



Dada

2012
STAR CONFERENCE

Milano - 28th March 2012

Agenda

The “new” Dada

Core Business Overview:
Domain & Hosting

New Business Overview:
Digital Advertising

Financials, Efficiency Plan & Outlook

Key developments of the year 2011

A

B

C

D

- **Stronger positioning** - following the rationalization of the asset portfolio - and **new organizational structure** driving higher **focus on core business**

- Business performance **improved** and **on track with expectations**:
 - 120,000 new paying customers acquired
 - 550,000 new domains registered
 - average renewal rate improved overall

- Significant **reduction** of the **consolidated net financial position** achieved with the disposal of non core activities

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

"Old" Dada

31.12.2010

28

Legal Entities

Business Lines



- 4 Mobile
- 5 Digital Music
- 6 Digital TV
- 7 Gaming

- 1 Domain&Hosting
- 2 Simply
- 3 Perform. Adv

"New" Dada

31.12.2011

19



1 Domain & Hosting*
76% Rev.

2 Digital Adv*
23% Rev.

* As of 31 December 2011 the Dada Group's activities are all grouped in one single operating division/segment

Business Overview

1 Core Business: Domain & Hosting

- Registration of domain names and shared, dedicated and cloud hosting
- Strong European footprint with unified technological platforms
- 490k companies served, 1.8 mn domains managed



2 New Business: Digital Advertising

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

Key Financials & Highlights

Eu mn

	FY 2010	FY 2011	YoY
Revenues	73.6	80.3	+9%
Ebitda	3.2	9.2	+188%
<i>Ebitda margin %</i>	4%	11%	
NFP	-50.6	-27.0	-47%
Headcount	407	367	-10%

Agenda

The “new” Dada

**Core Business Overview:
Domain & Hosting**

New Business Overview:
Digital Advertising

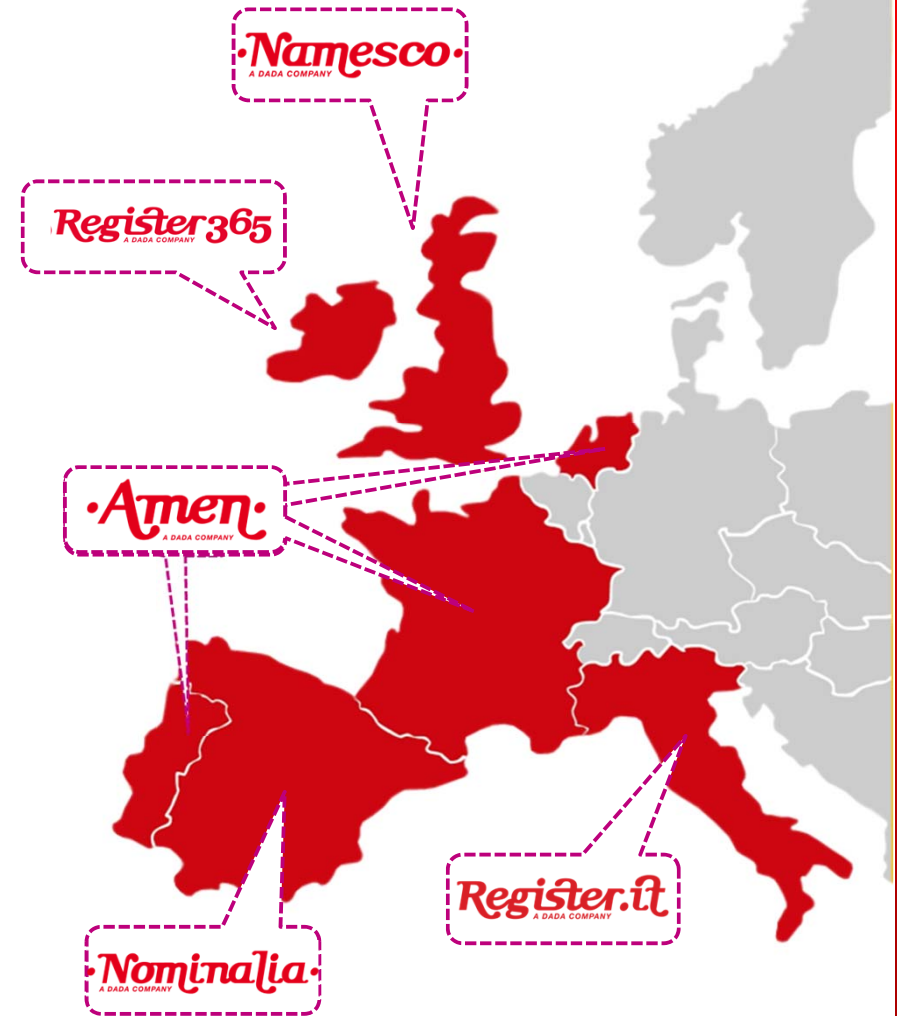
Financials, Efficiency Plan & Outlook

Domain & Hosting

Professional services for on-line presence

Complete digital solutions for on-line identity, presence and brand protection management

