CONSOLIDATED INTERIM REPORT OF THE DADA GROUP AT 31 MARCH 2015

Registered office: Viale della Giovine Italia, 17 - Florence
Share capital Euro 2,835,611.73 fully paid-in
Florence Company Register no. FI017- 68727 - REA 467460
Tax ID/VAT no. 04628270482

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CORPORATE OFFICERS

The current Officers were elected by the AGM held on 28 April 2015 for the 2015-2017 three-year period. At the date of approval of this document, the Board of Directors was composed as follows:

BOARD OF DIRECTORS

Karim Beshara[1]	Chairman
Claudio Corbetta[2]	CEO
Lorenzo Lepri[3]	General Manager
Khaled Bishara[4]	Director
Sophie Sursock[4]	Director
Ragy Soliman[4]	Director
Antonio Converti[4]	Director
Cristiano Esclapon[4, 5]	Director
Maurizio Mongardi[4,7]	Director
Philip Tohme[4]	Director
Sofia Maroudia[4, 5, 6]	Director
Carolina Gianardi[4, 5,8]	Director
Barbara Adami Lami[4, 5, 9]	Director

[1]Appointed Director of the Company and Chairman of the Board by the AGM held on 28 April 2015.
[2]Appointed Director of the Company by the AGM held on 28 April 2015, CEO by the meeting of the Board of Directors held on 13 May 2015.
[3] Appointed Director of the Company by the AGM held on 28 April 2015 and General Manager by the meeting of the Board of Directors held on 13 May 2015.
[4]Appointed Director of the Company by the AGM held on 28 April 2015.
[5]Independent director pursuant to Art. 148 par. 3 of Legislative Decree n. 58/1998.
[6]Appointed member of the Compensation and Nomination Committee, member of the Control and Risk Committee, member of the Committee for Related Party Transactions
[7] Non-executive director, member of the Compensation and Nomination Committee.
[8] Chairman of the Control and Risk Committee and of the Committee for Related Party Transactions and of the Supervisory Body pursuant to Legislative Decree 231/2001.
[9] Chairman of the Compensation and Nomination Committee, member of the Control and Risk Committee and member of the Committee for Related Party Transactions

BOARD OF STATUTORY AUDITORS

Massimo Scarpelli[1]	Chairman
Maria Stefania Sala[2]	Standing auditor
Massimo Foschi[2]	Standing auditor
Elisabetta Claudia De Lorenzi[3]	Alternate auditor
Manfredi Bufalini[3]	Alternate auditor

1 Appointed Chairman of the Board of Statutory Auditors by the AGM held on 28 April 2015.
2 Appointed Standing auditor by the AGM held on 28 April 2015.
3 Appointed Alternate auditor by the AGM held on 28 April 2015.

EXTERNAL AUDITORS

KPMG S.p.A.

DADA GROUP FINANCIAL HIGHLIGHTS

Consolidated Income Statement (3 months)

(€mn)	31/03/2015	31/03/2014	Total difference	% difference
Revenue	**16.0**	**16.0**	0.0	0%
EBITDA*	**2.8**	**2.3**	0.6	25%
Depreciation and amortization	**-1.7**	**-1.7**	0.0	-2%
Non-recurring charges and other impairment	**-0.1**	**-0.1**	-	n.a.
EBIT	**1.1**	**0.5**	0.5	104%
Profit (loss) from discontinued operations	**-0.3**	**-0.1**	-0.3	n.a.
Group net profit (loss)	**0.0****	**-0.5**	0.5	102%

* Gross of impairment losses and other non-recurring items
** profit of €11 thousand

Consolidated Statement of Financial Position at 31 March 2015

(€mn)	31/03/2015	31/12/2014	Total difference	% difference
Non-current assets	**97.1**	95.4	1.8	2%
Net Working Capital	**-11.4**	-10.3	-1.2	-11%
Net Capital Employed	**84.5**	83.7	0.7	1%
Shareholders' equity	**57.6**	50.1	7.4	15%
Net short-term Financial Position	**-4.7**	-16.9	12.2	72%
Total Net Financial Position	**-26.9**	-33.6	6.7	20%
Number of employees	**348**	364*	-16	-4%

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

DIRECTORS' REPORT

INTRODUCTION

The Interim Management Report at 31 March 2015 was prepared in accordance with IAS 34 on Interim Financial Reporting and, as regards to recognition and measurement criteria, with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as required by art. 154-*ter* of the Consolidated Finance Act (Testo Unico della Finanza or TUF). It satisfies the provisions of CONSOB Regulation no. 11971 of 14 May 1999, as subsequently amended.

In 1Q15, specifically on 23 March 2015, Dada S.p.A. sold to Italiaonline S.p.A. the entire share capital of Moqu Adv S.r.l., the company at the head of the business segment named Performance Advertising.

The main points of this agreement are explained in the section on significant events in 1Q15 of this Interim Management Report.

As a result of this agreement, the Performance Advertising segment required the application of IFRS 5 "non-current assets held for sale and discontinued operations". The main effect of applying IFRS 5 is that all of the income statement items relating to the disposed companies have been grouped on the line "Profit/(loss) from discontinued operations". More details on the breakdown of this item are found in Note 18 of this Interim Management Report.

In accordance with this accounting standard, for the sake of comparison, all income statement and statement of financial position items from the prior year have been restated and reclassified, as shown and commented later in this Interim Management Report.

Assets and liabilities of the prior year are, instead, still shown on a continuing operations basis.

The financial effects of this disposal run from 28 February 2015.

Consequently, all the following comments and analysis in this Interim Management Report have been made in light of the new Group structure.

Mention should finally be made that this Interim Management Report was prepared in accordance with the accounting standards in force at the date of preparation.

DADA GROUP PROFILE

Dada S.p.A. - listed in the STAR segment of the Milan Stock Exchange - is an international leader in professional online presence and visibility services.

As explained in the introduction, the Dada Group is currently organized around a single business unit falling under the "Domain and Hosting" division.

Regarding the methods to identify the business units and the main financial components, reference should be made further below in this Interim Management Report to the results of the business segments and to the note on segment reporting under IFRS 8 of the specific notes. Reference should also be made to the accounting standards regarding the separate financial statements at 31 December 2014.

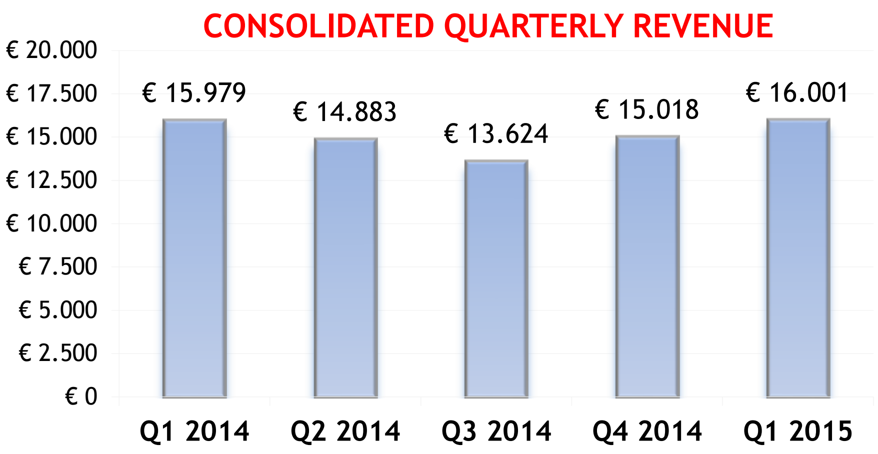
In 1Q15, Dada strengthened its position among the top European players in the business of professional services for domain name registration, hosting, for the creation, management and visibility of web and e-commerce sites and for online brand protection, through the expansion of its product portfolio and growth of the user base at an international level. The Dada Group currently operates in Spain, UK, Ireland, France, Portugal and the Netherlands respectively through its brands Nominalia, Namesco and PoundHost, Register365 and Amen.

PERFORMANCE REVIEW

Under the new structure as explained in the introduction, the **Dada Group** closed 1Q15 achieving **consolidated revenue of €16 million**, basically in line with the result in 1Q14 and up by 7% versus €15 million in 4Q14.

The performance of the main income statement aggregates should be considered, as explained in the introduction, also in light of certain operational and market events that took place in 1Q15, specifically regarding the disposal of Moqu S.r.l.. These events are explained in detail in Note 18 with regard to the income statement effects of discontinued operations.

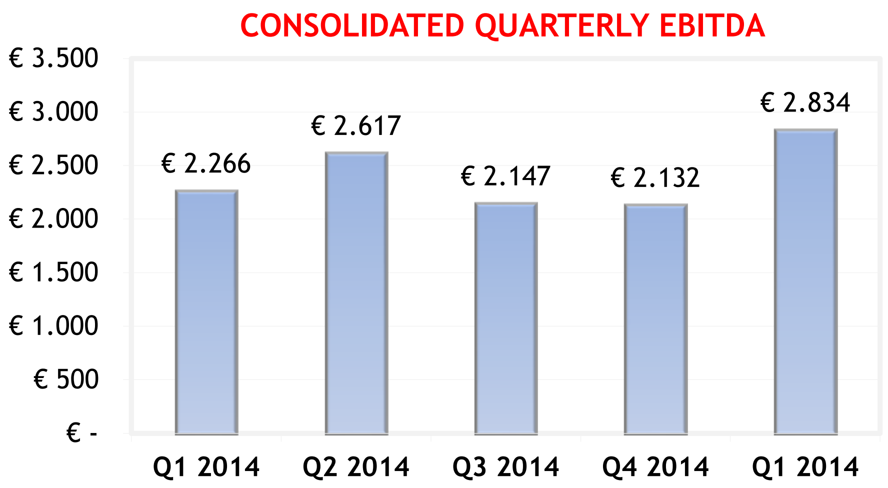
The following graph shows the trend in consolidated revenue of the Dada Group over the last 5 quarters:



Consolidated EBITDA achieved by the Dada Group in 1Q15 (gross of impairment losses and other non-recurring items) **came to €2.8 million** (18% of revenue) versus €2.3 million in 1Q14 (14% of revenue), increasing by 25% versus the prior year.

In 4Q14, EBITDA came to €2.1 million (14% of revenue).

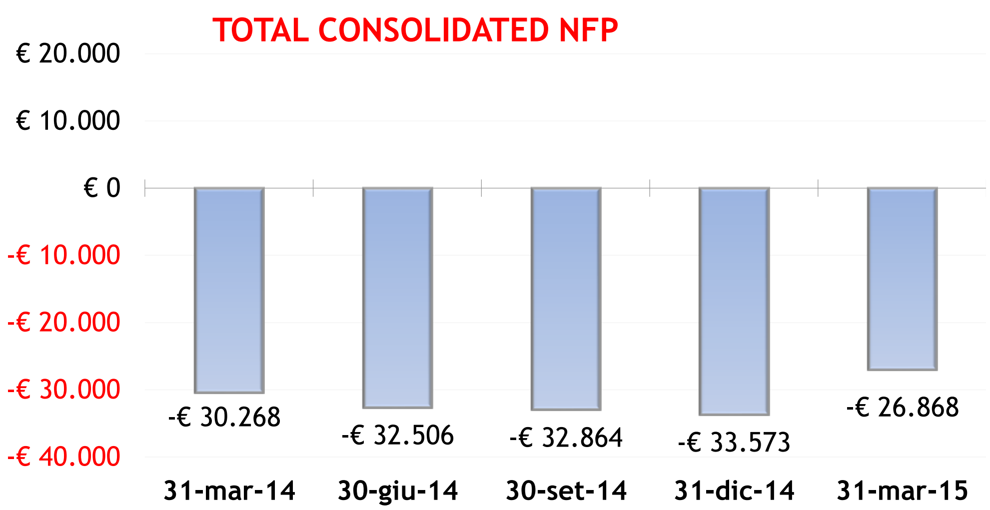
The following graph shows the performance of consolidated EBITDA over the last five quarters:



The total net financial position of the Dada Group, which includes funding to be repaid beyond one year, came to **-€26.9 million** at 31 March 2015 versus -€33.6 million at 31 December 2014 and -€30.3 million at 31 March 2014.

