



Press release pursuant to CONSOB Regulation 11971/1999, as subsequently amended

2012 RESULTS APPROVED BACK TO PROFIT AFTER 3 YEARS

CONSOLIDATED REVENUE €84.8 MN, +6% VERSUS 2011¹ (€80.3 MN)

EBITDA² €12.0 MN UP 30% (€9.2 MN in 2011)

EBIT €4.7 MN (-€5.6 MN in 2011)

NET PROFIT €0.9 MN (-€8.5 MN at 31 December 2011)

NET FINANCIAL POSITION AT 31/12/2012 REDUCED TO -€26.2 MN FROM -€27.0 MN AT 31/12/2011, DESPITE INVESTMENTS TO REALIZE NEW DATACENTER IN THE UK

SHAREHOLDERS' MEETING CONVENED TO APPROVE 2012 FINANCIAL STATEMENTS

Milan/Florence, 22 February 2013 - Today, the Board of Directors of DADA S.p.A., international leader in professional services for online presence and advanced online advertising solutions, approved the Consolidated Financial Statements and the Draft Statutory Financial Statements of DADA S.p.A. for the year ended 31 December 2012.

In 2012, the DADA Group completed the process to rationalize its assets portfolio and focus on professional digital services for the management of individual and corporate online presence and visibility.

The redefinition of the industrial and organizational structure, besides bringing a significant reduction in net debt, allowed DADA to further strengthen its pan-European positioning, despite a challenging scenario and the fiercer competition. The brighter

¹ Following application of IFRS 5 relating to "Non-current assets held for sale and discontinued operations", as of 1 January 2011, the income-related items of the companies sold are shown in a single line of the income statement, and the capital and financial figures are shown in a single line of the balance sheet.

² EBITDA is gross of impairment losses on receivables and non-recurring charges



results versus the previous year on its main reference markets and in both lines of business, and the marked improvement in operating margins likewise prove the greater sustainability of the Group's current business model and the positive outcome of the structural cost-optimization measures adopted in 2012.

The shift in focus also resulted in a corporate reorganization designed to better align the Group's corporate structure with the new organization. Pursuant to IFRS 8, this accordingly required the adoption of a new reporting system reflecting the current operational divisions as identified by business segment information³ and named "Domains and Hosting" and "Performance Advertising". Following this change, for the sake of comparison, previous-year figures have been restated.

GROUP RESULTS IN 2012

In 2012, the DADA Group achieved consolidated revenue of €84.8 million, up 6% versus the €80.3 million reported in 2011, thanks to the positive performance of both businesses:

- i) professional services for domain registration and hosting, for brand protection and online visibility, grew by approximately 5% versus 2011 and accounted for roughly 76% of consolidated revenue. Italy and the UK were the countries that contributed the most to revenue, followed by France, Spain, Ireland, Portugal and the Netherlands.
- ii) Performance Advertising grew by approximately 10% versus the previous year and contributed the remaining circa 24% of the Group's revenue.

Foreign-based activities represented 65% of consolidated revenue, confirming their prevalent influence on the overall growth of the DADA Group.

In 2012, consolidated EBITDA increased to €12.0 million from the €9.2 million in 2011, rising by 30% and representing 14% of revenue (11% in 2011). An improvement mainly attributable to greater operational efficiency of the Domains and Hosting business - whose margins increased by 18% versus the previous 14% - and to the measures taken throughout the year to control general and overhead costs. The Performance Advertising business confirmed a marginality of about 13% on division revenue, in line with previous year's one. In 2012, service costs as a percentage of consolidated revenue decreased versus the previous year (from 69% to 68%), while payroll costs as a percentage of consolidated revenue fell from 23% in 2011 to 22% in 2012, remaining basically unchanged in absolute terms.

At 31 December 2012, the Group's headcount rose to 372 employees (of whom 44% foreign-based) versus the 367 employees at 31 December 2011.

