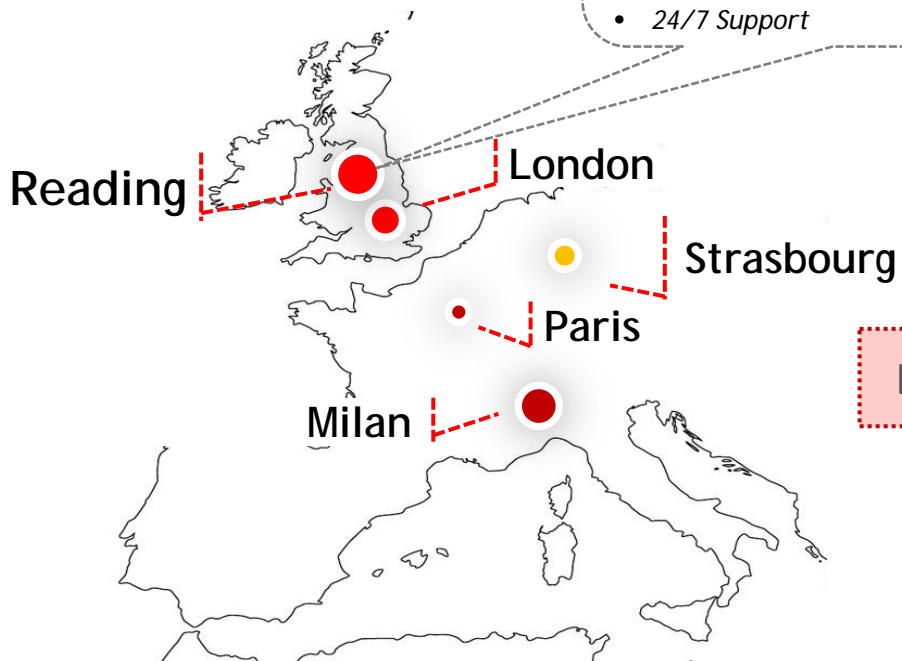


Domains & Hosting

DADA's IT Infrastructure

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*



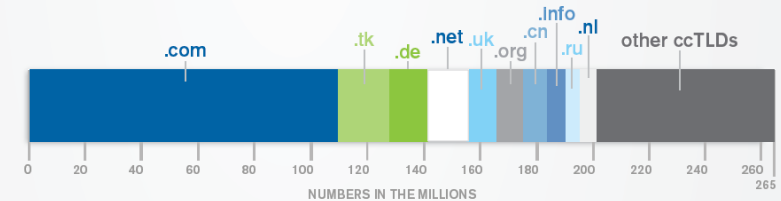
- Shared Hosting/ Network/ Other services
- Dedicated Virtual Servers
- All

Domains & Hosting

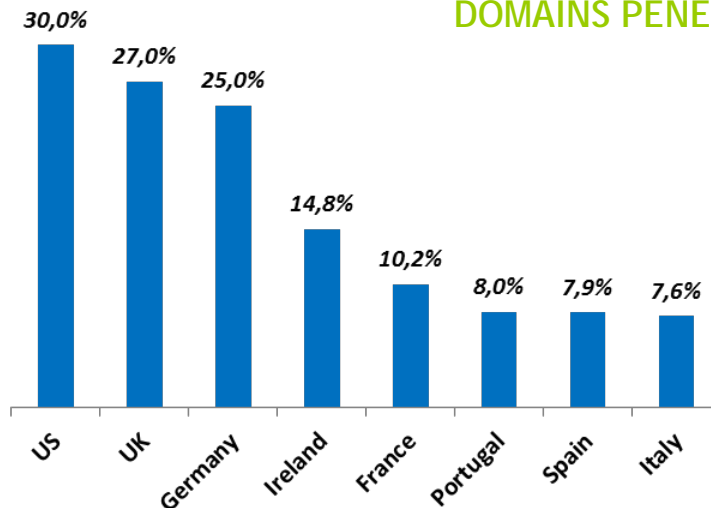
Market Overview

- Q3 2013 closed with more than 265 million¹ domain name registrations worldwide;
 - ✓ the .com and .net TLDs reached a combined total of 126 mn names
 - ✓ the base of ccTLDs was 120 mn names for more than 290 extensions globally

LARGEST TLDs BY ZONE SIZE IN Q3 2013



DOMAINS PENETRATION BY COUNTRY (2012)



UK is the first among DADA's countries in terms of domain registration penetration¹²