- 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

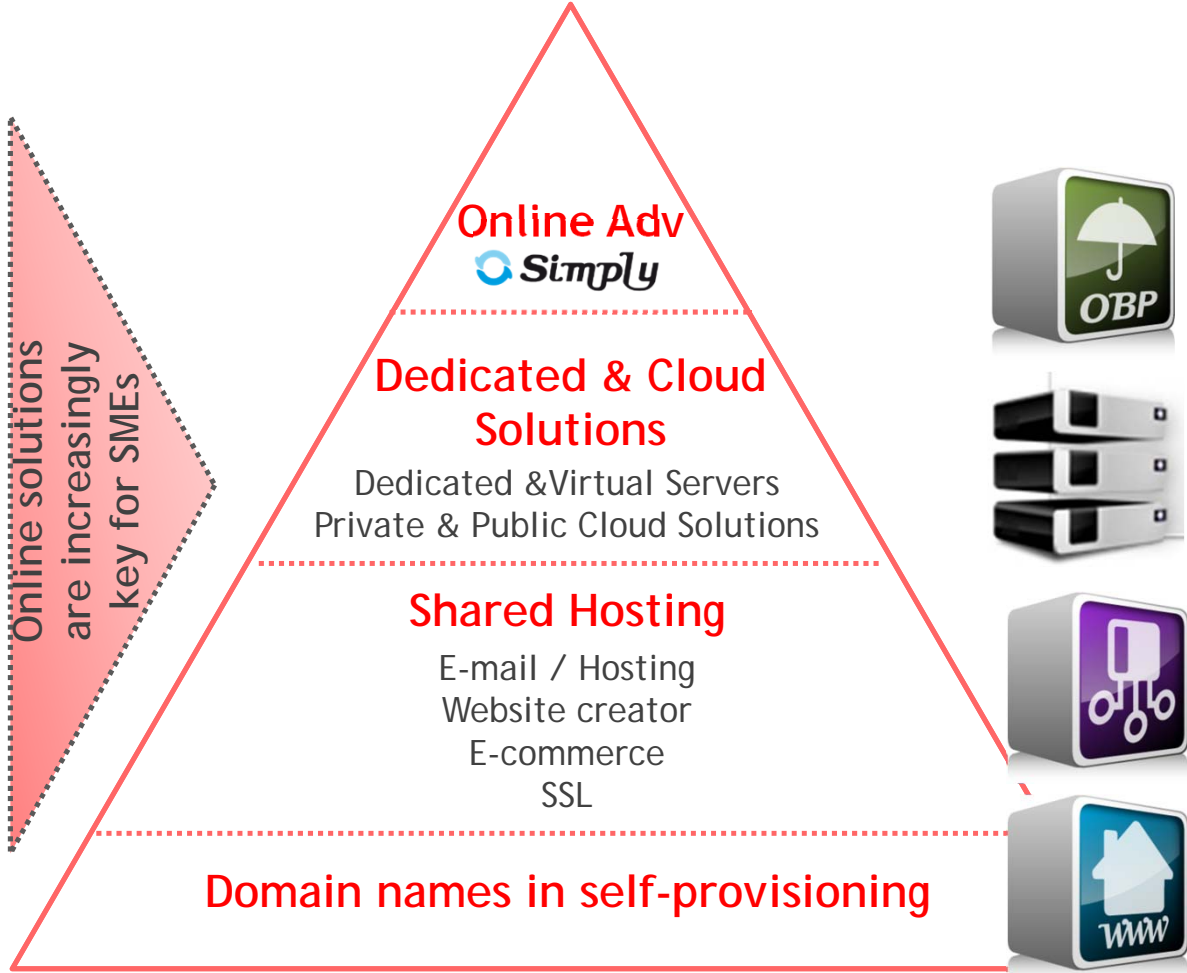
Current Offering

CUSTOMER NEEDS

DADA'S SUITE OF SERVICES

- 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



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

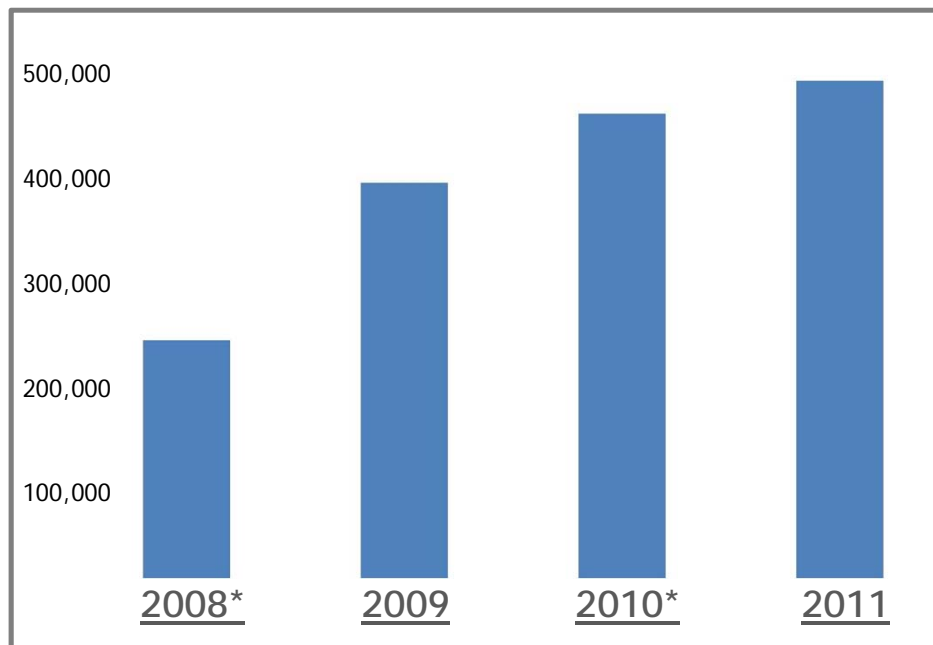
MEDIUM

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

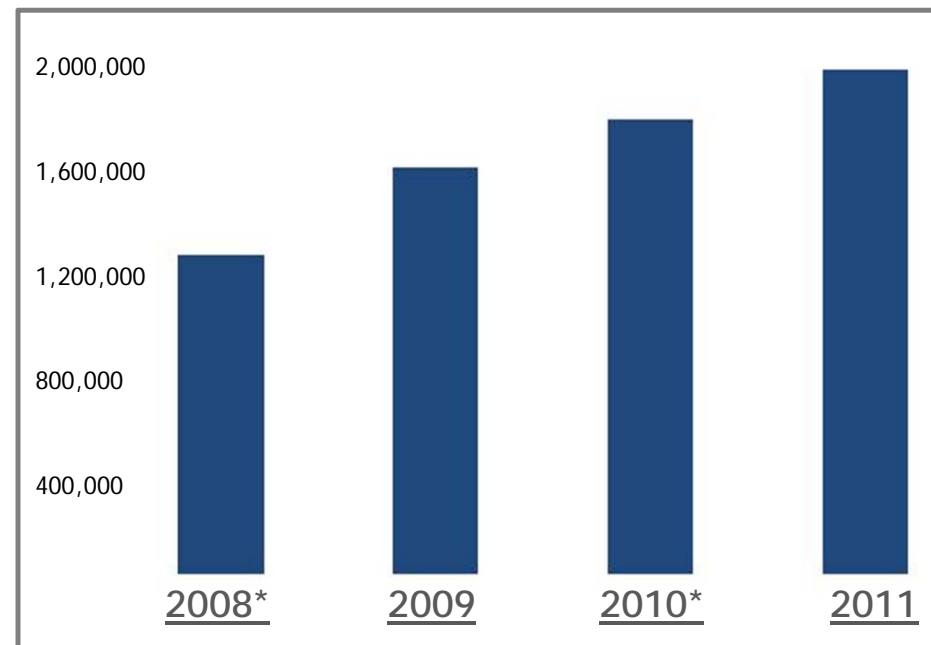
Domain & Hosting

Long-standing and growth track record

Customer Base evolution



Domains under management evolution



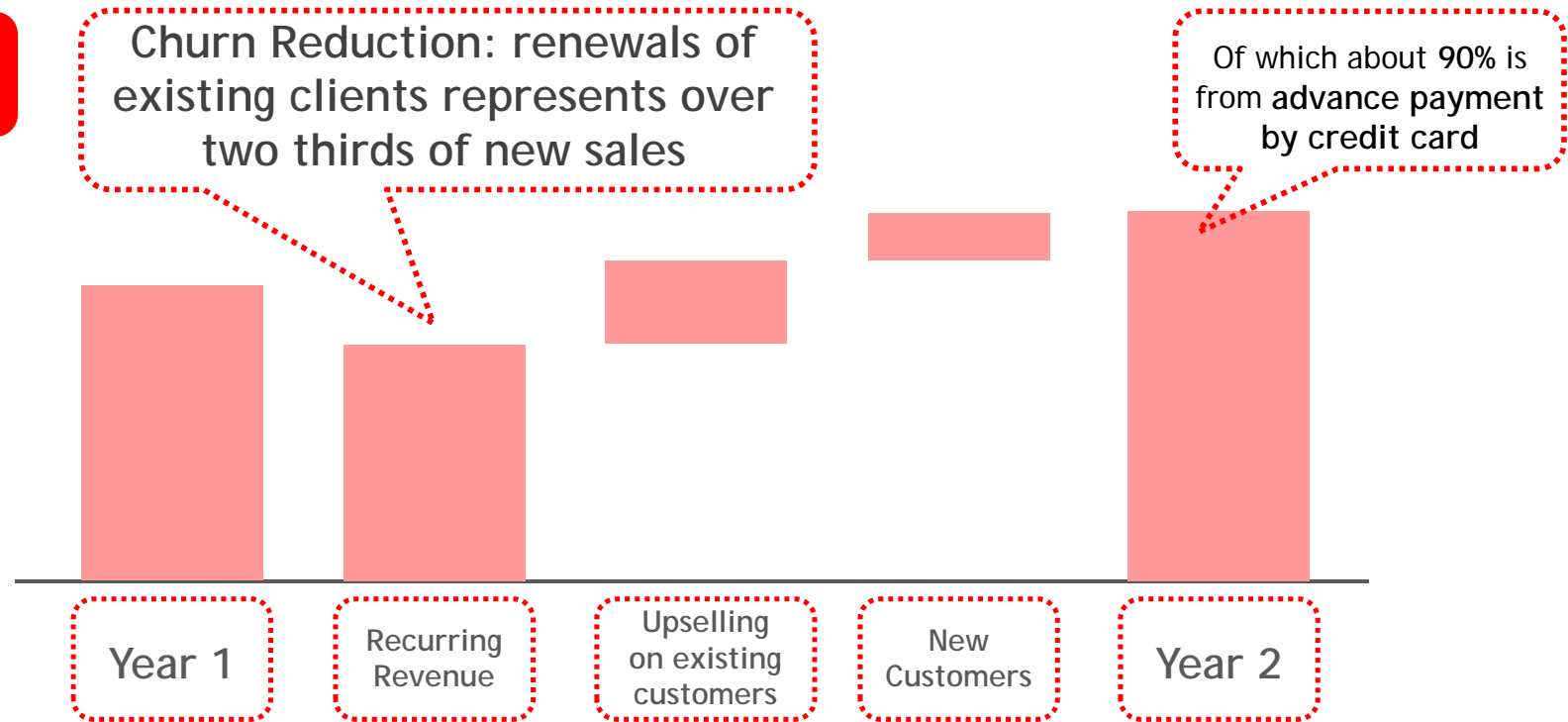
- Dada's large **customer base** covers all market segments but is concentrated on **SMEs**
- High-quality customer base with **high Customer Retention (more than 75%)**
- First **top 10 clients** represent **less than 5% of revenue**

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

Domain & Hosting

Revenue Growth Drivers & Strategy

DRIVERS

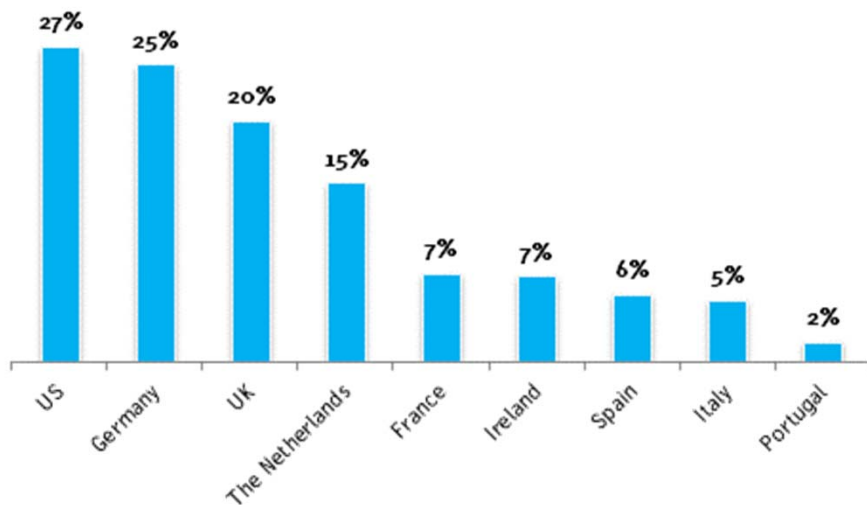
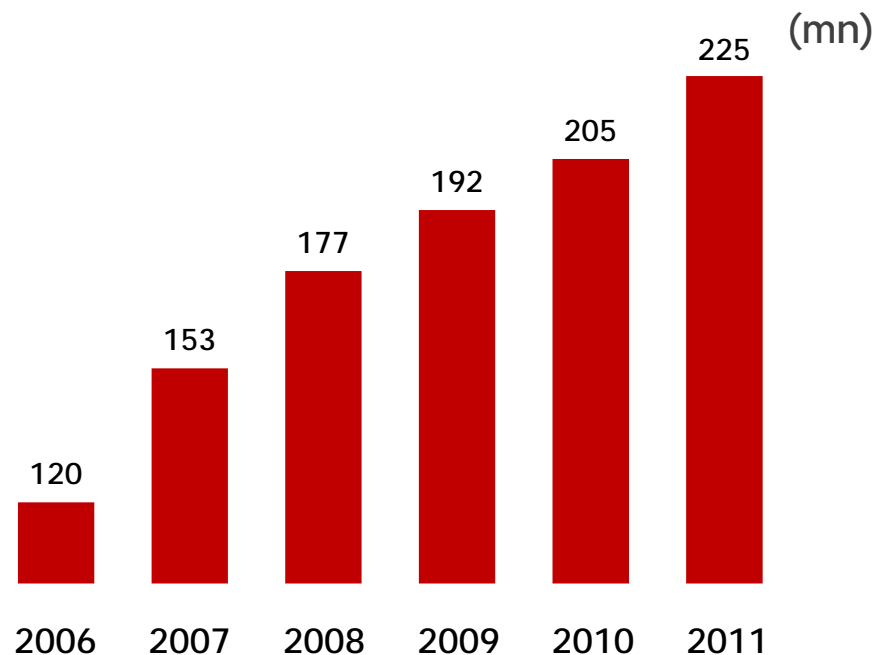


STRATEGY



Domain & Hosting - Market Overview

- The 2011 closed with more than 225 million¹ domain name registrations worldwide, a growth of 10% yoy;
- the .com and .net TLDs reached a combined total of 114 mn names (+8% yoy, renewal rate up to 73.5%)
- the base of ccTLDs was 91 mn names (+13% yoy) for more than 290 extensions globally