In 2012, the Group achieved a positive EBIT of €4.7 million versus the -€5.6 million in 2011, strongly improving thanks mainly to the positive performance of EBITDA and to the lower impact of amortization and depreciation and non-recurring charges versus the previous year. 2012 EBIT was also impacted by total amortization of €6.9 million (€7.0 million in 2011) and was negatively affected by non-recurring charges, impairment losses

³ Corporate activities have been so completely integrated with the two business segments that they no longer require qualification as a separate division.



and provisions amounting to approximately €0.3 million versus the €4.1 million in 2011 (mainly related to the reorganization process of the Group).

In 2012, overall financial activities (the difference between financial income and charges) showed a negative figure of €3.0 million (-€2.8 million in the previous year). A figure affected by total financial charges of €3.0 million - in line with 2011 - whose main components were interest expense on bank loans (€1.4 million versus €1.7 million in 2011) and charges for bank commissions on credit card payments. The interest expense trend is due, on the one hand, to the improved net financial position and, on the other, to the different use of short-term loans and to the increase in spreads applied, only partly offset by the gradual drop in reference interest rates for M/T loan costs. The impact of exchange activities in 2012 was basically neutral, as in the previous year, thanks also to the risk hedging policy implemented since 2011.

Tax in 2012 amounted to a total negative figure of €0.9 million (-€1.3 million in 2011), and reflects current tax of €1.5 million (the regional *IRAP* tax on some Italian companies and tax on foreign-based companies which posted positive pre-tax income) versus €1 million in 2011, the recognition of deferred tax assets in the year of €0.4 million, relating to the partial recovery of tax losses of prior years (+€0.9 million in the previous year), and other tax recovery amounting to €0.2 million (-€1.2 million in the previous year).

In 2012, consolidated Net Profit came to €0.9 million, greatly improving from the loss of €8.5 million recorded at 31 December 2011.

BUSINESS PERFORMANCE IN 2012

In 2012, the **Domains & Hosting** division of DADA consolidated its position in Europe in the business of professional services for domain registration, hosting, for the creation, management and visibility of web and e-commerce sites, and for online brand protection: important goals were achieved to improve the average renewal rate of services and expand its international user base, which boasted over 510,000 business clients and over 1.8 million total domains managed at the end of the year (over 100,000 new clients acquired and approximately 450 thousand new domains registered during the year).

The 2012 results, despite the entry of some major competitors particularly on the Italian market during the year, were achieved thanks to the evolution and optimization of a series of marketing initiatives and to the expansion of the portfolio of services with the launch of new applications which have received a positive feedback from the market. These include:

- a new reseller program based on a fully customizable control panel to streamline and optimize client management and expand the network of partners, which, just a few months after release, has garnered a total of 4,000 resellers in all of the relevant countries;
- a new version of the product for the development of client e-Commerce sites, designed to enhance their visibility and reachability through search engines;
- a new project - the Register.it School - to support the growth and innovation of Italian SMEs and professionals, through educational programs and in-depth online sessions focused on the web and on the latest technological key developments such



as e-Commerce, Search Engine Optimization, Social Media Marketing, Online Advertising Online and Certified E-mail.

Mention must also be made of:

- a project that started in 2012 and ended at the beginning of 2013, with Register.it accredited by the Italian Digital Agency as one of the official managers of certified e-mail, a digital solution for sending documents with legal validity, giving senders certainty that the message has been sent and delivered to recipients. Certified e-mail will be mandatory in Italy for businesses, professionals, government agencies and, starting from 30 June 2013, also for sole proprietorships. To date, Register.it boasts over 25,000 active clients on its PEC platform;
- DADA's debut on TV in Italy in December with Register.it through a resounding advertising campaign blending TV and web platforms to reach different targets, with the aim of raising the awareness on a massive scale among viewers and users of the importance of the Internet for growth and development.

The **Performance Advertising** division includes DADA's international online advertising business based on online traffic monetization through innovative solutions of vertical and scalable portals at an international level: during the period, the division continued to strengthen its business through the international expansion of its brands Peeplo and Save n' keep, the continuous improvement of its proprietary algorithms and the partnership with the world's main Ad Networks. As announced in November, starting from end September 2012, Google, the leading global online advertising network, started some changing measures regarding the global "policies" governing the ways in which advertisers may acquire traffic on its network. As a result, 4Q12 witnessed a drop in volumes versus the previous months, together with stable margins.