¹ "The Domain Name Industry Brief", Verisign, Jan. 2014

² Zooknic, local registries

Domains & Hosting

Key pillars of Future Strategy

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

1. Introducing new products
2. Leveraging on increase demand for mobility
3. Strengthening Customer Loyalty improving before and after-sales customer service



2014 - 2016

TOPLINE:
Mid-single digit
CAGR*
(with a higher rate from the second part of the period)

... WHILE DRIVING PROFITABILITY IMPROVEMENT

1. Integrating technology platforms
2. Finalizing the rationalization of the DataCentres structure starting from H2 2014
3. Ensuring tight operating cost control to increase overall efficiency



PROFITABILITY:
More than proportional
increase vs Rev growth

* On a like-for-like basis and net of the negative contribution of Simply

Agenda

DADA in a snapshot

Core Business Overview:
Domains & Hosting

**New Business Overview:
Digital Advertising**

FY 2013 Financials

Performance Advertising

Business Model

Key Financials

€ mn	FY 2013	FY 2012	YoY
Revenue	14.6	20.7	-29%
EBITDA	1.9	2.7	-32%
<i>Ebitda margin %</i>	13%	13%	

Oct 2012 / Sept. 2013: changes in procedures for advertisers to acquire traffic on the **Google** network have reduced sales, and consequently margins, generated by the growing **traffic** from **mobiles and tablets**

Main Products



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



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



Recent launch of the new job search vertical portal, landing in the Classified Ads segment

KPI

About 35 mn monthly U.V.:

The business model is based on **traffic monetization** through partnership with the most relevant search engines worldwide

Performance Advertising

Current Strategy & Future Outlook



▶ **Consolidation** of current business (*search portals*), also through **alternative partnerships** to attenuate new Google global policy's impact

Outlook for 2014

Revenue and margins lower than 2013, due to Google new policies



▶ **Geographical expansion** of the current business in **new languages** focusing on **medium and short tail segment**



▶ **Launch of new international vertical products** in the **Classified** segment, specifically in the *automotive, shopping and travel* areas, to offer more appealing services to end users

Agenda

DADA in a snapshot

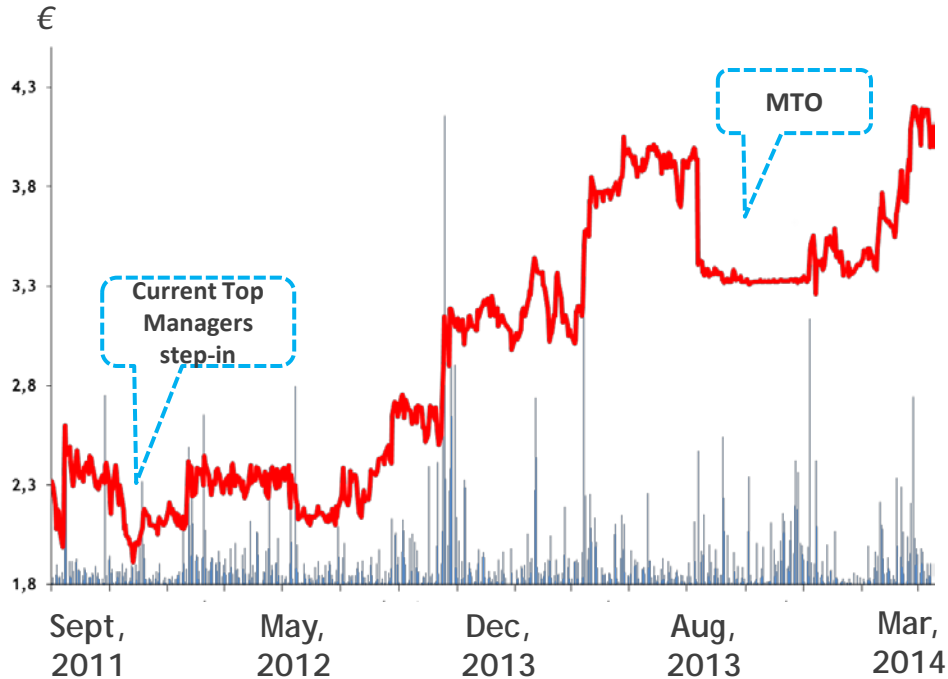
Core Business Overview:
Domains & Hosting