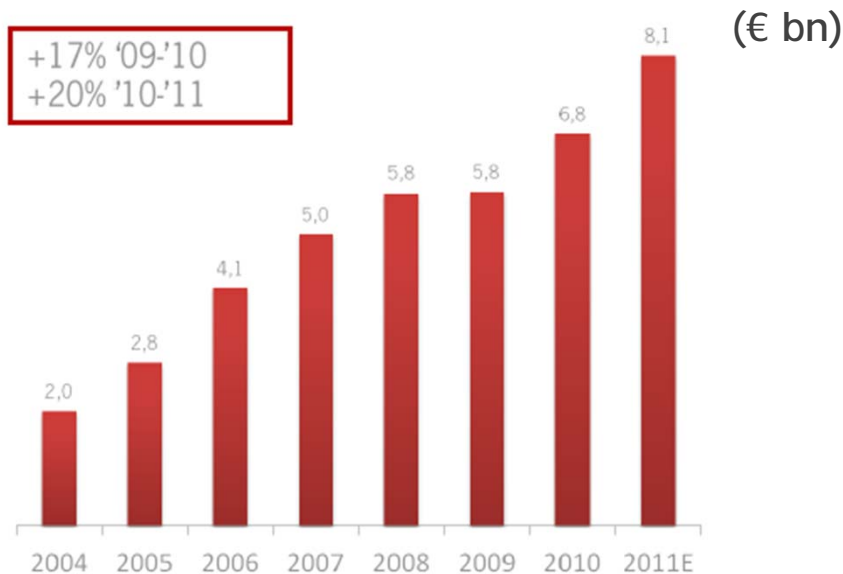
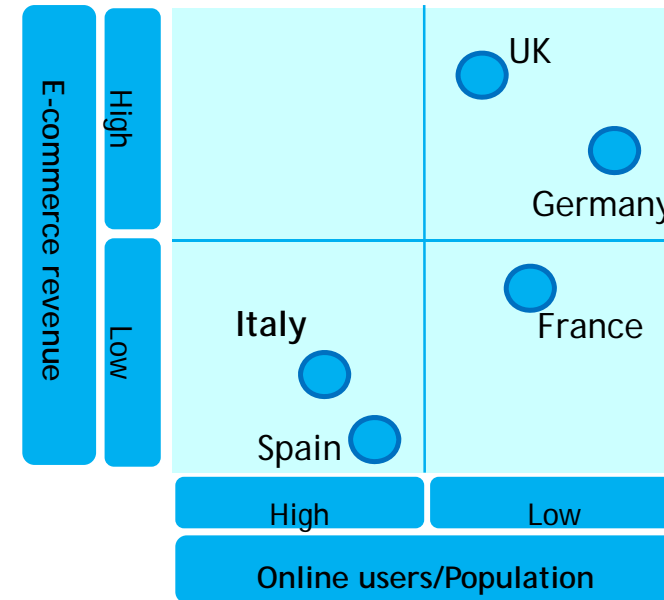
- U.S. and Germany are the first countries worldwide in terms of domain registration penetration^{1,2}: the top ten TLDs in terms of base size are .com, .de, .net, .uk, .org, .info, .tk, .nl, .cn, .ru and .eu

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

² webhosting.info, local registers

E-commerce - Market Overview

- 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

Agenda

The “new” Dada

Core Business Overview:
Domain & Hosting

**New Business Overview:
Digital Advertising**

Financials, Efficiency Plan & 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

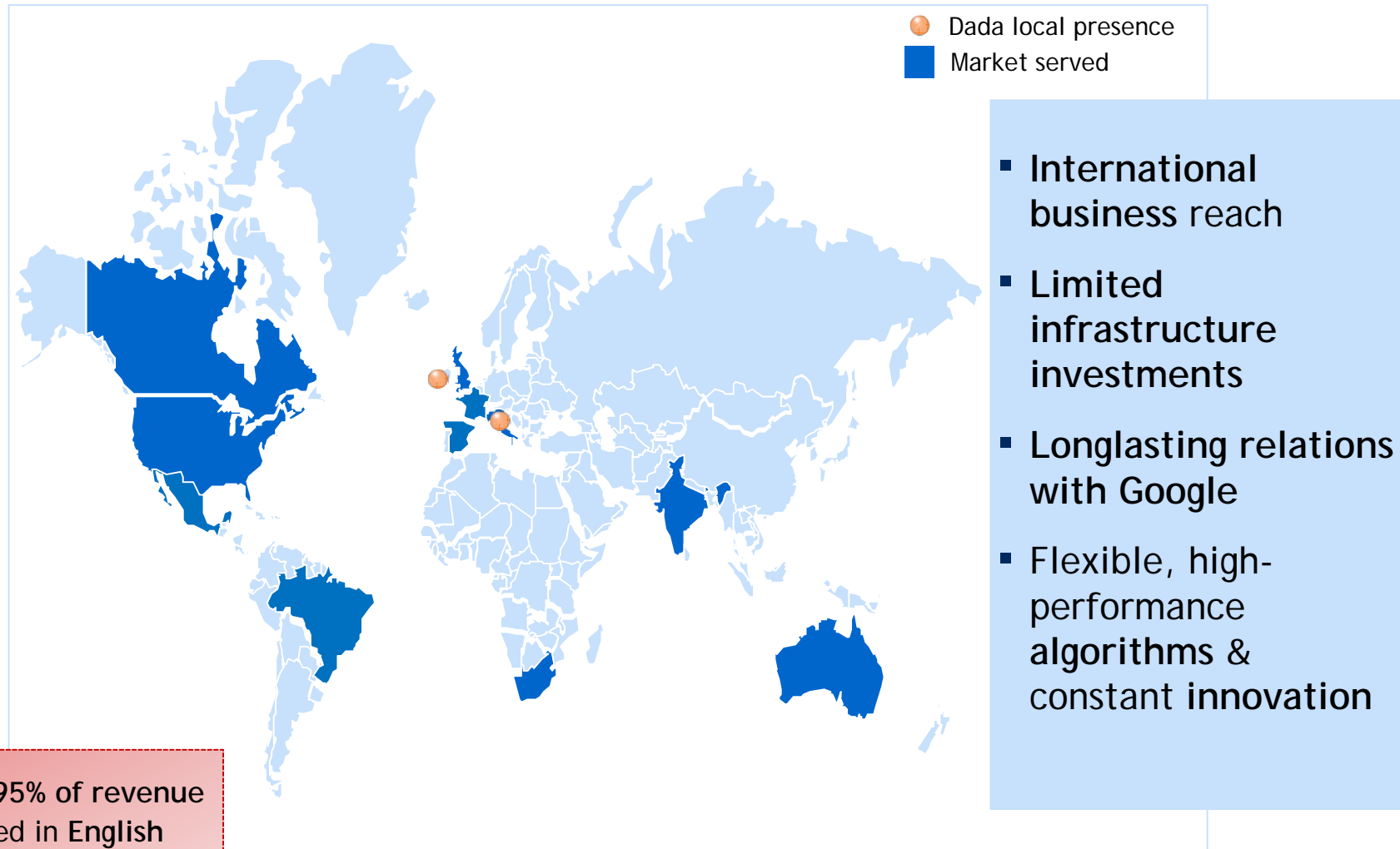
Key Success Factors

A

B

C

D



- International business reach
- Limited infrastructure investments
- Longlasting relations with Google
- Flexible, high-performance algorithms & constant innovation

More than 95% of revenue generated in English speaking countries (i.e. USA, UK, Australia, India)

Performance Advertising

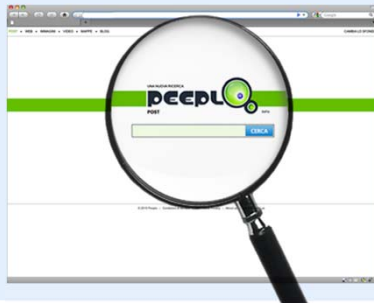
Growth Strategy

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**

- "onlytopdeals" website in UK
- sconti.it website in Italy
- New travel market in English
- Mobile segment

Agenda

The “new” Dada

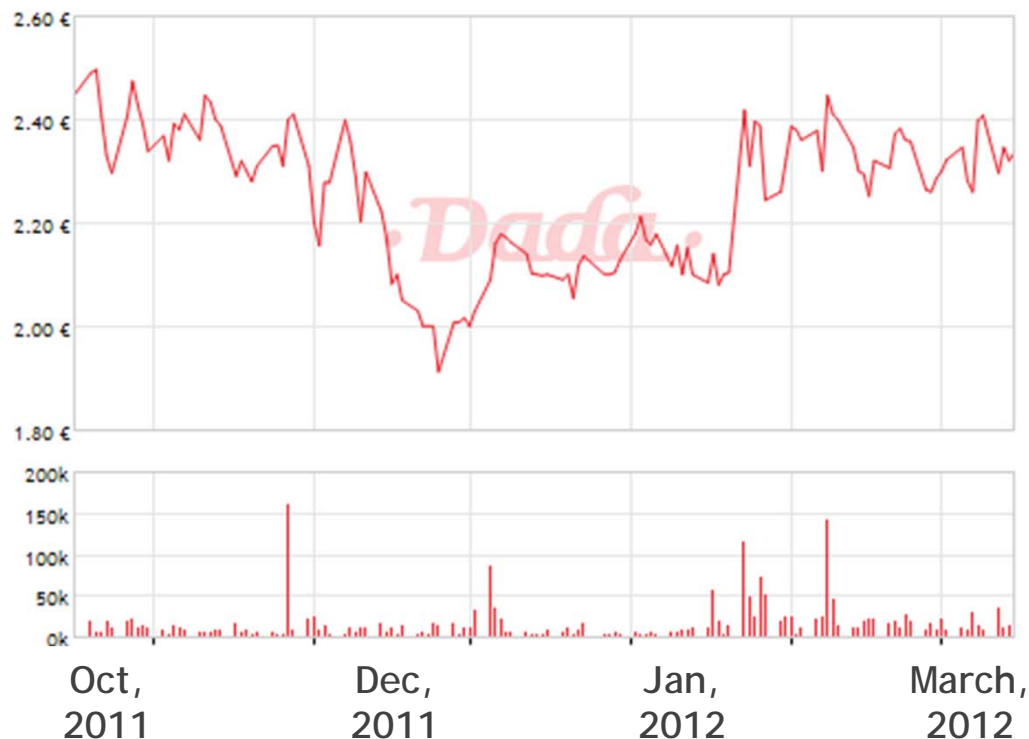
Core Business Overview:
Domain & Hosting