GROUP BALANCE SHEET AND FINANCIAL POSITION AT 31 DECEMBER 2012

The consolidated **Net Financial Position** at 31 December 2012 came to -€26.2 million, improving versus the -€27.0 million at 31 December 2011, thanks to positive cash generation from operating activities (€11.1 million in 2012 versus €7.2 million in the previous year).

The aggregate trend was largely impacted by investing activities totalling €7.7 million (€6.5 million in 2011): 54% referred to intangible assets (with a constant percentage of revenue towards last year) for the internal development of proprietary platforms and for the purchase of new licenses and software. The remaining 46% regarded investments in technology for a total of €3.5 million versus €2.5 million in the previous year, rising mainly on account of investments made in 4Q12 to start the project to realize the new Datacenter in UK, as explained in detail below.

Mention must also be made of non-recurring cash outflows totalling €0.6 million, for the most part related to legal disputes and staff severance.



2012 PARENT STATUTORY FINANCIAL STATEMENTS

DADA S.p.A., the parent, ended 2012 with revenue of €5.2 million versus €7.0 million in the previous year. Mention must be made that the parent's main activity is the provision of Corporate services to Group companies, and that 2012 was the first financial year when it no longer provided these services to the Dada.net division (which contributed to the 2011 result for the first 5 months).

EBITDA amounted to -€1.9 million (versus -€1.6 million in the previous year), while EBIT amounted to -€2.5 million (versus -€2.1 million at 31 December 2011). Net profit came to -€2.0 million (versus 18.0 million at 31 December 2011, a figure largely impacted by the capital gain deriving from extraordinary transactions). The current Net Financial Position (and total, since there are no financial liabilities due beyond one year) at 31 December 2012 showed a positive figure of €15.9 million versus €20.9 million reported at 31 December 2011.

4Q12 CONDENSED FIGURES

In the fourth quarter of the year 2012, the DADA Group achieved revenue of €20.0 million, slightly below the €20.9 million recorded in 4Q11, due largely to the lower volumes reported since October by Performance Advertising, as mentioned earlier.

Consolidated EBITDA came to a positive €2.7 million, with margins accounting for 13.4% of consolidated revenue and on the rise versus 4Q11 (€2.6 million, 12.4% on consolidated revenue). Consolidated EBIT came to €0.6 million versus the negative figure of €3.7 million in 4Q11 (burdened by amortization of intangible assets). Net loss came to -€0.2 million versus -€5.6 million in 4Q11.

SIGNIFICANT EVENTS IN 4Q12 AND AFTER YEAR END

- **Investment in new Datacenter in the UK**

In order to expand the portfolio of solutions offered, improve service quality and reliability and streamline operating costs, in 4Q12 DADA undertook a project to realize a dedicated Datacenter in the UK, a region where the Group incurs a large part of its costs in technology. A strategic partnership was started with a highly experienced UK player who will manage the realization and management of a new facility covering about 5,000 square metres, based on cutting-edge specifications shared by the two parties (Tier 4 level). A large part of the facility will be dedicated specifically to DADA. The agreement has an initial 5-year validity, with the possibility, at DADA's discretion, to be extended for another five years. DADA is expected to invest about €3 million over a three-year period, of which approximately €0.7 million were incurred in 4Q12. The facility will start operations from the second half of 2013.

- **Company reorganization**

As mentioned in the 9M11 results and following completion of the company reorganization process, on 1° January 2013, the newly-formed company, MOQU Adv S.r.l., wholly owned by DADA S.p.A., began operations and now heads up all of the business activities of Performance Advertising. MOQU Adv Ireland Ltd. was also formed, wholly owned by the



former, which will acquire, by February 2013, all the assets and liabilities of Performance Advertising held by Namesco Ireland Ltd., whose operations and accounting and tax effects will run as from 1° March 2013.