New Business Overview:
Digital Advertising

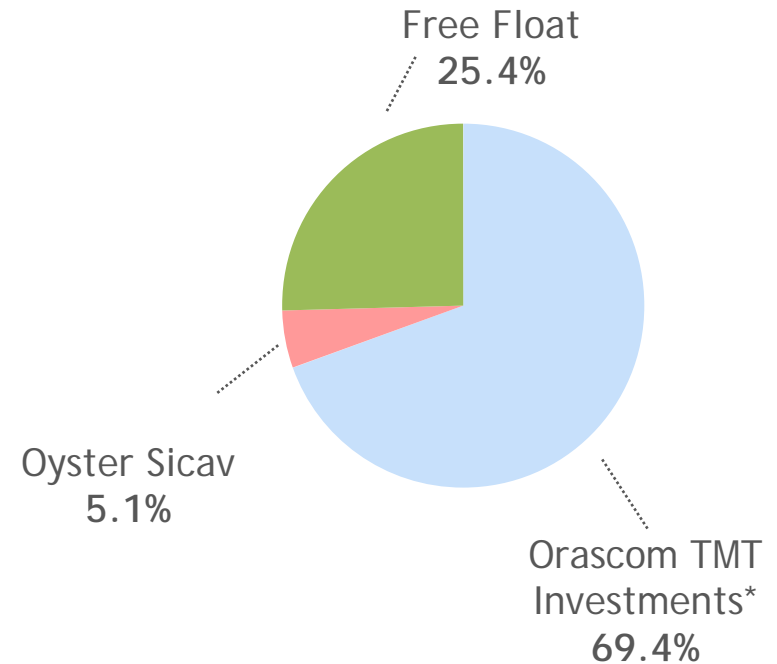
FY 2013 Financials

Company Profile

Stock Performance

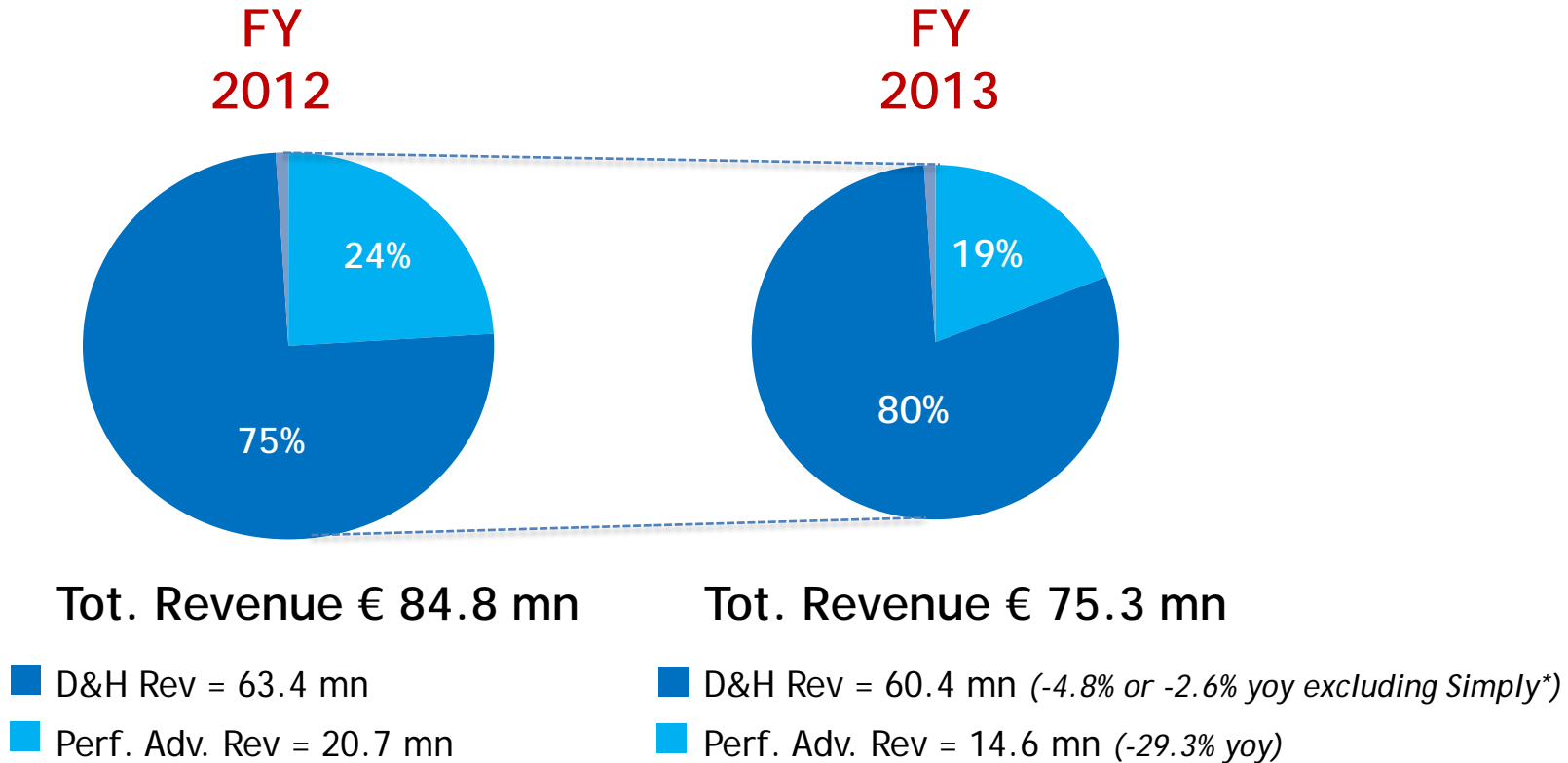


Shareholding Structure



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

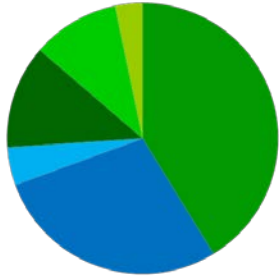
FY 2013 - Revenue Breakdown by Business Line



* 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. Its sale is managed on an exclusive basis in Italy by an external agency.