New Business Overview:
Digital Advertising

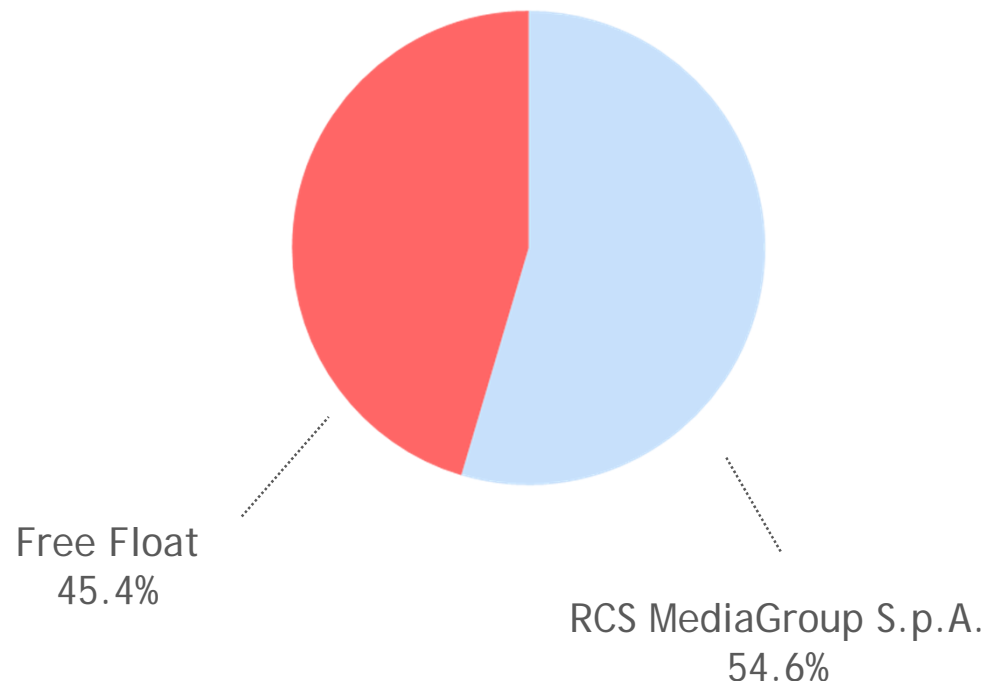
**Financials, Efficiency Plan &
Outlook**

Company Profile

6M Stock Performance



Shareholding Structure



Share Information

Ticker	DA IM (Bloomberg), DA.MI (Reuters)
Market cap (FTSE STAR Segment)	€38 mn
Shares issued	16,210,069
Last 30 days avg. daily trade	20,123

FY 2011 - Profit & Loss

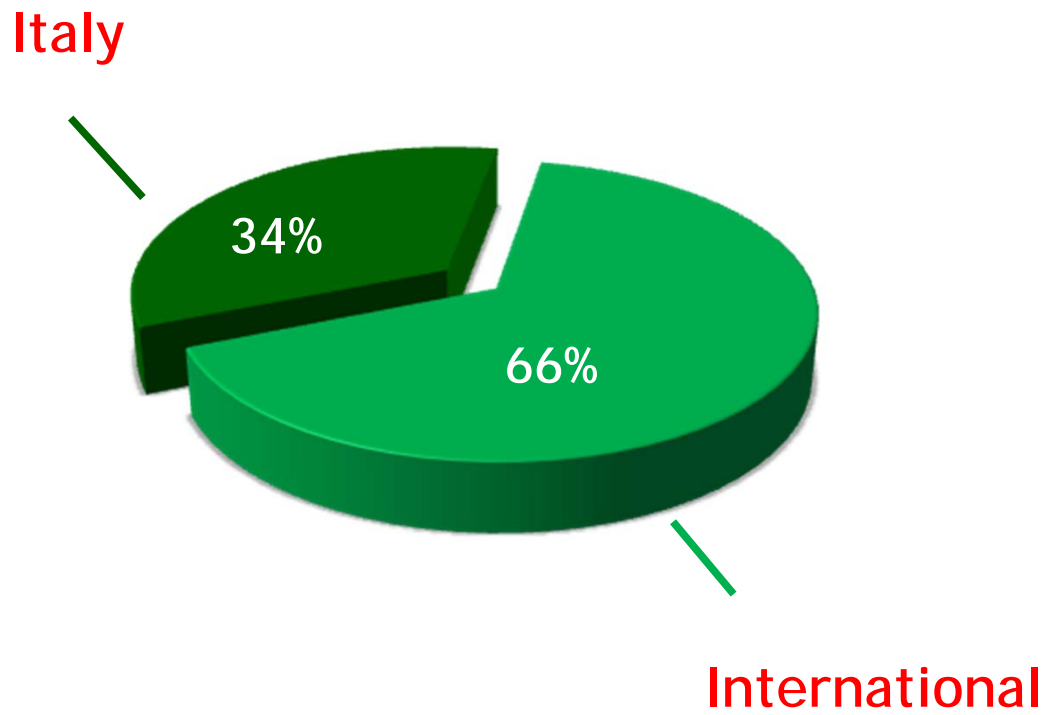
€ mn	FY 2011*	% on sales	FY 2010**	% on sales
Net Revenues	80.3		73.6	
EBITDA	9.2	11%	3.2	4%
EBIT	(5.6)	<i>n.m.</i>	(9.2)	<i>n.m.</i>
Profit before Tax	(8.5)	<i>n.m.</i>	(12.0)	<i>n.m.</i>
Profit after Tax	(9.8)	<i>n.m.</i>	(9.8)	<i>n.m.</i>
Profit from assets held for sale	1.2	2%	(7.7)	<i>n.m.</i>
Group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

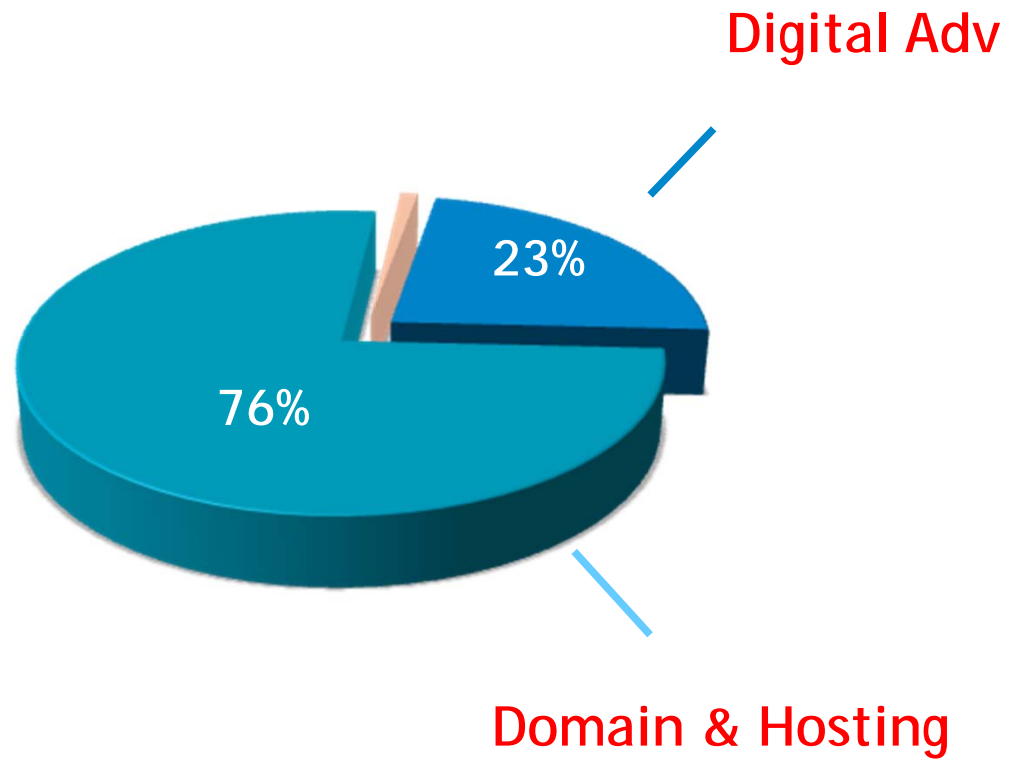
** For the sake of comparison, income statement items from the previous year have been reclassified according to IFRS 5

FY 2011 - International Revenue Growth...