- **New branding strategy**

In February 2013, DADA announced the new branding strategy which completes the path undertaken to create a new corporate identity, now focused on the core business of domains, hosting and digital advertising. This brainstorming process, which involved the Italian headquarter and all of the Group's foreign companies, took around 6 months and closed with the statement of the new mission of the Group "The gateway to your digital presence" and with the new logo, more in line with the new corporate identity. DADA aims to consolidate its role as a strategic partner of businesses - big or SMEs - keen on promoting their business through the web, also by leveraging on online advertising solutions.

- **Resignation of two Directors and a Statutory Auditor**

The Board of Directors met today and took note of the resignation of Directors Monica Alessandra Possa, with immediate effect, and Riccardo Stilli, effective as from 1° March 2013 (none held shares in the Company).

The Board, expressing gratitude to Mr. Stilli and Mrs. Possa for their effective contribution to the Company, resolved to replace the latter by co-opting the new Director dott. Maurizio Mongardi who, starting today, joins the Company's Board of Directors till the next Shareholders' Meeting. The CV of the appointed Director is available at the Company's registered office as well as on the Company's website (www.dada.eu, Corporate Governance/Board of Directors and Control Bodies section).

Statutory Auditor Cesare Piovene Porto Godi resigned today for personal reasons, effective as from the next Shareholders' Meeting (called by today's Meeting of the Board as explained below).

OUTLOOK FOR THE CURRENT YEAR

Early indications about the Group's performance in the first two months of 2013 to date would confirm the following forecasts:

- in the **Domains and Hosting** division, 2013 for DADA should be a year of further growth on its main reference markets: the corporate strategy will focus on service quality, optimization of online marketing activities and the launch of new, increasingly-performing products, in line with the advancements of the Web, which combined can help gain new clients and retain the existing customer base. A noteworthy point is the forthcoming launch on all markets of a ground-breaking service to easily and swiftly create - via the web and on mobile devices - professionally advanced sites based on Cloud platforms;
- the **Performance Advertising** division will continue with its strategy of international expansion of innovative solutions for online traffic monetization, thanks also to the release of new portals and development in new languages. The abovementioned points, in particular the changes introduced by Google, provide



reasons to assume that revenue for the year could be lower than the previous year, although on the rise versus 4Q12.

The foregoing project on the realization of the new Datacenter in UK will impact negatively on the 2013 results in terms of higher costs of approximately €1 million, but will allow DADA to achieve economic benefits of about €1 million on an annual basis starting from 2014, when the migration of all the hardware to the new facility will be completed, as well as to have adequate space to sustain the future growth of the Group.

The initiatives implemented to ensure tight control of operating costs and overheads, in order to enhance the Group's efficiency, will continue to be carried out in 2013.

CALLING OF THE SHAREHOLDERS' MEETING

The Board of Directors has also resolved to convene the Annual General Meeting for 11 and 12 April 2013, in first and second call, respectively, at 3PM at the Company's registered office in Florence to:

- approve the Statutory Financial Statements of DADA S.p.A. for the year ended 31 December 2012: regarding net profit for the year, the Board of Directors proposed to carry forward loss for the period amounting to €1,993,664.10;
- integrate the Board of Directors and the Board of Statutory Auditors;
- review the Remuneration Policy pursuant to art. 123-ter of Legislative Decree 58/98;
- resolve on the request to renew the authorization, after revoking the current one, to purchase and sell treasury shares for a period of up to 18 months from the resolution date.

The purpose of this authorization, up to a maximum of ordinary shares representing one tenth of the share capital, is to give the Company a tool of strategic and operational flexibility which will allow it, among other things, to dispose of treasury shares previously acquired and to carry out transactions such as purchases, swaps and assignments including for the purpose of acquiring equity stakes.

Based on the Board's proposal, treasury shares may be purchased at a price not lower than 20% or higher than 10% of the official Stock Exchange price registered on the trading day prior to each purchase. The shares are to be purchased according to the regulations of the Italian Stock Markets organized and managed 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. Currently, the Company holds no treasury shares in portfolio.

The notice of call of the Shareholders' Meeting and the documents relating to the items on the agenda will be made available to the public according to the timing and procedures prescribed by current law.