FY 2013 - D&H Revenue Breakdown by Country

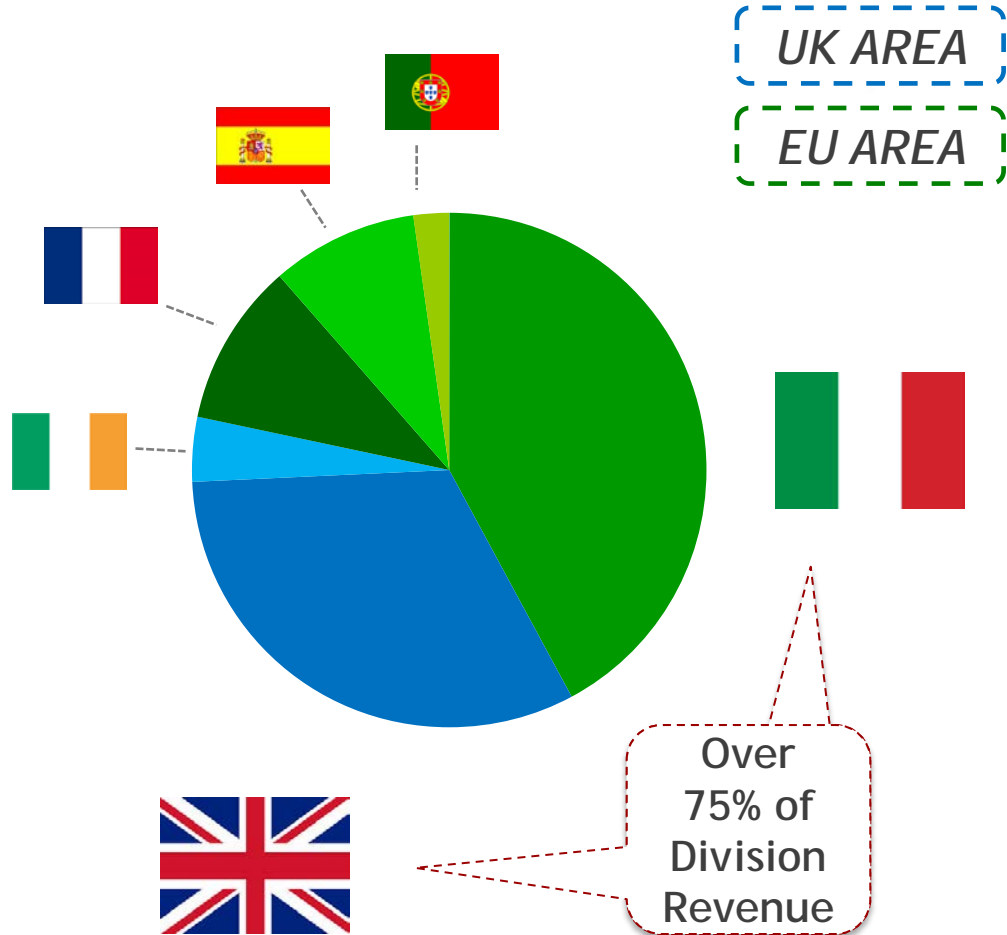
Domains Under Management



Customer Base

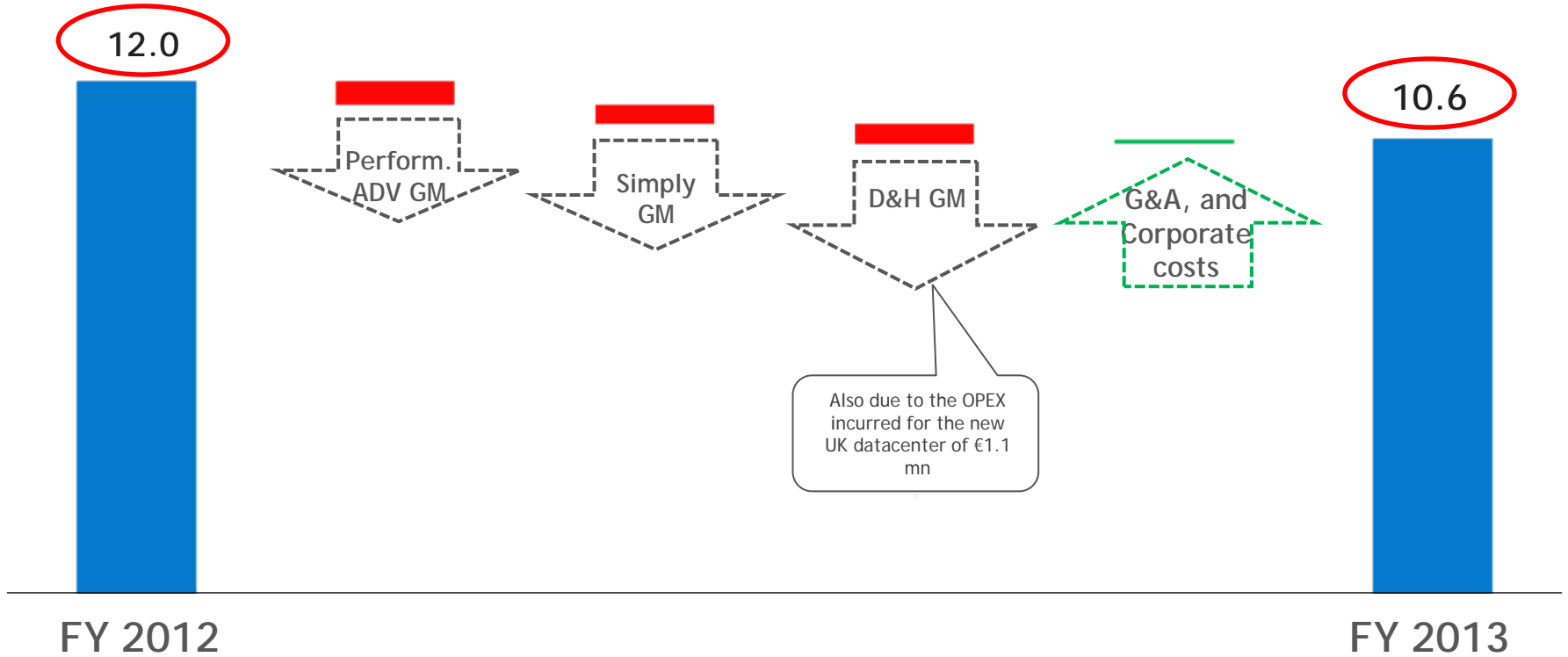


- Italy
- UK
- Ireland
- France
- Spain
- Portugal



FY 2013 - Analysis of Key EBITDA components

€ / mn



FY 2012

FY 2013

% of Revenue 14%

14%

FY 2013 Results - Revenues & EBITDA Breakdown

€ mn		FY 2013	EBITDA margin %	FY 2012	EBITDA margin %
Domains & Hosting	Revenues	60.4	16%	63.4	18%
	EBITDA*	9.9		11.2	
Performance Advertising	Revenues	14.6	13%	20.7	13%
	EBITDA	1.9		2.7	
Adjustments	Revenues	0.3		0.7	
	EBITDA	(1.2)		(2.0)	
DADA Group	Revenues	75.3	14%	84.8	14%
	EBITDA	10.6		12.0	

* It includes in 2013 the costs incurred to develop the new UK datacenter of €1.1 mn and the negative contribution of Simply of € -0.2 mn (+0.1 mn in 2012)