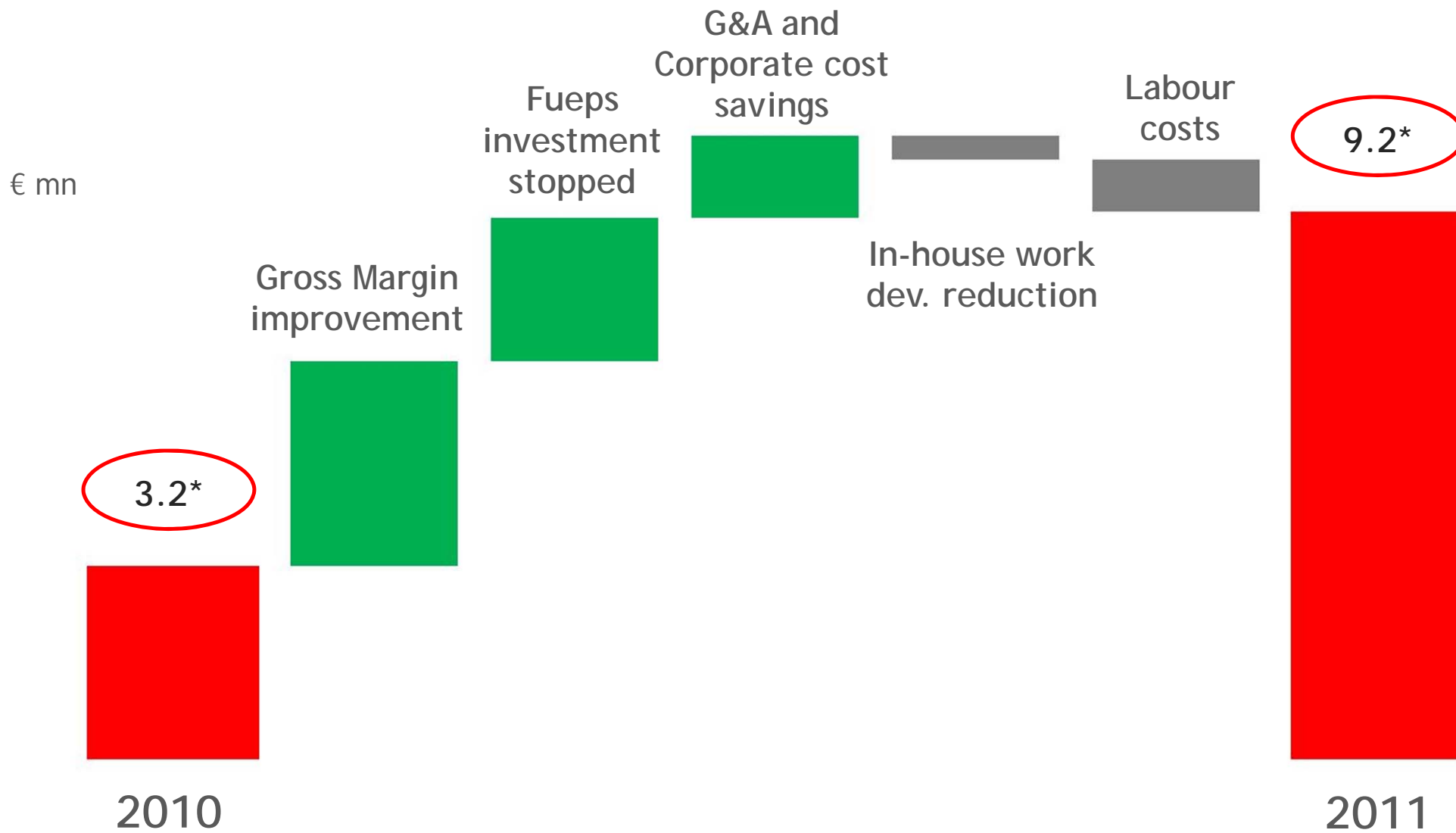
Geographic Mix



Business Mix



...and relevant EBITDA increase



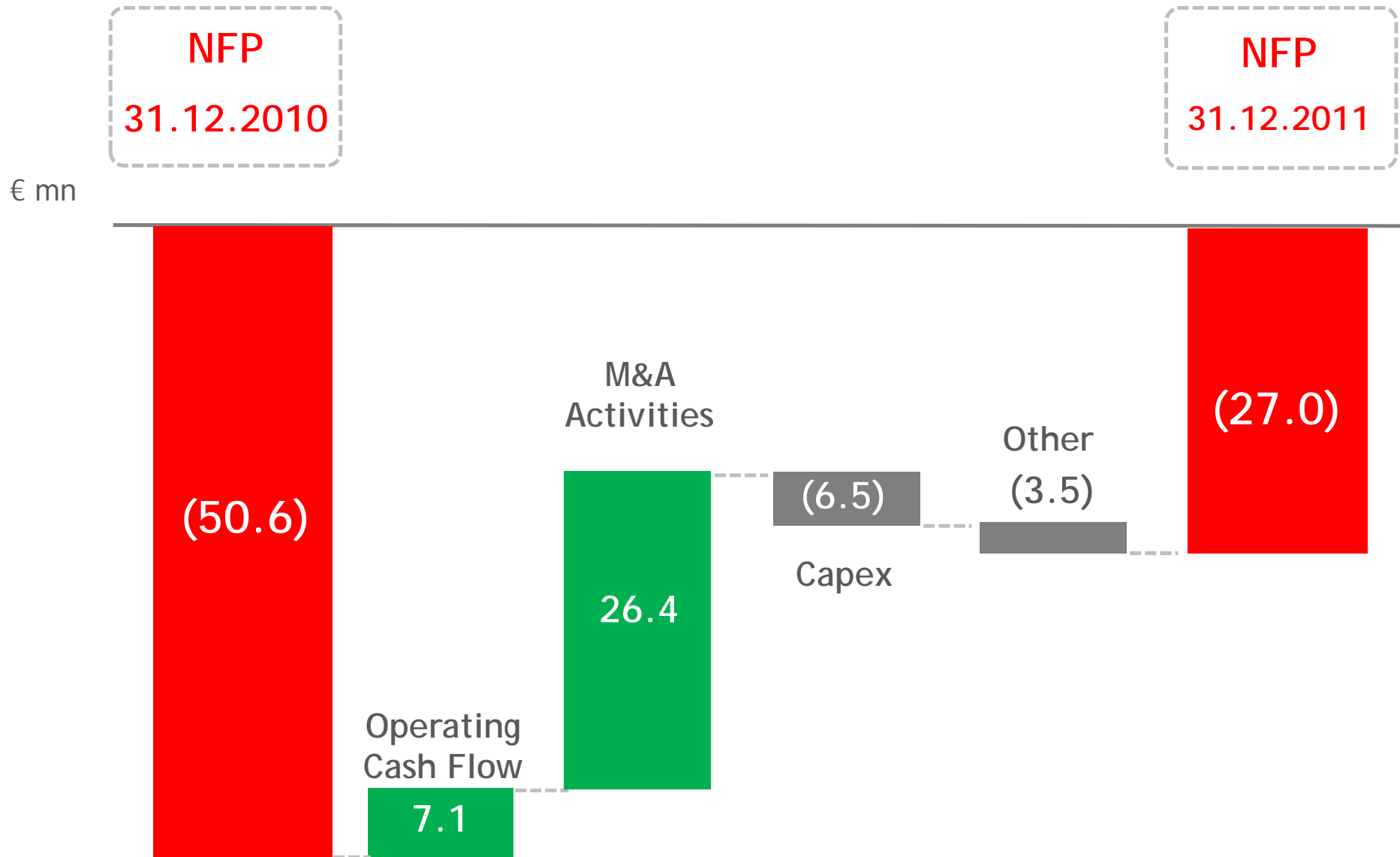
* Figures after the application of IFRS 5 relating to non-current assets sold

FY 2011 Results - Balance Sheet

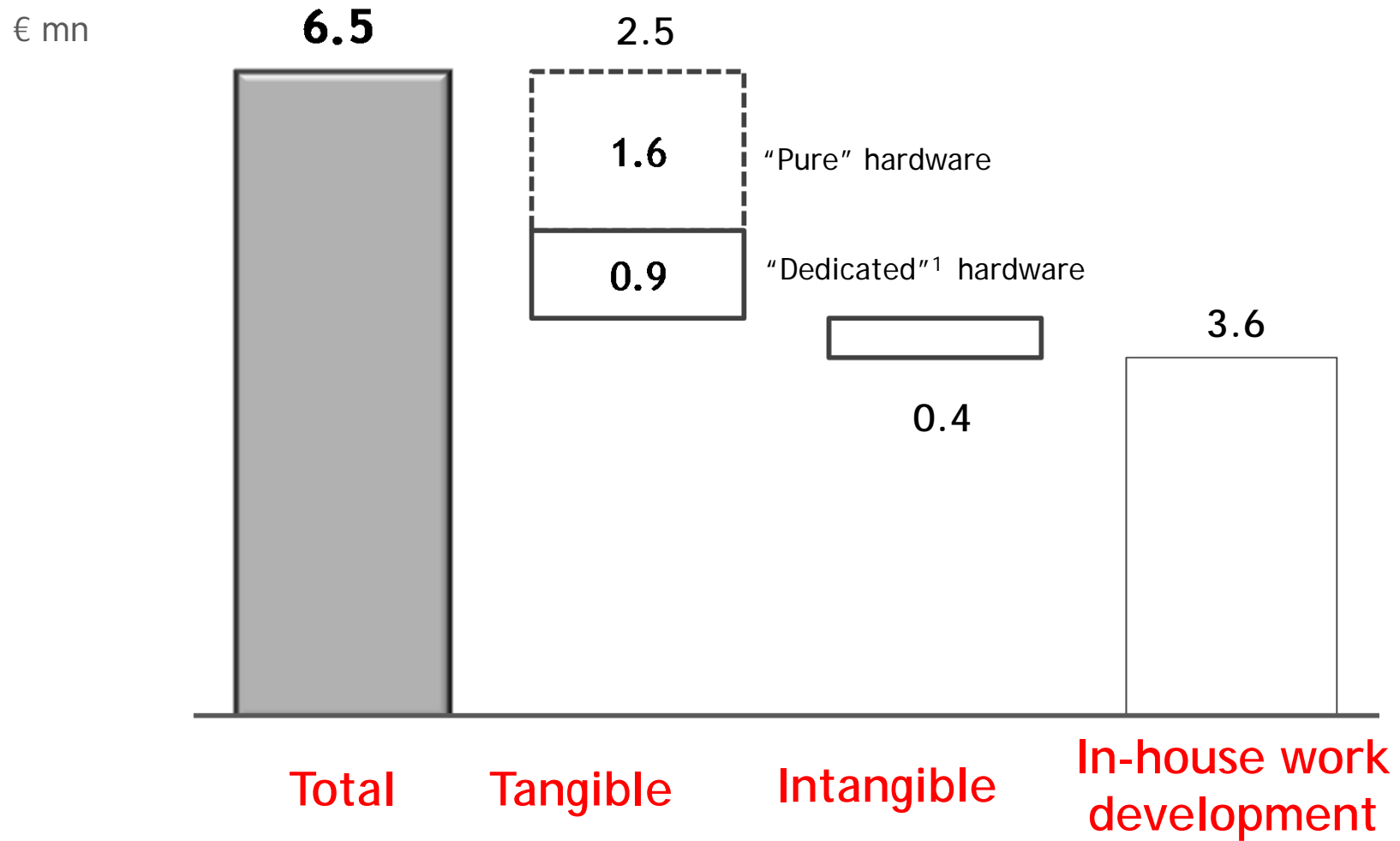
€ mn	31.12.2011	31.12.2010
Net Working Capital	(12.0)	(10.6)
Fixed Assets	90.9	128.1
Severance and Other Funds	(3.7)	(5.5)
Other Payables beyond one year*	0.0	(8.0)
Net Capital Employed	75.3	104.0
Total Shareholders' Equity	48.3	56.7
Assets held for sale	0.0	(3.3)
Net Financial Position	27.0	50.6

* From July 2009 Includes Sony Music put option for Euro 8 mn, in the first quarter of 2011 removed according to new agreements issued on February 2011 and to the subsequent disposal of Dada.net