The trend of the Group's financial position in 1Q15 was affected, as explained more in detail in the analysis of the statement of financial position, by the performance of business operations, the disposal of the Performance Advertising division and the restructuring of certain medium/long term loans.

The following graph shows the performance of the consolidated net financial position at 31 March 2015 and at the end of the four previous quarters:



Results

The following tables show the **Dada Group**'s key results in 1Q15 versus 1Q14:

EUR/000	31-Mar-15 3 months		31-Mar-14 3 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	**16,001**	**100%**	**15,979**	**100%**	**22**	**-**
Chg. in inventories & inc. in own wk. capitalized	607	4%	826	5%	-220	-27%
Service costs and other operating expenses	-9,230	-58%	-9,561	-60%	331	-3%
Payroll costs	-4,544	-28%	-4,978	-31%	434	-9%
EBITDA*	**2,834**	**18%**	**2,266**	**14%**	**568**	**25%**
Depreciation and amortization	-1,657	-10%	-1,691	-11%	34	-2%
Non-recurring income/(charges)	-21	0%	0	0%	-21	-
Depreciation of fixed assets	0	0%	0	0%	0	-
Impairment losses and other provisions	-92	-1%	-53	0%	-38	72%
EBIT	**1,064**	**7%**	**522**	**3%**	**542**	**104%**

In 1Q15, the Dada Group achieved **consolidated revenue** of €16.0 million, in line with the figures in 1Q14 and up by 7% versus €15.0 million achieved in 4Q14. The aggregate also reflects the favourable trend of the depreciation of the Euro against the British Pound, which accounted for approximately €0.6 million versus 1Q14 and for €0.3 million versus 4Q14, and is, instead, affected by the change in the scope of consolidation related to the disposal of the UK ADSL business (disposed of at the end of May 2014), which contributed €0.2 million to revenue in 1Q14. Net of these effects, consolidated revenue in 1Q15 would have dropped by 2% versus 1Q14 and increased by 4% versus 4Q14.

The recent disposal of the Performance Advertising division has allowed the Group to focus even more on the core business of **professional online presence services,** and has strengthened Dada's position among the top European players in the **business of professional services for domain name registration**, **hosting, virtual and dedicated servers and cloud-based solutions, in the creation, management and visibility of web and e-commerce sites for European SMEs**, and in online **brand protection** services.

At the end of March 2015, Dada counted over **525 thousand business clients** and over **1.7 million total domains managed** in Spain, UK and Ireland, France, Portugal and Holland through the Nominalia, Namesco, PoundHost, Register365 and Amen brands, respectively.

1Q15 confirmed the **general drop in the Domain & Hosting business** in the Group's main European markets of operation previously witnessed in 2014, as well as fiercer competition, due to the aggressive customer acquisition policies implemented by major competitors in most of the geographies.

Against this backdrop, **price repositioning** policies, implemented particularly in the domains and servers segment in the main countries, brought **solid results in terms of new customers acquired**.

The further focus on **customer service**, with the expansion of the channels and extension of contact time for customer care (now available also through phone and live chat 7 days a week), has added extra impetus to the **improvement in the average rate of renewal and upselling** of services to the customer base.

The reorganization of the **sales teams**, with **dedicated accounts** for Resellers, corporate clients and large businesses, which started in 2014, has increased customer retention, especially in Spain and France, and, therefore, the embedded value of the customer base.

Customer satisfaction was further confirmed also by the improved performance in the **Net Promoter Score**, the system that measures the customer satisfaction and loyalty rate adopted by Dada in 2013 and now used in all countries.

The large number of new incoming clients is also helping to change the mix of **products sold**, the results of which in terms of value and quantity over the last period are partly mitigating the decline in the number of new domain registrations.

The early months of 2015 also confirmed:

- the growing success of the **new professional Email platform** developed in 2014, now chosen by an increasing number of customers across all segments and currently available in all geographies.
- the evolution of Dada's positioning also as a provider of **Cloud Hosting**, **dedicated and managed Virtual Servers** services, thanks to a further expanded range to allow the management of websites on virtualized and highly powerful servers, now at really affordable prices.

Interest is also growing in **consultancy services** for website development and management, by using custom content and design, which complements the range of software and CMS available in self-provisioning mode, recently enriched with additional features.

Looking at the **<u>geographical breakdown</u>** of the Dada Group's consolidated revenue, foreign-based activities contributed 54% in 1Q15, basically in line with the result in 1Q14 (55%), confirming the predominant weight of international business in the overall development of the Group.

In 1Q15, **consolidated <u>EBITDA</u>** of the Dada Group, before impairment losses and other non-recurring items, came to a positive €2.8 million (18% margin on consolidated revenue). The aggregate grew by 25% versus €2.3 million in 1Q14 (14% margin) and by 33% versus €2.1 million in 4Q14 (14% margin).

Looking at the impact on each line of the income statement, all main cost items decreased both in absolute terms and as a percentage of revenue. Specifically:

- <u>service costs as a percentage of revenue fell by €0.3 million, dropping from 60% in 1Q14 to 58% in 1Q15</u>. Specifically, marketing costs rose (€1.7 million, up 36% versus 1Q14) to support the revenue trend in an increasingly competitive market, while the depreciation of the Euro against the US dollar impacted negatively on the costs to purchase domains from authorities (with an impact of approximately €0.3 million, accounting for 3% of total service costs). These increases versus the prior year were, however, countered by the benefits deriving from the startup of the new Datacenter in the UK, from the more favourable renegotiation of the supply contract of the Datacenter in Milan, and from the gradual disposal of the French datacenters (for a total reduction of €0.7 million, or 42% less than in 1Q14, which was also impacted by the duplication of certain operating costs from the startup of the new Datacenter in the UK);

- payroll costs in 1Q15 amounted to €4.5 million, down by 9% versus €5.0 million in 1Q14 (28% of revenue versus 31% in 2014). The trend of this aggregate is mainly ascribable to the reduction in staff (348 units at 31 March 2015 versus 367 at 31 March 2014), thanks mostly to the success of the efficiency measures announced last year, and to the restructuring of the operating offices in France and Holland;
- the item "change in inventories and increase in own work capitalized", amounting to €0.6 million in 1Q15, or 4% of consolidated revenue versus €0.8 million in 1Q14 (5% of consolidated revenue), consists of expenses incurred for the development of the proprietary platforms needed to launch and manage the services provided by the Dada Group. This change is mainly attributable to the gradual implementation of the investments made in R&D over the past few quarters, and to the progress of the projects related to the development and integration of the proprietary technology platforms.

In 1Q15, consolidated EBIT of the Dada Group came to a **positive €1.1 million**, with a 7% margin on consolidated revenue versus €0.5 million (3% margin) in 1Q14 and €0.2 million in 4Q14, growing in absolute terms by €0.5 million (+104%) and by €0.9 million (+22%) respectively.

In addition to the above-mentioned elements that impacted on EBITDA, EBIT's improvement can be explained by a number of reasons:

- in 1Q15, consolidated amortization and depreciation amounted to €1.66 million (10% of consolidated revenue), €0.9 million of which for tangible assets and €0.7 million for intangible assets, basically in line with 1Q14, when such costs amounted to €1.69 million, while in 4Q14, consolidated amortization and depreciation amounted to €1.91 million, €0.99 million of which for tangible assets and €0.92 million for intangible assets (-13%). A reduction explained mainly by the abovementioned gradual implementation of the investments made in prior years in the development of the proprietary platforms.

Further details on the investments made by the Dada Group are found in the section on Results and the Financial position;

- Consolidated EBIT in 1Q15 was impacted by impairment losses, provisions and other non-recurring income/charges of €0.1 million, in line with the figure in 1Q14. In both periods under review, these items comprise the impairment of receivables and certain minor amounts related to the efficiency of the organizational structure.

Mention should be made that non-recurring costs incurred by the Group to complete the extraordinary transaction regarding the disposal of Moqu, amounting to approximately €0.2 million, were recognized in Profit/(loss) from discontinued operations, as explained more in detail in Note 18 in this Interim Management Report.

In 1Q15, the Dada Group's consolidated net profit from continuing operations came to €0.3 million versus -€0.5 million in 1Q14, increasing in absolute terms by €0.8 million (+175%).

Looking at each aggregate, overall financial activities (the difference between financial income and charges) of the Dada Group improved significantly in 1Q15 and came to -€0.4 million versus -€0.8 million in 1Q14.

This trend was also influenced by the effects associated with forex fluctuations, especially those regarding the Euro/British pound exchange rate.

In fact, in 1Q15 the Euro continued to depreciate against the British Pound, a trend already witnessed starting from the final months of 2014, dropping from an average Euro/GBP rate of 0.82 in 1Q14 to 0.74 in 1Q15, with the British Pound increasing by 11% (looking at exchange rates at the end of the quarter, the increase is 14%). A similar exchange rate pattern between the Euro and US dollar impacted on the financial results; however, as these results are related to the disposed Performance Advertising division, they are recognized in Profit/(loss) from discontinued operations.

The financial effects of these exchange rate movements were partly mitigated by non-speculative hedging of currency risks made by the Group in the reporting period.

The trend in spreads and rates charged on outstanding loans of the Dada Group improved slightly versus 1Q14, and reported a slight reduction versus the end of the prior year, thanks also to a certain number of renegotiations of short and medium-term loans. The positive effects of the renegotiation of the long-term loans made in 1Q15 (which also resulted in a reduction in the spreads and in an extension of the average duration of the loans) will be felt starting from the second quarter, since the new agreements are effective as from 31 March 2015.

Consequently, overall financial charges, net of exchange losses, amounted to €0.8 million in 1Q15 (basically in line versus 1Q14) and refer to:

- interest expense on medium/long-term bank loans, amounting to €0.3 million (in line with 1Q14 and 4Q14);
- other bank commissions and interest expense amounting to €0.4 million (€0.5 million in 1Q14), linked to bank commissions on credit card payments and interest on account overdrafts and short-term loans;
- IRS derivative differentials had a negligible impact in 1Q15 as in 1Q14.

The foreign exchange produced a positive impact in 1Q15 of approximately €0.3 million (€0.4 million exchange gains and -€0.1 exchange losses), improving versus a basically breakeven in 1Q2014 (€0,1 million both for the exchange gains and losses)

As in 1Q14, there was no financial income worthy to report in 1Q15.

To conclude, looking at tax at Group level, the overall tax burden from continuing operations in 1Q15 came to €0.3 million, increasing versus €0.2 million in 1Q14, due mostly to the improved results of the Group.

More specifically, current tax amounted to €255 thousand versus €159 thousand in 1Q14, while deferred tax amounted to €59 thousand in 1Q15 versus €47 thousand in 1Q14.

Current tax refers mainly to the tax burden on some foreign-based companies with positive pre-tax income, while IRAP paid by Italian companies in this quarter was very low as a result of the change in the relevant legislation which provides for deductibility, as from 2015, of labour costs of permanent staff from IRAP taxable income. In 2014, despite a worse result, IRAP had accounted for €126 thousand.

The trend of deferred tax assets in 1Q15 is explained partly by the use of receivables from pre-paid tax in 2014 calculated on the temporary differences, and partly by the use of such receivables to cover IRES taxable income of the current year. In 1Q15, no additional deferred tax assets were recognized on tax losses borne by the Dada Group.

The assessment of the recoverability of tax losses was made, with a positive outcome, in the preparation of the annual consolidated financial statements in 2014, also taking account of the figures recorded in the first quarter of 2015.

Mention should be made that the Dada Group has accrued tax losses of €38.8 million, referring for the most part to the Italian companies and which may be carried forward indefinitely.

Tax losses on which deferred tax assets have been calculated amounted to €17 million.