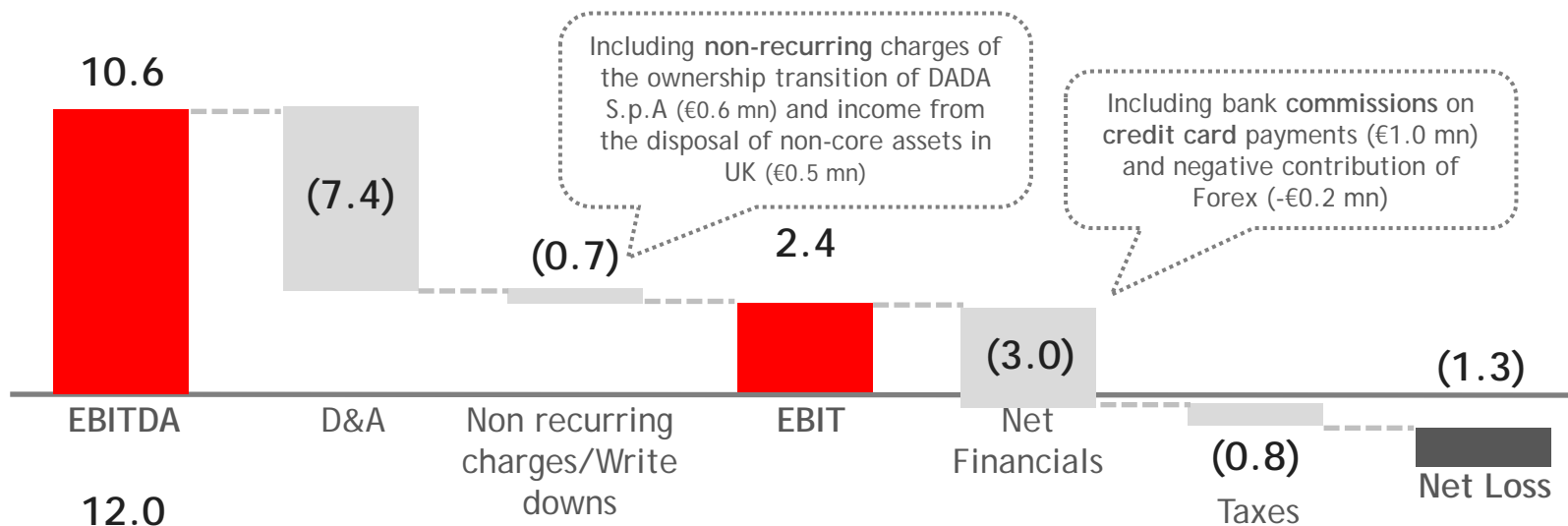
FY 2013 - From EBITDA to Net Profit

€ mn

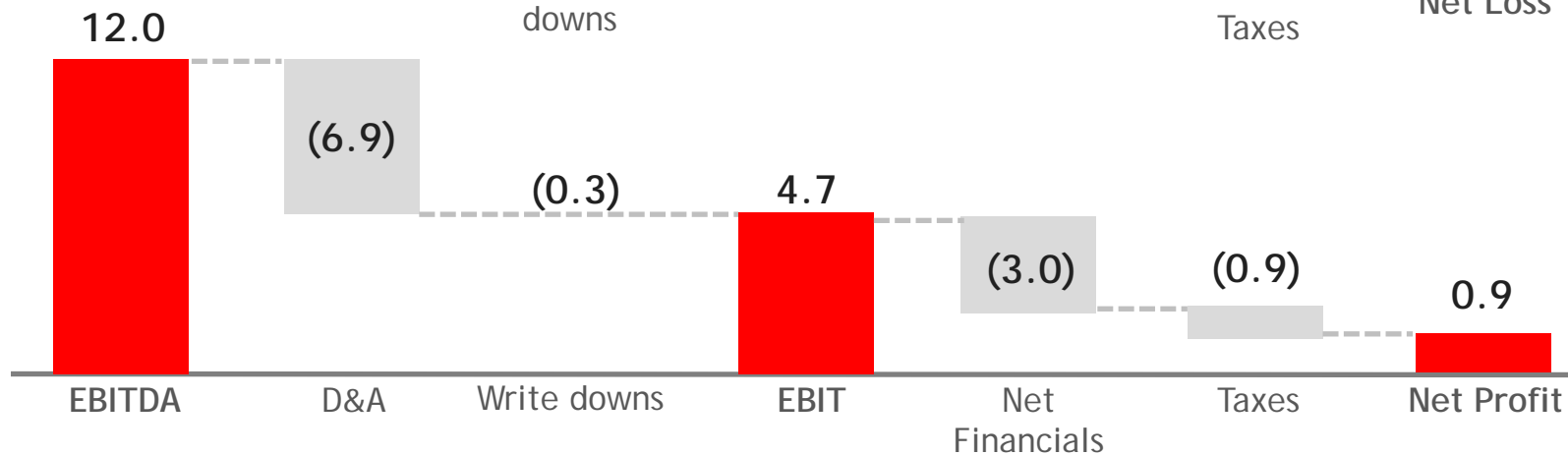
FY 2013

Including non-recurring charges of the ownership transition of DADA S.p.A (€0.6 mn) and income from the disposal of non-core assets in UK (€0.5 mn)