FY 2011 - NFP reduction

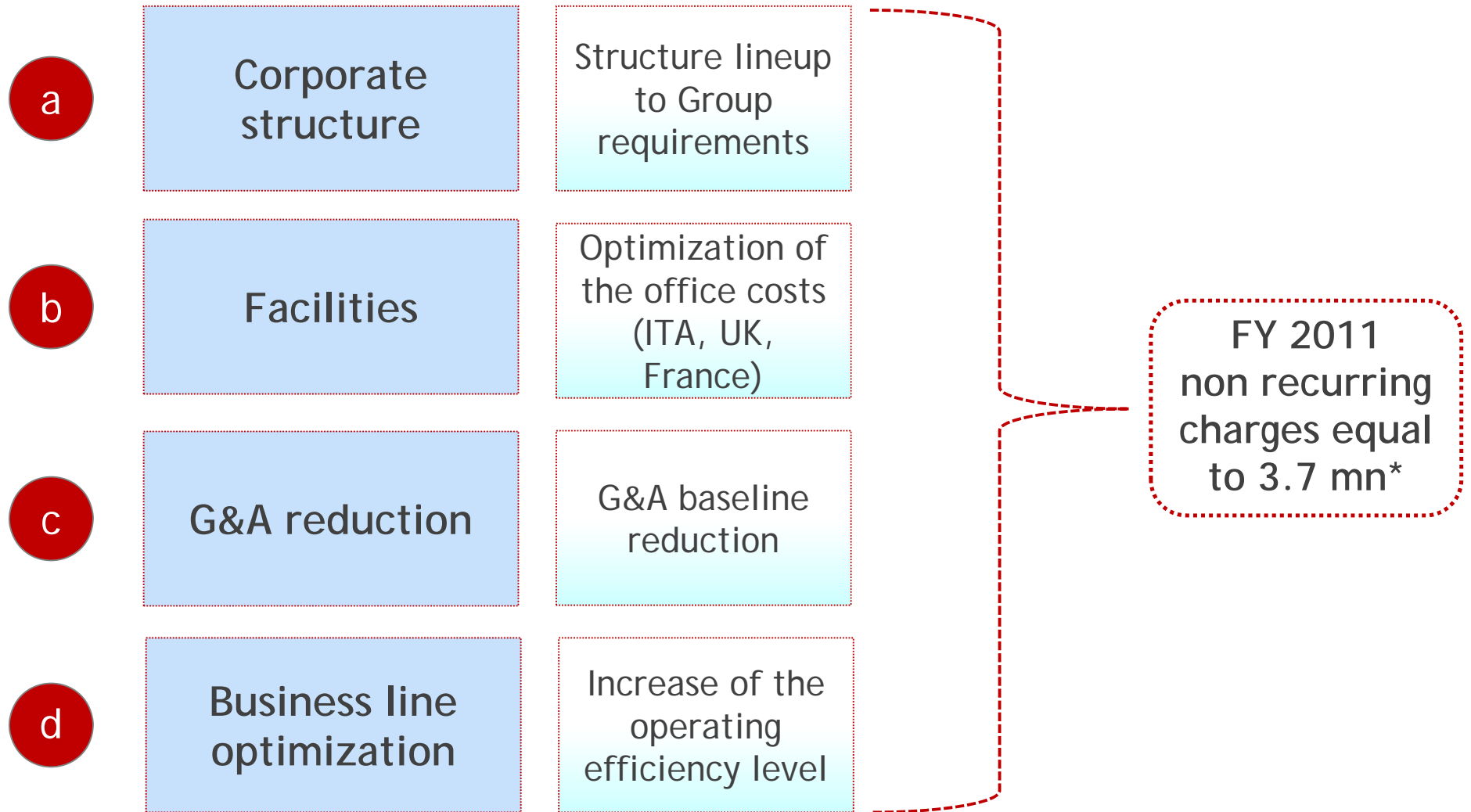


FY 2011 - CAPEX breakdown by kind



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

On-going efficiency plan



* 0.4€ mn of the total 2011 non recurring expenses (4.1€ mn) are related to some receivable write-downs

Key pillars of Dada strategy

A

B

C

D

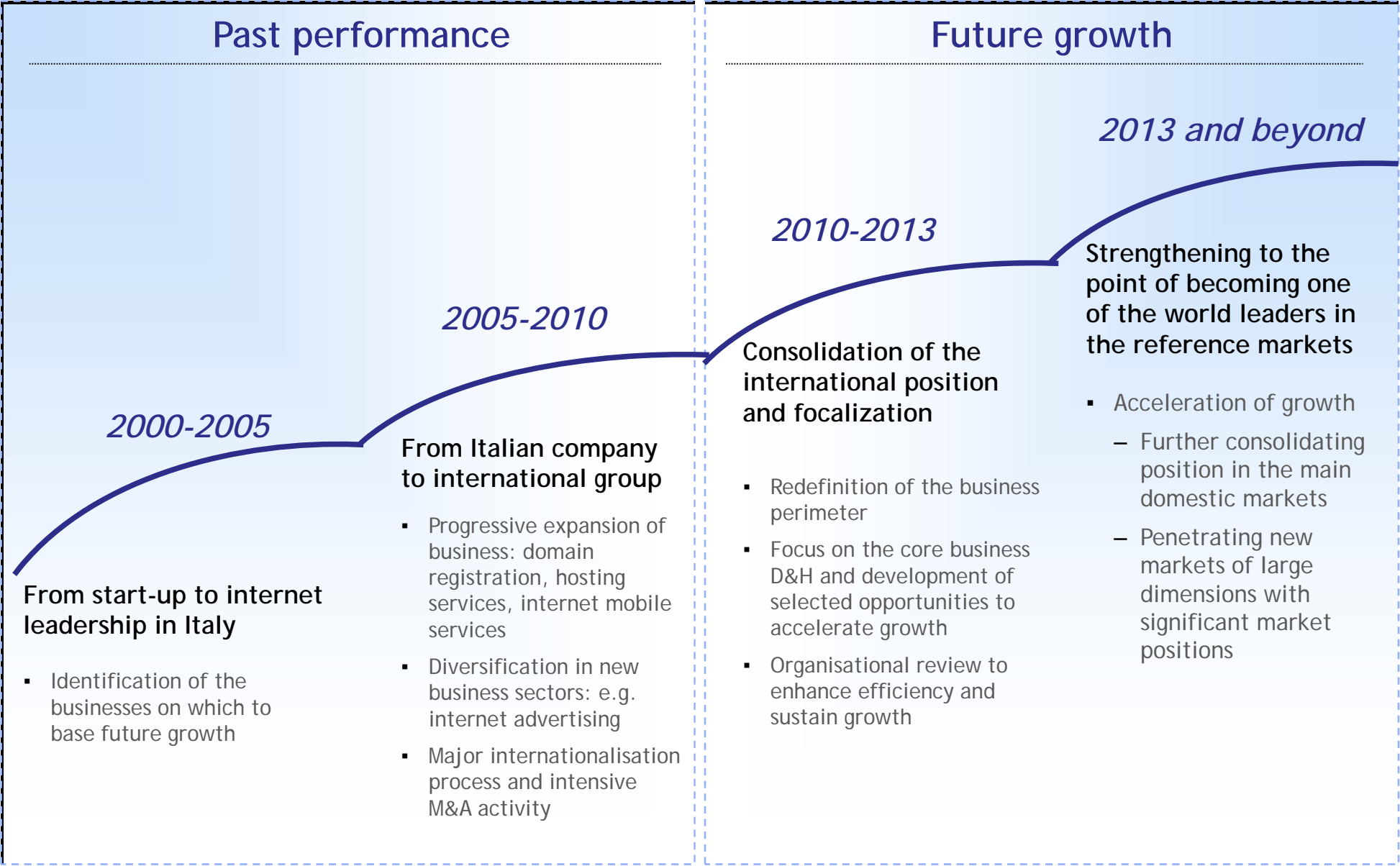
PROVIDING SMEs WITH MORE and MORE PERFORMING SOLUTIONS and STRENGTHENING CUSTOMER LOYALTY ...

1. Updating the technological platform
2. Introducing new products to the existing offer
3. Improving and focusing the online marketing activities
4. Reinforcing the customer service and support