The Interim Management Report at 31 March 2015 also shows Profit/(loss) from discontinued operations, which includes income statement figures referring to the Performance Advertising division, sold to Italiaonline in March 2015, with financial effects from 28 February. This result showed a loss of €0.3 million (a loss of €0.1 million in 1Q14), €0.2 million of which attributable to non-recurring costs incurred by the Group for the completion of the abovementioned transaction; net of these costs, Profit/(loss) from discontinued operations would be in line with the previous year.

Consolidated Net Profit: after showing a loss for six straight quarters, Dada Group posted a profit (€11 thousand) in 1Q15 versus a loss of €521 thousand in 1Q14.

This income statement does not include any non-controlling interests.

PERFORMANCE BY BUSINESS SEGMENT

For operational purposes, since 31 March 2015 (but with financial effects backdated to 28 February), the Dada Group has been organized in a single business segment gravitating around Domain & Hosting services.

This effect is a result of the reorganization following the disposal of the Moqu Group as explained in the introduction. Accordingly, the current product lines related to the core business of domains and hosting and corporate activities are so completely integrated with each other that they no longer qualify as separate business segments under IFRS 8. Further information is found in Note 4 in this Interim Management Report.

Financial position

The following table shows the total Net Financial Position of the Dada Group at 31 March 2015 versus the position at 31 December 2014:

NET FINANCIAL POSITION

	EUR/000	31-Mar-15	31-Dec-14	DIFFERENCE Absolute	DIFFERENCE %
A	Cash on hand	7	13	-6	-46%
B	Bank and post office deposits	6,917	1,378	5,539	402%
C	Liquidity (A+B)	6,924	1,391	5,533	398%
D	Time deposits	500	-	500	-
E	Other receivables	81	-	81	-
F	Other financial receivables (D + E)	581	-	581	-
G	**Total Financial Assets (C+F)**	**7,504**	**1,391**	**6,113**	**439%**
H	Current credit lines and account overdrafts with banks	-6,607	-5,828	-779	13%
I	Current bank borrowings	-5,472	-12,355	6,883	-56%
L	Other current financial payables	-	-	-	-
M	Current portion of derivatives	-61	-53	-7	14%
N	Current debt (H+I+L+M)	-12,139	-18,237	6,097	-33%
O	Non-current bank borrowings	-22,158	-16,674	-5,484	33%
P	Other non-current financial payables	-	-	-	-
Q	Non-current portion of derivatives	-75	-54	-21	100%
R	Non-current debt (O+P+Q)	-22,233	-16,728	-5,505	33%
S	**Total Financial Liabilities (N+R)**	**-34,372**	**-34,964**	**592**	**-2%**
T	**Total net financial position (G+S)**	**-26,868**	**-33,573**	**6,706**	**-20%**

At 31 March 2015, the Dada Group's total net financial position, which includes all short and medium/long-term funding and loans, came to **-€26.9 million** versus -€33.6 million at 31 December 2014 and -€30.3 million at 31 March 2014.

The current net financial position at 31 March 2015 came to -€12.1 million versus -€18.2 million at 31 December 2014 and -€8.9 million at 31 March 2014.

This trend was affected not only by ordinary cash flows in the quarter, explained below, but also by the two following events: the disposal in March of Moqu Adv S.r.l. to Italiaonline S.p.A. for a cash consideration of €5 million; the renegotiation of the medium/long-term loan with Banca Intesa and the issuance of a new loan with Unicredit which allowed, among other things, to extend the duration of overall debt, reducing the current portion and increasing the non-current one, while reducing the overall cost of debt.

Further details on debt restructuring are found in Note 10 of this Interim Management Report.

These renegotiations allowed the Group to pursue the following main objectives: (i) to improve pricing in terms of spreads; (ii) to extend the duration of overall debt, reducing the current portion and increasing the non-current one; (iii) to align the cash flows of the Group more to the instalment payments of principal.

The following table shows a summary of cash flow movements in 1Q15 relating to cash and cash equivalents versus those in 1Q14. For further details, reference should be made to the Cash Flow Statement included in this Interim Management Report and to the relevant notes:

EUR/000	**31 March 2015 (3 months)**	**31 March 2014 (3 months)**
Cash flow from operating activities	3,785	2,988
Cash flow from taxes and interest paid	-528	-457
Cash flow from investing activities	3,449	-1,945
Cash flow from financing activities	5,512	71
Net cash flow (cash and cash equivalents)	**12,218**	**657**

Regarding reconciliation between cash flow of the net financial position and cash flow shown in the consolidated financial report, reference should be made to Note 16 in this Interim Management Report. The following points provide detailed information on the main aggregates in the net financial position.

Investing activities

In 1Q15, the Dada Group made investments in tangible and intangible assets for a total of €1.4 million, down versus €1.9 million in 1Q14. Regarding investments (in terms of the increase in own work capitalized, not in cash flows):

- investments in intangible assets from operating activities in 1Q15 amounted to €0.6 million, decreasing versus €1 million in 1Q14, approximately €0.6 million of which (€1 million in 1Q14) refers to costs for the development of the proprietary processes and platforms needed to provide Domain & Hosting services, €23 thousand for the purchase of brands and licenses (€37 thousand at 31 March 2015), and the remainder, amounting to €11 thousand, for the purchase of software (€3 thousand in 1Q14). It should be noted that comparisons with the prior period are, albeit to a slight extent, affected by the disposal of the Moqu Group; figures at 31 March 2014, in fact, include discontinued operations;

- investments in property, plant and equipment in 1Q15 amounted to €0.5 million, down versus €0.9 million in 1Q14. This trend is mainly attributable to the fact that in 2014 investments had continued in the project for the Datacenter in the UK. The last tranche of these investments is expected to be paid in 2015. Payment had been planned in instalments, while the residual amount - approximately €800 thousand (£600 thousand) - will be settled between July and December 2015.

Investments in tangible assets in 1Q15 referred almost exclusively to the purchase of network servers (including hardware for clients of dedicated servers) and new systems and other electronic equipment needed for the provision of Domain & Hosting services.

Financing activities

The consolidated cash flow statement in 1Q15 came to -€0.6 million, relating to “net difference in cash flow from financing activities”, versus a positive cash flow from financing activities of €0.1 million in 1Q14.

These effects impact solely on “cash, cash equivalents and current bank borrowings”, but are neutral on the “total Net Financial Position”. Information on the reconciliation of cash flows is found in Note 16 in this Interim Management Report.

The breakdown of the Dada Group’s net working capital and net capital employed at 31 March 2015 and at 31 December 2014 is shown below:

EUR/000	31-Mar-15	31-Dec-14	DIFFERENCE	
			Absolute	%
Non-current assets	**97,115**	**95,364**	**1,751**	**2%**
Current assets	16,280	17,585	-1,305	-7%
Current liabilities	-27,710	-27,851	141	-1%
Net working capital	**-11,430**	**-10,266**	**-1,164**	**11%**
Provision for termination indemnities	-688	-815	127	-16%
Provision for risks and charges	-518	-544	25	-5%
Other payables due beyond one year	-17	-17	0	0%
Net working capital	**84,462**	**83,723**	**739**	**1%**

The Dada Group’s net working capital at 31 March 2015 was -€11.4 million versus -€10.3 million at 31 December 2014 and -€12.5 million at 31 March 2014.

It should be noted, first of all, that the dynamics of net working capital over the various quarters of a year are generally linked to the performance of Group operations, which often report a larger portion of amounts collected from services provided in the first quarter of the year versus the other quarters, part of which are then recognized during the entire year as deferred income on a pro-rata basis.

Looking at the single items forming the net working capital, it should be noted that trade receivables at 31 March 2015 amounted to €5.2 million, basically in line with 31 December 2014, and included certain Domain & Hosting services that have deferred collection conditions. Conversely, trade payables showed a downward trend, falling from €10.1 million at 31 December 2014 to €7.3 million at 31 March 2015, dropping by approximately 28%, due mainly to the deconsolidation of the Moqu Group.

Other current liabilities include deferred income of approximately €13 million resulting, as mentioned, from the different pertinent economic period of certain services with respect to their collection date; these will not entail future financial outlays, but rather the recognition of revenue in the income statement. Deferred income at 31 December 2014 amounted to €11.9 million versus €12.3 million at 31 March 2014.

Other consolidated liabilities due beyond one year mainly include termination indemnities and provisions for risks and charges

The number of Dada Group employees at 31 March 2015 and at 31 December 2014 is shown in the table below:

	Italy		Abroad		Total	
	31/03/2015	31/12/2014	31/03/2015	31/12/2014	31/03/2015	31/12/2014
Employees	193	209	155	155	348	364

The Dada Group’s headcount at 31 March 2015 totaled 348 employees. This figure includes the headcount of Dada Group companies within the scope following the disposal of the Moqu Group (which included 25 employees at 31/12/2014), while the number of employees at 31 December 2014 also included the total number of employees of the companies sold.

Alternative performance indicators:

This Interim Management Report provides the following economic and financial indicators (in addition to those generally used) which are used by the management of the Dada Group to monitor and assess the Dada Group’s operating performance, but as they are not recognized accounting measures under IFRS should not be considered alternative performance indicators for the Dada Group. As the composition of EBITDA is not governed by the accounting policies, the Dada Group’s method of calculating it may differ from that used by others and may therefore make comparisons unreliable.

Below is a summary of how the Dada Group calculates EBITDA.

Pre-tax profit (gross of the net gains/(losses) pertaining to assets held for sale)

+ Financial charges

- Financial income

+/- Gains/losses from equity investments in associates

EBIT

+ Restructuring costs

+ Amortization, depreciation and impairment losses on fixed assets

+/- Atypical charges/income

+ Impairment losses on trade receivables

EBITDA - Operating profit before amortization, depreciation, impairment losses, atypical charges/income and impairment losses on receivables

Net working capital: the difference between current assets and liabilities, i.e. those due within one year of the balance sheet date. Within this item, deferred tax assets are split into current and non-current portions according to the amount expected to be recovered with the following year's profit;

Net capital employed: fixed assets plus net working capital, less non-financial liabilities (provision for employee termination indemnities and provision for risks and charges);

Current net financial position: cash and cash equivalents, current financial assets and current financial liabilities;

Total net financial position: net current financial position and all financial receivables and payables due beyond one year.

SIGNIFICANT EVENTS IN 1Q15

The events which had the most significant impact on Dada S.p.A. in 1Q15 are described below:

On 16 March 2015, Dada S.p.A. signed a binding contract with Italiaonline S.p.A. for the disposal of the 100% interest held in Moqu Adv S.r.l., which heads up the Performance Advertising business (holder, in turn, of a 100% interest in Moqu Ireland Ltd), which was a separate and independent business segment under IFRS 8.

The transaction is part of the strategy of the Dada Group to focus on the core business of digital services for SMEs, and aims to further strengthen Dada’s role as a top European player in the business of domain name registration, hosting, and servers.

The agreement provided for the acquisition by Italiaonline of Dada’s 100% investment in the share capital of Moqu, holder in turn of a 100% investment in Moqu Adv Ireland Ltd for a cash consideration of €5 million, fully paid at Closing date, in addition to a variable part of the price ("earn-out") of a maximum of €1 million, to be recognized on the basis of the results of the Moqu Group in 2015. The price was determined on the basis of a consolidated net financial position of Moqu basically at breakeven at the date of execution of the transaction (“Closing”), and will be subsequently adjusted based on the adjusted net financial position at 31 March 2015, calculated in accordance with the disposal contract.

Italiaonline has undertaken, among other things, to enhance the professional skills and experience of Moqu Group employees; no job losses are forecast. The Dada Group will also continue to provide Moqu with certain IT and corporate services at arm’s length until 31 December 2015, and thereafter in case of agreement between the parties.

On 23 March 2015, in execution of and in addition to the above, the disposal to Italiaonline S.p.A. of the 100% interest in Moqu Adv S.r.l. was finalized for a cash consideration of €5 million.

For further details, reference should be made to the press releases issued on the foregoing transactions.

SIGNIFICANT EVENTS AFTER 31 MARCH 2015

On 24 April 2015, a strategic agreement was signed to combine Dada's business unit named ProAdv/Simply with 4w MarketPlace, one of the top online advertising players in Italy.