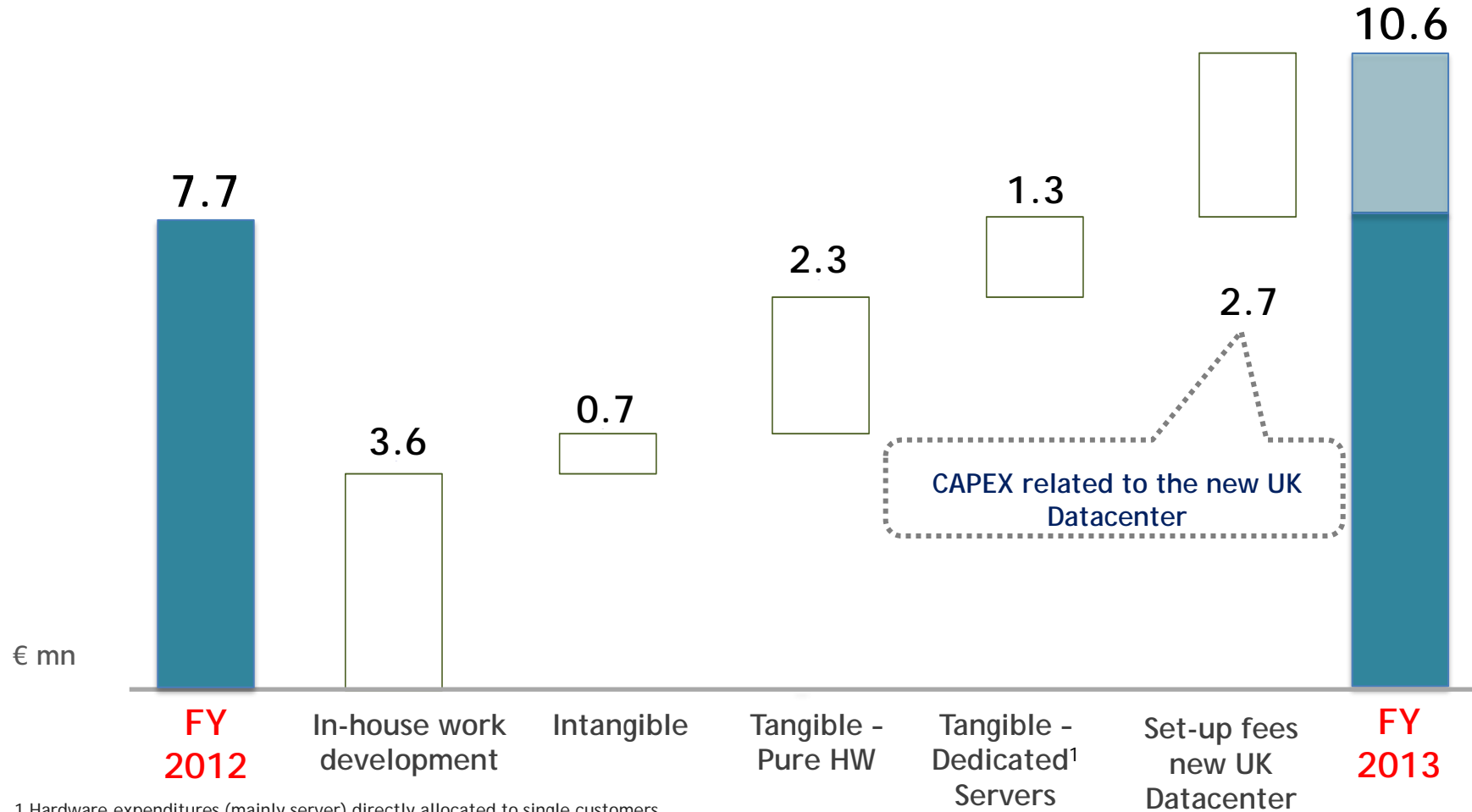
Including bank commissions on credit card payments (€1.0 mn) and negative contribution of Forex (-€0.2 mn)