... WHILE DRIVING PROFITABILITY IMPROVEMENT

1. Optimizing G&A and structural costs
2. Ensuring tight operating cost control to increase core business efficiency

New Dada outlook





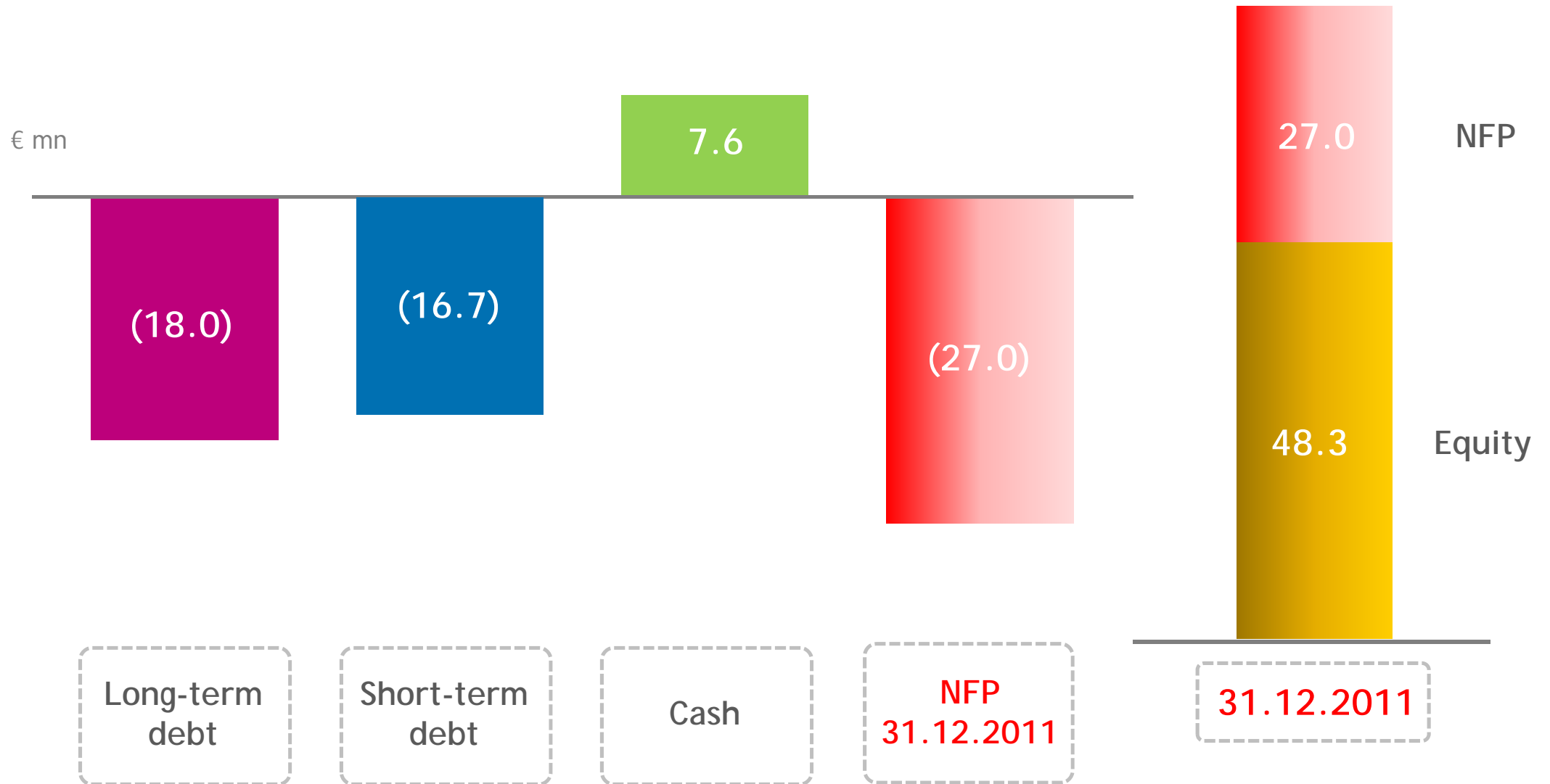
Appendix

Dada

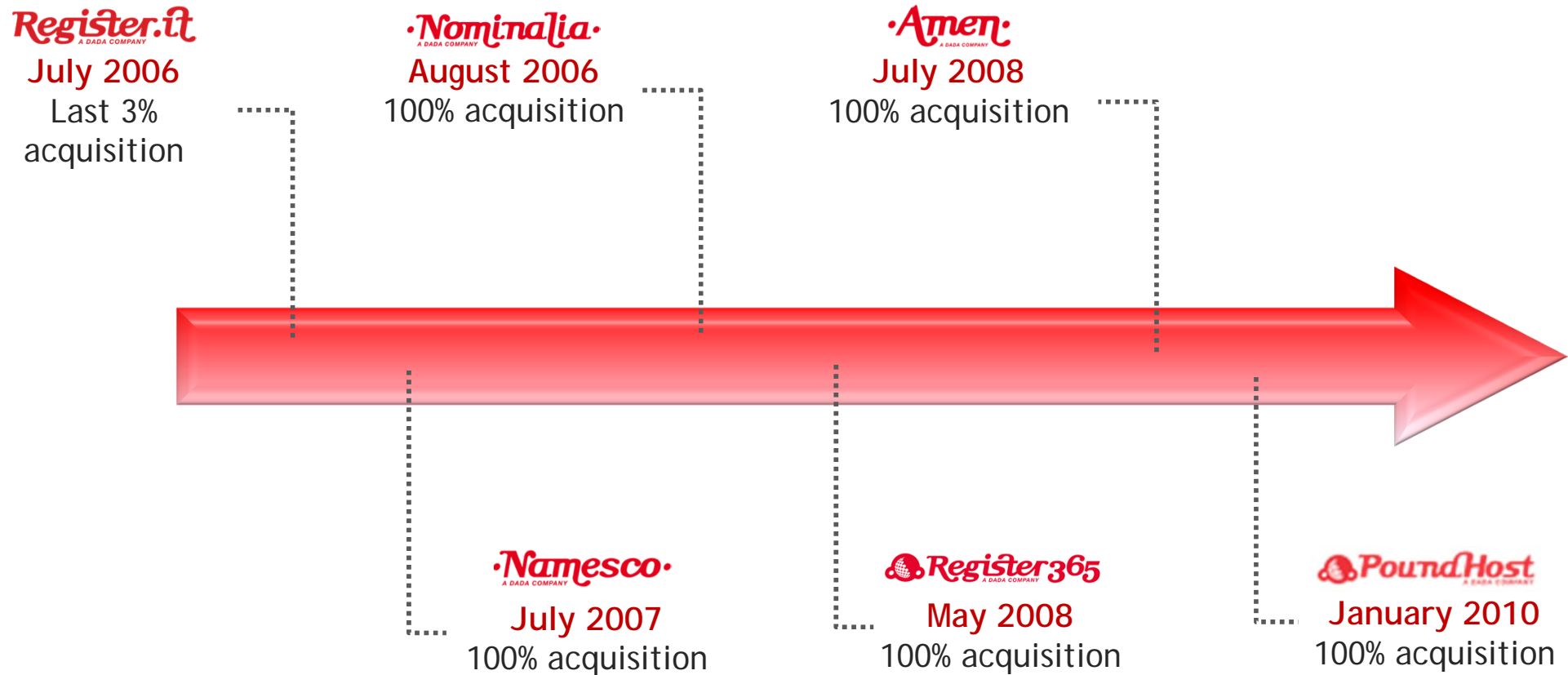
FY 2011 Results- Cash Flow Statement

€ mn	FY 2011	FY 2010
Cash and Cash Equivalents at the Beginning of Period	(21.0)	(4.8)
Group Net Profit (Loss)	(8.5)	(17.5)
Gross Operating Cash Flow	7.1	12.3
Income taxes and Interest paid	(5.0)	(5.3)
Net Operating Cash Flow	2.1	7.0
Capex & Investing Activities	21.5	(20.7)
Financing Activities	(11.0)	(2.5)
Free Cash Flow	12.6	(16.2)
Cash and Cash Equivalents at the End of Period	(8.4)	(21.0)

FY 2011 Results - Capital Structure













M&A activity in Domain & Hosting







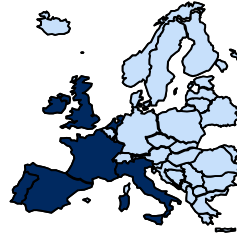
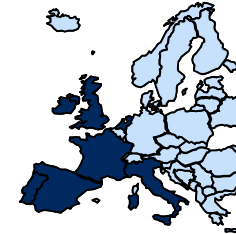






















Over time Dada has proved that it can grow in new markets both organically and by external growth

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

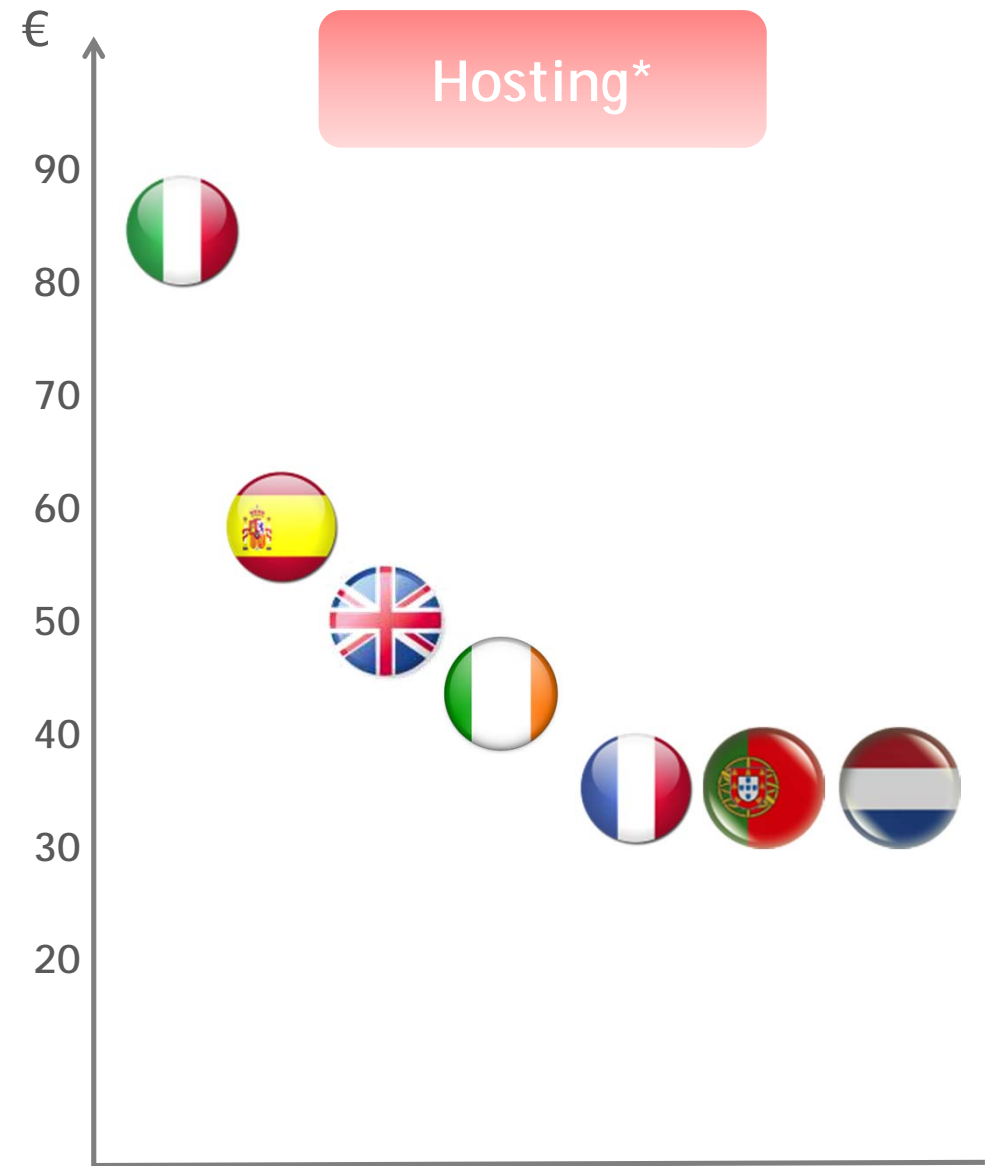
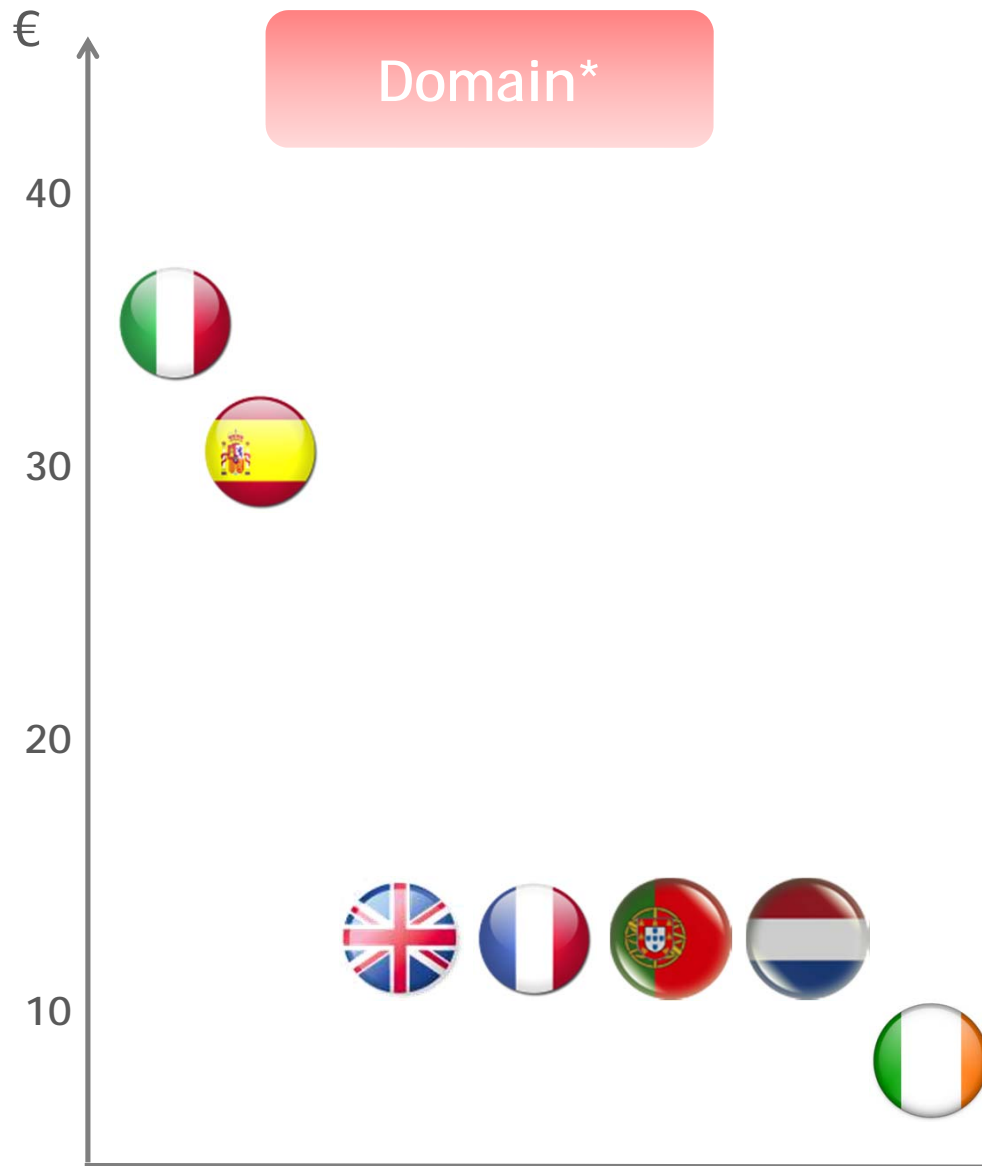
Domain & Hosting