The transaction will take place through contribution in kind by Register.it of the ProAdv BU to 4w MarketPlace, and a related capital increase of the latter reserved to Register.it equal to 25% of the share capital. This will allow the Dada Group to become the second main shareholder of 4w MarketPlace. The value assigned to ProAdv as part of the contribution is approximately €2.1 million. Under the agreements, the Dada Group will continue to provide 4w MarketPlace, for a transitional period of at least 12 months at arm's length, with certain indirect services (IT, Corporate, etc.) in order to ensure the continuation of business.

The combination is expected to be completed by the end of the second quarter of 2015.

On 28 April 2015, the Annual General Meeting of Shareholders of Dada S.p.A. met and resolved on:

(i) the approval of the Separate Financial Statements of Dada S.p.A. for the year ended 31 December 2014, as proposed by the Board of Directors at the meeting held last 12 March. The Shareholders resolved to carry forward the loss for the year of €1,305,013.93. The Dada Group closed 2014 with consolidated revenue of €67.5 million, EBITDA of €9.8 million and a net loss of €2.2 million; the Net Financial Position at 31 December 2014 came to -€33.6 million.

(ii) the appointment of the Board of Directors. As a result of the natural expiry of the three-year term of the previous body, the Shareholders renewed the Board of Directors of the Company, which will remain in office for financial years 2015 - 2017, that is, until approval of the financial statements for the year ending 2017. The number of board members has been set at 13. The new Board of Directors is composed as follows: Karim Beshara, Claudio Corbetta, Lorenzo Lepri Pollitzer de Pollenghi, Khaled Bishara, Antonio Converti, Maurizio Mongardi, Sophie Sursock, Philip Tohme, Ragy Soliman, Sofia Maroudia, Carolina Gianardi, Barbara Adami Lami, and Cristiano Esclapon. The appointed Directors were candidates on the majority list, which included 5 female candidates, filed by shareholder Libero Acquisition S.à. r.l., owner of 69.43% of the share capital, with the exception of Director Cristiano Esclapon, appointed on the minority list filed by shareholders Simona Cima, Alessandra Massaini and Jacopo Marello, who together hold 2.725% of the share capital. Directors Sofia Maroudia, Carolina Gianardi, Barbara Adami Lami, and Cristiano Esclapon declared their independence in accordance art. 148, par. 3, of Legislative Decree n. 58/1998 and with the Corporate Governance Code for Italian Listed Companies as currently adopted by Dada S.p.A. (allowing, in this respect, compliance with the provisions on STAR segment companies and with current regulations for Italian listed companies). The Shareholders also approved the appointment of the Chairman of the Board of Directors in the person of Karim Beshara, as well as the maximum total remuneration that the Board may distribute for the position among Directors without special duties. The Shareholders also established the exemption from the non-compete obligation for the Directors appointed today, under art. 2390 of the Italian Civil Code.

(iii) appointment of the Board of Statutory Auditors. As a result of the natural expiry of the three-year term of the previous body, the new Board of Statutory Auditors was also appointed for financial years 2015 - 2017, that is, until approval of the financial statements for the year ending 2017. The Shareholders then approved the appointment of the Chairman and of the members of the Board of Statutory Auditors as follows: Massimo Scarpelli (Chairman), Maria Stefania Sala, Massimo Foschi (Standing Auditors) and Elisabetta Claudia De Lorenzi and Manfredi Bufalini (Alternate Auditors). The appointed statutory auditors were candidates on the majority list filed by shareholder Libero Acquisition S.à. r.l., with the exception of the Chairman of the Board of Statutory Auditors, Massimo Scarpelli, and of alternate auditor Manfredi Bufalini, candidates on the only minority list filed by shareholders Simona Cima, Alessandra Massaini and Jacopo Marello. The Shareholders also approved the remuneration of the members of the Board of Statutory Auditors.

(iv) the Remuneration Report in accordance with art. 123 *ter* of Legislative Decree 58/98

(v) Renewal of the authorization, after revoking the previous one granted on 28 April 2014, to purchase treasury shares for up to a maximum number of shares not exceeding one tenth of the share capital and to sell shares for a period of up to 18 months from authorization. The purpose of this authorization is to give the Company a means of strategic and operational flexibility. It will be allowed, among other things, to dispose of any treasury shares acquired and to carry out transactions such as purchases/sales, swaps and assignments. Based on the Board's proposal, treasury shares may be purchased at a price which is not less than 20% or more than 10% of the official stock price registered on the trading day prior to each purchase. The shares are to be purchased according to the laws for markets organized and operated by Borsa Italiana S.p.A., as per the procedures established by the latter which prohibit the direct matching of bid prices with predetermined ask prices. The sale of treasury shares, rather, may be done at a price or valuation which is not less than 95% of the average stock price registered for a period of thirty trading days prior to the disposal or any previous binding offers made in this regard, in accordance with the law and the applicable accounting standards.

For further details reference should be made to the press releases issued on the foregoing transactions.

OUTLOOK FOR THE YEAR

Thanks also to the success of the Dada Group's strategy to refocus on digital services for SMEs related to the Domain and Hosting division, the results achieved in the first three months of the year basically confirm the expectations already announced in the 2014 financial statements on the outlook for 2015.

The following are the strategic guidelines for the Group's future development in the core business of digital services to SMEs.

In both the EU and UK business areas, the strategic priorities, partly outlined upon approval of the 2014 financial statements, aim at retaining the existing clients and gaining new ones, to further strengthen the domestic and international customer base, also through the:

- inclusion of new products in the portfolio of offerings, with a view to providing a one-stop-shop experience of digital services for online presence and business, in line with the latest trends in technology and based on the increasingly strategic role of mobility, to satisfy every need to optimize management and increase opportunities to do business on the web;
- improvement of service quality, with the aim of providing clients with outstanding before and after-sales service and, more specifically, with full-circle support in the management of the online presence, visibility and brand protection of businesses on the web;
- increased focus on the business client segment of SMEs and SOHOs, traditionally those boasting the highest retention rates and ARPU;
- increased ability to acquire and serve new customers also through offline channels, thanks to a growing presence across the territory by increasing points of local presence.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2015

CONSOLIDATED FINANCIAL STATEMENTS

DADA GROUP CONSOLIDATED INCOME STATEMENT AT 31 MARCH 2015

EUR/000	Notes	31 March 2015	31 March 2014
Net revenue		**16,001**	**15,979**
Cost of raw materials and consumables		-	-
Chg. in inventories & inc. in own wk. capitalized		607	826
Service costs and other operating expenses		-9,198	-9,538
Payroll costs		-4,544	-4,978
Other operating revenue and income		0	10
Other operating expenses		-56	-39
Provisions and impairment losses		-89	-48
Depreciation and amortization		-1,657	-1,691
Impairment losses on fixed assets		0	0
EBIT		**1,064**	**522**
Investment income		438	109
Financial charges		-848	-878
Profit/(loss) before taxes		**654**	**-247**
Income taxes		-313	-207
Profit/(loss) from continuing operations		**341**	**-454**
Profit/(loss) from discontinued operations		-330	-67
Non-controlling interests			
Group net profit/(loss)		**11**	**-521**
Basic earnings/loss per share		0.001	-0.031
Diluted earnings/loss per share		0.001	-0.031

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 31 MARCH 2015

EUR/000	Notes	31 March 2015	31 March 2014
Net profit/(loss) for the period (A)		**11**	**-521**
Other comprehensive profit/(loss) to be subsequently reclassified in profit/loss for the year (B):		**2,963**	**261**
Gains/(losses) on exchange rate derivatives (cash flow hedges)		-8	6
Tax effect on other gains/(losses)		2	-2
		-6	5
Gains/(losses) from the translation of foreign currency financial statements		2,969	256
Other comprehensive profit/loss not to be subsequently reclassified in profit/(loss) for the year		**4,420**	**0**
Gains/(losses) from discounting of termination indemnities		9	
Tax effect on other gains/(losses)		-3	
		7	
Gains from the disposal of the Moqu Group		4,413	
Total comprehensive income/(loss) (A)+(B)		**7,394**	**-260**

DADA GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2015

ASSETS	Notes	31 March 2015	31 December 2014
Non-current assets			
Goodwill		82,332	79,159
Intangible assets		6,380	7,689
Property, plant and equipment		8,217	8,333
Equity investments in non-consolidated subsidiaries, associates and other companies		-	-
Financial assets		186	183
Deferred tax assets		6,396	6,419
Total non-current assets		**103,511**	**101,783**
Current assets			
Inventories		-	-
Trade receivables		5,152	5,233
Tax and other receivables		4,732	5,933
Current financial receivables		5,397	-
Financial assets for derivative instruments		-	-
Cash and cash equivalents		6,924	1,391
Total current assets		**22,205**	**12,557**
TOTAL ASSETS		**125,716**	**114,341**

DADA GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2015

EQUITY AND LIABILITIES	Notes	31 March 2015	31 December 2014
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		2,836	2,836
Other equity instruments		134	89
Share premium reserve		33,098	33,098
Legal reserve		950	950
Other reserves		16,875	9,492
Retained earnings/losses carried forward		3,690	5,877
Net profit/ (loss)		11	-2,192
Total equity, Group share		**57,595**	**50,150**
Non-controlling interests		-	-
Total shareholders' equity		**57,595**	**50,150**
Non-current liabilities			
Bank loans (due beyond one year)		24,485	16,674
Provision for risks and charges		518	544
Provision for termination indemnities		688	815
Non-current financial liabilities from derivatives		83	54
Other payables due beyond one year		17	17
Total non-current liabilities		**25,791**	**18,103**
Current liabilities			
Trade payables		7,285	10,148
Other payables		17,868	16,046
Taxes payable		2,558	1,657
Financial liabilities for derivative instruments		53	53
Bank overdrafts and financial payables (due within one year)		14,567	18,183
Total current liabilities		**42,331**	**46,088**
TOTAL EQUITY AND LIABILITIES		**125,716**	**114,341**

DADA GROUP CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH 2015

EUR/000	31 March 2015	31 March 2014
Operating activities		
Net profit (loss) for the period	**11**	**-521**
Adjustments for:		
Income from trading	-438	-109
Financial charges	848	878
Income taxes	313	207
Gains/losses	0	0
Depreciation	936	941
Amortization	721	750
Granting of stock options	51	0
Impairment of fixed assets	0	0
Other provisions and impairment losses	92	53
Increases/(decreases) in provisions	-48	-61
Adjustments assets held for sale		70
Profit /(loss) from discontinued operations	330	67
Cash flow from operating activities before changes in working capital	**2,815**	**2,275**
(Increase)/decrease in receivables	-928	-603
Increase /(decrease) in payables	1,898	1,844
Change in working capital due to assets held for sale		-527
Cash flow from operating activities	**3,785**	**2,988**
Income taxes paid	-12	-40
Interest (paid)/received	-516	-434
Change in taxes and interest paid on assets held for sale		17
Net cash flow from operating activities	**3,257**	**2,531**
Investing activities		
Sale of subsidiaries and associates	5,000	0
Financial effect of discontinued operations	-206	0
Purchase of property, plant and equipment	-715	-914
Sale of fixed assets	10	0
Purchase of intangible assets	-34	-40
Product development costs	-607	-826
Investing activities from assets held for sale		-165
Net cash flow used in investing activities	**3,449**	**-1,945**

DADA GROUP CONSOLIDATED CASH FLOW STATEMENT AT 31 MARCH 2015

EUR/000	31 March 2015	31 March 2014
Financing activities		
Change in loans	5,484	65
Other changes	29	16
Net financial income (charges) from assets held for sale		-10
Net cash flow from/(used in) financing activities	**5,512**	**71**
Net increase/(decrease) in cash and cash equivalents	**12,218**	**657**
Cash and cash equivalents at beginning of period	**-16,792**	**-9,514**
Cash and cash equivalents at end of period	**-4,574**	**-8,856**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 MARCH 2015