FY 2012



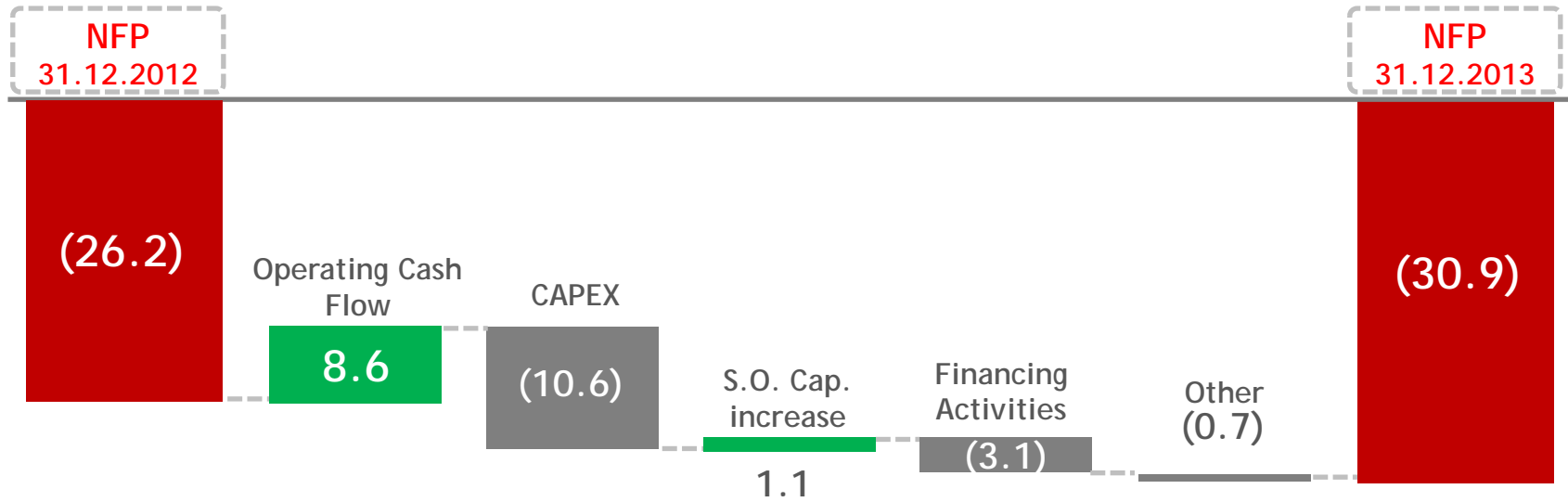
FY 2013 - CAPEX breakdown by kind



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

FY 2013 - NFP evolution

€ mn



	31.12.2012	31.12.2013
Financial Assets	4.0	1.7
Current Financial Liabilities	(11.5)	(11.3)
Long Term Financial Liabilities	(18.7)	(21.3)
Financial Liabilities	(30.2)	(32.6)
Net Financial Position	(26.2)	(30.9)

Appendix



DADA

DOMAINS & ADVERTISING

M&A activity in Domains & Hosting

 **register.it**

July 2006

Last 3%
acquisition

 **nominalia**

August 2006

100% acquisition

 **amen**

July 2008

100% acquisition

 **names.co.uk**

July 2007

100% acquisition

 **register365**

May 2008

100% acquisition

 **poundhost**

January 2010

100% acquisition

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

FY 2013 Results - Profit & Loss

€ mn	FY 2013	% on sales	FY 2012	% on sales
Net Revenues	75.3		84.8	
EBITDA	10.6	14%	12.0	14%
EBIT	2.4	3%	4.7	6%
Profit before Tax	-0.6	-1%	1.8	2%
Group Net Profit	-1.3	-2%	0.9	1%

FY 2013 Results - Balance Sheet

€ mn	31.12.2013	31.12.2012
Net Working Capital	(11.7)	(12.8)
Fixed Assets	94.0	91.9
Severance and Other Funds	(1.8)	(2.3)
Other Payables beyond one year	-	(0.2)
Net Capital Employed	80.5	76.6
Net Financial Position	(30.9)	(26.2)
Total Shareholders' Equity	(49.7)	(50.4)

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

FY 2013 Results - Cash Flow Statement

€ mn	FY 2013	FY 2012
Cash and Cash Equivalents at the Beginning of Period	(7.7)	(8.4)
Group Net Profit (Loss)	(1.3)	0.9
Gross Operating Cash Flow	9.1	11.5
Working capital, Income taxes and Interest paid	(4.2)	(4.1)
Net Operating Cash Flow	4.8	7.4
Capex & Investing Activities	(10.6)	(7.6)
Financing Activities	4.0	0.8
Free Cash Flow	(1.8)	0.7
Cash and Cash Equivalents at the End of Period	(9.5)	(7.7)

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 02 54027790

investor.relator@dada.eu



DADA

DOMAINS & ADVERTISING

www.dada.eu