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

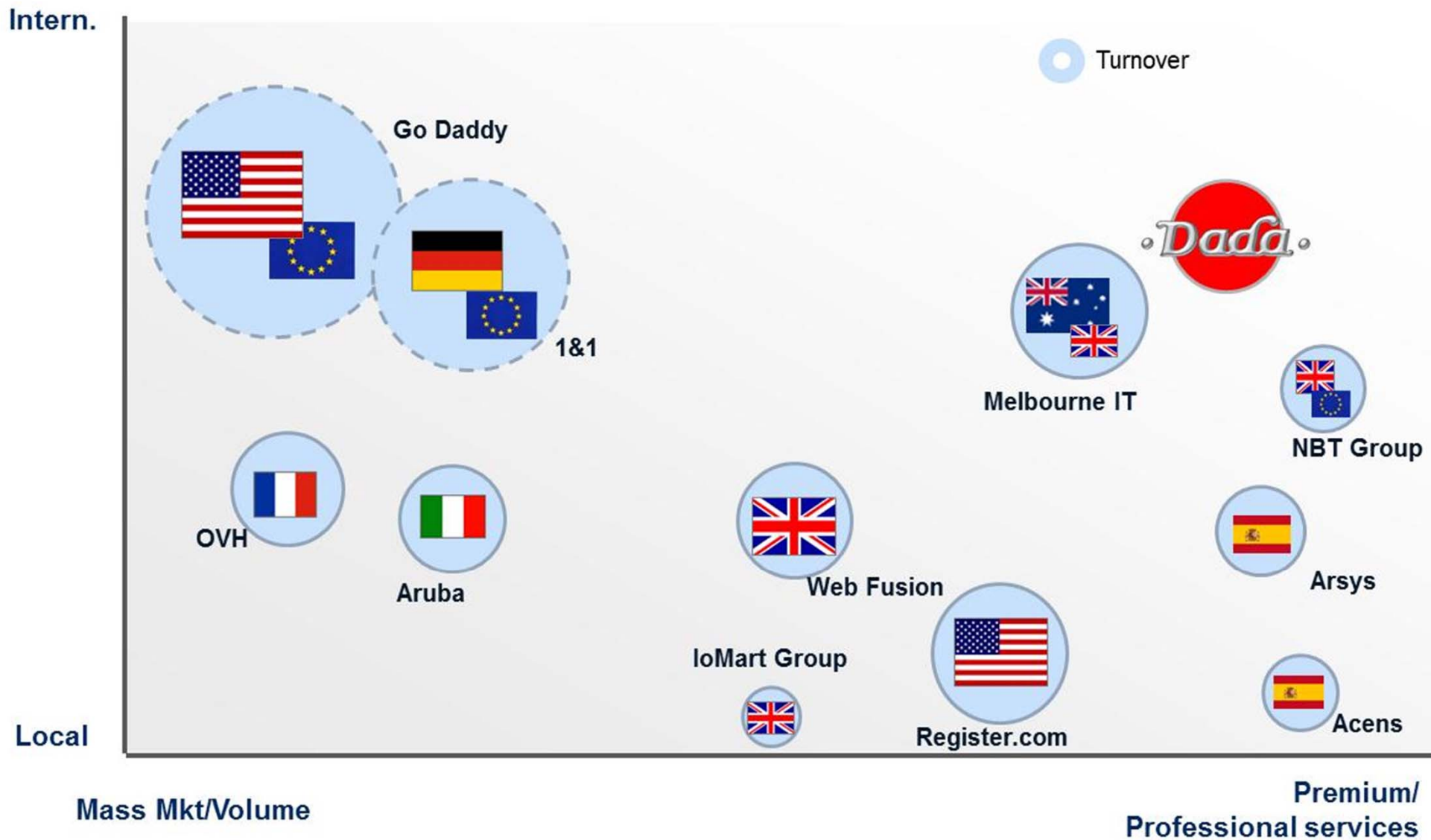
Launch of new products

Domain & Hosting - Pricing by Country



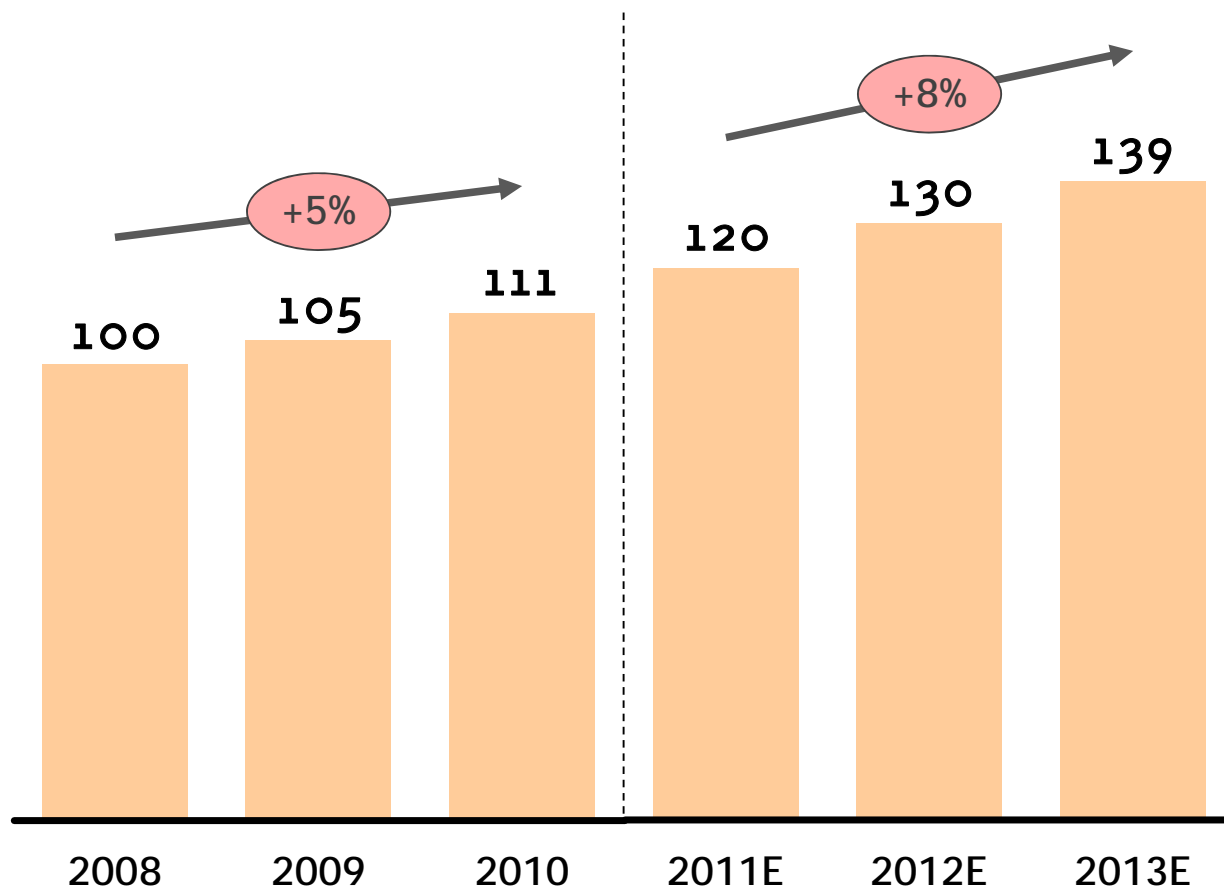
* Comparison based on yearly basic offer

Domain & Hosting - Global Competitive Landscape



Domain & Hosting - Market Forecast

Western Europe Domain & Hosting market forecast¹



- 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

Thank you!

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.

Dada