	Attributed to the shareholders of the parent company										
Description	**Share capital**	**Share prem. res.**	**Leg. res.**	**Other reserves**	**Other equity instruments**	**Cash flow hedge reserve**	**Res. Discount. Term. indemn**	**Translation reserve**	**Retained earnings (losses carried forward)**	**Net profit/(loss)**	**Tot. Equity**
Balance at 1 January 2015	2,836	33,098	950	14,045	89	-77	-77	-4,399	5,877	-2,192	**50,150**
Allocation of 2014 profit	-	-	-	-	-	-	-	-	-2,192	2,192	-
Profit/(loss) for the period	-	-	-	-	-	-	-	-	-	11	**11**
Disposal of Moqu Group				4,413	-6				6	-	**4,413**
Other comprehensive income (losses)	-	-	-	-	-	-6	7	2,969	-	-	**2,970**
Total comprehensive income (losses)	**-**	**-**	**-**	**4,413**	**-6**	**-6**	**7**	**2,969**	**6**	**11**	**7,394**
Other equity instruments	-	-	-	-	51	-	-	-	-	-	**51**
Balance at 31 March 2015	**2,836**	**33,098**	**950**	**18,458**	**134**	**-83**	**-70**	**-1,429**	**3,690**	**11**	**57,595**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER 2014

	Attributed to the shareholders of the parent company										
Description	**Share capital**	**Share prem. res.**	**Leg. res.**	**Other reserves**	**Other equity instruments**	**Cash flow hedge reserve**	**Res. Discount. Term. indemn.**	**Translation reserve**	**Retained earnings (losses carried forward)**	**Net profit/(loss)**	**Tot. equity**
Balance at 1 January 2014	2,836	33,098	950	14,045	-	-26		-7,115	7,225	-1,348	**49,664**
Allocation of 2013 profit									-1,348	1,348	-
Profit/(loss) for the period										-2,192	**-2,192**
Other comprehensive income (losses)						-51	-77	2,716			**2,588**
Total comprehensive income /(losses)				**-**	**-**	**-51**	**-77**	**2,716**	**0**	**-2,192**	**396**
Other equity instruments					89						**89**
Other changes											**-**
Balance at 31 December 2014	**2,836**	**33,098**	**950**	**14,045**	**89**	**-77**	**-77**	**-4,399**	**5,877**	**-2,192**	**50,150**

NOTES TO THE FINANCIAL STATEMENTS

1. Company information

Dada S.p.A. is a joint-stock company incorporated in Italy and listed in the Florence Company Register, and an issuer of shares traded in the STAR segment of the Milan Stock Exchange. Its registered office is specified on Page 1 of this Interim Management Report.

The Dada Group (www.dada.eu) is an international leader in domain services, hosting, and advanced online advertising solutions.

See the Directors' report for further information.

2. Preparation criteria

The condensed interim financial statements were prepared in accordance with the historical cost convention, with the exception of financial assets held for sale, measured at fair value.

These financial statements are expressed in euro (€) as this is the functional currency in which most of the Group's operations are conducted; data is shown in Euro/000 unless otherwise indicated. Since the amounts are rounded up to the nearest Euro, Euro thousand and Euro million, in some statements, the sum of the detail rows may differ from the amount shown in the total rows, as well as in the percentage changes versus the prior year.

They are comprised of the statement of financial position, income statement, statement of changes in equity, statement of cash flows, and these notes.

The publication of this Report was authorized by the Board of Directors on 13 May 2015.

Statement of compliance with IAS/IFRS

The condensed quarterly report at 31 March 2015 was prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and with the measures enacted for the implementation of art. 9 of Legislative Decree 38/2005. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).

The condensed interim financial statements were prepared in summary form in accordance with IAS 34 and art. 154 *ter* of the Consolidated Finance Act (Legislative Decree 58/1998). Therefore, they do not include all of the information required of annual reports and should be read together with the consolidated financial statements for the year ended 31 December 2014.

Main accounting standards

The accounting standards adopted for the preparation of the interim financial statements at 31 March 2015 are the same as those used in the Group's annual financial statements for the year ended 31 December 2014, with the exception of the following new standards and interpretations applicable from 1 January 2014:

Accounting standards, amendments and interpretations approved by the EU and effective from 1 January 2014

The following are the accounting standards, amendments and interpretations effective from 1 January 2014 and approved by the European Commission. At the date of these financial statements, the adoption of these new standards, amendments and interpretations had no impact on the Company.

IFRS 10 – Consolidated Financial Statements (effective for financial periods beginning on or after 1 January 2014). The new standard supersedes SIC 12 - Consolidation: special purpose entities (vehicles) and parts of IAS 27 – Consolidated and separate financial statements, renamed Separate financial statements. It sets out the accounting requirements of equity investments in the separate financial statements.

IFRS 11 – Joint arrangements (effective for financial periods beginning on or after 1 January 2014). The new standard supersedes IAS 31 – Interests in Joint Ventures and SIC 13 – Jointly controlled entities: Non-monetary contributions by venturers. Following issue of this standard, IAS 28 – *Investments in associates* was amended to include within its framework, from the effective date of the standard, interests in joint ventures.

IFRS 12 – *Disclosure of interests in other entities* (effective for financial periods beginning on or after 1 January 2014).

Amendments to IFRS 10, IFRS 11 and IFRS 12 (effective for financial periods beginning on or after 1 January 2014).

Amendments to IAS 32 – Financial Instruments: Presentation – Offsetting of financial assets and liabilities (effective for financial periods beginning on or after 1 January 2014).

Amendments to IAS 36 – Impairment of assets (effective for financial periods beginning on or after 1 January 2014).

Amendments to IAS 39 - Financial instruments: Recognition and measurement. Novation of derivatives and continuation of hedge accounting (effective for financial periods beginning on or after 1 January 2014).

IFRIC 21 - *Levies* (effective for financial periods beginning on or after 1 January 2014).

New accounting standards approved by the European Union but yet to be enforced

In 2014, the European Commission approved and published the following new accounting standards, amendments and interpretations, which supplement those approved and published by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC"):

Amendments to IAS 19 - Defined benefit plans: employee benefits (effective for financial periods beginning on or after 1 July 2014). The purpose of these amendments is to simplify the accounting of contributions related to defined benefit plans of employees or third parties in specific cases. The amendments are effective retrospectively for financial periods beginning on or after 1 July 2014. At the date of these financial statements, the Company is assessing the future impact from the adoption of the amendments.

Amendments to IFRS 2010-2012 and IFRS 2011-2013 Annual Improvements Cycles (effective for financial periods beginning on or after 1 July 2014). The most relevant topics addressed in these amendments include: the definition of vesting conditions in IFRS 2 - Share-based payments, disclosure on the estimates and judgments used in the aggregation of operating segments in IFRS 8 - Operating Segments, the identification and disclosure of a transaction with a related party that arises when an entity provides key management personnel service to the reporting entity in IAS 24 –Related party disclosures, scope exceptions in IFRS 3 - Business combinations, of all types of joint ventures, and clarifications on exceptions to the application of IFRS 13 - Fair Value Measurement. At the date of these financial statements, the Company is assessing the future impact from the adoption of the amendments.

Consolidation procedures

The condensed Interim Report includes the results of the Parent Company Dada S.p.A. and of its subsidiaries at 31 March 2015.

The financial results of subsidiaries acquired or sold during the year are included in the consolidated income statement from the actual acquisition date until the actual date of sale.

All significant transactions and the resulting balances between Group companies have been eliminated in the consolidation. Business combinations are recorded using the acquisition method.

Exchange differences between opening net equity translated at current exchange rates and historical exchange rates, as well as the difference between the net profit or loss expressed at average and current exchange rates, are allocated to "Other reserves" under equity.

The exchange rates used to translate the financial statements of consolidated companies into euro are shown below:

Currency	Exchange rate on 31.03.2015	Average exchange rate 3 months 2015
US dollar	1.0759	1.12680
British pound	0.7273	0.74374

Currency	Exchange rate on 31.03.2014	Average exchange rate 3 months 2014
US dollar	1.3788	1.3705
British pound	0.8282	0.8207

Scope of consolidation

The scope of consolidation has changed following the disposal of Moqu Adv S.r.l. and Moqu Ireland Ltd to Italiaonline S.p.A.. As explained in the introduction to this Interim Management Report, discontinued operations were booked in accordance with IFRS 5.

Market risk

Our business is influenced by the global market conditions and the general economic conditions which can vary in the different markets where we do business; during a period of economic crisis, consumption may slow and this can have a negative effect on some of the services the Group provides

The services market, in which the Dada Group operates, is highly competitive due to both the continuously, rapidly changing nature of innovation and product technology, and to the threat of new market competition. This may impact on prices charged to customers and on costs to promote services, and may also significantly affect the financial viability of certain businesses;. Such an environment calls for continuous investments in the services that are offered to customers and renewal of the Company's offer in order to maintain its competitive positioning.

The industry in which the Group operates, both in Italy and abroad, is also strictly regulated with regard to personal privacy, consumer protection, and rules for commercial communications and for the telecommunications business in general. Such regulations are already affecting the business and their impact is likely to grow, with possible consequences for profitability throughout the reference market.

Toward this end, some Group companies could be involved in disputes or affected by supervisory or regulatory decisions regarding the provision of services. At present, no situations of this sort exist.

Management of financial risks

Financial risk

The Dada Group's international expansion, also through the acquisition of important operating companies in previous years, has increased its overall exposure to financial risks. Of growing significance are exchange risk, due to the increase in foreign-currency revenue, interest rate risk, with the medium-term loans taken out to finance the previously mentioned acquisition of UK company Namesco Ltd, of Amen Group companies and of Poundhost, and liquidity risk in general, reflecting the potential changes in borrowing requirements.

In addition, some of the Group's loan contracts include requirements to satisfy various financial and corporate ratios that give the lender certain rights, including the right to call in the loan, in the event such covenants are breached. Following the renegotiation of loans in March 2015, explained in Note 10, previous covenants running from financial year 2015 have been redefined, based on the figures appearing in the annual financial statements at 31 December 2015.

Mention must be made that to hedge interest rate risk, two IRS contracts are in place at 31 March 2015 with a major bank: a 0.7775% IRS contract with an amortizing notional amount of €5 million at 31 December 2014; a 0.631% IRS contract with an amortizing notional amount of €5 million at 31 December 2014. Taken together, these derivatives account for over 50% of the underlying loan, which is hedged against the risk. The fair value of these derivative instruments was recognized in the statement of financial position, with a balancing entry in an equity reserve in accordance with IAS 39 (cash flow hedges). In 1Q15, the interest rate cap with a strike rate of 3% on principal of €0.7 million and a fair value of zero was settled with a major bank.

Liquidity risk

Liquidity risk is managed by the Dada Group on a centralized basis. To optimize use of the Group's liquidity, the parent company Dada S.p.A. has a cash pooling agreement with its subsidiaries Register.it S.p.A, Fueps S.p.A. and Clarence S.r.l.. Register.it S.p.A. also has a cash pooling agreement with its wholly-owned subsidiaries. At 31 March 2015, the Dada Group had current and non-current bank credit lines (including leases, but excluding unsecured credit and exchange and interest rate derivatives) of €35.5 million, approximately €34.2 million of which drawn down (€38.0 million and €32.5 million, respectively, at 31 December 2014). Cash available amounts to €6.9 million following the €5 million received from the disposal of Moqu S.r.l..

Exchange risk

The Group's international expansion and scope of operations expose it to fluctuations in exchange rates, especially EUR/GBP and EUR/USD. This exposure to exchange risk is the result of sales or purchases made in currencies other than the euro, and of company assets denominated in foreign currencies. Approximately 6% of the Group's sales are denominated in a currency other than the primary one (the euro), while about 37% of its service costs are expressed in foreign currency. In 1Q15, as in prior years, the Group engaged mainly in currency forwards in order to hedge its exchange rate risk.