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

Mr. Federico Bronzi, the manager responsible for preparing the company's financial reports, declares pursuant to Art. 154 *bis* (2) of the Uniform Finance Act (*Testo Unico della Finanza* or TUF) that the financial information contained in this press release corresponds to the Company's records, ledgers and accounting entries.



The Draft of the 2012 Statutory Financial Statements and the 2011 Consolidated Financial Statements, along with the Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, will be made available to the public at the Company's registered office as well as on the Company's website www.dada.eu in accordance with the law. The external auditors are currently completing their audit, but their report has not been issued yet.

DADA S.p.A. - listed on the STAR segment of the Italian Stock Exchange - is an international leader in professional online presence services (domains, hosting, server, online brand protection) and in several advanced online advertising solutions.

With 510 thousand business clients and more than 1.8 million domains under management, DADA is one of the leading names in the European Domain & Hosting sector and is a key player in the markets where it is active: in Italy through its brand Register.it, as well as Spain, the UK, Ireland, France, Portugal and the Netherlands under the brands Nominalia, Namesco, PoundHost, Register365 and the Amen Group, respectively. With regard to online advertising, DADA continues with the strategic international expansion of its Performance Advertising business.

For additional information:

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ATTACHMENTS

CONSOLIDATED FINANCIAL STATEMENTS

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 31 DECEMBER 2012*

In EUR/000	31-December-12		31-December-11**		DIFFERENCE	
	12 months		12 months		Absol.	%
	Amount	%	Amount	%		
Net revenue	84,839	100%	80,276	100%	4,564	6%
Chg, in inventories & inc, in own wk, capitalized	3,640	4%	3,573	4%	66	2%
Service costs and other operating expenses	-57,745	-68%	-55,952	-70%	-1,793	3%
Payroll costs	-18,761	-22%	-18,692	-23%	-69	0%
EBITDA ***	11,973	14%	9,205	11%	2,768	30%
Depreciation and amortizations	-6,890	-8%	-6,958	-9%	68	-1%
Non-recurring income/(charges)	0	0%	-2,414	-3%	2,414	
Write-downs	-21	0%	-3,764	-5%	3,743	
Other provisions and impairment losses	-315	0%	-1,705	-2%	1,390	
EBIT	4,748	6%	(5,636)	-7%	10,384	n.m.
Financial income	1,278	2%	1,099	1%	179	16%
Financial charges	-4,237	-5%	-3,938	-5%	-299	8%
Share of associates	0	0%	0	0%	0	
Capital gain	0	0%	0	0%	0	
Profit/(loss) before taxes	1,789	2%	(8,475)	-11%	10,264	n.m.
Income taxes	-850	-1%	-1,304	-2%	455	-35%
Profit/(loss) from continuing operations	939	1%	(9,780)	-12%	10,720	n.m.
Profit/(loss) from discontinued operations	0	0%	1,238	2%	-1,238	
Group Net Profit/(loss)	939	1%	(8,542)	-11%	9,482	n.m.

* Unaudited

** Following application of International Financial Reporting Standard 5

*** Gross of impairment losses on receivables and non-recurring charges

HIGHLIGHTS ON CONSOLIDATED RESULTS BY BUSINESS UNITS

In EUR/000	31/12/2012 (12 Months)					31/12/2011 (12 Months)				
	Revenue	EBITDA	% on revenue	EBIT	% on revenue	Revenue	EBITDA	% on revenue	EBIT	% on revenue
Domains & Hosting	63,473	11,226	18%	5,181	8%	60,498	8,474	14%	-2,435	-4%
Performance Advertising	20,654	2,728	13%	2,287	11%	18,747	2,355	13%	2,072	11%
Adjustments	712	-1,981	n.m.	-2,719	n.m.	1,031	-1,624	n.m.	-5,273	n.m.
TOTAL	84,839	11,973	14%	4,749	6%	80,276	9,205	11%	-5,636	-7%