Credit risk

The Group's exposure to credit risk is related to trade and financial receivables. The Group assumes the credit risk associated with part of its advertising business, with the Performance Advertising business in particular, where credit comes mainly from one client alone, while the risk for the domain & hosting business is more limited as fees are generally paid in advance. With regard to financial receivables, liquidity is only invested with banks of the highest standing.

In December 2014, a Dada Group company fully settled its dealings with Seat P.G., which gave effect to the composition with creditors procedure (blank option), closing past positions. At 31 March 2015, dealings with this client were classified as performing.

Price risk

The Group is not exposed to significant price volatility risk.

For further details, reference should be made to the information provided in accordance with IFRS 7 attached to this report, appearing in the financial statements at 31 December 2014.

Risks associated with the contract for the disposal of the BU Dada.net (hereinafter referred to as "the Contract")

In May 2011, Dada S.p.A. entered into a contract with Buongiorno S.p.A. for the disposal of the Dada.net Group (for more details, see the 2011 financial statements of the Dada Group).

Representations, warranties and penalties in the event of non-fulfillment

The Group has given the buyer certain representations and warranties, typical of this kind of transaction, with respect to Dada.net, its wholly-owned subsidiaries, Giglio and Youlike. Should the buyer, Dada.net, its wholly-owned subsidiaries, Giglio and/or Youlike become liable for any out-of-period expenses, costs or charges due to non-fulfillment of the representations and warranties made by the seller, the seller will be required to indemnify and hold harmless the buyer for the amount of such liabilities, provided that the total sum of the individual losses exceeding a given minimum amount exceeds an established threshold, for a total maximum penalty of €7,125,000. The duration of the guarantees depends on the type of guarantee involved and in certain instances coincides with the statute of limitations relative to the dispute in question.

With regard to the rights and obligations set out in the contract, mention must be made that in April 2013, Dada S.p.A. received a claim for compensation from the buyer under the sale contract. Such claim arises from a complaint filed by Receita Federal do Brasil referring to certain alleged anomalies found in a tax audit which had started in March 2011, against Dada Brasil Servicos de Tecnologia Ltda, relating to the 2008 tax return for a total disputed amount of 13.4 million Brazilian Reais (approximately €4.2 million). The Company, under the sale contract and in conjunction with the buyer, has established defense against such claim and has reserved the right to rebut the claim for compensation filed by the buyer. Based on the preliminary technical-legal indications received, the current dispute with the Brazilian tax authorities may most likely extend in time.

Based also on IAS 37 related to contingent liabilities and taking into account the recent date of commencement of the dispute, as well as the preliminary analysis conducted, the Company deems it unnecessary to date to set up any case reserves, except for a reserve set up solely for legal fees for defense against such claim.

In May 2013, Dada S.p.A. received three other claims from the buyer under the sale contract. The claims involve: an investigation conducted by the Attorney General of the State of Minnesota on the potential violation, in the provision of client services, of State laws by Dada Entertainment LLC, sold to the Buongiorno Group; the start of a preliminary audit by NYC tax authorities on Dada Entertainment LLC; and a claim involving a transaction entered into on a case allegedly within the scope of the contractual guarantees (quantified in $100,000). In this regard, mention must be made that the contract for the sale of the Dada.net Group provides for excess of €300,000 in favour of the seller.

Based also on IAS 37 related to contingent liabilities, given the early stages of the assessments made by the foregoing authorities, as well as the preliminary analysis conducted so far, the Company deems it unnecessary to date to set up any case reserves.

Special penalties

In addition to the representations and warranties mentioned above, the contract for the sale of Dada.net provides for other penalties for the seller under expressly stated circumstances that expose the buyer, Dada.net, and/or any other company within the scope of the sale to further liabilities. The seller shall indemnify and hold harmless the buyer for the amount of any such liabilities that arise, provided this penalty exceeds the specific thresholds laid down in the contract. In specified cases, an additional ceiling of €2,175,000 will apply on top of the maximum penalty listed above. An action may be brought under this guarantee through 31 May 2016.

Risks associated with the contract for the deconsolidation of the Moqu Group

Risks associated with the contract for the disposal of Moqu S.r.l.

Terms of payment of the interests in Moqu S.r.l.

Out of the full price, an instalment of €5,000,000.00 was paid in cash on 16 March 2015.

This part may be adjusted by the calculation of the net financial position of the Moqu Group at 31 March 2015, currently being defined under the disposal contract.

In addition to the above part, the contract also requires the buyer to pay the seller an earn-out, if the item “Revenue” in the 2015 Consolidated Income Statement of the Moqu Group (that is, Moqu S.r.l. and its subsidiaries) exceeds €6 million. In such case, the seller will receive an earn-out of up to a maximum of €1 million, on a linear basis and divided into the levels appearing in the contract. Any earn-out so calculated will be paid within five days from the date of approval of the 2015 consolidated financial statements of the Moqu Group, and no later than 30 April 2016.

The contract does not provide for amounts withheld by the buyer in respect of indemnification obligations taken on by the seller under the contract, based on representations and warranties given by the seller to the buyer.

Representations, warranties and penalties in the event of non-fulfillment

The seller has given the buyer certain representations and warranties, typical of this kind of transaction, with respect to the disposed company and its wholly-owned subsidiaries.

Should the buyer become liable for any out-of-period expenses, costs or charges due to non-fulfillment of the representations and warranties given by the seller, the seller will be required to indemnify and hold harmless the buyer for the amount of such liabilities, provided that the total sum of the individual losses exceeding a given minimum amount exceeds an established threshold, for a total maximum amount of €1,000,000.00.

Risks of the reduced scope of operations

The sale of the disposed company has narrowed the scope of operations of the Issuer's group. Following the disposal, operations will be basically focused on the provision of professional services for domain registration, hosting and related services. Furthermore, for one year from the disposal date, the Issuer’s group will be bound by a non-compete obligation measured on the specific business performed by Moqu S.r.l.. Under the obligation, over such period of time, the seller may not carry out Performance Advertising activities, meaning the management of online advertising through a business model based on acquisition and monetization of web traffic through specific partnerships with major search engines. Furthermore, it should be noted that the disposed company is active in extremely competitive business environments subject to recurring changes of policy by the dominant player, and in recent years, its results have suffered sharp declines.

Risks to which the Parent Company Dada S.p.A. is exposed

The Parent Company is essentially exposed to the same risks and uncertainties affecting the entire Dada Group.

Seasonal trends

The Dada Group's main operations are not affected by seasonal trends that could influence results for the period.

3. Segment reporting pursuant to IFRS 8

For operational purposes, the Dada Group is structured by business segment. Since 31 March 2015, the Group has been organized in a single Business Unit (**Domain & Hosting**).

This effect is a result of the reorganization following the disposal of the Moqu Group (which headed up the Performance Advertising business) in March 2015, with financial effects backdated to 28 February. Accordingly, the remaining product lines (domain and hosting) and corporate activities (managed by the Parent Dada S.p.A.) are so completely integrated with each other that they no longer qualify as separate business segments under IFRS 8.

Based on this new structure, 1Q14 comparative figures have been restated.

Notes on the main items in the following tables are shown in the Directors' report in the Results section.

"Domain and Hosting" activities focus on self-provisioning professional services, which include:

- Domain name registration – digital solutions for online identity
- Hosting services
- Website creation
- E-commerce services
- Certified e-mail and e-mail services
- Advertising services;

The Domain and Hosting Division heads up Register.it S.p.A. and this company's Italian and foreign (direct and indirect) subsidiaries: Nominalia SA, Amen Ltd, Amen Netherland B.V., Amenworld-Servicos Internet LDA, Agence des Medias Numeriques SAS, Amen Ltd, Namesco Ltd, Namesco Inc., Namesco Ireland Ltd, Poundhost Internet Ltd, Simply Virtual Servers Limited and Simply Transit Limited.

Income statement by business segment at 31 March 2015

31 March 2015 (3 months)			
Segment reporting	**Total continuing operations**	**Total discontinued operations**	**Total consolidated**
Revenue - Italy	16,001		16,001
Revenue - abroad			-
Revenue - interdivisional			-
Net revenue	**16,001**	**-**	**16,001**
Increase in own work capitalized	607		607
Cost of services	-9,230		-9,230
Payroll costs	-4,544		-4,544
Segment EBITDA	**2,834**	**-**	**2,834**
Depreciation and amortization	-1,657		-1,657
Impairment, provisions and non-recurring income/charges	-113		-113
EBIT	**1,064**	**-**	**1,064**
Net financial charges	-410		-410
Profit (loss) before taxes	**654**	**-**	**654**
Income taxes	-313		-313
Group & non-controlling interests profit (loss)	**341**	**-**	**341**
Non-controlling interests			-
Profit (loss) from discontinued operations		-330	-330
Group net profit (loss)	**341**	**-330**	**11**

Income statement by business segment at 31 March 2014

31 March 2014 (3 months)			
Segment reporting	**Total continuing operations**	**Total discontinued operations**	**Total consolidated**
Revenue - Italy	15,979		15,979
Revenue - abroad			-
Revenue - interdivisional			-
Net revenue	**15,979**	**-**	**15,979**
Increase in own work capitalized	826		826
Cost of services	-9,561		-9,561
Payroll costs	-4,978		-4,978
Segment EBITDA	**2,266**	**-**	**2,266**
Depreciation and amortization	-1,691		-1,691
Impairment, provisions and non-recurring income/charges	-53		-53
EBIT	**522**	**-**	**522**
Net financial charges	-769		-769
Profit (loss) before taxes	**-247**	**-**	**-247**
Income taxes	-207		-207
Group & non-controlling interests profit (loss)	**-454**	**-**	**-454**
Non-controlling interests			-
Profit (loss) from discontinued operations		-67	-67
Group net profit (loss)	**-454**	**-67**	**-521**

Geographical breakdown of Dada Group revenue

Description	**31/03/2015 (3 months)**		**31/03/2014 (3 months)**	
	Amount	**% of total**	**Amount**	**% of total**
Revenue - Italy	7,305	46%	7,243	45%
Revenue - abroad	8,696	54%	8,736	55%
Total	**16,001**		**15,979**	

4. Related party transactions

Transactions carried out with related parties fall within the Company's ordinary operations and are settled at arm's length. They are similar to those described in the notes to the consolidated financial statements for the year ended 31 December 2014, to which reference is made. Related-party transactions are governed by a specific procedure approved by Dada S.p.A.'s Board of Directors. For further information, reference should be made to the section on significant events in 1Q15.

5. Non-recurring income and charges

Non-recurring items had a negative effect of €21 thousand, and refer to charges deriving from the optimization of the Group structure.

6. Property, plant and equipment

Investments in property, plant and equipment for continuing operations in 1Q15 amounted to €0.5 million versus €0.4 million in 1Q14, and referred almost exclusively to the purchase of network servers and the installation of new systems to expand the server farm, and to networking and storage systems mainly for the Register.it subsidiaries and for Namesco and Poundhost in the UK. The applicable depreciation rate for the investments is between 20% and 33%, whereas the Datacenter setup fee is amortized over 10 years.

Furniture and fittings includes expenses incurred in prior years for the new premises of the Dada Group's Italian and foreign companies. No significant increases were reported during the first quarter of the year. Here the main depreciation rate is 12%.

7. Intangible assets

Increases in 1Q15 in intangible assets came to €0.6 million versus €1 million in 1Q14. The investments mainly regarded the development of products and internal processes, which amounted to €0.6 million (€1 million in 1Q14).

Specifically, increases for "product/service development costs" refer to the capitalization of internal expenses incurred by the Group to develop new products and services concerning the provision of domain and hosting services.

More specifically, these activities in 1Q15 referred to:

- the gradual implementation of the new suite of Microsoft products, the integration of services with social networks, OpenExchange professional service, dedicated servers, development of new shared hosting and the Dada store.

The recognition of intangible assets is based on the future profitability calculated in accordance with the applicable international accounting standards. Their recognition is supported by a careful evaluation of the future economic benefits of these services.

Amortization is made mainly on a straight-line basis over five years, which represents the estimated useful life of these projects.

8. Equity investments, financial assets and deferred tax assets

The following table shows financial assets and deferred tax assets at 31 March 2015 and at 31 December 2014:

Description	31/03/15	31/12/14	Change	% change
Financial receivables and other non-current assets	186	183	3	2%
Total financial assets	**186**	**183**	**3**	**2%**
Deferred tax assets	**6,396**	**6,419**	**-23**	**0%**

Movements in deferred tax assets between 31 December 2014 and 31 March 2015 are shown below:

Description	31/12/2014	Increases in continuing operations	Increases in discontinued operations	Utilizations	Exchange difference	Discontinued operations	31/03/2015
Deferred tax assets	6,419	-	59	-59	36	-59	6,396
Total	**6,419**	**0**	**59**	**-59**	**36**	**-59**	**6,396**

"Financial receivables and other non-current assets" consist of security deposits which include those for the rental of business premises.

Deferred tax assets of €6.4 million stem from both prior fiscal losses of the Dada Group and from temporary differences stemming from upward readjustments in tax returns to be recovered in the future. Fiscal losses that can be carried forward to subsequent years amount to €38.8 million. These can be fully carried forward indefinitely and are 80% recoverable in each financial year (under the new Italian law).

Specifically, the fiscal losses on which deferred tax assets were calculated amount to €17 million.

For the sake of prudence, deferred tax assets have been recognized in proportion to the income the company is likely to achieve.

Utilization refers to the recovery of temporary differences against the tax charge for the year.

9. Trade receivables

Consolidated trade receivables at 31 March 2015 amounted to €5.2 million, basically in line with those booked at 31 December 2014.

The average turnover on trade receivables is 30/45 days (measured as the ratio of receivables outstanding at the reporting date and total turnover of the Group), and varies from one product to the next. Specifically, certain services collect receivables very quickly (or even in advance), while certain business services have a longer turnover period.

There are no trade receivables due beyond one year that would require an assessment of financial loss.

The Company estimates that the carrying value of trade and other receivables approximates their fair value.

In 1Q15, the provision for doubtful accounts increased by €0.1 million, reflecting the need to write down a few positions which arose during the year as a result of the financial problems of a number of clients.

The provision, which amounted to €3.1 million at 31 March 2015, was deemed sufficient to cover potential losses on trade receivables.

10. Cash and cash equivalents and net debt

Total liquidity, which comprises liquidity at major banks, cash on hand and current financial receivables, amounted to €7.5 million at 31 March 2015 versus €1.4 million at 31 December 2014. Details on this aggregate are found in the Directors' report.

Description	**Balance at 31/03/15**	**Balance at 31/12/14**	**Change**	**% change**
Bank and post office deposits	6,917	1,378	5,539	402%
Time deposits	500		500	#DIV/0!
Other financial receivables	81	0	81	#DIV/0!
Cash and valuables on hand	7	13	-6	-46%
Total	**7,504**	**1,391**	**6,113**	**439%**

The table below shows loans and borrowings and their movements between 31 December 2014 and 31 March 2015:

Description	Balance at 31/12/14	Increases	Decreases	Other changes	Balance at 31/03/15
PAYABLES					
Banks - non-current	16,674	10,055	-4,602	32	22,159
Banks – current	12,355	645	-7,595	65	5,470
Subtotal	**29,029**	**10,700**	**-12,197**	**97**	**27,629**
Account overdrafts	5,829	2,148	-1,370		6,607
Subtotal	**5,829**	**2,148**	**-1,370**	**0**	**6,607**
Grand total	**34,858**	**12,848**	**-13,567**	**97**	**34,236**

The Dada Group's non-current loan agreements are those entered into to finance the acquisitions made over the last few years, the investment in the new Datacenter of Namesco ltd, and the finance leases by Register.it and Poundhost. Some of these loans were renegotiated in 1Q15 and the relevant information is found below.

Description of loans held by the Dada Group at 31 March 2015:

– Register.it S.p.A.
  On 23 March 2015, the subsidiary Register.it S.p.A. amended the loan agreement with Intesa Sanpaolo, which provided, on the one hand, for the repayment of €4 million, with a residual balance of the loan at 31 March 2015 of €16 million and, on the other, for amendments to improve the loan conditions, which include: a new maturity extended to 31 December 2019, with the schedule that calls for a bullet repayment for the first 15 months, with maturity starting on 30 June 2016, followed by six half-yearly equal instalments of €1.8 million due on 31 December and 30 June each year, and a final instalment of €3.2 million on 31 December 2019; the total interest rate is the six-month Euribor plus a spread of 3.50%. To partially hedge the interest rate risk, two IRS contracts are still in place with a 0.7775% rate, with the same half-yearly maturities of the loan of €0.6 million each and amortizing notional amount, and an additional IRS contract with a 0.631% rate and amortizing notional amount with the same structure as the previous.

On 31 March 2015, Register.it S.p.A. also entered into a loan agreement with Unicredit for a total of €5 million, calling for the repayment of 7 half-yearly instalments of €0.5 million, with maturity starting on 30 June 2016, and a final instalment of €1 million due on 31 December 2019; the interest rate is the six-month Euribor plus a spread of 3.50%.

Both medium/long term loans with Intesa Sanpaolo and Unicredit are unsecured loans and provide for the customary clauses to safeguard lenders, including mandatory repayment in the event of a change of control of Dada S.p.A. or Register S.p.A., or of breach of the covenants or financial ratios.
Two finance leases are also in place, with a residual balance of €0.2 million and €0.3 million at 31 March 2015.

- DADA S.p.A.
  Two loans are in place: the first is a fixed-term credit line (hot money) of €3.0 million, taken out on 16 February 2015 with a major bank, renewable for a maximum of 60 days, with a 2-month Euribor interest rate plus a spread of 5.25%; the second is a loan of €2.0 million taken out with a major bank on 26 November 2014 for a duration of 18 months, with repayment in 6 quarterly instalments of €0.3 million starting from the end of February 2015, with the last instalment due on 26 May 2016, and interest charged at a 3-month Euribor rate plus a spread of 2.95%; the residual balance at 31 March 2015 is €1.7 million.
  Dada S.p.A. has account overdrafts with major banks which amount to €6.6 million, with interest charged at one-month Euribor, plus different spreads for each lender ranging from a minimum of 2.8% to a maximum of 6%.

- Namesco Ltd
  Two loans are in place for a total initially of £1.4 million (€1.6 million) taken out on 24 October 2012 and on 13 November 2013; the first has maturity on 6 August 2016, the second on 1 May 2016, with the schedule that calls for repayment of monthly instalments respectively from August 2013 and January 2014, the interest rate applied is the Bank's Sterling Base Rate plus a spread of 3%. The residual debt at 31 March 2014 is approximately £0.7 million (€0.9 million).

- Poundhost
  Finance leases are in place with a residual balance at 31 March 2014 of £0.4 million (€0.5 million). These will be fully repaid by December 2017. A new lease was entered into on 16 February 2015 amounting to £0.1 million (€0.1 million).
  Some of the loans described above include covenants requiring the Group to satisfy certain financial ratios on an annual basis, starting from 31 December 2014, tied to EBITDA and net financial position aggregates. A breach of covenant entitles the lending bank to request forfeiture of the acceleration clause and to call in the loan. These obligations were fully met at the close of the previous annual report.

11. Provisions for payroll, risks and charges

Movements in the provision for employee termination indemnities from 31 December 2014 to 31 March 2015 are shown in the table below:

Description	Balance at 31/12/14	Increases in continuing operations	Increases in discontinued operations	Utilizations for the year	Advances	Other movements	Termination indemnity discounting to equity	Discontinued operations	Balance at 31/03/15
Provision for termination indemnities	815	104	7	-31	-15	-110	- 9	- 73	688
Total	**815**	**104**	**7**	**-31**	**-15**	**-110**	**-9**	**-73**	**688**

At 31 March 2015, the provision for termination indemnities (or TFR, *trattamento di fine rapporto*) amounted to €0.7 million, and covers the liability accrued to employees, in accordance with the current law and the collective employment contract. "Other movements" refer to payments made to INPS (Italian Social Security).

As required by international accounting standards, the liability was determined using the Projected Unit Credit method, which treats every period of employment as the source of an additional unit of benefits and measures each unit separately when calculating the total obligation for liabilities accrued.

Movements in the provision for risks and charges from 31 December 2014 to 31 March 2015 are shown in the table below:

Description	Balance at 31/12/2014	Increase for the year	Utilizations for the year	Recognition in the income statement	Exchange difference	Balance at 31/03/2015
Provision for risks and charges	463	-	-3	-25	2	437
Provisions for tax disputes	81	-	-	-	-	81
Total	**544**	**-**	**-3**	**-25**	**2**	**518**

At 31 March 2015, the provision for risks and charges amounted to €0.5 million, decreasing slightly versus 31 December 2014, due to utilizations made in the first three months of the year and to recognition in the income statement of prior provisions made for positively-settled legal disputes.

In 1Q15, no further provisions were made for this item.

Exchange differences refer to the adjustment at year-end exchange rates of the provisions of companies with non-euro financial statements.

At 31 March 2015, the provision for risks and charges was made up of €0.4 million for business/legal disputes, and of €0.1 million for tax disputes.

No detailed information is given on the specific positions covered, also in order not to prejudice the outcome of proceedings.

12. Trade payables

The item "Trade payables" comprises the amounts regarding trade-related purchases and other types of costs directly linked to the Group's business. Trade payables at 31 March 2015 amounted to €7.3 million versus €10.1 million at 31 December 2014, dropping by approximately 28%, referring mostly to the deconsolidation of the Moqu Group.

The Company estimates that the carrying value of trade payables approximates their fair value.

13. Other payables and liabilities

Taxes payable, amounting to €2.6 million (€1.7 million at 31 December 2014), include withholding tax on salaries and consultants' pay for the month of March and income taxes pertaining to the period. The latter consist mainly of IRAP (regional tax) for the Group's Italian companies and of local taxes for subsidiaries abroad.

"Other payables", amounting to €17.9 million, mainly comprises:

- bonus salaries due to employees (tredicesima and quattordicesima), pay in lieu of holiday, and other amounts payable for a total of €4.6 million, as well as €0.2 million in social security payments due;

- deferred income of €13 million (€11.9 million at 31 December 2014), originating from the accrual accounting of contract revenue on domain and hosting, and other resale services pertaining to future periods after these interim financial statements.

The Company estimates that the carrying value of other payables and liabilities approximates their fair value.

14. Non-current assets of relevance to the cash flow statement

The table below shows movements in non-current tangible and intangible assets from 31 December 2014 to 31 March 2015:

Description	Balance at 31/12/14	Increases in continuing operations	Increases in discontinued operations	Discontinued operations	Exchange diff.	Deprec. continuing operations	Deprec. discontinued operations	Balance at 31/03/15
Goodwill	79,159	-	-	-	3,173	-	-	82,332
Total goodwill	***79,159***	***-***	***0***	***-***	***3,173***	***-***	***-***	***82,332***
Product/service development costs	7,111	607	95	-1,246	16	-640	-90	5,853
Concessions, licenses, brands	52	23	-	-1	2	-31	-	45
Other	527	11	-	-4	-	-50	-	483
Total intangible assets	***7,690***	***641***	***95***	***-1,251***	***18***	***-721***	***-90***	***6,380***
Total	**86,849**	**641**	**95**	**-1,251**	**3,191**	**-721**	**-90**	**88,712**

Description	Balance at 31/12/14	Increases in continuing operations	Increases in discontinued operations	Decreases	Discontinued operations	Exchange diff.	Deprec. continuing operations	Deprec. discontinued operations	Balance at 31/03/15
Plant and EDP machines	7,793	518	-	-10	-11	313	-878	-1	7,724
Furniture and fittings	241	2	-	-	-1	2	-26	-1	218
other tangible assets	299	0	-	-	-2	9	-32	0	274
TOTAL	**8,333**	**520**	**-**	**-10**	**-13**	**325**	**-936**	**-2**	**8,217**

Regarding goodwill:

the increase in "exchange differences" relating to goodwill is explained by exchange differences on goodwill expressed in other currencies, in particular for the UK company Namesco Ltd. (in British pounds), offset by the translation reserve recognized under consolidated equity reserves.