THE DADA GROUP'S NET WORKING CAPITAL AND NET FINANCIAL POSITION AT 31 DECEMBER 2012*

In EUR/000	31-Dec-12	31-Dec-11	DIFFERENCE	
			Absol.	%
Fixed assets (A)	91,872	90,918	954	1%
Current operating assets (B)	18,825	19,975	-1,150	-6%
Current operating liabilities (C)	-31,615	-31,936	321	-1%
Net working capital (D)=(B)-(C)	-12,790	-11,961	-829	7%
Provision for termination indemnities (E)	-849	-877	29	-3%
Provision for risks and charges (F)	-1,461	-2,781	1,320	-47%
Other payables due beyond one year (G)	-166	0	-166	
Net capital employed (A+D+E+F+G)	76,606	75,299	1,307	2%
Bank loans (due beyond one year)	-18,679	-17,745	-934	5%
Shareholders' Equity	-50,399	-48,250	-2,149	4%
Current bank borrowings	-10,724	-15,868	5,144	-32%
Current financial receivables and derivatives	1,000	156	844	539%
Current financial payables and derivatives	-810	-1,069	258	-24%
Cash and cash equivalents	3,006	7,476	-4,470	-60%
Current Net Financial Position	-7,528	-9,304	1,776	-19%
Total Net Financial Position	-26,207	-27,049	842	-3%

* Unaudited

STATUTORY FINANCIAL STATEMENTS

RECLASSIFIED DADA S.P.A. INCOME STATEMENT AT DECEMBER 31, 2012*

In EUR/000	31-December-12		31-December-11		DIFFERENCE	
	12 months		12 months		Absol.	%
	Amount	%	Amount	%		
Net Revenues	5,200	100%	7,049	100%	-1,849	-26%
Changes in inventory and internal work	0	0%	0	0%	0	
Service costs and other operating costs	-4,457	-86%	-5,443	-77%	985	-18%
Labour costs	-2,671	-51%	-3,194	-45%	523	-16%
EBITDA **	-1,928	-37%	-1,588	-23%	-341	21%
Amortisation & depreciation	-634	-12%	-697	-10%	63	-9%
Non-recurring income (charges)	0	0%	1,002	14%	-1,002	-100%
Write-downs & other provisions	49	1%	-861	-12%	910	-106%
EBIT	-2,514	-48%	-2,144	-30%	-370	17%
Investment income & dividends	144	3%	14,591	207%	-14,447	-99%
Financial income/(charges)	-499	-10%	-589	-8%	90	-15%
Capital gain	0		6,413		-6,413	
Profit before taxes	-2,868	-55%	18,271	259%	-21,139	116%
Income taxes	874	17%	-260	-4%	1,134	-437%
Net Profit/(loss)	-1,994	-38%	18,011	256%	-20,005	-111%

* Unaudited

** Gross of impairment losses on receivables and non-recurring charges

WORKING CAPITAL AND NET FINANCIAL POSITION OF DADA S.p.A. AT
DECEMBER 31, 2012*

In EUR/000	31-Dec-12	31-Dec-11	DIFFERENCE	
			Absol.	%
Fixed assets (A)	31,473	32,917	-1,445	-4%
Current assets (B)	13,583	10,079	3,505	35%
Current liabilities (C)	-3,712	-3,890	178	-5%
Net working capital (D) = (B)-(C)	9,871	6,188	3,682	60%
Employee leaving indemnity provision (E)	-226	-241	16	-6%
Provision for risks and charges (F)	-626	-1,699	1,072	-63%
Other payables due beyond the following year (G)	-166		-166	
Net capital employed (A+D+E+F+G)	40,325	37,166	3,159	9%
Medium-long term payables	0	0	0	
Shareholders' Equity	-56,224	-58,039	1,815	-3%
Assets held for sale	0	0	0	
Short-term bank debt	-6,913	-5,816	-1,097	19%
Short-term financial payables	-561	-547	-14	3%
Treasury management cash pooling	22,371	23,256	-885	-4%
Short-term financial receivables	1,000	0	1,000	
Cash and cash equivalents	2	3,981	-3,978	-100%
Short-term Net Financial Position	15,899	20,873	-4,974	-24%

* Unaudited