In this regard, at the end of 1Q15, an assessment was made to verify the absence of substantial differences between the quarterly forecasts used in the annual impairment test at 31 December 2014 and the actual results of the Dada Group at 31 March 2015. For further details, reference should be made to the consolidated financial statements at 31 December 2014.

With regard to the main increases in non-current tangible and intangible assets, reference should be made to the above section relating to increases in property, plant and equipment and intangible assets (Notes 6 and 7, respectively).

Mention should be made that cash used in investing activities amounted to €3.4 million and refers - in addition to the consideration of €5 million received from the disposal of the Moqu Group and to -€0.2 million from the financial effects of discontinued operations - to investments made in 1Q15 (€0.6 million in intangible assets and €0.7 million in property, plant and equipment), excluding purchases not resulting in changes in cash flows, increased by investments made in the prior year and paid during the period under review.

15. Changes in equity reserves

At 31 March 2015, Dada S.p.A.'s share capital was comprised of n. 16,680,069 ordinary shares with a par value of €0.17 each, for a total of €2,836 thousand. There were no increases in 1Q15.

Movements in equity items in 1Q15 are found in the statements on page 29.

Here is a description of the main equity reserves together with their changes:

Legal reserve: this is a profit reserve built through allocation of net profit for the year from the approved separate financial statements. It can only be used in the amount exceeding one fifth of the share capital. At 31 March 2015, it had a balance of roughly €1 million, unchanged versus 31 December 2014.

Share premium reserve: this is a capital reserve generated by contributions from shareholders. There is no specific limit on its use, once the legal reserve has reached one fifth of the share capital. At 31 March 2015, it had a balance of approximately €33.1 million. There were no increases in 1Q15.

Other equity instruments: this item includes payroll costs accrued from the stock option plans issued by the Group. At 31 March 2015, it had a balance of €134 thousand versus €89 thousand at 31 December 2014. Movements over the period refer to the recognition of the portion of the Stock Option Plan allocated to the income statement, amounting to €51 thousand, and -€6 thousand to the deconsolidation of Moqu Adv S.r.l..

Other reserves:

- *FTA reserve:* built for the first-time adoption of IFRS, at 31 March 2015, it had a negative balance of -€6.2 million.
- *Extraordinary reserve* of €19.1 million, unchanged in 1Q15.
- *Cash flow hedge reserve,* net of tax effects, it shows a negative balance of -€83 thousand at 31 March 2015, with a net change of -€6 thousand versus 31 December 2014.

- *Translation reserve*, containing the differences arising from the translation of subsidiaries' individual financial statements prepared in currencies other than the euro, with a negative balance at 31 March 2015 of -€1.4 million (versus a negative balance of -€4.4 million at 31 December 2014). Movements in the year, totaling roughly €3 million, arose mostly from the translation of the financial statements and goodwill of the subsidiaries Poundhost and Namesco.
- *Other reserves*, these amounted to €1.1 million at 31 December 2014, and included the reserves generated by the deconsolidation of the Dada.net Group, while at 31 March 2015, they amounted to €5.5 million; the net change of €4.4 million is attributable to the disposal of the Moqu Group. The disposal is classified as a "business combination of entities under common control", since both Dada S.p.A. and Italiaonline S.p.A. are controlled by Orascom TMT Investments S.à r.l. through the subsidiary Libero Acquisitions S.à r.l.. In compliance, therefore, with Preliminary Guidance n.1 issued by Assirevi on IFRS (also known as OPI 1), the difference between the transaction price and the pre-existing value of the assets under disposal must not be recognized in the income statement, but as an adjustment to the consolidated equity reserves of the Dada Group.

16. Net change in financial payables and other financial assets in the statement of cash flows

The following table reconciles the change in consolidated net financial position with the change in cash and cash equivalents:

EUR/000	31/03/2015	31/03/2014
Change in net financial position	**6,706**	**595**
Change in long-term loans	5,484	65
Change in non-cash derivatives	29	-4
Change in cash and cash equivalents	**12,218**	**656**

Current account overdrafts, in accordance with the accounting policies, are counted as part of the change in cash and cash equivalents. In 1Q15, most of the change was attributable to the increase in long-term loans.

17. Commitments

The table below shows changes in commitments between 31 December 2014 and 31 March 2015:

Description	Balance at 31/12/2014	Increase for the period	Decrease for the period	Other changes	Balance at 31/03/2015
Guarantees	2,988	20	-	81	3,089
Total	**2,988**	**20**	**-**	**81**	**3,089**

The increase over the period refers entirely to guarantees issued to a provider for cash inflows to its affiliate Amen France.

There were no decreases in 1Q15.

Other changes include the net effects of the exchange adjustments of the guarantees issued in currencies other than the euro.

There are no potential commitments that are not recorded in the statement of financial position.

18. Profit (loss) from discontinued operations

Details on the extraordinary transaction completed in 1Q15 are found in the Directors' report. Mention should be made that all the charges associated with the disposal of the Moqu Group to Italiaonline S.r.l have been grouped in a single item named "Profit (loss) from discontinued operations", which also includes other income statement items that refer to the scope involved in the extraordinary transaction.

The table below shows the details of Profit (loss) from discontinued operations:

Description	Balance at 28/02/2015
Profit (loss) from discontinued operations	-233
costs associated with discontinued operations	*-96*
Costs associated with discontinued operations paid by the Parent	-97
Profit (loss) from discontinued operations	**-330**

The table below shows the breakdown of the income statement item related to profit (loss) from discontinued operations in this quarterly report:

Description	Balance at 28/02/2015
Revenue from discontinued operations	1,101
Increase in own work capitalized - discontinued operations	95
Costs for discontinued operations	-1,066
Depreciation and amortization of discontinued operations	-92
Non-recurring changes from discontinued operations	-96
Financial income/charges from discontinued operations	-233
Profit (loss) before taxes from discontinued operations	**-292**
Taxes for discontinued operations	59
Net profit (loss) from discontinued operations	**-233**

The overall effect on cash and cash equivalents associated with the disposal of the Moqu Group amounted to €4.8 million. Here are the details:

Description	Moqu Group
Cash consideration	5,000
Cash disposed of	-206
Total	**4,794**

Florence, 13 May 2015

For the Board of Directors
CEO
Claudio Corbetta

Statement by the Manager responsible for preparing the Company's Financial Reports

Pursuant to art. 154 *bis* (2) of the Uniform Finance Act (Testo Unico della Finanza or TUF), it is hereby declared that the financial information contained in this Interim Management Report corresponds to the Company's records, ledgers and accounting entries.

Financial Reporting Manager
Federico Bronzi

ANNEX 1

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 31 MARCH 2015

EUR/000	31-Mar-15 3 months		31-Mar-14 3 months		DIFFERENCE	
	Amount	% of	Amount	% of	Absolute	%
Net revenue	**16,001**	**100%**	**15,979**	**100%**	**22**	**-**
Chg. in inventories & inc. in own wk. capitalized	607	4%	826	5%	-220	-27%
Service costs and other operating expenses	-9,230	-58%	-9,561	-60%	331	-3%
Payroll costs	-4,544	-28%	-4,978	-31%	434	-9%
EBITDA*	**2,834**	**18%**	**2,266**	**14%**	**568**	**25%**
Depreciation and amortization	-1,657	-10%	-1,691	-11%	34	-2%
Non-recurring income/(charges)	-21	0%	0	0%	-21	-
Impairment losses and other provisions	-92	-1%	-53	0%	-38	72%
EBIT	**1,064**	**7%**	**522**	**3%**	**542**	**104%**
Financial income	438	3%	109	1%	329	n.a.
Financial charges	-848	-5%	-878	-5%	30	-3%
Profit/(loss) before taxes	**654**	**4%**	**-247**	**-2%**	**902**	**n.a.**
Income taxes	-313	-2%	-207	-1%	-107	52%
Profit/(loss) from continuing operations	**341**	**2%**	**-454**	**-3%**	**795**	**175%**
Profit/(loss) from discontinued operations	-330	-2%	-67	0%	-263	n.a.
Group net profit (loss)	**11**	**0%**	**-521**	**-3%**	**532**	**102%**

ANNEX 2

DADA GROUP NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 31 MARCH 2015

EUR/000	31-Mar-15	31-Dec-14	DIFFERENCE	
			Absolute	%
Fixed assets	**97,115**	**95,364**	**1,751**	**2%**
Current operating assets	16,280	17,585	-1,305	-7%
Current operating liabilities	-27,710	-27,851	141	-1%
Net working capital	**-11,430**	**-10,266**	**-1,164**	**11%**
Provision for termination indemnities	-688	-815	127	-16%
Provision for risks and charges	-518	-544	25	-5%
Other payables due beyond one year	-17	-17	0	0%
Net capital employed	**84,462**	**83,723**	**739**	**1%**
Non-current financial payables	-22,158	-16,674	-5,484	33%
Shareholders' equity	**-57,595**	**-50,150**	**-7,445**	**15%**
Current bank debt	-12,079	-18,183	6,105	-34%
Current financial receivables and derivatives	5,397	0	5,397	-
Current financial payables and derivatives	-4,952	-107	-4,845	n.a.
Cash and cash equivalents	6,924	1,391	5,533	n.a.
Current net financial position	**-4,710**	**-16,899**	**12,189**	**72%**
Total net financial position	**-26,868**	**-33,573**	**6,706**	**20%**

ANNEX 3

NAME	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	COMPANY HELD BY	% held	Consolidation period
Dada S.p.A. (Parent)	**Florence**	Euro	**2,835,612**	**Parent**		**Jan.-Mar. 2015**
Agence des Medias Numerique Sas	Paris	Euro	37,000	Register.it S.p.A.	100	Jan.-Mar. 2015
Amen Ltd.	London	GBP	2	Register.it S.p.A.	100	Jan.-Mar. 2015
Amen Nederland B.V.	Amsterdam	Euro	18,000	Register.it S.p.A.	100	Jan.-Mar. 2015
Amenworld Servicios internet	Lisbon	Euro	10,000	Register.it S.p.A.	100	Jan.-Mar. 2015
Clarence S.r.l.	Florence	Euro	21,000	Dada S.p.A.	100	Jan.-Mar. 2015
Fueps S.r.l.*	Florence	Euro	1,500,000	Dada S.p.A.	100	Jan.-Mar. 2015
Namesco Inc.	New York (USA)	USD	1,000	Namesco Ltd.	100	Jan.-Mar. 2015
Namesco Ltd.	Worcester	GBP	100	Register.it S.p.A.	100	Jan.-Mar. 2015
Namesco Ireland Ltd	Dublin	Euro	1	Namesco Ltd.	100	Jan.-Mar. 2015
Nominalia Internet S.L.	Barcelona	Euro	3,000	Register.it S.p.A.	100	Jan.-Mar. 2015
Poundhost Internet Ltd	Worcester	GBP	200	Namesco Ltd.	100	Jan.-Mar. 2015
Register.it S.p.A.	Florence	Euro	8,401,460	Dada S.p.A.	100	Jan.-Mar. 2015
Simply Virtual Servers Limited	Worcester	GBP	2	Namesco Ltd.	100	Jan.-Mar. 2015
Simply Transit Limited	Worcester	GBP	2	Namesco Ltd.	100	Jan.-Mar. 2015
Moqu Adv S.r.l. **	Florence	Euro	10,000	Dada S.p.A.		
Moqu Adv Ireland Ltd **	Dublin	Euro	1	Moqu Adv S.r.l.		

* On 18 December 2014, the General Meeting resolved on: its conversion into a limited liability company, effective as from 7 January 2015, and on the reduction of the share capital from €1,500,000 to €10,000, executable as from 4 May 2015.

**Companies disposed of and consolidated in the income statement in a single item named “Profit (loss) from discontinued operations” under IFRS 5.